Annual Report and Accounts
Year Ended 30 June 2025

NATIONAL CENTRE FOR SOCIAL RESEARCH
Company Registration Number: 04392418
Charity Registration Number: 1091768
Scotland Charity Registration Number: SC038454

At **NatCen**, we believe that social research has the power to make life better.

Legal and administrative details

Registered name:	National Centre for Social Research
Trading name:	NatCen Social Research
Legal status:	Company limited by guarantee and registered charity
Company registration number:	04392418
Charity registration number:	1091768
Scottish charity registration number:	SCO38454
Registered office:	35 Northampton Square London EC1V 0AX Until 20th October 2025 then 3rd Floor (Tiller) Block 3 Tiller and Lock 250 City Road London EC1V 2AB
Trustees:	Sir Stuart Etherington (Chair of Trustee Board) Stephen West (Resigned 20 February 2025) Peter Havelock (Resigned 22 July 2025) Jude England (Resigned 18 February 2026) Phyllis Macfarlane Mark Duke Desirée Lopez (Resigned 18 February 2026) Bruce Gordon OBE Helen Jane Barnard Oliver James Foster Saratha Rajeswaran Professor John Mohan (Resigned 20 February 2025) Professor Sundari Anitha Professor Alison Park (Appointed 13 November 2025) Nina Skero (Appointed 13 November 2025) James Brooks (Appointed 13 November 2025) Professor Ian Rivers (Appointed 13 November 2025)
Statutory Auditor:	MHA 2 London Wall Place London EC2Y 5AU
Solicitor:	Bates Wells 10 Queen Street Place London EC4R 1BE
Banker:	National Westminster Bank Plc Cavell House 2A Charing Cross Road London WC2H 0NN

Contents

Trustees’ Annual Report including Strategic Report

Annual Accounts

Introduction by Chair of the Trustee Board

1.

1. Introduction by Chair of the Trustee Board

On behalf of NatCen and its Board of Trustees, I am pleased to present this year's annual report, along with the audited financial statements, covering the year ending 30 June 2025.

The last 12 months have been a productive and successful year for NatCen, delivering a financial surplus to support our charitable purpose. Our Chief Executive, Michael Davis, joined the organisation in August 2024, leading NatCen in a programme of transformation to support further innovation in our survey methods, expertise and processes.

As NatCen grows, we have developed opportunities for funding our own research for the public's benefit and to help inform society. In 2024-25, this included our flagship British Social Attitudes (BSA) survey and report. Launched at a high-profile event held both in central London and online, the BSA series of reports covered British democracy and attitudes towards electoral reform, policy challenges, politics and social media, and security threats and military spending.

The Scottish Centre for Social Research (ScotCen) also celebrated its 25th anniversary this year. A reception was held in Edinburgh, with speeches from Paul Bradshaw (Director of ScotCen), Professor Sir John Curtice (Senior Research Fellow) and Audrey MacDougall, Chief Social Researcher at Scottish Government. This event provided an excellent opportunity to meet with clients and colleagues, along with our Scottish interviewers, many of whom have worked with ScotCen throughout its 25 years.

Towards the end of the year, we were delighted to confirm four new Trustees to our Board: James Brooks, Chief Operations Officer, Kantar; Professor Alison Park, Deputy Executive Chair, ESRC; Professor Ian Rivers, Associate Principal, University of Strathclyde and Nina Skero, Chief Executive, Cebr. All bring excellent expertise and strategic value to the governance of the organisation.

My thanks, as ever, goes to the entire Board of Trustees for the enduring support and guidance they provide to NatCen, to ensure the organisation achieves its vision for growth, whilst meeting its charitable objectives, and delivering the high-quality social research it is known and respected for. My continued appreciation goes to the hard-working and dedicated staff team who come together under NatCen's strong sense of purpose. Thank you to every one of our colleagues for their valued expertise and teamwork in achieving our objectives.

I must note that this set of accounts contains a significant event which has altered our financial position which is unfortunately outside of our control. The Defined Benefit Pension Scheme, which is administered by an independent board of Trustees instructed the scheme administrators to undertake a full rectification exercise during 2025 due to errors identified with pensioners benefits calculated by the previous scheme administrator. This rectification work has only completed in June 2026 and has led to a reduction in the total scheme deficit of over £3m. This is also the cause of the delayed filing date for these accounts. Full details are contained in the report.

And finally, NatCen simply could not continue without the contribution from the public who agree to participate in our research studies and surveys. Over 1,200 people per week participate in our variety of research studies and, as an organisation, we are committed and passionate about sharing their voice with those who have the power and influence to inform and change policy to improve society. On behalf of the organisation, its staff team and Trustees, my sincere thanks to everyone who has contributed their views.

Sir Stuart Etherington
Chair of the Board of Trustees

Structure, governance and management

2.

2. Structure, governance and management

Our legal structure

National Centre for Social Research (which also trades under the name "NatCen Social Research"/"NatCen") was founded in 1969 as a registered charity governed by a Trust Deed. In July 2002, it became a company limited by guarantee (04392418) with a new charity registration number in England and Wales (1091768) and Scotland (SCO38454).

NatCen's governing document is its Memorandum and Articles of Association, last amended in July 2017. This establishes the governance of NatCen as the responsibility of the Board of Trustees who are the directors of the company as well as being its members.

As of May 27th 2026 NatCen became the sole member of CFE (Research and Consultancy) Limited (CFE), a company limited by Guarantee. This transaction leaves CFE as a wholly owned trading subsidiary of NatCen which will be incorporated into consolidated accounts for NatCen from year ending June 2026 onwards.

Charitable objectives

The charitable objects of NatCen are 'the advancement of education through research into the social, political and economic sciences, the dissemination to the public of the results of such research and for educational purposes incidental thereto'.

In line with these formal objects, NatCen's principal activity over the past year has been the delivery of a large number of research projects in all areas of social policy, with a particular focus on health and well-being, children and young people, education, crime and justice, income and work, welfare and disadvantage, social attitudes and equalities to inform public policy and wider debate.

Many of the projects we have undertaken included quantitative surveys or qualitative studies carried out throughout the UK. The Scottish Centre for Social Research (ScotCen) is an integral part of NatCen and undertakes research reflecting the distinct characteristics of the social and political landscape in Scotland

Our aim is to contribute to a better society, as a result of high-quality research. All of NatCen's substantive research has direct practical application in terms of understanding social behaviour and informing policy and/or practice. It is used by policy makers and political representatives, the media, academics, university students and social researchers, as well as by charities, industry associations and commercial companies. Increasingly, informed members of the public also take an interest in our research findings.

We have a distinct role to play as a charity in helping to ensure that research is commissioned most effectively for the public good and is of an appropriate quality. At a time when there is more and more information available, increasingly instantaneous and of mixed quality, NatCen has an important function in promoting fit-for-purpose research that can inform and guide policy makers and influencers in making the best decisions for society. We actively engage in the Social Research Association, with Government Social Research, the Economic and Social Research Council (ESRC), and we also respond to public consultations, to improve the commissioning, conduct and use of social research.

A key aim of all our work is to deliver public benefit. We set out how we work to achieve this in Section 3: 'Activities and public benefit'.

Board of Trustees

NatCen is governed by its Board of Trustees who are also its Directors. During 2024/25 the Board comprised the following members, who were acting as Trustees as at the date of this report unless otherwise noted:

- Sir Stuart Etherington: Chair of the Board of Trustees and Chair of Remuneration and Governance Committee.
- Stephen West: Chair of the Audit and Risk Committee and member of the Remuneration and Governance Committee (Resigned 20 February 2025)
- Peter Havelock: (Resigned 22 July 2025)
- Jude England: (Resigned 18 February 2026)
- Phyllis Macfarlane: Member of the Audit and Risk Committee and the Remuneration and Governance Committee.
- Mark Duke: Member of the Remuneration and Governance and the Development Committees and Pension Scheme Trustee
- Desirée Lopez (Resigned 18 February 2026)
- Helen Jane Barnard
- Oliver James Foster: Member of the Development Committee.
- Saratha Rajeswaran: Chair of the Development Committee.
- Bruce Gordon OBE: Chair of the Audit and Risk Committee (from 21 February 2025) and member of the Development Committee and Remuneration and Governance Committee
- Professor John Mohan (Resigned 20 February 2025)
- Professor Sundari Anitha
- Professor Alison Park (Appointed 13 November 2025)
- Nina Skero (Appointed 13 November 2025)
- James Brooks (Appointed 13 November 2025) Member of the Audit and Risk Committee
- Professor Ian Rivers (Appointed 13 November 2025) Member of the Remuneration and Governance Committee

(Biographies of all current Trustees are available at www.natcen.ac.uk/who-we-are/leadership

The Articles of Association allow for a minimum of four and a maximum of 15 Trustees. The Board has a Nominations Committee, chaired by the Chair, which undertakes an open recruitment process for Trustees and recommends new candidates for appointment when necessary, and ensures appropriate recruitment and succession plans are in place. Trustees are appointed for three-year terms and may serve a maximum of three such terms.

On appointment, each Trustee completes a declaration of interests which is held within a register of interests and updated annually. All conflicts are actively managed during the course of all NatCen Trustee business through the early identification of potential areas of conflict and taking actions where necessary to manage this. There is an induction programme for new Trustees that includes information about NatCen and its work, and a programme of meetings with senior staff. Additionally, Trustees are offered a range of training opportunities relating to charity governance and finance to help them meet their responsibilities as directors of a charity. Existing Trustees are also assisted with continuing professional development on an ongoing basis.

Trustees meet formally as a Board with the executive Leadership Team four times a year plus an away day with further meetings as and when needed. They receive regular reports on NatCen's financial position and current activity and are kept informed by the management at other times on organisational news or of significant issues affecting NatCen.

As a Board, Trustees regularly review organisational performance to identify the need and opportunities for new ways of working and also training, which is conducted as required.

Four committees, Audit and Risk, Nominations, Remuneration and Governance, and Development report to the Board with responsibility for the following areas:

- **Audit and Risk Committee**: This Committee reviews financial reporting, the effectiveness of internal controls, risks and risk management processes. It monitors the terms of appointment and the work of both the internal and external auditors and receives and reviews audit reports. The Committee is chaired by Bruce Gordon.

- **Nominations Committee:** The duties of this committee are to recruit new Trustees, review applications and nominations, arrange interviews and appoint new Trustees. The Committee is chaired by Sir Stuart Etherington but only sits when required.

- **Remuneration and Governance Committee**: The duties of this committee are a) approve the remuneration package of the Chief Executive, including bonuses and any other awards informed by a review of his/her performance against the objectives agreed by the Board; b) determine the remuneration of other Leadership Team members based on the Chief Executive's recommendation; c) advise the Chief Executive on affordability of annual staff pay review and d) undertake all necessary board governance in accordance with statutory requirement and voluntary codes the trustee board has approved for adoption. The Committee is chaired by Sir Stuart Etherington.

- **Development Committee.** This Committee provides advice on NatCen's future diversification plans and projects contributing to the strategic plan. The Committee is chaired by Saratha Rajeswaran.

The fundraising currently undertaken by NatCen is limited to collecting donations from the public and selected corporate sponsors. We do not work with any commercial fundraisers, but all donations are regularly monitored. Currently we do not undertake any direct personal marketing to raise funds nor contact individuals directly. Our practices are compliant with recognised standards of the Fundraising Regulator.

In addition to the above committees there is also an Investment Team, which reports to the Audit and Risk Committee. This Team maintains an investment strategy for the Charity's cash assets to maximise return within a risk framework approved by all Trustees. The Team is chaired by the chair of the Audit and Risk Committee and comprises one other Trustee and two members of the leadership team, one of which is the Director of Finance and Chief Commercial Officer.

The Trustees approved a £5m investment in an Ethical Investment Fund (a mixed portfolio of equities, bonds and cash deposits) managed by CCLA Investment Management in November 2021, proposed to the Board by the Investment Team.

The Trustees' original intention was to retain the Ethical Investment Fund long term and for longer than 12 months and the investment was recognised as a Fixed Asset Investment. However, the financial loss recognised in 2022/23 resulted in a net current liability position. In July 2025, Trustees reviewed and approved the potential option of drawing on these investments, including converting all or some of the investment to cash within the next year to meet short-term cash commitments as they fall due. As a result, the Ethical Investment Fund continues to be classified as a Current Asset Investment. The decision to draw on or invest further long-term funds within the Investment Fund shall be kept under annual review by the Investment Team, reporting to the Board. This investment was liquidated in June 2026 and the cash placed on deposit.

NatCen's Investment policy is to seek the best return/growth on any investment funds within an acceptable level of risk and within socially acceptable guidelines.

NatCen's Investment Team chose to conduct a review of investment managers who specialised in Ethical Investment Funds primarily run for Charities as returns on cash savings had fallen to an all-time low and seeking consistent and inflation beating returns on any investment funds would clearly be in NatCen's best interests. All of the investment funds reviewed had consistently delivered inflation beating returns over the previous decade. Having completed the review of investment managers, the Investment Team chose to recommend the CCLA fund due to its high ethical standards, which align with NatCen's and the funds' consistently high returns over the previous decade. The Trustees in approving this recommendation automatically updated the asset allocation of the Investment Policy.

NatCen has adopted a social investment policy to ensure that its investments do not conflict with its charitable objectives. The Charity retains a low appetite for investment risk because of the importance of ensuring cash liquidity in a volatile market and with a significant pension deficit repayment liability. As the investment is a unit fund this offers full liquidity in a short space of time.

The performance of the Fund has been -1.32% (2024: +12.59%) in the last 12 months against a benchmark of +4.82% (2024: +16.73%).

The Board is responsible for setting the aims and direction of NatCen and each year approves the business plan and budget. It also has the power to appoint a Chief Executive and to delegate day to day management of NatCen to him/her. A clear distinction exists between the responsibilities of Trustees and those responsibilities that are delegated to the Leadership Team.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises. Details of Trustee expenses and related party transactions are disclosed in note 5 to the accounts. Terms of reference exist for all committees and are reviewed by the Trustee board periodically.

Consideration of Directors' responsibilities

Section 172 of the Companies Act 2006 requires the Board of Trustees as Company Directors to act in the way they consider, in good faith, would be most likely to promote the success of NatCen to achieve its charitable purposes. The Trustees consider:

The likely consequences of any decision in the long term
The Trustees routinely review and sign off NatCen's strategy and rolling three-year business plans to ensure they understand and agree with the expected long-term outcomes from all strategic decisions. They delegate daily operational decisions to the Leadership Team but are required to approve all decisions which have contractual values over certain limits that could materially affect NatCen's financial performance in any given year. Trustees review performance annually, including the organisation's impact and finances. They formally review corporate risks each year and individual risks more frequently, as necessary.

The interest of NatCen's employees
The Trustees routinely review the organisation's people plans, including for training and development, as well as scrutinising staffing levels, turnover and the affordability of pay awards. The Trustees are updated on the biennial staff surveys and the action plans developed by the Leadership Team that arise from the survey. If release or redundancy schemes are necessary, they are referred to the Audit and Risk Committee.

The need to foster NatCen's business relationships with suppliers, customers and others
The organisation maintains and fosters a diverse network of customers and suppliers, which is documented and subject to routine checks and internal audit. We have a published "customer promise"

and the Trustees are updated annually on NatCen's customer feedback survey, as well as being engaged in discussions about strategic partnerships, particularly with academic institutions both as suppliers and customers. Trustees regularly attend events hosted by NatCen disseminating research conclusions to relevant parties as well as engaging internally with staff on new research methods and findings.

The impact of NatCen's operations on the community and the environment
NatCen has a duty to observe the highest standards when dealing with the community it serves, including the general public who provide the data that drives our research, and consequently project work is subject to review by a research ethics committee. NatCen is working together with NSPCC to review and develop current safeguarding procedures to ensure they are of the highest standard.

The environmental impact of NatCen is limited. We have an environmental policy and have established a staff environment committee regularly reviewing how we can improve energy usage and other environmental impacts. In recent years we have introduced LED lighting across a number of our office spaces, reduced paper and single use plastic consumption by over 50% and have a commitment to reducing vehicle journeys across our organisation through smarter technology and planning of travel. We have ISO 14001 accreditation. Trustees have discussed and inputted into these plans.

The desirability of NatCen maintaining a reputation for high standards of business conduct
The nature and high quality of NatCen's work, delivering a number of UK National Statistics along with key research for long term planning and policy making of both Government and the charity sector, make maintenance of high standards, both in the work we do and our overall conduct, of key importance. We give great weight to information security, including annual staff training, maintain and refresh policies, including for our quality system (Q-Pulse); and are annually audited to maintain accreditation to ISO-20252. Routine reports on such matters are made to Trustees and discussed at Audit and Risk Committee, as necessary. The value to decision making and improving knowledge of our society is fundamental to NatCen's objectives and to our customers and supply chain.

The need to act fairly
We aim to be a fully inclusive organisation which is relevant and accessible for anyone working for NatCen or benefitting from our work. NatCen is an equal opportunities employer and values diversity, for example in welcoming applications to recruitment exercises from all sections of the community. We maintain an active Equality and Diversity Group and LGBT+ network. The organisation is signed up to the Market Research Society's CEO pledge and the Race at Work Charter We have improved the communication and transparency in this area in recent years, both with staff and more widely, for example in holding and making staff survey results available and in publishing gender pay gap statistics. Trustees are presented routinely with such information, providing appropriate challenge as necessary.

Leadership Team

The Chief Executive is the key leader and manager with oversight across the organisation.

He is responsible for reporting to Trustees on the operation of the organisation, including its financial position. He is also responsible for appointing the Leadership Team who oversee the everyday operations at NatCen and help him deliver his functions.

The Executive Leadership Team at the date of this report comprises of:

Chief Executive	Michael Davis
Deputy Chief Executive	Gillian Prior
Director of Finance and Chief Commercial Officer	Robert Swinchatt
Director of People and Culture	Lola Olujobi

The Chief Executive, supported by his Leadership Team, is responsible for implementing the strategy and policies agreed with Trustees, including the 3-year business plan, and reporting on its performance to the Board.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Chief Executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

The pay of the charity's Chief Executive is reviewed annually by the remuneration committee and is normally increased in accordance with annual earnings. The pay is benchmarked against commercial competitors.

Our funding and resources

NatCen is funded by grants and income from its research activities. Its clients are a wide range of organisations, including government departments and agencies, research councils, regulatory bodies, universities, charities and (on occasion) the corporate social responsibility divisions of commercial organisations. All of NatCen's funding is contract or grant-related; currently it receives no core funding from any source.

NatCen employed an average of 394 full-time equivalent staff for the year ended 30 June 2025 (2024: 410).

NatCen is organised in two Centres to further strengthen our capability to deliver quality and impactful research. Our Policy Research Centre is focused on delivering mixed method qualitative and quantitative policy research studies and evaluations, and our Social Survey Division has expertise in large-scale and complex surveys across the full spectrum of data collection modes.

The Scottish Centre for Social Research (ScotCen) is a unique but integral part of NatCen that serves the research needs of Scotland. ScotCen is not a separate organisation but delivers the same survey and policy research and survey research for Scotland using NatCen's central organisational resources and systems. It has a local management team reporting to the Leadership team.

NatCen also has a panel of interviewers and nurses covering England, Scotland and Wales, and a panel of telephone interviewers based in our Harold Hill office from January 2024 having previously been based in Brentwood. The management and training of our interviewers is co-ordinated through our Data Collection and Field Division and supported by a network of Field Managers.

All staff are communicated to about organisational updates and successes via a variety of channels

Our approach to our work

NatCen is an equal opportunities employer. We recognise that everyone should be treated with respect and dignity and that a working environment, including training provision, must be provided which is free of any form of discrimination, harassment, bullying or victimisation. In addition, we provide access arrangements at each of our permanent sites in order to allow unrestricted employment of individuals who have special access needs. We give full and fair consideration in our recruitment practices to applications for employment received from disabled persons, having regard for their aptitudes and abilities. Staff who become disabled during employment are treated fairly and with respect, having due regard to The Equality Act. NatCen is committed to the effective implementation of this policy and will not condone any form of discrimination, whether engaged in by employees or by outside third parties who interact with the organisation.

We apply these work policies to those staff who we employ directly and also to those workers to whom we sub-contract on an associate, temporary, freelance or casual worker basis. We do not currently use volunteer staff.

CFE (Research and Consulting) Limited

NatCen was formally approached by the members of CFE in early 2026 when the members identified that CFE did not have adequate funding under its own targets and was not in a position to continue trading beyond 2026 without action.

CFE had identified NatCen as a like-minded organisation which was suitable to offer its assets to under their memorandum and articles. Prior to doing so CFE undertook a restructuring exercise in March 2026 to constitute a smaller organisation that would be capable of trading profitably with NatCen's support.

NatCen Trustees subsequently reviewed and approved the proposal from CFE that NatCen become sole member of CFE and support it as a trading subsidiary going forward in April 2026.

NatCen became sole member of CFE on 27th May 2026.

Pension Scheme Rectification

The pension scheme trust, which is managed by an independent board of trustees, ordered a pension rectification exercise in 2025 following the scheme moving to a new administrator who subsequently found errors in pensioners previously calculated benefits.

The pension rectification exercise was substantial and involved a complete redrafting of the scheme rules covering the period from inception in the 1970's through to closure to new accruals in 2016.

Following this work, completed in May 2026 the scheme has restated the benefits of all pensioners in line with the new rules. This has produced a significant reduction in the future pensionable benefits of both active and deferred members of the scheme but also identified a number of active members who have been either overpaid or underpaid in the past.

The scheme made a number of recommendations to NatCen Trustees which required NatCen approval. These were all reviewed and confirmed as follows:

1. Not to request that the pension scheme seeks to recover previous overpayments to active pensioners on the grounds of reputational damage and that the cost of recovery would be in excess of any recoverable amounts, both of which would hinder NatCen's ability to deliver its charitable purpose.
2. Moving forward all active pensioners should have their benefits revised to the correct amount
3. Scheme should not honour any previous estimation given to deferred pensioners but only pay correct future benefits
4. The conclusion of the Pension Scheme Trustees concerning the correct date for final pensionable salary benefits before the scheme moved to career average earnings basis in January 2007.

The impacts of this rectification on the financial results for the current and prior year are fully detailed in section 7.

Environmental impact

NatCen's key environmental impacts are:

1. the electricity consumed at all offices
2. the gas consumed at its London and Ashton Gate offices
3. the miles driven by its staff and fieldworkers

The amount of energy consumed for each of NatCen's offices and based on bills for the year ended 30 June 2025 was as follows (prior year restated as we are now disclosing location and market based emissions and business travel scope 3 energy use in kWh):

	Gas (kWh)	Electricity (kWh)	Mileage (kWh)
London	123,184	86,117*	-
Ashton Gate	95,570	105,189	-
Edinburgh**	-	8,996	-
Non-Office Based	-	-	3,672,605
Sub-totals	218,754	200,302	3,672,605
Grand Total		**4,061,661**	

*The London office's electricity consumption of 86,117kWh comes exclusively from renewables and nuclear power and is excluded when calculating our CO2 emissions in the market based report below.

** Usage based on estimate for year as invoiced for actual use by letting agent in arrears.

The amount of energy consumed for each of NatCen's three offices and based on bills for the year ended 30 June 2024 was as follows:

	Gas (kWh)	Electricity (kWh)	Mileage (kWh)
London	120,746	76,547*	-
Ashton Gate(from Sep 23)**	50,544	63,259	-
Brentwood (to Jan 24)	-	23,601	
Edinburgh**	-	14,022	-
Non-Office Based	-	-	4,266,708
Sub-totals	171,290	177,429	4,266,708
Grand Total		**4,615,427**	

*The London office's electricity consumption of 76,547kWh comes exclusively from renewables and nuclear power and is excluded when calculating our CO2 emissions in the market based report below.

**Usage at the Ashton Gate office was higher in the first few months following the office move due to the power required during the fit-out period.

*** Our letting agent for the Edinburgh office changed in the year and the amount of electricity recharged to NatCen was significantly lower. Prior year usage was an estimate based on bills available pre-pandemic.

The miles driven by NatCen's staff and fieldworkers for the year ended 30 June 2025 were:

Staff	6,316
Fieldworkers	3,311,933
Grand total	3,318,249

The miles driven by NatCen's staff and fieldworkers for the year ended 30 June 2024 were:

Staff	6,265
Fieldworkers	3,876,773
Grand total	3,883,038

Quantification and Reporting Methodology

We have followed the 2019 UK Government environmental reporting guidance and Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard.

Based on the conversion factors given in:

Conversion_Factors_2024_-_Condensed_set__for_most_users published on:

https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024,

Intensity ratio

The intensity ratio we are using is the number of tons of CO2 emitted per FTE member of staff as counted on the mid-point of the reporting period (2024/25: 407, 2023/24: 416). This measure is less likely to vary due to factors other than genuine changes in NatCen's level of emissions. These numbers give us an intensity ratio of 2.42 tons of CO2 per FTE, a decrease of 0.29 ton per FTE on last year.

In comparison, NatCen employed 394 FTEs during the year ended 30 June 2025 (2023/24: 410 FTE). This gives us an intensity ratio of 2.51 tons of CO2 per FTE, a decrease of 0.24 ton per FTE on last year.

Comparative figures

The tables below shows how NatCen's performance has changed in terms of the number of tons of CO2 created by its activities in the past three years.

Location Based report

CO_2 tons	2022/23		2023/24		2024/25	
Gas (Scope 1)	23	-1	31	+8	39	+8
Electricity (Scope 2)	37	+4	37	-	42	+5
Driving (Scope 3*)	973	-363	1,061	+88	907	-154
Total	1,033	-360	1,129	+96	988	-141
Intensity ratio	2.66	-1.78	2.75	+0.09	2.51	-0.24

Market Based report (excludes renewable and nuclear energy electricity consumption in London)

CO_2 tons	2022/23		2023/24		2024/25	
Gas (Scope 1)	23	-1	31	+8	39	+8
Electricity (Scope 2)	21	+2	21	-	24	+3
Driving (Scope 3*)	973	-363	1,061	+88	907	-154
Total	1,017	-362	1,113	+96	970	-143
Intensity ratio	2.61	-1.78	2.71	+0.1	2.46	-0.25

* Driving has been restated as Scope 3 from Scope 1 as all driving mileage is undertaken in staff or fieldworker owned vehicles and is therefore indirect. These emissions relate to travel required for staff to undertake project work and for fieldworkers to travel to respondent addresses to conduct in home interviews.

Impact reduction measures

We have taken the following measures to reduce the impact of our work on the environment:

1. Produced an environmental policy and published it on NatCen's external-facing website
2. Created and published a Carbon Reduction Plan
3. Fully offset our emissions each year since 2019/20 through the purchase of carbon credits and committed to NatCen remaining carbon neutral
4. Nominated a senior manager to lead NatCen's work to minimise its environmental impact
5. Created an internal staff-led Environmental Group which meets regularly
6. Achieved ISO 14001 accreditation
7. Reduced the number of laser printers in our three offices from 16 to 9
8. Switched the supplier of electricity in our London office to one which doesn't create CO2 in the course of generating that electricity

These measures have not changed during the year.

Auditor

MHA have been re-appointed as the charitable company's external auditors.

Activities and public benefit

3.

3. Activities and public benefit

How we delivered public benefit in 2024/25

Our approach

Delivering public benefit is at the core of NatCen's mission. We aim to do this by:

- **Producing high quality research,** using talented researchers and the most robust methods to create the evidence that shapes policy and practice, ultimately making society better.
- **Communicating what we learn** about society to policymakers and practitioners, so they have the best information on which to base their decisions. Activities undertaken to communicate our findings include identifying and making use of opportunities to present our research findings to relevant and specific policy makers, practitioners and interest groups.
- **Reflecting what we find back to the public,** so people have the information they need to make informed decisions.
- **Innovating in research methodology** to improve research quality, including tackling key challenges facing quant and qual research**.**

The above framework is informed by the Charity Commission's criteria that charities providing research should ensure that their work is useful, is shared with a wide audience and is conducted for public benefit.

The Trustees confirm that they have had regard to the Charity Commission's public benefit guidance as required by section 17 of the Charities Act 2011.

Our achievements and performance

Last year we asked management to deliver our charitable objects by continuing to deliver high-quality research projects, ensuring this research is communicated to relevant policy audiences and the public, and continuing NatCen's tradition of methodological innovation.

High quality research
One of the central ways in which NatCen has impact is as a supplier of high-quality social research. We are commissioned by many clients, including government, to collect data that makes it both possible to track the effectiveness of policies, to see where interventions are needed in areas such as health and education, and to evaluate the success of these interventions. In this way, our research interacts directly with the policymaking process.

Our Social Surveys Directorate conducts most of the UK and Scottish Governments' major social surveys. These studies provide robust and reliable data across a wide range of policy areas and include the English Housing Survey, Family Resources Survey, Health Survey for England, National Diet and Nutrition Survey, Scottish Crime and Justice Survey, and the Welsh National Travel Survey.

The data from most of the major surveys that we collect is submitted to the UK Data Archive so that non-commercial researchers and institutions can analyse the data freely, maximising its potential impact on social policy.

As an organisation, we monitored our impact over 2024-25 and collect impact case studies, a selection of which appear below.

Impact case study project: *The Big Listen*
In March 2024, Ofsted launched the Big Listen, a consultation that asked for people's views on how to improve Ofsted's approach to inspection and regulation. The aim was to give stakeholders, including parents, carers, and the public, an opportunity to give their feedback on Ofsted's work. As part of this project, NatCen was commissioned to conduct research specifically with the public and parents/carers. The findings from this were presented to Ofsted and were incorporated into the wider report from the consultation. Following the published research, the Department for Education removed single-word judgements. This work directly informed policy decisions and shaped public policy debate, maximising Ofsted's focus on the most vulnerable children and learners.

Impact case study project: *Not in Employment, Education or Training (NEET)*
Funded by the Youth Futures Foundation, NatCen were commissioned to explore the extent and degree of overlap between different forms of marginalisation among young people (aged 13 to 25) in England, and how experiencing multiple types of marginalisation may increase the risk of young people not being in employment, education, or training (NEET). Five domains of marginalisation were explored, covering 19 individual risk factors. The underlying data has informed tools to understand the risk factors within different local authorities, with a view to helping build on place-based interventions to support young people. Since the research has been published, this work has also been presented as oral evidence at the House of Lords Social Mobility Policy Select Committee, presenting the definition of NEET and outlining the risk factors.

Impact case study project: *English Housing Survey*
The English Housing Survey (EHS) is a major government survey into homes and housing in England. It is commissioned by the Ministry of Housing, Communities and Local Government, and conducted by NatCen, working with Building Research Establishment and CA Design Services. The findings from this annual survey are regularly used to inform policy. Most recently, this research has been regularly referenced in debates as the Renters' Rights Bill progresses through UK Parliament. The findings have also specifically informed discussions around disabled persons in the housing sector, pensioner poverty, mould and damp, and homelessness.

Impact case study project: *SEND Futures*
In collaboration with the National Children's Bureau, NatCen was commissioned by the Department for Education to conduct a survey of 3,000 parents of young people with Special Educational Needs and Disabilities (SEND). The primary aim of the study was to shape the methodology of a full-scale longitudinal study focusing on young people with SEND and their families. It also offered an opportunity to gather views from parents and young people and to illustrate the types of insights a mainstage study could provide. The challenges this kind of study brings was presented at the European Social Research Association (ESRA) conference to share the methodological insights.

Impact case study: *Family Court Reporting Pilot and transparency in the family courts*
Following a review of transparency in the family courts, which was instigated by the President of the Family Division, a recommendation was made to enable accredited journalists and legal bloggers to report on family cases, within the parameters of a 'Transparency Order' made by judges in the respective cases. A pilot was rolled out in family courts in Cardiff, Leeds and Carlisle and NatCen was commissioned to evaluate this pilot. Following this positive evaluation, the Ministry of Justice approved the change for journalists and legal bloggers to be allowed to report on family court cases across England and Wales, which came into effect on 27 January 2025. Transparency is no longer restricted to pilot courts and will be permanent. Journalists will be able to request a transparency order in all family courts to allow them to report what they see and hear, access key documents and speak to families – provided they keep them anonymous.

Impact case study project: *Disposable vapes in the UK*
Cancer Research UK commissioned the Scottish Centre for Social Research (ScotCen) to conduct a

study into the use and perceptions of disposable vapes among adults in the UK. Adults across the UK were asked for their views of disposable vapes and e-cigarettes, in a context in which the UK government announced its intention to legislate to ban the sale of disposable e-cigarettes. Since the publication of this research, it has since been presented to the Department for Health and Social Care, Department for Environment, Food and Rural Affairs, and the Scottish Government.

Impact case study project: *Survey Futures*
NatCen is one of the co-investigators on this UK Survey Data Collection Methods Collaboration project (also known as Survey Futures). This is funded by the Economic and Social Research Council (ESRC) and NatCen is leading four of the research strands, as well as examining training and capacity building for the social surveys research sector. We have published research exploring the measurement differences by mode, and the changing role of face-to-face interviewing. This research has focused on improving survey methods and the findings have been presented at the European Social Research Association (ESRA) conference to share evidence and good practice, so that surveys can continue to deliver high quality research to inform policy.

Self-funded research and dissemination activity
In addition to our client commissioned and grant funded work, NatCen carries out research and dissemination activity which is either unfunded or only partially funded by external organisations, in accordance with our charitable objects. In the last year this included:

Society Watch: Delivering the Government's Devolution Revolution
This policy briefing paper, published in May 2025, as part of the Society Watch series, provided insights into the public's attitudes towards devolution. In December 2024, the UK Government unveiled its plans to decentralise power, publishing the English Devolution White Paper, to support select areas in accelerating their move towards devolution. We convened a deliberative workshop with residents of Sussex to explore how they wanted their new combined authority to function, and to test a model for how further devolution deliberations could be carried out. Sussex was selected as a case study because it's due to experience some of the biggest changes, going from very low levels of devolved power to the creation of a new combined authority.

The headline findings from this work were shared in a response to the Ministry of Housing, Communities and Local Government's consultation on devolution. The briefing paper was picked up by regional media, the public sector and local policymakers, including councillors from East Sussex. This research also directly fed into a similar project we were commissioned for by Essex County Council as they navigate their own journey towards devolution.

British Social Attitudes – Exploring public opinion and policy challenges amid fragmented politics
British Social Attitudes (BSA) is our long-running flagship annual survey of public attitudes and our key tool for informing public debate. The 42nd British Social Attitudes (BSA) reports were published on 25 June 2025, as the Labour Government approached one year in power. The latest data explores public opinion amidst the ongoing challenges of weak economic growth and struggling public services. We analysed trust in government and politicians since Labour's election win, and the 'health' of Britain's democracy. BSA explores how public attitudes align with Labour's policies for addressing the substantial challenges facing the UK, including public spending priorities and public services. The reports also looked at the impact of social media on political attitudes, as well as public perspectives towards military spending, security and defence amid increasing global political shifts and international conflicts.

These reports were launched at an event and, alongside NatCen speakers, Anneliese Dodds MP also spoke at this session, providing her reflections on this research. Over 400 people were in attendance at this event, which included representatives from the British Future, Cabinet Office and other government departments, Electoral Commission, Electoral Reform Society, Growth and Reform Network, Institute for Government, Joseph Rowntree Foundation, National Housing Federation, Nuffield Trust, TaxPayers' Alliance, The Royal Foundation, US Embassy London, and the Wellcome Trust. Extensive media coverage of these findings were also achieved, with over 350 mentions in the media, including articles in the Daily Express, Daily Telegraph, Financial Times, The Guardian and The Times.

The annual British Social Attitudes survey provides a useful time series of public attitudes and is regularly cited in Parliament. In 2024-25, this result in 21 citations, informing debates on decriminalising abortion, the Terminally Ill (End of Life) Bill, education and social care.

Communicating and reflecting back to the public

In addition to communicating with policy makers, data users and practitioners, we are committed to reflecting our findings back to the public so they have the information they need to make informed decisions, including offering a window on the performance of government itself.

Our research almost invariably requires some cooperation from the British public. They take part in our surveys. They are the teachers or students in education evaluations and the users of the government programmes we want to better understand. They give us an extraordinary amount of information about their daily lives; for example, filling in our diaries with what they eat and what they are doing. They let us weigh them, measure their children and take their blood. We are committed, therefore, to reflecting back to the public what we find out about them, especially on the issues that affect them directly.

One of the main ways in which we do this is through regular engagement with the media. In 2024-25, NatCen's work has been mentioned in the media 10,855 times. This media coverage is an increase of 12% on the previous year. These mentions also includes references to our flagship survey, British Social Attitudes, as well as work conducted by the Scottish Centre for Social Research (ScotCen) and NatCen International, however, these numbers do not include all of the additional mentions of research we have conducted in the name of our clients.

Compared to last year's numbers, our following on X (the social media platform formerly known as Twitter) has decreased by 8.6%. This reflects a common trend across the platform that many users are experiencing since the ownership changed hands in 2022. This has provided an opportunity to explore additional social media platforms and our following on LinkedIn has grown by 26% during the same period.

Traffic to the NatCen website and user engagement continues to grow, with 1.082 million page views and 53K file downloads (975K page views and 40K downloads respectively in the previous year.)

Financial Review

4.

4. Financial Review

Overview

2024/25 was a transitional year with the appointment of a new Chief Executive in year and the development of an updated strategy and three-year plan coming into effect from 2025/26. The year itself was an improvement on the previous year with total income growing to £53.2m from £51.7m. During the year NatCen completed restructuring programs in both the Policy Research and Operations areas to address the cost base and higher staffing levels than future income projections could support. The result of these changes was charitable expenditure in the year increasing to £52.1m from £50.8m generating Net Income for the year of £1.0m.

We must note at this point that as a result of the pension rectification work referred to in section 2 and detailed in full in note 17 of section 7 we have had to restate the prior year result to reflect the position that should have been reflected for the defined benefit pension scheme liability. This affects the movement in net funds on the Statement of Financial Activities with no impact on the net income and the pension scheme deficit amount on the balance sheet.

During the year 2024/25 NatCen generated total incoming resources of £53,187k (2023/24: £51,718k). Of this £52,628k (2023/24: £51,354k) was from charitable activities, with a further £553k (2023/24: £360k) from investment income. 78% of total income in 2024/25 related to research carried out for UK Government (73% in 2023/24).

Survey Research income fell slightly in the year whilst Policy Research income grew. Survey Research income fell to £42,312k (2024: £42,417k) and Policy Research income rose to £9,871k (2024: £8,475k) Other charitable income fell to £445k (2024: £461k).

Total expenditure during the year was £51,988k (2023/24: £50,775k) all of which related to research studies. This resulted in net income for the year of £1,199k (2023/24 £942k net income).

Total project costs (Direct project costs, Indirect project costs and Direct research costs) have increased in the year to £38,195k from £37,497k reflecting the increased income however the cost mix has changed with Direct project costs falling whilst the other two categories have increased due to higher levels of internal resource in year.

The charity’s freehold London properties were valued on a “Fair Value” basis by BNP Paribas Real Estate as at 30 June 2020 at £6,040k. During the year £276k of improvement works were carried out and capitalised increasing the carrying value of the properties to £6,316k. The annual Trustee review of the carrying value of the properties for impairment purposes agreed that no impairment was required. Trustees considered the carrying value of the freehold properties and compared with the higher of value in use and market value. Trustees’ intentions are to sell the property in the future for residential development rather than for commercial purposes. Their expectations are that the market value would be substantially higher as at 30 June 2025 based on research and third-party advice. This sale would be subject to obtaining the necessary planning permission for change of use.

The charity recognised an actuarial gain on its defined benefit pension scheme of £3,706k in the year (2023/24: £80k gain restated from £2,889k actuarial loss) which is also included in the statement of financial activities on page 38. The restated gain in 2023/24 is a result of the pension rectification work which is detailed in note 17 of section 7. The gain in 2025/26 is the gain in year due to asset performance and is not impacted by the rectification. We have an established long-term plan in place to address our pension deficit as defined in our reserves policy and more detail on the actuarial movements can be found in the going concern and pension notes.

An investment loss of £72k was recognised in the year (2023/24: £610k gain) Therefore, the overall net movement in funds in 2024/25 was an increase of £4,833k (2023/24: increase of £1,631k restated from decrease of £1,337k).

The Trustees review NatCen's performance annually against a number of financial and non-financial Key Performance Indicators (KPI's) including income and net income, cashflow and cash at bank, headcount development and staff turnover, new business development (value of work won and win rate), forward order book, customer satisfaction, media circulation and reporting impact.

Balance Sheet and Reserves

Net assets before the pension scheme liability increased to £13,895k at June 2025 from £13,011k at June 2024. The Trustees approved a £5m investment in an Ethical Investment Fund in November 2021 (page 11). NatCen's investments totalled £5,384k at 30 June 2025 (2024: £5,457k). The pension liability decreased in the year to £17,183k (2024: £21,132k restated from £24,101k). NatCen's net liabilities, including the pension scheme liability decreased to £3,289k (2024: £8,122k stated from £11,090k).

Going Concern

The Trustees are aware of their responsibilities to ensure that NatCen remains a going concern. NatCen has negative net assets due to its pension scheme liability, but NatCen has an existing "deficit contribution" scheme agreed with the Pension Scheme Trustees (PST) which ensures that the liability can be repaid over a period of the next 12 years. A revised repayment plan was agreed in March 2023.

The Trustees recognise that the key target for the going concern basis is to generate sufficient net income each year to deliver cash generation, after investment, which will more than cover the agreed payments under the deficit contribution scheme. These payments started in April 2019 and totalled £1,218,000 per annum with a 2% inflationary uplift each April. As of April 2023, this contribution changed to £1,300,000 per year with a 2.5% inflationary uplift each April. NatCen updates financial targets each year and has a new rolling three-year plan which is now projected to the 2027/28 financial year. The current long-term strategy and rolling 3-year business plans support the achievement of this target. The latest three-year plan was approved by Trustees in July 2025. The next plan is scheduled to be reviewed and approved by Trustees in July 2026.

The pension scheme liability, which is required to be recorded in NatCen's balance sheet under FRS102 can cause large movements in NatCen's net assets. The valuation of the pension scheme liability results from a number of factors including actuarial assumptions used such as corporate bond yields, and the movement in these assumptions are largely outside of the control of the charity. As a result, the liability to the pension scheme has moved up and down as follows (including the costs of curtailment in 2016):

	£K
2011:	(9,391)
2012:	(14,538)
2013:	(7,000)
2014:	(11,639)
2015:	(13,880)
2016:	(23,910)
2017:	(23,785)
2018:	(21,174)
2019:	(26,986)
2020:	(37,133)
2021:	(31,641)

2022:	(18,094)	
2023:	(21,409)	
2024:	(21,132)	(restated from £24,101k)
2025:	(17,183)	

The deficit has been restated for 2024 due to the pension rectification work which is fully detailed in note 17 of section 7. The result of the rectification was a reduction in liabilities of £2,969k as at June 2024 reducing the deficit to £21,132k at that time and resulting in a restated actuarial gain of £80k in 2023/24 compared to a previously reported actuarial loss of £2,889k. The adjustment to liabilities as at June 2024 represents the cumulative impact of the rectification work to that point but would have affected prior years as well however as these valuations were completed by a previous actuary and scheme administrator it has not been possible to restate years prior to 2024.

The pension scheme liability is very sensitive to a number of assumptions used in the calculation of the liability but equally has been left exposed by the falling returns in bond yields over recent years, something particularly exacerbated in 2016 by the market volatility experienced following the EU referendum and then by the impact of the Covid pandemic on equity markets in 2020. The most recent valuation has been impacted by changes in assumptions to long term inflation plus improved asset performance of the scheme in the last 12 months. The actuarial assumptions have been derived based on market conditions at the year end. The discount rate has increased from 5.21% at 30 June 2024 to 5.60% at 30 June 2025. RPI inflation fell from 3.44% at 30 June 2024 to 3.10% at 30 June 2025. CPI inflation fell from 2.94% at 30 June 2024 to 2.60%at 30 June 2025.

The Trustees believe that the 3-year business plan which will move us back to delivering annual surpluses in excess of pension deficit contributions is achievable, and that NatCen has built adequate cash reserves and will make the necessary investments to once again deliver this by the end of the current 3-year planning cycle. As a result, the company remains able to pay its liabilities and remains a going concern. The Trustees do not consider there are any material uncertainties concerning future activities or events that would create going concern difficulties.

Reserves

Total funds held by NatCen at 30 June 2025 were negative £3,288,824 (2024 – negative £8,121,519 restated from £11,090,011). £4,975 relates to restricted funds as at 30 June 2025 (2024 - £10,760) All other funds are unrestricted.

Of the total funds held by NatCen, there is one fund materially in deficit, the Pension Reserve, which has a deficit of £17,183,298. The deficit has arisen in common with most defined benefit schemes over the last two decades due to falling future investment yields and increasing life expectancy which has left the majority of such schemes under-funded. The scheme was closed to future accrual in March 2016 in agreement with the Pension Trustees and the scheme members and an agreed contribution payment plan was put in place. Payments resumed as of April 2019 at £1,218,000 per year with a 2% uplift in payments effective each April and this payment schedule remained in place until March 2023. From April 2023 the payment of annual contributions was revised to £1,300,000. These payments will increase annually on each 1 April by 2.5% per annum, with the first increase on 1 April 2024. An additional contribution may be payable prior to 31 March each year, contingent on financial performance and NatCen's free reserves being greater than 3 months operating cashflow for fixed overheads as at 30th June the previous year. The payment shall be 30% of the excess free reserves over 3 months. As Trustees, we review the level of funds against our reserves policy at least twice a year to ensure that it meets NatCen Social Research's changing needs and circumstances. The policy itself is reviewed as part of our annual review of accounting policies with a full formal review conducted at least once every three years.

Free reserves are defined by NatCen as the general fund less tangible fixed assets not already represented by separate designated funds (property funds of £6,040,000 including the revaluation reserve of £3,025,539), before the FRS102 pension liability.

The Trustees have determined that the pension liability should not be included as part of free reserves as the relationship with the pension trust is good and they are supportive of the business model making it highly unlikely that there will be a demand for this liability to be repaid outside of the agreed deficit reduction plan. Free reserves are therefore only considered at an operational level.

The Trustees consider it desirable to hold free reserves based on operating cash flow to cover fixed overhead. This policy was adopted in 2017/18 to reflect the fundamental costs of sustaining the business without the variable costs related directly to projects.

The Trustees consider that free reserves equating to two months operating cash flow for fixed overhead (2025: £4.6 million, 2024: £4.5 million) is in their opinion a reasonable target reserve level to mitigate any business interruption due to unforeseen events. The Trustees have set a target to grow the free reserves level to six months operating cash flow for fixed overhead over the medium term as they consider this to be the desirable position to meet all current short-term obligations.

Operating cash flow for fixed overhead is defined as the cash requirements to cover all costs not incurred solely for the purposes of delivering client projects and principally includes staff salaries, building and office costs, IT equipment, software and licences, professional fees and any other overhead which cannot be terminated without further cost due to the termination of a project. In addition, the operating cash flow for fixed overhead includes all scheduled cash payments against the defined benefit pension scheme deficit.

At 30 June 2025, we held positive free reserves of £5,104,758 which constitutes 2.2 months budgeted operating cash flow (2024 – positive £4,267,086, 1.9 months). Based on our revised business plan for 2025-2028 we plan to generate sufficient surplus and positive cash flow to support both the scheduled pension scheme deficit reduction payments and future investment and would expect to maintain free reserves at the target level.

This plan has been approved by the Trustees and forms the basis for the continued going concern status confirmed in the financial review section.

Risk Management

The Trustees recognise their responsibility for the oversight of key risks facing the organisation. During the year Trustees have reviewed and approved a risk register, which is updated regularly, to ensure that all of the key risks facing the organisation have been identified, that their likelihood and impact have been appropriately assessed, and that controls are in place to mitigate the effects of these risks. The risk register covers both direct financial risks but also non-financial risks, such as the risk of falling response rates or other quality issues.

Day to day identification and management of risks is delegated to the Chief Executive and the Leadership Team. The register is maintained by the Director of Finance and Chief Commercial Officer and risks are regularly reviewed by the Leadership Team in the ordinary course of business.

Key risks and mitigations identified on the risk register are:

Going Concern/Financial Sustainability
The Trustees recognise that NatCen has had several years of net income being less than annual pension deficit repayments, remains in a net liability position and operating in an increasingly competitive marketplace with severe margin pressure. This has placed a strain on the financial reserves and the financial sustainability of NatCen.

The Trustees believe that both the latest 3 year rolling plan approved in 2025, and the longer-term strategy aiming of building the charity to consistently deliver an annual surplus in excess of the annual pension scheme deficit contributions will provide NatCen with the financial resources to deliver the plan and cover all foreseeable future obligations.

Market risk, Competition and Government spending – NatCen competes for business and contracts with other significant providers of social research. It is dependent for its financial sustainability on its ability to tender for, and win, contracts in the future. This is part of its normal course of business. NatCen is therefore subject to the risk that either the market shrinks, or that it fails to maintain its market share. NatCen is highly reliant on Government contracts and therefore is at risk from reductions in spending by relevant Government departments, an increased risk since the Covid Pandemic and the associated Government borrowing.

NatCen is actively seeking to widen its client base, diversify its work streams, invest in new technology and methodology and work within more strategic partnerships with other agencies on major projects to share capacity and risk.

Pensions – the defined benefit pension scheme liability is large by comparison with its other assets. The pension scheme position needs to be fully understood and managed so that its effect on NatCen's financial position can be managed.

NatCen restarted deficit repayment contributions of £1,218,000 per annum to the scheme in April 2019 with a 2% uplift each April revised to £1,300,000 per annum from April 2023 with a 2.5% uplift each April. Under the latest agreed deficit reduction plan payments will be paid monthly over a period of 17 years and 6 months from April 2019.

Plans for Future Periods

As part of the fundamental revision of the business plan first approved in 2017 the plans for future periods were to focus on two key areas:

- Income growth. This key area will always remain but is currently focussed on diversification into new areas of methodology and client base but also on forging strategic partnerships across academia and similar not for profit institutions as ourselves.
- Quality and excellence. This key area principally covers working practices and efficiency improvements but has a wider remit to improve quality across the organisation in not only how we do things but what we offer the client.

Cost containment remains a constant part of the organisation's working practices and is not a unique key focus area although has been an area of increased focus during the current difficult trading conditions.

The revised plan and annual revisions form the communicated targets throughout the organisation and the metrics by which organisational performance is measured.

Following the net expenditure result of 2022/23 the two financial years since have seen a recovery to net income of around £1.0m in both years which was short of the minimum £1.3m target set by Trustees post Covid. In line with previous years the organisation sets out an updated three-year plan each year targeting growth and increased sustainability and the current plan, presented to Trustees in November 2025, focusses on growing net income levels to well in excess of £1.3m by 27/28.

Alongside the new three-year business plan, the Leadership Team has set a longer-term strategy to reposition NatCen for the future to ensure relevance and the platform to continue to grow and deliver its charitable aims.

Post balance sheet event

As of May 27th 2026 NatCen became the sole member of CFE (Research and Consultancy) Limited (CFE), a company limited by Guarantee. This transaction leaves CFE as a wholly owned trading subsidiary of NatCen which will be incorporated into consolidated accounts for NatCen from year ending June 2026 onwards.

At the point NatCen became sole member CFE had net assets of £350,000 and an orderbook of £1,000,000. The orderbook is not sufficient for CFE to trade profitably over the next 12 months and as such NatCen will work with CFE to drive growth and to utilise CFE's resources on NatCen work with the target of bringing CFE back to a position of at least break even in the next year.

In October 2025 NatCen moved its head office to new leased premises less than a mile from the previous location. The old offices, which are owned by NatCen, are intended to be marketed for sale in the summer of 2026.

Trustees' statement of responsibilities

5.

5. Trustees' statement of responsibilities

The Trustees, who are also the Directors of National Centre for Social Research for the purposes of company law, are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report, which also contains a directors' report as required by company law and including the strategic report (shown under the following headings; Charitable Objectives (included within Structure Governance and Management), Activities and Public Benefits and Financial Review) was approved by the Trustees in their capacity as Directors and signed on their behalf by Sir Stuart Etherington, Chair of the Board of Trustees.

Sir Stuart Etherington
30 June 2026

Independent Auditor’s report

6.

6. Independent Auditor's report to the Trustees and Members of National Centre for Social Research

Opinion

We have audited the financial statements of National Centre for Social Research (the 'charitable company') for the year ended 30 June 2025 which comprise the Statement of Financial Activities including summary income and expenditure account, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 30 June 2025 and of its 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charitable company 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. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained with 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Trustees' report (incorporating the Strategic Report and the Directors' Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 or the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Trustees' statement of responsibilities included in the Trustees' Annual Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance concerning actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Challenging assumptions and judgements made by management and Trustees on significant accounting estimates;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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 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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sudhir Singh FCA (Senior Statutory Auditor)
For and behalf of
MHA
Statutory Auditor
London, United Kingdom

Date: 30 June 2026
MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC312313).

Financial statements

7.

7. Financial statements

Statement of financial activities including the summary income and expenditure account for the year ended 30 June 2025

	Notes	2025 Restricted Funds £	2025 Unrestricted Funds £	2025 Total Funds £	2024 Total Funds (restated) £
Income					
Income from charitable activities:					
Income from research studies	2	218,388	52,409,780	52,628,168	51,353,761
Other income		-	6,000	6,000	3,599
Investment income:					
Interest receivable		-	553,035	553,035	360,182
Total income		218,388	52,968,815	53,187,203	51,717,542
Expenditure					
Expenditure on charitable activities					
Research studies	3	236,956	51,751,092	51,988,048	50,775,228
Total expenditure		236,956	51,751,092	51,988,048	50,775,228
Net income/(expenditure)/ for the year		(18,568)	1,217,723	1,199,155	942,314
Transfers between funds		12,783	(12,783)	-	-
Other recognised gains and losses					
(Loss)/Gain on investments	7	-	(72,262)	(72,262)	610,259
Remeasurement of defined benefit pension scheme liability	15	-	3,705,801	3,705,801	* 79,251
Net movement in funds		(5,785)	4,838,479	4,832,694	* 1,631,824
Reconciliation of funds					
Fund balances brought forward	11	10,760	(8,132,279)	(8,121,519)	(9,753,343)
Fund balances carried forward	11	4,975	(3,293,800)	(3,288,825)	*(8,121,519)

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 42 to 65 form part of these financial statements.

Amounts as restated due to prior period adjustments are flagged with *

Balance Sheet as at 30 June 2025

Company number: 04392418

	Notes	2025 £	2025 £	2024 £	2024 (restated) £
Fixed assets					
Tangible fixed assets	6		8,784,741		8,732,837
Current assets					
Stocks	8	1,318,557		935,849	
Debtors	9	10,285,959		13,090,564	
Cash at bank and in hand		15,593,582		13,428,987	
Investments	7	5,384,298		5,456,560	
		32,582,396		32,911,960	
Liabilities					
Creditors: amounts falling due within one year	10	(27,472,664)		(28,634,114)	
Net current assets/(liabilities)			5,109,732		4,277,846
Total assets less current liabilities			13,894,473		13,010,683
Net assets excluding pension scheme liability			13,894,473		13,010,683
Defined benefit pension scheme liability	15, 17		(17,183,298)		(21,132,202)
Net liabilities including pension scheme liability			(3,288,825)		(8,121,519)
The funds of the charity					
Unrestricted funds					
General fund	11	7,849,498		6,959,923	
Unrestricted designated funds					
Property fund (including revaluation reserve £3,025,539)	11	6,040,000		6,040,000	
Total Unrestricted Funds			13,889,498		12,999,923
Restricted Funds	11		4,975		10,760
Pension reserve	11, 17		(17,183,298)		(21,132,202)
Total funds			(3,288,825)		(8,121,519)

The notes on pages 42 to 65 form part of these financial statements.

The financial statements on pages 38 to 65 were approved and authorised for issue by the Trustees and signed on their behalf by:

Sir Stuart Etherington, Chair of the Board of Trustees
Date: 30 June 2026

Statement of Cash Flows for the Year Ended 30 June 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash provided by operating activities	16		2,463,932		2,247,356
Cash flows from investing activities					
Bank interest received		553,035		360,182	
Cost of purchasing tangible fixed assets		(852,372)		(1,425,846)	
Net cash used in investing activities			(299,338)		(1,065,664)
Increase in cash and cash equivalents in the year			2,164,594		1,181,692
Cash and cash equivalents at the beginning of the year			13,428,987		12,247,295
Cash and cash equivalents at the end of the year			15,593,581		13,428,987

Analysis of changes in net debt

	1 July 2024	Cash flows	Foreign exchange movement	30 June 2025
Total cash and cash equivalents	13,428,987	2,168,587	(3,993)	15,593,581
Total	13,428,987	2,168,587	(3,993)	15,593,581

1. Accounting policies

General information

NatCen is a charity registered in England and Wales (charity number: 1091768) and Scotland (SC038454), it is also a private company limited by guarantee without share capital. It was incorporated on 12 March 2002 (company number: 04392418) and registered as a charity on 26 April 2002. Details of the registered office can be found on page 3 and details of the principal activities can be found in the Trustees' Annual Report.

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) (second edition effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

NatCen meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

Key judgements and estimates

Key judgements and estimates that NatCen have made include:

The valuation of the defined benefit pension plan has been determined by updating the results of the 31 March 2022 full actuarial valuation to 30 June 2025. This was carried out by a qualified actuary independent of the charity. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of the scheme, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, the management considers the market yields of AA corporate bonds consistent with the currency and term of the defined benefit obligation. The mortality rate is based on publicly available mortality tables, which uses data for UK self-administered pension schemes and allows for expected future improvements in longevity. Future salary increases and pension increases are based on expected future inflation rates as determined by the Bank of England interest rate with a consistent term of the defined benefit obligation at the valuation date. Further details are given in Note 15.

During the period the pension scheme completed a rectification exercise which has had a significant impact on the actuarial valuation of the scheme deficit. Further details can be found in section 2 and note 17 in this section. The overall impact resulted in a reduction of the scheme liabilities and deficit by £2,889k as at June 2024 which is reflected in the restated 2024 amounts in this report. This revision is carried forward into the 2025 valuation.

Freehold land and property are valued by a qualified external surveyor where it is judged and agreed by the Trustees that it is likely that there has been a material change in value.

In order to conclude whether it is appropriate to treat NatCen as a going concern when preparing these financial statements, the Trustees apply judgement, having considered the current and future business

activities as well as NatCen's key risks. In arriving at this judgement there are assumptions and estimates involved in calculating future cash flow projections. This includes expectations of revenue, estimates and cost of future funding and pension deficit repayments.
The recognition of project income is based on the percentage of completion method which is the actual total costs incurred to date as a proportion of the total budgeted costs.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Going concern

As stated in the Financial Review, Trustees regularly review the charity's financial position to ensure that it remains a going concern.

The Trustees do not anticipate that any material uncertainties exist that will impact the charity's ability to continue as a going concern. Trustees believe NatCen will continue to have the cash reserves to meet all liabilities as they fall due.

The Trustees believe that the pension deficit shown on the balance sheet will not crystallise in the short term, but it is expected to be funded as necessary over the service lives of the related employees, through annual contributions. The Trustees consider that the 3-year business plan shall fulfil the revenue required to generate sufficient future cash balances to allow this position to be maintained and will be adequate for NatCen to meet its liabilities as they fall due.

The Trustees have therefore concluded that it is appropriate to treat the charity as a going concern when preparing these financial statements.

Income recognition

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

Income is recognised in the accounts as follows:

Project income including grants. Project income, whether derived from contracts or grants and net of VAT where applicable, is recognised on an accruals basis based on stage of completion. Project expenditure is also accounted for on an accruals basis based on stage of completion. This satisfies the requirement to account for revenue and costs in accordance with performance under the contract or performance related grant. Where independent work streams are delivered by NatCen and third-party contract collaborators under one contract the costs and income for each work stream are recognised independently but on the same accruals basis based on stage of completion. Invoices presented in advance of costs being incurred are recorded as project deferred income within creditors. Income for work completed but not yet invoiced is recorded as project accrued income within debtors.

Government grants Government grants are recognised at fair value when there is reasonable assurance that NatCen will comply with the conditions attaching to them and the grants will be received.

Expenditure recognition

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 obligation can be measured reliably.

Expenditure is included in the accounts as follows:

a) **Respondent incentives**. Respondents are given cash and voucher incentives for survey participation. At the point at which a fixed incentive is provided to the respondent, an expense is recorded against the relevant project. Where NatCen issues incentive vouchers which can be reclaimed if not cashed, the expense booked is an estimate based on historical encashment rates and adjusted to actual cost once un-cashed vouchers are reclaimed.

b) **Operating leases**. Rental payments for operating leases are charged to expenditure on a straight-line basis over the term of the lease.

c) **Charitable activity expenditure**. All expenditure is classified in the Statement of Financial Activities as research studies.

d) **Governance costs**. Governance costs are included in support costs. They include:

- 10% of staff costs of the employees who are engaged in governance activity;
- All direct costs for governance activities including Trustee expenses and indemnity insurance, legal, external audit and professional support costs; and
- 2% of overhead costs pertinent to these governance activities.

e) **Support costs.** Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs are apportioned based on revenue between charitable activities of Policy Research and Survey Research undertaken in the year.

Fund accounting

a) **Unrestricted Funds** can be used on the charitable objects as the Trustees see fit and are further subdivided into **general funds and designated funds** which are earmarked for a particular purpose by the Trustees.

NatCen's only **designated fund** is the value of our freehold London properties. (2025 and 2024: £6,040,000).

b) **Restricted Funds** are funds which are grants to be used in accordance with specific restrictions imposed by the funder. The nature and purpose of the restricted funds are set out in note 11 of the financial statements.

Tangible fixed assets

a) **Capitalisation**. Tangible fixed assets are capitalised where they exceed £5,000 as single or grouped assets. With the exception of freehold property and land, tangible fixed assets are initially recorded at cost and subsequently measured at cost less depreciation and any impairment. Freehold property and land are initially recognised at cost and subsequently recorded at market value, based on a full third-party valuation when the Trustees judge it likely that there has been a material change in value, less any subsequent impairment. Gains and losses on valuation are recognised in the Statement of Financial Activities.

b) **Depreciation**. Depreciation of fixed assets is provided at annual rates which will write down the assets to their residual value over their useful lives, as follows:

Freehold property and land	Land has an indefinite life and therefore no annual depreciation charge. The expected useful economic life of the freehold property results in immaterial depreciation and therefore no annual charge is made.

Leasehold improvements	Costs spread equally over 5 years from date of installation or remainder of lease if less than 5 years.
Fixtures, fittings and non-electronic equipment	Costs spread equally over 5-10 years from date of installation.
Computers, software and electronic equipment	Costs spread equally over 5 years from date of installation or useful life if less than 5 years
Assets under construction	No annual depreciation is charged until the asset is brought into use and transferred into the relevant asset heading above.

Fixed asset impairment reviews on all tangible fixed assets are conducted by the management when changes in circumstances indicate that impairment may have occurred in accordance with FRS 102, section 27 “Impairment of Assets”.

Finance leases. Assets under finance leases are capitalised in the balance sheet and depreciated over the shorter of the lease term or their useful economic lives. The cost of interest under the terms of the finance lease is charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Foreign currency. Income and expenditure in foreign currencies are recorded in Sterling at the exchange rate applicable at the time of the transaction. Any outstanding balances at the end of the accounting period are translated at the closing rate. Exchange gains and losses are recognised in the Statement of Financial Activities.

Stock. The value of stock relates to items held to be used as respondent incentives and is stated at the lowest of cost and net realisable value. Cost is determined on a First In First Out (FIFO) basis.

Financial instruments. NatCen only has financial assets (investments, trade debtors, project accrued income and other debtors) and financial liabilities (trade creditors, accruals, finance lease and other liabilities) of a kind that qualify as basic financial instruments which are initially measured at cost and subsequently recognised at their settlement amount. NatCen has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Creditors and provisions. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

VAT. On 1 August 2013, the exemption of business research supplied between eligible bodies was removed. Research contracts signed after that date have attracted VAT at the UK standard rate. Research grants remain outside the scope of VAT and educational activities remain exempt. Input VAT on overheads and mixed-income projects is subject to the standard partial exemption method agreed with HM Revenue & Customs. Irrecoverable VAT has been included within the relevant expenditure or asset category.

Taxation. NatCen is a registered charity within the meaning of Part 4 of the Charities Act 2011 and Section 6 of the Finance Act 2010. Accordingly, NatCen is exempt from taxation in respect of income or capital gains received within categories covered by Section 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes for public benefit.

Termination benefits. Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Retirement benefits. For the defined benefit retirement plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, less the fair value of plan assets. The rate used to discount the benefit obligation is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligation.

Actuarial gains and losses arising are recognised immediately in other recognised gains and losses in the Statement of Financial Activities.

Net interest on the pension scheme liability is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets and is included in expenditure in the Statement of Financial Activities.

Gains and losses on curtailments and settlements are recognised in net income/expenditure when the curtailment or settlement occurs.

For the defined contribution scheme and auto-enrolment contributions, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Employer defined contribution pension costs are allocated to the unrestricted funds only.

Investments. Investments are measured based on a mark to market policy, initially recognised at their transaction value and subsequently measured at fair value using the closing quoted market price. Realised and unrealised gains and losses arising are combined and recognised immediately in other recognised gains and losses in the Statement of Financial Activities. It is not practicable to distinguish investment income and investment management costs from the investment scheme with reasonable accuracy. The investment income and investment management costs have therefore been reported net within the changes in fair value of the investments. CCLA receive charges based on 0.95% of the value of funds under management directly from the COIF Charities Ethical Investment Fund.

Investments are classified as current assets when the charity does not intend to hold the cash or cash equivalents as part of its on-going investment activities for more than one year from the reporting date.

Investments are classified as fixed assets when the charity intends to hold the cash or cash equivalents as part of its on-going investment activities for more than one year from the reporting date.

2. Income from research studies

With the exception of investment income, NatCen derives all of its income from research projects which fund all specific project costs and other administrative costs. NatCen receives a very small amount in donations and no payments in kind or core funding towards the general pursuit of its charitable aims.

Research income arose from the following sources:	2025 £	2024 £
Policy Research	9,871,238	8,475,210
Survey Research	42,311,919	42,417,488
Other research studies	445,011	461,063
Total income from research studies	52,628,168	51,353,761

A foreign exchange loss of £3,993 has been recognised in 2025 (2024: loss of £53).

Policy Research is work carried out in relation to the direct and immediately identifiable impact of individual policy decisions, Survey Research is repeated measurement of social impact to observe trends across long term time frames. Other research studies include Methods projects and income in respect of NatCen Learning.

£218,388 of Policy Research income was restricted (2024: £355,335 Policy Research income was restricted).

3. Analysis of expenditure on charitable activities

For the year ended 30 June 2025

	Policy Research £	Survey Research £	2025 £	2024 £
Charitable activities				
Direct project costs	3,995,948	20,314,656	24,310,604	26,038,369
Indirect project costs	938,198	7,300,669	8,238,867	7,239,732
Direct research costs	3,085,419	2,560,150	5,645,569	4,218,872
Property costs	338,969	317,615	656,584	906,044
IT costs	304,646	1,305,830	1,610,476	1,577,425
Non-payroll staff costs	392,695	1,661,030	2,053,725	2,182,654
Depreciation	148,124	634,916	783,040	668,883
Irrecoverable VAT	39,241	168,200	207,441	161,977
Service costs	182,744	1,813,865	1,996,609	1,584,160
Support costs	1,226,762	5,258,371	6,485,133	6,197,112
Total resources expended	10,652,746	41,335,302	51,988,048	50,775,228

£236,956 of Policy Research expenditure was restricted (2024: £355,408 Policy Research expenditure was restricted)

For the year ended 30 June 2024

	Policy Research £	Survey Research £	2024 £
Charitable activities			
Direct project costs	3,663,788	22,374,581	26,038,369
Indirect project costs	984,042	6,255,690	7,239,732
Direct research costs	2,399,939	1,818,933	4,218,872
Property costs	409,877	496,167	906,044
IT costs	263,785	1,313,640	1,577,425
Non-payroll staff costs	372,342	1,810,312	2,182,654
Depreciation	111,854	557,029	668,883
Irrecoverable VAT	27,087	134,890	161,977
Service costs	106,133	1,478,027	1,584,160
Support costs	1,036,311	5,160,801	6,197,112
Total resources expended	9,375,158	41,400,070	50,775,228

Support costs

	2025 £	2024 £
Management	463,122	381,175
Marketing & Comms	383,758	467,388
Human Resources	1,111,118	930,694
Finance	979,198	1,083,638
Defined Benefit Pension	1,313,530	1,333,124
IT	1,622,710	1,525,827
Facilities	264,691	198,725
Governance	347,006	276,541
Total	6,485,133	6,197,112

Governance costs include staff costs of £39,904 (2024: £34,309) , overheads of £74,174 (2024: £106,249) including Trustee insurance, expenses, audit and legal fees of £232,928 (2024: £135,981).

Net expenditure is stated after charging:

	2025 £	2024 £
Fees payable to charity's auditors for audit of annual financial statements (net of VAT)	39,000	36,500
Depreciation - owned assets	783,040	668,883
Operating lease rentals		
- land and buildings	232,610	457,487
- other	9,309	6,228
Stock expensed	2,056,488	2,463,546

4. Staff costs

	2025 £	2024 £
Wages & salaries		
Direct employees	17,164,653	16,029,405
Temporary, freelance and casual workers	7,288,903	7,604,871
Social security costs		
Direct employees	1,761,080	1,606,775
Temporary, freelance and casual workers	454,402	386,554
Pension costs		
Employer's contributions to defined contribution schemes	1,173,084	1,134,411
Operating costs of the defined benefit scheme	30,862	34,970
	27,872,984	26,796,986

The cost (in addition to the above) of temporary/interim staff employed through an agency was £538 (2024: £74,724)
Non-contractual termination payments of £257,832 were paid in the year relating to ex gratia payments and pay in lieu of notice authorised by Trustees (2024: £43,537) Contractual termination payments of £227,245 were paid or accrued at the year-end relating to statutory redundancy payments (2024: £85,275).
No discretionary, non-contractual staff bonuses including social security and pension costs were accrued in the year (2024: £80,400)

	2025	2024
The average monthly number of employees during the year was as follows:		
Direct employees		
Research	243	226
Data Collection	102	123
IT	17	32
Other support including CEO	52	53
	414	434

NatCen Social Research employed 394 full-time equivalent staff during the year (2024: 410).

Temporary, freelance and casual workers (average monthly)		
Research and data collection	687	731

The number of higher paid employees was as follows:

	2025	2024
Taxable emoluments band		
£60,001-£70,000	23	20
£70,001-£80,000	10	7
£80,001-£90,000	4	4
£90,001-£100,000	-	2
£100,001-£110,000	1	-
£120,001-£130,000	1	1
£130,001-£140,000	1	1

£140,001-£150,000	1	-
£170,001-£180,000	1	1
	42	36

The total employee benefits (including employer pension and national insurance contributions) of the key management personnel (as detailed on page 13) of the charity were £245,522 (2024: £228,421).

NatCen made contributions to defined contribution pension schemes on behalf of all employees whose emoluments exceeded £60,000 and the total contributions payable during the year amounted to £227,688 (2024: £190,576)

5. Trustee insurance, expenses and related parties

Indemnity insurance for management and corporate liability providing £5m of cover (reducing to £0.25m for Employment Practices Liability cover) has been taken out on behalf of the Trustees at an annual cost of £21,448 (2024: £24,248).

No Trustees received remuneration in the year (2023: £Nil). Travel and accommodation expenditure incurred by the Trustees associated with attendance at Trustee meetings held in London during the year was reimbursed where claimed. The total expenses for 2 Trustees reimbursed this year amounted to £787 (2024: £1,941 – 2 Trustees).

Trustee Transactions
The Trustees are involved in a variety of organisations, some of which are either suppliers to, or clients or partners of, NatCen. The Trustees were not personally involved in these contractual decisions, did not have a controlling interest in either party and received no personal gain from the transactions. Whilst these transactions do not represent related party transactions for financial reporting purposes, the Board has agreed that it is important to disclose these transactions in the interest of transparency and good governance.

Mark Duke is a Trustee of the Defined Benefit Pension Scheme. This is a recognised conflict of loyalty that is actively managed during the course of Trustee business by the early identification of potential areas of conflict and taking any necessary actions to manage this.

Oliver Foster is a Board member of Durham University. NatCen paid Durham University £1,600 for collaborator services (2024: £8,000)

There were no outstanding balances at the year end in respect of Trustee transactions.

6. Tangible fixed assets

	Freehold land & property	Leasehold improvements	Computers, software & electronic equipment	Fixtures, fittings & non-electronic equipment	Total
	£	£	£	£	£
Cost or valuation					
At 1 July 2024	6,040,000	883,113	5,576,991	356,027	12,856,131
Additions	276,181	19,943	517,885	38,363	852,372
Disposals	-	-	(41,909)	(155,182)	(197,091)
At 30 June 2025	6,316,181	903,056	6,052,967	239,208	13,511,412
Depreciation					
At 1 July 2024	-	147,793	3,702,787	272,714	4,123,294
Charge for the year	-	75,671	683,713	23,656	783,040
Disposals	-	-	(24,481)	(155,182)	(179,663)
At 30 June 2025	-	223,464	4,362,019	141,188	4,726,671
Net book value					
At 30 June 2025	6,316,181	679,592	1,690,948	98,020	8,784,741
At 30 June 2024	6,040,000	735,320	1,874,204	83,313	8,732,837

The historical cost of NatCen's freehold properties is £3,014,461. A valuation of NatCen's freehold properties (35 Northampton Square, EC1 and 14 Wyclif Street, EC1) was carried out by BNP Paribas Real Estate (an independent valuer) in June 2020. The Valuation was prepared in accordance with the Red Book, incorporating the International Valuation Standards 2020 and United Kingdom Valuation Standards ("UKVS") and assumptions made related to tenure, letting, town planning, the condition and repair of the buildings and site and ground and groundwater contamination. The fair value assigned to the properties was £6,040,000 and a revaluation gain was recognised in the year to 30 June 2020.

Necessary repair work to the building exterior was undertaken and capitalised in the year at a cost of £276,181 increasing the net book value of the property to £6,316,181.

7. Investments

	2025 £	2024 £
Fair value at the start of the year	5,456,560	4,846,301
Net (loss)/gain on change in fair value	(72,262)	610,259
Fair value at the end of the year	5,384,298	5,456,560

Investments continue to be classified as current assets due to the Trustees' intention to draw on the investment within the 2026 financial year. The investments were liquidated in June 2026 with a gain in fair value of £81,540 since June 2025.

All equity investments held are listed investments.

8. Stocks and work in progress

	2025 £	2024 £
Stocks	1,318,557	935,849

9. Debtors

	2025 £	2024 £
Trade debtors	4,893,528	6,444,929
Project accrued income	4,589,566	5,903,943
Other debtors	38,235	27,741
Prepayments	764,630	713,951
	10,285,959	13,090,564

10. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	2,003,153	1,191,488
Project deferred income *	20,074,549	22,290,048
Tax and social security	1,185,834	1,514,296
Accruals	4,019,005	3,453,836
Other liabilities	190,123	184,446
	27,472,664	28,634,114

* Project deferred income refers to work that has been paid for by clients in advance of performance. The relevant income is recognised when the work has been performed.

*** Project deferred income**

	2025	2024
	£	**£**
At 1 July	22,290,048	20,026,249
Deferred during the year	20,074,549	22,290,048
Released to the Statement of Financial Activities in the year	(22,290,048)	(20,026,249)
At 30 June	20,074,549	22,290,048

11. Funds

Unrestricted funds	Balance at 1 July 2024 (Restated) £	Income £	Expenditure £	Transfers £	Balance at Gains/ (losses) and revaluations £	30 June 2025 £
General fund	6,959,923	52,968,815	(51,994,195)	(12,783)	(72,262)	7,849,498
Designated fund-property:						
at cost	3,014,461	-	-	-	-	3,014,461
revaluation	3,025,539	-	-	-	-	3,025,539
	6,040,000	-	-	-	-	6,040,000
Pension reserve	(21,132,202) As restated	-	243,103	-	3,705,801	(17,183,298)
Total Unrestricted	(8,132,279)	52,968,815	(51,751,092)	(12,783)	3,633,539	(3,293,800)
Restricted Funds	10,760	218,388	(236,956)	12,783	-	4,975
Total Restricted	10,760	218,388	(236,956)	12,783	-	4,975
Total Funds	(8,121,519)	53,187,203	(51,988,048)	-	3,633,539	(3,288,825)

The Property fund has been set up to recognise the freehold property and land owned by the Charity and is equivalent to the net book value of the freehold property and land. Any revaluations or impairments of the freehold property and land are added to this fund.

The Pension reserve has been created to separately identify the pension deficit from the Defined Benefit Pension Scheme, and through which all the pension scheme movements are recognised. The fund is in deficit, but given the nature of the liability, this is not payable immediately. Plans are in place to meet the deficit. The defined benefit pension costs of £1,097,726 are offset by the defined benefit pension contributions payable of £1,340,829 resulting in total negative expenditure of £243,103.

Restricted funds relate to grant funded research projects for GambleAware and Cancer Research UK.

The GambleAware research projects relate to Stigmatisation and Discrimination of experiencing Gambling Harms in Great Britain, Gambling Harms amongst People living with Disabilities, Neurodiversity, and/or Mental Health Challenges, Gambling Harm interventions and Exploring the relationship between gambling behaviour, suicidality and treatment support. There were four GambleAware projects undertaken in the year. Fund balance carried forward at 30 June 2025 was £4,975 (2024: £9,229).

The Cancer Research UK research project relates to use and appeal of disposable vapes among adults. Fund balances carried forward at 30 June 2025 were nil (2024: £1,531).

Movement in funds for the year ended 30 June 2024

Unrestricted funds	Balance at 1 July 2023 £	Income £	Expenditure £	Gains/ (losses) and Revaluations (restated) £	Balance at 30 June 2024 (Restated) £
General fund	5,604,440	51,362,207	(50,616,983)	610,259	6,959,923
Designated fund-property:					
at cost	3,014,461	-	-	-	3,014,461
revaluation	3,025,539	-	-	-	3,025,539
	6,040,000	-	-	-	6,040,000
Pension reserve	(21,408,616)	-	197,163	79,251	(21,132,202)
				As restated	As restated
Total Unrestricted	(9,764,176)	51,362,207	(50,419,820)	689,510	(8,132,279)
				As restated	As restated
Restricted Funds	10,833	355,335	(355,408)	-	10,760
Total Restricted	10,833	355,335	(355,408)	-	10,760
Total Funds	(9,753,343)	51,717,542	(50,775,228)	689,510	(8,121,519)
				As Restated	As Restated

12. Analysis of net assets between funds

For the year ended 30 June 2025

	Fixed assets	Net current assets less creditors due after one year	Defined benefit pension scheme liability	Total
	£	£	£	£
General unrestricted fund	2,744,741	5,104,757	-	7,849,498
Restricted funds	-	4,975	-	4,975
Property fund	6,040,000	-	-	6,040,000
Pension reserve	-	-	(17,183,298)	(17,183,298)
	8,784,741	5,109,732	(17,183,298)	(3,288,825)

For the year ended 30 June 2024

	Fixed assets	Net current assets less creditors due after one year and provisions	Defined benefit pension scheme liability (restated)	Total (restated)
	£	£	£	£
General unrestricted fund	2,692,837	4,267,086	-	6,959,923
Restricted funds	-	10,760	-	10,760
Property fund	6,040,000	-	-	6,040,000
Pension reserve	-	-	(21,132,202)	(21,132,202)
			As restated	As restated
	8,732,837	4,277,846	(21,132,202)	(8,121,519)
			As restated	As restated

13. Company status and membership

The company is a private company limited by guarantee and does not have a share capital. In the event of the company being wound up, the liability of each member is limited to £1. At the year end there were 11 members who were all Trustees.

14. Operating leases

Total minimum payments payable for land and buildings under operating leases due within:

	2025 £	2024 £
1 year	271,166	263,391
2 - 5 years	679,279	1,073,055
Greater than 5 years	-	31,078
Total	**950,445**	**1,367,524**

Total minimum payments payable for other operating leases due within:

	2025 £	2024 £
1 year	6,654	7,260
2 - 5 years	-	6,654
Total	**6,654**	**13,914**

15. Retirement benefit schemes

Overview of schemes in operation

NatCen operates two retirement benefit schemes: the first is a defined contribution scheme that was opened to new members on 1 July 2010. The second is a defined benefit scheme which was closed to all new NatCen employees at the same date and all future accrual in March 2016. In addition, NatCen also contributes to two pension schemes following the commencement of auto enrolment.

Defined contribution scheme

The defined contribution scheme is a Group Personal Pension Plan with staff contributions being invested with Scottish Widows. Employee and employer contributions are paid directly to Scottish Widows who hold the funds in a personal account for the employee. Contributions invested by Scottish Widows are invested in funds selected by the employee from a range on offer. NatCen, as the employer, contributes 7.5% of the employee's salary with employees contributing a minimum of 4%. There were 216 members at 30 June 2025 (2024: 213) The contributions payable by NatCen charged to profit or loss totalled £735,848 (2024: £696,575) of which £59,605 are included in creditors at the year-end (2024: £56,809).

The default retirement age is 66, although benefits may be taken from age 55. The level of benefits at retirement is dependent on the value of the funds accrued, retirement age and type of retirement benefits selected.

Auto enrolment

To encourage greater pension savings, the Government has introduced auto enrolment. This requires employers to enrol eligible employees into a pension scheme automatically. Eligible staff and freelancers working with NatCen have been enrolled automatically from 1 October 2013. The staff scheme is operated by Scottish Widows, and the freelancer scheme is operated by The People's Pension. There were 133 members of staff contributing to the Scottish Widows auto-enrolment scheme at 30 June 2025 (2024: 167) and 332 freelancers contributing to The People's Pension auto-enrolment scheme at 30 June 2025 (2024: 348). NatCen's contribution to both schemes in 2025 was £437,236 (2024: £437,836) of which £33,762 are included in creditors at the year-end (2024: £36,635).

Defined benefit scheme

NatCen sponsors the National Centre for Social Research Retirement Benefits Scheme (the Scheme) which is a funded defined benefit arrangement. This is a separate Trustee administered fund holding the pension scheme assets to meet long term pension liabilities. With effect from 1 January 2007, the benefits were accrued on a Career Average Revalued Earnings (CARE) basis. With effect from 1 July 2010 the accrual rate changed to 1.4% and the Normal Retirement Age was changed to age 66. Member contributions were also increased to 8.75% of pensionable earnings and such contributions would be by Salary Sacrifice unless members have opted otherwise. The scheme was closed to future accrual in March 2016.

During the period the pension scheme completed a rectification exercise which has had a significant impact on the actuarial valuation of the scheme deficit. Fuller details can be found in section 2 and note 17 in this section but the overall impact was to reduce the scheme liabilities and deficit by £2,889k as at June 2024 which is reflected in the restated 2024 amounts in this report. This revision is carried forward into the 2025 valuation.

The Trustees of the scheme are required to act in the best interest of the scheme's beneficiaries. The appointment of the Trustees is determined by the scheme's trust documentation. It is policy that one third of all Trustees should be nominated by the members.

A full actuarial valuation was carried out as at 31 March 2022 in accordance with the scheme funding requirements of the Pensions Act 2004 and the funding of the scheme is agreed between NatCen and the Trustees in line with those requirements. These in particular require the surplus / deficit to be calculated using prudent, as opposed to best estimate actuarial assumptions.

The actuarial valuation showed a deficit of £44,550,000. NatCen has agreed with the Trustees that it will aim to eliminate the deficit over a period of 14 years from 1 April 2023 by the payment of annual contributions of £1,300,000 in respect of the deficit. These payments will increase annually on each 1 April by 2.5% per annum, with the first increase taking place on 1 April 2024. An additional contribution may be payable prior to 31 March each year, contingent on financial performance and NatCen's free reserves being greater than 3 months operating cashflow for fixed overheads. The payment shall be 30% of the excess free reserves.

The scheme ceased accrual on 31 March 2016 and at that time incurred one off curtailment costs in 2016 of £3,281,625 to reflect that the accrued benefits of members of the pension scheme who remain active employees of NatCen will be revalued annually at the same rate that applied before the scheme was closed to future accrual (which is in line with increases in RPI with a cap of 5%), which is normally higher than statutory requirements. NatCen will also pay amounts into the scheme equal to the levy payments made by the scheme to the Pension Protection Fund, insurance premiums for death in service benefits/management and administration expenses.

For the purposes of FRS102 the actuarial valuation as at 31 March 2022, which was carried out by a qualified independent actuary, has been updated on an estimated basis to 30 June 2025.

Present values of scheme liabilities, fair value of assets and deficit

	2025	2024 (restated)
	£	£
Fair value of scheme assets	38,563,496	40,867,798
Present value of scheme liabilities	(55,746,794)	(62,000,000)
Deficit in scheme recognised as a liability	(17,183,298)	(21,132,202)

The present value of scheme liabilities is measured by discounting the best estimate of future cash flows to be paid out by the scheme using the projected unit credit method. The value calculated in this way is reflected in the net liability in the balance sheet as shown above.

A further measure of the scheme liabilities is the solvency basis, often taken as an estimate of the cost of buying out the benefits at the balance sheet date with a suitable insurer. This amount represents the amount that would be required to settle the scheme liabilities rather than NatCen continuing to fund the ongoing liabilities of the scheme.

Changes in the present value of the defined benefit obligation

	2025	2024 (restated)
	£	£
Defined benefit obligation at 1 July	62,000,000	61,757,660
Expenses	30,862	34,970
Interest cost	3,173,101	3,142,855
Actuarial gains/(losses)	(7,234,409)	(730,935)
Benefits paid, death in service premiums & expenses	(2,222,760)	(2,204,550)
Defined benefit obligation at 30 June	55,746,794	62,000,000

Changes in the fair value of the plan assets

	2025	2024
	£	£
Plan assets at 1 July	40,867,798	40,349,044
Interest income	2,106,238	2,066,863
Return on plan assets less interest income	(3,528,608)	(651,684)
Contributions by NatCen Social Research	1,340,828	1,308,125
Benefits paid, death in service premiums & expenses	(2,222,760)	(2,204,550)
Plan assets at 30 June	38,563,496	40,867,798

Total expense recognised in the Statement of Financial Activities

	30 June 2025 £	30 June 2024 £
Expenses	30,862	34,970
Net interest cost	1,066,863	1,075,992
Total expense recognised in the Statement of Financial Activities	1,097,725	1,110,962

Statement of other recognised gains and losses

	30 June 2025 £	30 June 2024 (restated) £
Return on plan assets less interest income	(3,528,608)	(651,684)
Actuarial gains	7,234,409	730,935
Total amount recognised in other recognised gains and losses	3,705,801	79,251

Assets

	30 June 2025	30 June 2024
Cash and Cash Equivalents	5.5%	3.4%
Equity Instruments	16.2%	16.1%
Debt Instruments	53.2%	56.2%
Other	25.1%	24.3%
Total assets	100%	100%

None of the fair values of the assets shown above include any of NatCen's own financial instruments or any property occupied by, or other assets used by, NatCen.

It is the policy of the Trustees and of the NatCen pension scheme to review the investment strategy at the time of each funding valuation. The Trustees' investment objectives and the processes undertaken to measure and manage the risks inherent in the scheme investment strategy are documented in the scheme's Statement of Investment Principles.

Assumptions

Weighted-average assumptions to determine defined benefit obligation	2025 % per annum	2024 % per annum
Rate of discount	5.60%	5.21%
Inflation (RPI)	3.10%	3.44%
Inflation (CPI)	2.60%	2.94%
Pension increases		
-RPI max 5% min 3%	3.60%	3.75%
-RPI max 5%	3.01%	n/a
Mortality table		
-Base table	96% of S3PMA tables for males 99% of S3PFA_M tables for females	96% of S3PMA tables for males 99% of S3PFA_M tables for females
-Future improvements	CMI 2024 projections, with a long-term improvement rate of 1.25% p.a. from 2013	CMI 2023 projections, with a long-term improvement rate of 1.25% p.a. from 2013
Cash Commutation	80%	80%

The mortality assumptions adopted at 30 June 2025 imply the following life expectancies:

	Life expectancy at age 60 (Years)
Male currently aged 60	26.6
Male currently aged 40	28.1
Female currently aged 60	28.4
Female currently aged 40	29.9

The best estimate of contributions to be paid by NatCen to the scheme for the year commencing 1 July 2025 is £1,374,349.

16. Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per the statement of financial activities)	1,199,155	942,314
Loss on disposal of fixed assets	17,428	-
Interest received	(553,035)	(360,182)
Depreciation charges	783,040	668,883
Increase in stocks	(382,708)	(125,237)
Decrease in debtors	2,804,605	816,630
(Decrease)/increase in creditors	(1,161,450)	502,111
Defined benefit pension costs (Note 15)	1,097,725	1,110,962
Defined benefit pension contributions payable (Note 15)	(1,340,828)	(1,308,125)
Net cash provided by operating activities	2,463,932	2,247,356

17. Reconciliation of restated balances for June 2024

The Pension Scheme Trust, which is managed by an independent board of trustees, ordered a pension rectification exercise in 2025 following the scheme moving to a new administrator who subsequently found errors and misapplied rules in pensioners' previously calculated benefits.

The pension rectification exercise was substantial and involved a complete clarification and consolidation of the scheme rules covering the period from inception in the 1970's through to closure to new accruals in 2016.

Following this work, completed in June 2026 the scheme has restated the benefits of all pensioners in line with the clarified rules. This has produced a significant reduction in the future pensionable benefits of both active and deferred members of the scheme but also identified a number of active members who have been either overpaid or underpaid in the past.

The Scheme Trustees made a number of recommendations to the NatCen Trustees which required NatCen approval. These were all reviewed and confirmed as follows:

1. Not to request that the pension scheme seeks to recover previous overpayments to active pensioners. The Trustees made this decision independently of the scheme recommendations and purely in the best interests of the charity. The Trustees decided to accept this proposal on the grounds of potential reputational damage and that the cost of recovery would be in excess

of any recoverable amounts, both of which would hinder NatCen's ability to deliver its charitable purpose.
2. Moving forward all active pensioners will have their benefits revised to the correct amount.
3. The Scheme should only pay deferred pensioners their correct future benefits accepting that previous estimates given may well have been wrong.
4. The conclusion of the Pension Scheme Trustees that an unclear section of the pension scheme rules dating from 2003 concerning the correct date for final pensionable salary benefits between August 2003 and the scheme moving to career average earnings basis in January 2007 be redrafted and the rules amended to that the final pensionable salary date became 31st December 2006 for all pensioners employed at that date.

Following the rectification work undertaken by the Defined Pension Benefit Scheme the prior year balances require restatement as the issues found as part of the rectification go back a number of years.

The detailed rectification valuation was done as at 30 June 2025 and the FRS 102 valuation as at 30 June 2024 was them restated by the Scheme actuary using assumptions that applied the overall conclusions of the full rectification outcomes to the 2024 data.

FS 102 requires that when it is impracticable to determine the period-specific effects of a material error on comparative information for one or more prior periods presented, the entity shall restate the opening balances of assets, liabilities and reserves for the earliest period for which retrospective restatement is practicable.

The Charity is not in a position to restate the impact for a period of more than one year as the errors which led to the rectification were made prior to the transfer of scheme administration to the current incumbent in 2024. This is due to the transfer to a new scheme administrator being aligned to a change in Actuary to calculate the Charity's FRS102 valuation and the current actuary and scheme administrators do not have the detailed liability calculations by pensioner prior to June 2024 and therefore cannot accurately calculate the position in years prior to that. Based on the work done on the rectification process the Charity and the scheme actuary have concluded the time and cost to seek this information would represent an unreasonable effort for the purpose of financial reporting. The correction has therefore been limited to the June 2024 comparative balances, with no restatement of earlier periods due to impracticability.

The Charity also recognises that there are potential contingent assets arising from this rectification work. The first potential asset is the overpayments to existing pensioners however as noted above the Trustees have agreed not to try and recover these in the best interests of the charity, as detailed in bullet point 1 above, therefore no contingent asset is recognised. The second is a potential claim for costs and interest incurred as a result of the rectification against the former pension scheme administrators. At this time any such action is under legal review and the value is not able to be quantified so no contingent asset is recognised or disclosed. The following table summarises the impact of the adjustment on the comparative figures in the financial statements.

Statement of financial activities (page 38)

	Previously reported	**Adjustment**	**2024 Restated amount**
Net income/(expenditure)/ for the year	£942,314	£-	£942,314
Transfers between funds			
Other recognised gains and losses			
(Loss)/Gain on investments	£610,259	£-	£610,259
Remeasurement of defined benefit pension scheme liability	£(2,889,241)	£2,968,492	£79,251
Net movement in funds	**£(1,336,668)**	**£2,968,492**	**£1,631,824**

Balance sheet (Page 39)

	Previously reported	Adjustment	2024 Restated amount
Net assets excluding pension scheme liability	£13,010,683	£-	£13,010,683
Defined benefit pension scheme liability	£(24,100,694)	£2,968,492	£(21,132,202)
Net liabilities including Pension scheme liability	**£(11,090,011)**	**£2,968,492**	**£(8,121,519)**

The funds of the charity

	Previously reported	Adjustment	2024 Restated amount
Unrestricted funds General fund	£6,959,923	£-	£6,959,923
Unrestricted designated funds Property fund (including revaluation reserve £3,025,539)	£6,040,000	£-	£6,040,000
Total Unrestricted Funds	**£12,999,923**	**£-**	**£12,999,923**
Restricted Funds	£10,760	£-	£10,760
Pension reserve	£(24,100,694)	£2,968,492	£(21,132,202)
Total funds	**£(11,090,011)**	**£2,968,492**	**£(8,121,519)**

Tables to Note 15
Present values of scheme liabilities, fair value of assets and deficit (page 59)

	Previously reported	Adjustment	2024 Restated amount
Fair value of scheme assets	£40,867,798	£-	£40,867,798
Present value of scheme liabilities	£(64,968,492)	£2,968,492	£(62,000,000)
Deficit in scheme recognised as a liability	**£(24,100,694)**	**£2,968,492**	**£(21,132,202)**

Changes in the present value of the defined benefit obligation (page 59)

	Previously reported	Adjustment	2024 Restated amount
Defined benefit obligation at 1 July	£61,757,660	£-	£61,757,660
Expenses	£34,970	£-	£34,970
Interest cost	£3,142,855	£-	£3,142,855
Actuarial gains/(losses)	£2,237,557	£(2,968,492)	£(730,935)
Benefits paid, death in service premiums & expenses	£(2,204,550)	£-	£(2,204,550)
Defined benefit obligation at 30 June	**£64,968,492**	**£(2,968,492)**	**£62,000,000**

Statement of other recognised gains and losses (page 60)

	Previously reported	Adjustment	2024 Restated amount
Return on plan assets less interest income	£(651,684)	£-	£(651,684)
Actuarial gains	£(2,237,557)	£2,968,492	£730,935
Total amount recognised in other recognised gains and losses	**£(2,889,241)**	**£2,968,492**	**£79,251**

18. Post balance sheet events

As of 27th May 2026 NatCen became the sole member of CFE (Research and Consultancy) Limited (CFE), a company limited by Guarantee. This transaction leaves CFE as a wholly owned trading subsidiary of NatCen which will be incorporated into consolidated accounts for NatCen from year ending June 2026 onwards.

At the point NatCen became sole member CFE had net assets of £350,000 and an orderbook of £1,000,000. The orderbook is not sufficient for CFE to trade profitably over the next 12 months and as such NatCen will work with CFE to drive growth and to utilise CFE's resources on NatCen work with the target of bringing CFE back to a position of at least break even in the next year.

On 3rd June 2026, the investment funds of £5,384k held as at June 2025 were liquidated crystallising a total gain on the investment since inception of £466k and a gain in the period since June 2025 of £82k.

National Centre for Social Research
A company limited by guarantee
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