

CORPORATE REPORTING

Report and financial statements 2024

Year ended 31 December 2024

Contents

Shaping an experience-led and member-centric organisation	1
Professional advisers.....	3
Governance structure	4
Executive composition and structure.....	5
Financial review: numbers in summary	7
Breakdown of revenues	10
Breakdown of costs	10
Operating costs by type	10
Financial review.....	11
Internal control and risk management.....	14
Strategic risks	18
Environmental report.....	19
Statement of the RICS Board's responsibilities in preparing the financial statements ...	21
Independent auditor's report to the board of RICS.....	22
Financial statements.....	26
Notes to the financial statements.....	35

This report forms part of our annual reporting for the year ending 31 December 2024. The other reports are the Annual review and SRB report, which are available [on the RICS website](#). This report summarises RICS' financial report and statements for 2024.

Shaping an experience-led and member-centric organisation

2024 was a significant year in RICS' transformation journey



Justin Young, RICS CEO

Creating an experience-led and member-centric organisation was a cornerstone of our work, and as such we invested into multiple large-scale projects.

Members and colleagues benefitted from an extensive refurbishment of our London Headquarters at Great George Street, including a new members' lounge with a variety of facilities to support members in focused work, holding meetings and networking.

£90,000 was invested into a bursary fund to support students from underrepresented backgrounds as part of our commitment to resolving the skills shortage and improving inclusion.

On the technology front, the move to Microsoft Dynamics standardised and enhanced our core software systems to improve efficiencies for both the RICS team and members.

We devolved more powers and funds to our UK and world regions and expanded our member engagement efforts globally. RICS hosted more than 500 events, attracting over 30,000 attendees.

Our 'Shaping the Future' roadshow saw us meet with more than 600 members to gather insights to help inform our future direction.

We doubled our Matrics membership internationally, launched a pilot Consumer Working Group to better serve the public interest, installed a new Executive team, and established a new Standards and Regulation Board (SRB) and Professional Standards Steering Group, among other highlights.



Crucially, we also began the process of renewing our operating model. This includes redesigning the structure of our internal teams and how they operate, with a focus on bringing the right people with the right skills together in the right places to deliver maximum value for our members and stakeholders. We want the experience of all members to be rewarding at both a professional and personal level.

The work taking place throughout 2024 has prepared us to:

- Increase local resources and autonomy to create more high-quality CPD initiatives, with more in-person networking opportunities, including for small businesses, employers, universities and prospective candidates.
- Deliver a continuous stream of high value standards, thought leadership and platform topics that tackle the subjects that are important to our members and stakeholders. These will ensure good practice by our members while raising the profile and influence of the profession and the Institution.

- Improve our communications channels to allow our members and stakeholders to access the right information easily, whether that is through our people or digital platforms.
- Strengthen our commercial focus, utilising the expertise of RICS to fill existing needs of others operating in the built and natural environments. This means we are reducing our reliance on subscriptions while continuing to deliver on our vision of achieving built and natural environments that are sustainable, resilient and inclusive for all.
- Deliver improvements from the regulation team, including how candidates are trained and assessed for their APC and the development of new pathways into the profession.

2024 closed with RICS poised for a new era, in which we can more effectively drive positive change that impacts our profession, our industry and the wider public.

Professional advisers

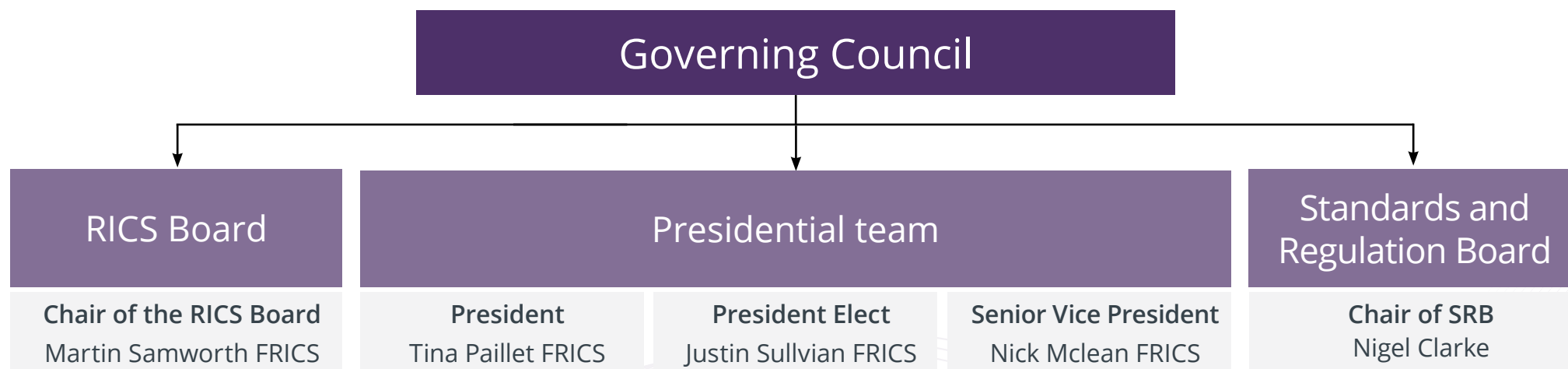
Independent Auditor	Grant Thornton UK LLP 17th Floor 103 Colmore Row Birmingham B3 3AG
Principal Bankers	National Westminster Bank Plc. 5th Floor 2 St Philips Place Birmingham B3 2RB
Investment Managers	Mercer Limited 1 Tower Place West Tower Place London EC3R 5BU
Pension Advisers	Mercer Limited 1 Tower Place West Tower Place London EC3R 5BU
Real Estate Valuers	Jones Lang LaSalle Limited 30 Warwick Street London W1B 5NH

Governance structure

Under the Royal Charter, RICS' governing body is Governing Council, which is responsible for approving the strategy and overseeing the direction and performance of RICS and the RICS Group.

Governing Council is supported by several expert boards and committees, populated by active RICS members, RICS employees and independent non-executives.

The governance structure in place on 31 December 2024 is set out below. The current RICS governance structure can be found on the [RICS website](#).



Executive composition and structure

Chief Executive Officer

The Chief Executive Officer operates in accordance with the Delegated Authority Matrix established and approved by Governing Council. Reporting to the Chair of the RICS Board, they are responsible for the overall management of RICS, the development and implementation of strategy and ensuring that RICS operates effectively.

Executive team

The Executive team report directly to the Chief Executive and have day-to-day management responsibility for RICS' key operational areas.

The tables below show the composition of the Executive team during the year ended 31 December 2024.

People holding executive roles for RICS during the year to 31 December 2024:

Name	Position	Appointment date (if in year)
Justin Young	Chief Executive Officer	
Dabinder Hutchinson	Chief Operating Officer	November 2024
Becky Hone	Chief People Officer	November 2024
Tony Osude	Chief Market Delivery Officer	June 2024
Corinna Alstromer	General Counsel	
Adeola Ajayi	Director CEO Office	
Rob Man	Chief Experience Officer	March 2024
Robyn Mckenna	Chief Product Development Officer	October 2024
Mike Hill	Chief Digital and Information Officer	July 2024
Chris Alder	Senior Executive Officer – Standards and Regulation Board	

People holding executive roles during the year to 31 December 2024:

Name	Position	Departure date
Alison Curry	Chief Operations Officer	July 2024
Alex Lowth	Chief Finance Officer (Interim)	Appointed July 2024 Resigned December 2024
Andrea Sutherill	Chief People Officer (Interim)	December 2024
Luay Al-Khatib	Director of Knowledge and Practice (Interim)	October 2024
Emma Causer	Markets Director UK & I	September 2024
Lorella Patterson	International Markets Director (Interim)	September 2024

On 1 January 2024 a Standards and Regulation Board (SRB) Executive team was put in place as follows:

Name	Position	Appointment date
Chris Alder	Senior Executive Officer	
Ian Jeal	Executive Director – Education and Qualification Standards	1 January 2024
Chrissie O'Rourke	Executive Director – Professional Standards	1 January 2024
John Fletcher	Executive Director – Dispute Resolution Services	1 January 2024
Belinda Howell	Executive Director – Regulation & Assurance Operations	1 January 2024



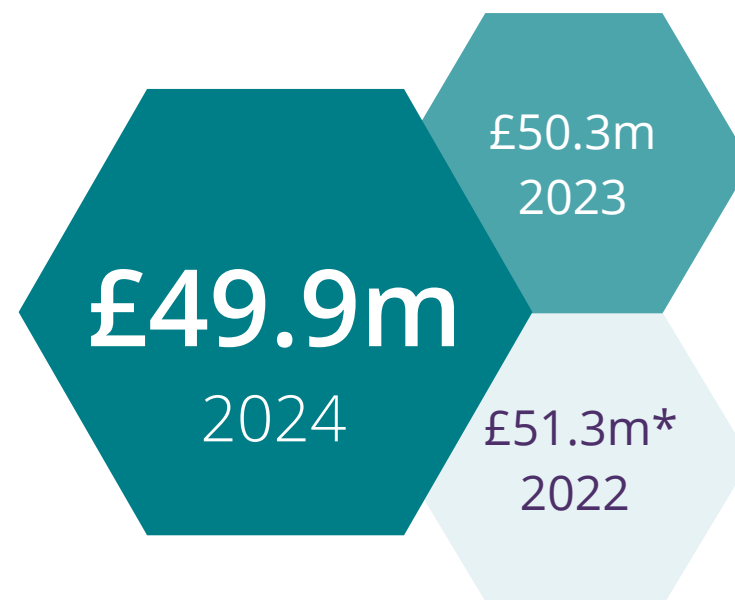
Financial review: numbers in summary

Revenue



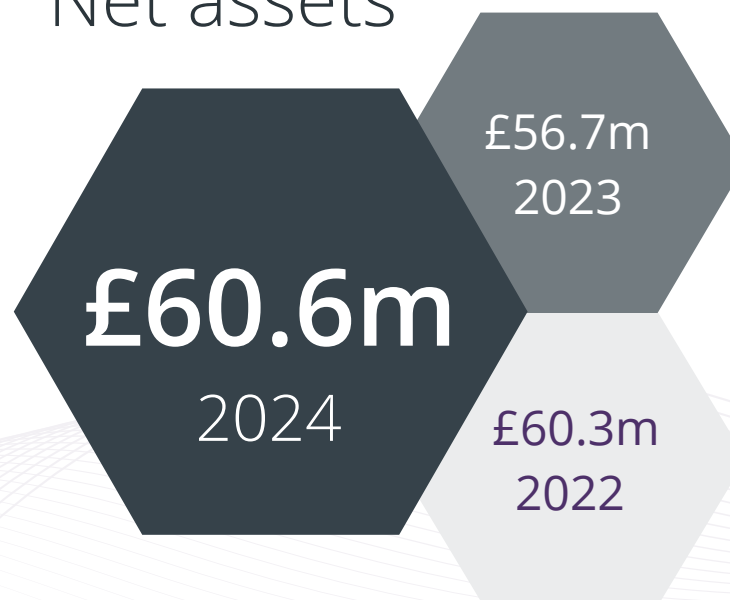
*12-month equivalent, reported value for 17 months to December 2022 £102.9m

Subscription renewal

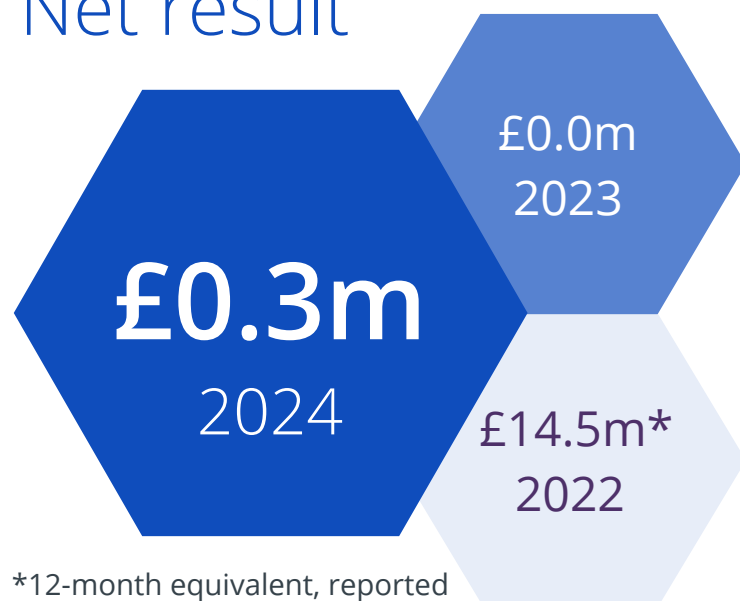


*12-month equivalent, reported value for 17 months to December 2022 £72.7m

Net assets

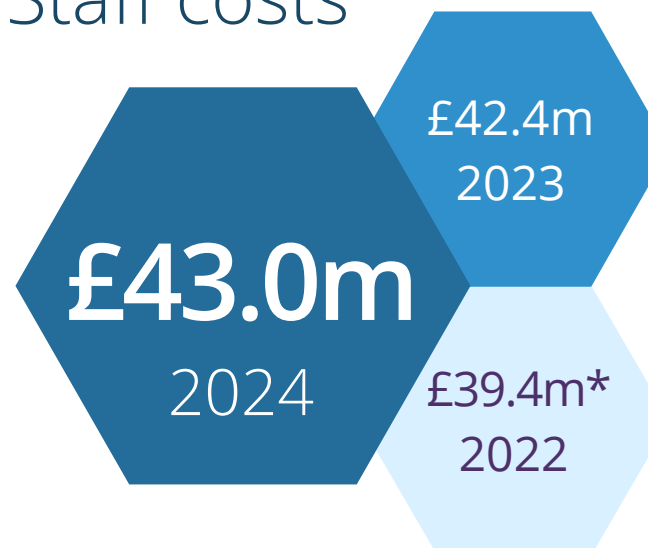


Net result



*12-month equivalent, reported value for 17 months to December 2022 £20.6m

Staff costs



*12-month equivalent, reported value for 17 months to December 2022 £58.7m

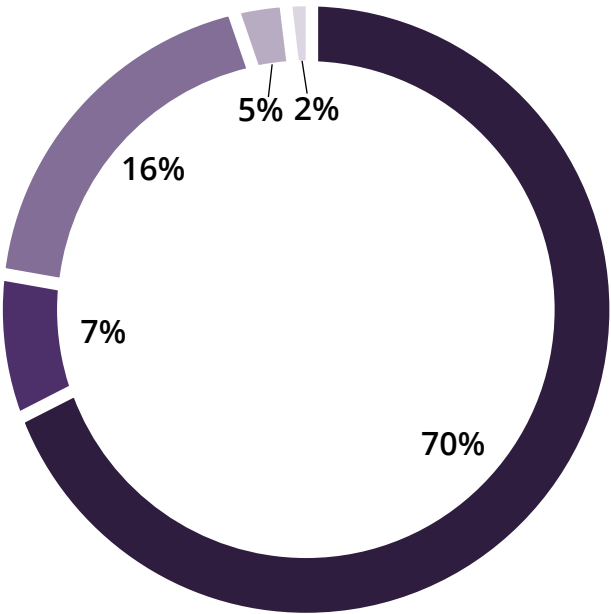
Employees



Designated funds (free reserves)

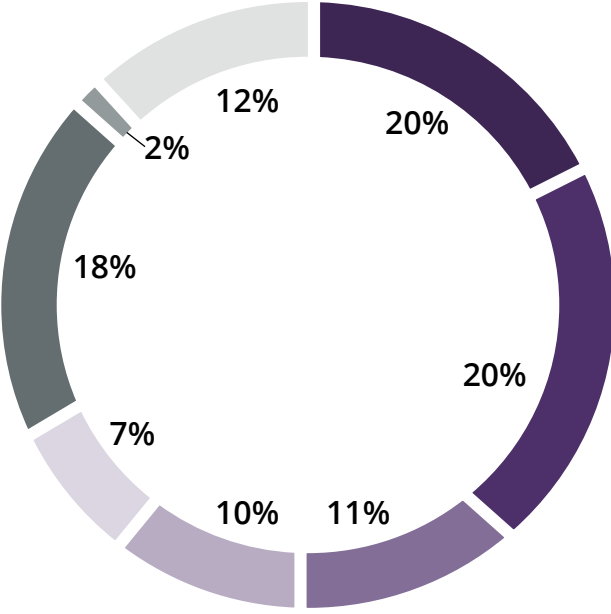


Breakdown of revenues



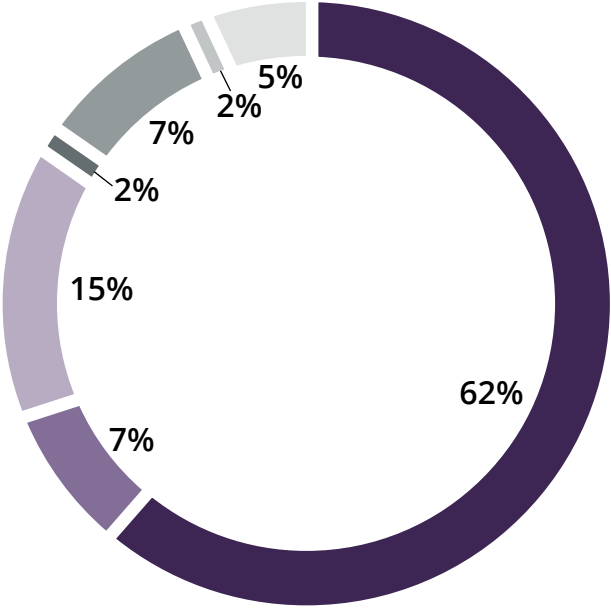
- Subscription income
- Elections and enrolments income
- Commercial income
- Regulation income
- Other income

Breakdown of costs



- Member and stakeholder engagement
- Standards and regulation
- Entry to profession
- Thought leadership, influence and advocacy
- CPD/product development and delivery
- Member services
- Governance costs
- Central services

Operating costs by type



- People
- Direct cost of sales
- Premises, equipment and office
- Marketing
- Legal, professional and consultancy
- Depreciation
- Other

Financial review

RICS is incorporated by Royal Charter RC000487 and is a chartered body operating in the public interest.

Group results

The financial statements presented here include the results of RICS and all its subsidiaries and associated undertakings.

Financial performance

Total income in the year was £70.8m (2023: £71.8m), a 1% decrease on the previous year on a like-for-like basis. With an increase in Cost of Sales, Gross Margins have reduced by 5% year-on-year to £47.9m. The overall costs improvement is due to savings in depreciation, marketing, IT and legal as well as project costs.

RICS have achieved a surplus of £0.3m for the year.

Revenue

RICS' Revenues consist of Subscriptions (£49.9m), Commercial Activities (£11.6m), Elections and Enrolment (£4.8m), Regulatory Activities, including fines (£3.4m) and Other Income (£1.3m), totalling £70.8m for 2024.

Subscriptions revenues drop was due to members taking up concessions on their subscriptions, including a greater number of retired members. For the fourth year running, RICS did not increase subscription fees to members, recognising the economic pressures they have been facing during recent years.

Commercial and other income totals £21.1m (2023: £21.5m) compared with £27.5m in the previous period, on a like for like basis.

Expenditure

Total expenditure incurred in the year is £73.1m, of which People Costs account for £43.0m. Other operating expenditure of £25.8m includes £4.9m for Direct Cost of Sales, £19.4m of operating overheads and £1.5m of governance-related costs.

Strategic initiative costs during the year totalled £3.8m in relation to £1.6m of D365 spend (incl. depreciation) and £2.2m spent in respect of transformation programme activities and RICS Board initiatives.

Financial health

Total net assets have increased over the year by £3.9m, due to the upward revaluation of our Headquarters in Great George Street (£7.0m), an actuarial pension deficit in relation to the Defined Benefit Scheme (£1.8m), a deferred tax on pension scheme/revaluation property/investments (£1.4m) and a £0.3m net PAT.

Cash and investments held as designated funds

RICS places a strong emphasis on the financial stability of the organisation through the operation of its reserves and investment policies.

Cash and investments were held as designated funds, as follows.

	31 December 2024	31 December 2023
Adversity funds	£21.1m	£19.0m
General funds	£8.5m	£10.9m
CMP Reserves	£2.3m	£2.2m
Future Foundations Fund	£0.8m	£0.8m
Total funds	£32.7m	£32.9m

The adversity funds are held for the purpose of ensuring funds are available to RICS in the event that RICS is subject to detrimental conditions in which the financial stability or working capital position of RICS is at significant risk.

The general funds are held for the strategic benefit of RICS and are under the control of the RICS Board. During the year the general funds have been used to fund the repairs on our Great George Street property (£2.3m) and to run the D365 project (£2.9m).

It has been agreed to redesignate the other restricted funds as a public interest fund titled Future Foundations, held for the purpose of the public interest in areas including increasing diversity in the profession, disbursements and grants, sustainability, and funding pro bono work.

Pensions

The IAS19 valuation, as of 31 December 2024, resulted in a whole scheme surplus of £2.2m (2023: £2.8m surplus). During the year there has been a £1.8m actuarial deficit.

A triennial actuarial valuation is conducted for the trustees by a professionally qualified and independent actuary. The primary purpose of this valuation is to confirm the value of any deficit/surplus in relation to the pension fund and use this

as a basis for agreeing future contribution levels from RICS. In January 2021, this valuation showed a small deficit of £0.6m (2018: £3.7m).

This differs from the IAS19 valuation, which is used for deriving the statement of financial position and P&L figures, the principles of which are set out in the IFRS standards using a best estimate approach.

The different purposes and principles lead to different assumptions being used, which in turn lead to different estimates for the surplus/deficit of the pension scheme.

Going concern

The RICS Board is required to state whether it considers it appropriate to adopt the going concern basis of accounting in preparing the financial statements, and to identify any material uncertainties around the Group’s ability to continue as a going concern over a period of at least 12 months from the date of approval of the financial statements.

Taking account of the Group's current position and principal risks, the RICS Board should explain how it has assessed the prospects of the Group, over what period it has done so and why it considers that period to be appropriate.

Going concern assessment

The RICS Board used the financial forecasts prepared for business planning and liquidity projection purposes as the basis for its assessment of the Group's ability to continue as a going concern for at least 12 months from the date of the financial statements signing.

The period to 31 December 2026 was modelled alongside a reasonably plausible worst-case scenario, which included a small deterioration in our subscription income and a modest increase in commercial income. The following assumptions have been used.

- Subscription income is expected to remain relatively stable when compared with the 2024 membership year.
- Commercial and other income are expected to increase from the 2024 level.

- Our costs will remain controlled and are expected to increase in line with inflation, with an increase in maintenance costs on our Great George St property.
- Strategic initiatives on key projects are expected to increase as the new strategy starts to take shape and deliver through 2024–2025.

Going concern conclusion

The RICS Board is well placed to manage the business risks and continues to adopt the going concern basis in preparing the annual report and accounts. Having made appropriate enquiries of management, the RICS Board have a reasonable expectation that the Group expects to be able to operate within the Group's available resources for at least 12 months following the date upon which the financial statements were signed.

Internal control and risk management

Our risk and control framework

The RICS Board and Standards and Regulation Board (SRB) are accountable for ensuring threats and opportunities are managed appropriately in support of RICS' strategy, to facilitate a more predictable operating performance and long-term value protection and creation for our members, supported by the Audit, Risk, Assurance and Finance Committee (ARAFc).

The Executive team are responsible for effective risk management in their areas of responsibility and collectively as part of their operational leadership.

In pursuit of continuous improvement in our risk culture and awareness (i.e. risk maturity), in particular embedding risk management in fast-moving and uncertain environments, this year we continued to make progress on a number of initiatives to ensure our approach is fit for purpose and remains so while also being aligned to best practices in enterprise risk management.

Our enterprise level risk management framework falls within the second line of defence while our internal audit programme falls within the third line of defence as part of our overall three lines of defence (3LoD) framework.

In relation to enterprise risk management, our approach is that risks are what drives RICS forward with effective controls and mitigations in place. The more ambitious our goal, the more important risk management.

In relation to our internal audit programme, our approach is aimed at helping us accomplish our objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

Internal audit – third line of defence

This year, we delivered the first of the three-year internal audit plan (2024-26). The three-year plan has been developed through the completion of a three-year internal audit universe, which is directly linked to the RICS strategy and corporate objectives. The proposed internal audits are also directly linked to the strategic risks.

As typically expected, the internal audits in the first year are more focused towards our financial controls. Overall, we have observed adequate assurance against the majority of the completed internal audits this year. Although majority of the audits demonstrated design and application of controls to be adequate from an assurance perspective, management have accepted the additional recommendations and have worked towards implementing them to ensure risks continue to be proactively managed and our control framework enhanced.

Risk management – second line of defence

Our risk management and internal control framework is designed to limit and manage risks materialising. However, we realise the framework only provides reasonable and not absolute assurance, which means non-compliance issues may still exist or arise.

We have identified a set of Key Risk Indicators (KRIs) for each strategic risk, with specific tolerances to track whether our risk exposure is within our risk appetite or could threaten the achievement of our strategic priorities. The KRIs are a mixture of leading and lagging indicators and focus on the most significant assessments affecting our risk exposure, including: maintaining trust and confidence, relevance, our financial resilience and our key operational business risks such as cyber security as illustrated fully in the strategic risks table on [page 18](#).

The strategic risk register is reviewed quarterly by the Executive team as well as ARAFC and serves as a catalyst for discussion about how our strategic risks are changing and whether any further mitigating actions need to be taken.

The RICS Board receive updates from the Chair of ARAFC following each meeting.

Our risk champions, who act as local ambassadors for risk management activities, continued to develop their own skill sets in risk management while also further developing their operational risk registers. They remain our first point of contact from the second line to ensure the continuity of risk management dialogue within the business operations. The risk champions forum is chaired by the Director of Risk and Internal Audit and meet on a quarterly basis to ensure a robust risk dialogue as well as driving improvements in risk management awareness and culture.

In terms of tone from the top and Executive level sponsorship for proactive and effective risk management, we had different members of the Executive team attending each of the risk champions forum sessions this year.

This year, we developed RICS' first assurance map, not only to obtain assurance but also to bolster our understanding of controls across the three

lines of defence and their effectiveness against key risk areas such as fraud and anti-bribery, IT and technology, human resources, etc. The assurance map is a key source of assurance for ARAFC while we have encouraged management to use it as insight for further improving our internal control environment.

As a result, remediations have been identified against controls that were self-assessed to be partially effective or ineffective. Our plan is to test some of these key controls from the assurance map as part of our 2025 key controls health check (KCHC) programme.

Enhancing risk management capability – new tools and techniques

Horizon scanning

Following direction by ARAFC, our risk management and chief economist teams designed and developed a methodology to introduce horizon scanning. This involved reviewing macroeconomics, including regional markets data, to provide insight as well as foresight.

It is then linked to the relevant strategic risks so that risk owners may develop a better understanding of how the risk profile may be changing while considering how any adverse impact on the risk exposure can be effectively managed.

We have introduced this horizon scanning report as a quarterly product within RICS for strategic risk owners and risk champions to benefit from. In addition, we have also developed an annual horizon scanning approach to capture potential threats and opportunities on the horizon for the short to medium term. The objective of the annual horizon scanning report is to provide RICS with insight and foresight to build a robust and sustainable strategy as part of the annual planning and strategy development and with this risks identification as well as management.

Artificial intelligence – Bow-Tie assessment

We know that artificial intelligence (AI) will affect both our members and our own competitive position, people and operations. The emerging risk trends from AI not only pose challenges but also offer

opportunities that we are proactively assessing and pursuing. To do so, we formed an AI working group composed of management from various departments to delve into the opportunities and threats associated with AI and emerging technologies as they become integrated into our operations.

We will be developing our AI policy as the work progresses, which will help to govern our approach to AI and its responsible use across RICS. We took a risk-based approach to identifying and assessing the threats and opportunities presented by the use of AI technologies. This was through the use of Bow-Tie risk assessment methodology, which helped us to map the causes and consequences and then mapping as well as identifying controls and remediations against both the causes and consequences.

This is the first time such a risk assessment tool has been deployed at RICS, again, building our tools and techniques available to better understand and manage our threats and opportunities.

Responding to incidents and building our resilience

This year, we have further improved our approach to how we will manage strategic incidents (if and as they arise) as a whole organisation. We enhanced our incident management plan that identifies different levels of incidents, to capture our gold and silver incident management teams. This is to ensure we are well placed to manage strategic incidents effectively.

Our third-party mass communication provider also delivered a testing of the logistics part of the incident management plan while also leading workshop-style incident management training to both our gold and silver teams.

Furthermore, we have considered our strategic approach to resilience from business continuity management (BCM) perspective. While we recognise that the majority of our staff are set up to be able to deliver our objectives through a hybrid and dynamic working environment, we also identified the need for the development of effective business continuity plans (BCPs) in the areas of technology, membership

engagement, SRB operations and members workplace. The development of these BCPs are in progress and we will test the BCPs through an internal audit during 2025.

Capturing and responding to principal risks and uncertainties

Our Strategic Risk Register (SRR) has continued to be developed and monitored on a rolling basis during the course of the year with input from the Executive team, and was reviewed quarterly by ARAFC as well as being approved by the RICS Board at particular intervals in the year.

Our primary objective was that our current suite of strategic risks remain fit for purpose given the rapidly changing internal and external environment and that risks are managed proactively and adequately in pursuit of achieving RICS strategy. In doing so, a key addition to our SRR this year involved the capturing of and strategic risk assessment on cyber and data security, which is now a standalone risk on our SRR.

ARAFC continued to maintain focus on the timeliness of delivery of mitigating actions, in particular, whether the short-term mitigations will lead to significant improvement in reducing the risk exposure.

Directorates have identified, monitored and continued to manage operational risks. Our operational risks generally benefited from regular review and challenge from the risk management team and further improvement in operational risk culture continues as we engage with the first line to harness the benefits of proactive and continuous risk dialogue.

Assessment of the effectiveness of the existing controls is a key part of our systematic approach to help RICS limit risks to an acceptable net exposure, while additional mitigations help us to determine our target exposure rather than obviate risks altogether.

The risk management team continues to improve our approach to enterprise risk management in consultation with the risk champions. It also reviews directorate and divisional risk registers and provides feedback to improve the quality of risk information and risk management dialogue.

Strategic risks

During 2024, we identified the strategic risks set out below, monitoring key controls and mitigating actions to address them.

Strategic risk	Key controls and mitigations
Failure to remain relevant and respond to the needs, interests and expectations of members, stakeholders and society	Our global membership support, enrolment and engagement teams are the heart of the organisation, reactively and proactively responding to the needs and aspirations of our current and future members. Our market and product strategy plans have been developed with the aim of supporting all our current and future members across the different global regions, which will be ever evolving through feedback and insights. The Global Member Committee, Entry and Assessment Steering Group and World Regional Boards act as our second line of defence, providing valuable input and oversight of our activities and performance.
Failure to maintain trust and confidence in the surveying profession	Strategic and operational processes governing professional standards identification, development, setting and approval within the Bye-Laws. Extensive engagement activities with members, stakeholders, consumers and public with sector insights. The Standards and Regulation Board (SRB) plays a significant role in the development of strategic plans and overseeing the effectiveness of RICS as a regulator. SRB is supported by several subcommittees and expert working groups.
Potential breach of IT/cyber controls leading to significant security incident(s) resulting in material impact on business operations, customer service and reputation	Strong controls are vital to protect our systems and data. Our policies set out the governance and guide our people to follow a framework designed to maintain strong control over our data and assets. Our disaster recovery plan equips us to limit the impact of any incident, and we reduce the likelihood through best practice security measures, including certifications such as Cyber Essentials +.
Failure to effectively deliver change and innovative solutions	In 2024 we undertook a full review of our change governance and portfolio management to ensure we adapt and enhance in pursuit of delivering effective innovation and change projects. We closely monitor the risks with projects in flight and we are enhancing our business case approval process to support effective decision making focusing on returns on investments (both financial and non-financial).
Failure to maintain financial stability, or failure to fund key initiatives, leading to a significant threat in our ability to continue to fulfil our aims as a member	Core policies covering treasury, reserves, purchase order and anti-fraud establish the high standards expected to ensure our finances are stable and safe. We have focused on strengthening enforcement measures when gaps have been identified supported by monthly reporting, KPI's and system controls. Internal audits covering our global financial operations and fraud exposure have taken place in 2024, with recommendation implementation closely monitored by the risk and internal audit team, and the Audit, Risk, Assurance and Finance Committee.
Failure to achieve and maintain effective organisational governance and legal compliance	Constitutional documents, terms of reference, delegated authority matrix, appointment letters and induction process are in place so that roles and responsibilities for both governance bodies and individuals can be understood and followed. The Nominations and Remuneration Committee have oversight of all governance body appointments. A Group Data Protection Policy is in place and up to date, outlining key responsibilities of staff at all levels and applies to all operations/staff globally.
Failure to achieve and maintain effective organisational governance (e.g. Standards Regulation Board)	Effective mitigation actions taken have reduced the risk exposure to a level where it has been de-escalated at the end of 2024. Key actions included: <ol style="list-style-type: none"> 1. Populating the full SRB, with a significant number of applicants 2. Holding the first substantive SRB meeting focused on strategy and regulatory priorities 3. SRB support for the regulatory work we have undertaken and our proposed direction of travel 4. Robust reviews undertaken by Chair, SRB and external firm undertaking 'internal' audit review 5. Successfully populating all SRB subcommittees, with VAC being concluded in September and DRAB finalised in Q4.
Failure to provide a positive and engaging culture that is representative of the expected values and behaviours	Our people enable RICS to deliver its strategy, mission, vision and values. We are a people, knowledge and relationship based business and therefore our people and culture are integral to our collective success. Ensuring we have an inclusive workplace has been a focus for 2024, along with ensuring our leaders and people managers play their role in building a positive and engaging experience across RICS. The Nominations and Remunerations Committee review our people risks quarterly and we have also strengthened a number of controls following internal audits across the people function.

Environmental report

RICS is fully committed to understanding and reducing our carbon footprint. This is done in conjunction with our accredited certification of our Environmental and Energy Management System to the international standards, i.e. ISO 50001:2018 and ISO 14001:2015.

The scope of our carbon footprint is for the application of an energy management system for the use of energy in occupied premises to support the design, consultancy and commercial use of rooms, facilities and activities, and commercial travel.

Scope 1 (Direct emissions): Emissions from activities owned or controlled by RICS that release emissions into the atmosphere.

Scope 2 (Energy indirect): Emissions released into the atmosphere associated with our consumption of purchased electricity, heat, steam and cooling.

Scope 3 (Other indirect): Emissions that are a consequence of our actions, which occur at sources that RICS does not own or control

like business travel by means not owned or controlled by the organisation, waste disposal not owned or controlled, or purchased materials or fuels.

This carbon report has been compiled by following GHG protocols, and the calculation has been carried out by using the GHG conversion factors.

The table below summarises the carbon emission by scope.

Amendments to the table have been made to bring the carbon report in line with the revised RICS financial year., moving from Aug-July to Jan-Dec.

****Amendment to financial year (Jan-Dec) 2022.**

		2024	2023	2022**	2021-2022
Scope	Activity	Tonnes CO ₂ e	Tonnes CO ₂ e	Tonnes CO ₂ e	Tonnes CO ₂ e
Scope 1	Direct emissions	63	65	25	39.639
Scope 2	Energy indirect	131.380	118.506	62	130.552
Scope 3	Waste management	1.72	1.91	1.352	1.258
	Hotel accommodation	40.50	95.90	20.7	37.60
	Car travel	53.907	43.2	0	5.541
	Taxi travel	0	0	0	0
	Air travel	569.5	720.1	296.9	411.311
	Rail travel	77.10	89.40	26.5	41.100
Total tonnes of CO ₂ e		937	1135	432	667
Total tonnes of CO ₂ e per employee		1.28	1.60	0.632	0.981

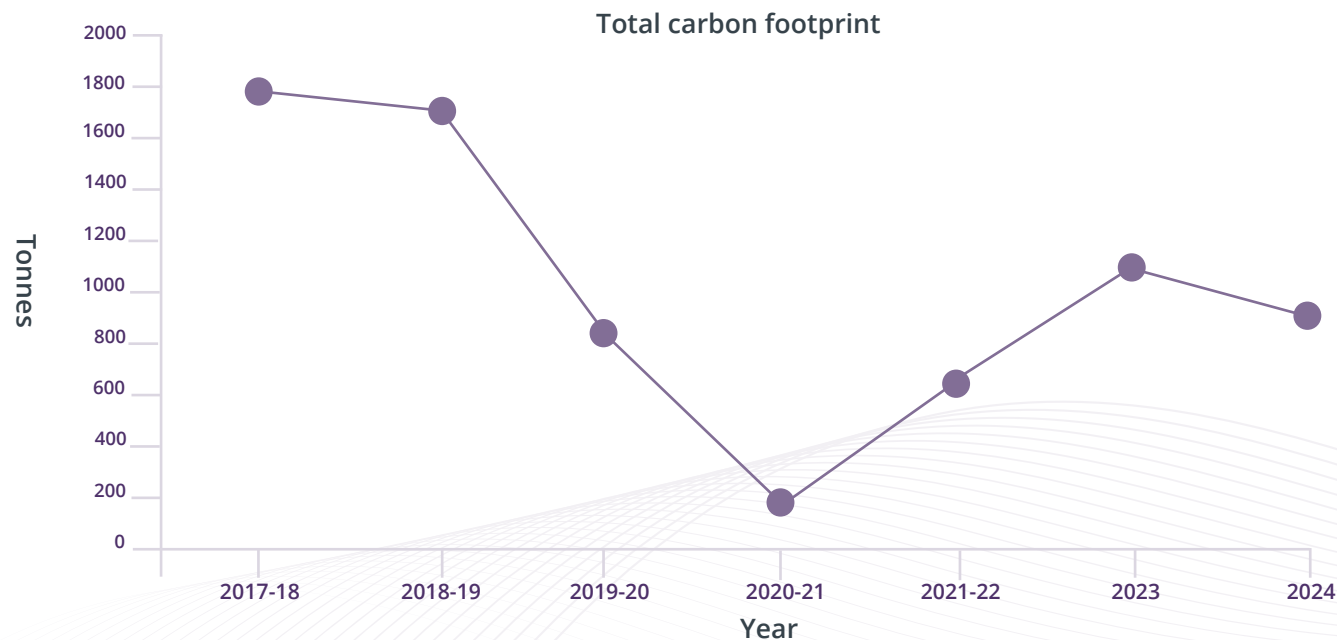
Carbon management achievements

- We successfully gained recertification of our Environmental and Energy Management System for ISO 14001:2015 and ISO 50001:2018 Standards in July 2024.
- We received a Green Apple Environmental Award. We entered the category to demonstrate how our actions have decreased our impact on the environment through awareness, continuous improvements and several large projects. Initiatives include:
 - sustainable consumables in our cleaning contracts
 - giving waste food to charity
 - celebrating environmental awareness days
- We refurbished three floors of our London Headquarters, reusing and recycling wherever possible and ultimately no waste was sent to landfill throughout the project. We offset the carbon generated throughout the project +20% additional deficit to ensure we overestimated the CO₂e impact.
- We funded charities to help plant a grove of trees in Uganda as well as funding the habitat restoration of 15m² of wildflowers in the UK.

Travel figures in scope 3, including hotel accommodation, car travel, air travel and rail travel levelled off to a similar rate to 2023, with a slight decrease.

Overall, in the total carbon footprint there was a decrease during COVID-19 and now a slight increase as expected, but also stabilisation as office usage has normalised.

By exploring additional sustainable practices, we aim to minimise our environmental impact. Our focus on sustainability and continuous improvement demonstrates our dedication to reducing our carbon footprint and mitigating the effects of climate change.



Statement of the RICS Board's responsibilities in preparing the financial statements

The RICS Board is responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

The RICS Board has previously elected, as recommended by the lead financial executive, to prepare the Group financial statements in accordance with UK-adopted international accounting standards and RICS' financial statements in accordance with FRS 101.

The Bye-Laws require the RICS Board to prepare annual accounts and the RICS Board must not approve those financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and RICS, and of their profit or loss for that period.

In preparing each of the Group and RICS financial statements, the RICS Board have ensured that RICS:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting and

financial standards have been followed, subject to any material departures disclosed in the financial statements and

- prepare the financial statements on a going concern basis unless it is inappropriate to presume that RICS will continue in business.

At this meeting to approve the annual report and financial statements, the RICS Board received and discussed a report from the Chair of the Audit Committee, on behalf of that Committee, which confirmed the Chief Financial Officer had met the requirements above in preparing these accounts.

The RICS Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions, and disclose with reasonable accuracy at any time the financial position of the Group. The RICS Board is also responsible for safeguarding the assets of the Group, and preventing and detecting fraud and other irregularities.

The RICS Board have confirmed to the independent auditors that:

- so far as each Executive is aware there is no relevant audit information of which the Group's auditors are unaware and
- the Executives have taken all steps that they ought to have taken as Executives to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

SIGNED ON BEHALF OF THE RICS BOARD
6 JUNE 2025

Martin Samworth

Martin Samworth FRICS
Chair, RICS Board

12 Great George Street
Parliament Square, London SW1P 3AD

Justin Young

Justin Young
Chief Executive Officer

Independent auditor's report to the board of the Royal Institution of Chartered Surveyors (RICS)

Opinion

We have audited the financial statements (the 'financial statements' of Royal Institution of Chartered Surveyors (RICS) and its subsidiaries (the 'Group') for the year ended 31 December 2024, which comprise:

- the consolidated income statement
- the consolidated statement of other comprehensive income
- the consolidated statement of financial position
- the RICS statement of financial position
- the consolidated statement of changes in equity
- the RICS statement of changes in equity
- the consolidated cash flow statement and
- the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group

financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of RICS financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and RICS' affairs as at 31 December 2024 and of the Group's profit for the year then ended
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards and
- the RICS financial statements have been properly prepared in accordance with

United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and RICS 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

We are responsible for concluding on the appropriateness of the RICS Board's use of the going concern basis of accounting and, based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and RICS' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion.

Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group or RICS to cease to continue as a going concern.

In our evaluation of the RICS Board's conclusions, we considered the inherent risks associated with the Group's and RICS' business model including effects arising from macro-economic uncertainties such as the cost of living crisis. We assessed and

challenged the reasonableness of estimates made by the RICS Board and the related disclosures and analysed how those risks might affect the Group's and RICS' financial resources or ability to continue operations over the going concern period.

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and RICS' 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 RICS Board 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 report and financial statements 2024, other than the financial statements and our auditor's report thereon. The RICS Board is responsible for the other information contained within the report and financial statements 2024.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the RICS Board

As explained more fully in the statement of the RICS Board's responsibilities set out on [page 21](#), the RICS Board is responsible for preparation of the financial statements which give a true and fair view and for such internal control as the RICS Board determines 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 RICS Board is responsible for:

- assessing the Group's and RICS' 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 RICS Board either intends to liquidate the Group or RICS or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting frameworks adopted.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We enquired of management and those charged with governance, concerning the Group's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations, and
 - the detection and response to the risks of fraud.

- We enquired of management and those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual, suspected or alleged fraud.
- Audit procedures performed by the engagement team included:
 - evaluation of the programmes and controls established to address the risks related to irregularities and fraud
 - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions, and
 - identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free

from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the [Financial Reporting Council's website](#). This description forms part of our auditor's report.

Use of our report

This report is made solely to the RICS Board, as a body, in accordance with our letter of engagement dated 3 June 2025. Our audit work has been undertaken so that we might state to the RICS Board 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 RICS and the RICS Board as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Matt Buckingham BSc ACA
for and on behalf of
Grant Thornton UK LLP
17th Floor,
103 Colmore Row,
Birmingham,
B3 3AG
Date: 6 June 2025



Financial statements

Consolidated income statement

for the year ended 31 December 2024

	Notes	2024 £m	2023 £m
Revenue	2	70.8	71.8
Cost of sales		(22.9)	(21.6)
Gross profit		47.9	50.2
Key activities and services			
Regional and local service provision		(12.8)	(13.3)
Creating and enforcing professional standards		(7.7)	(7.4)
Gaining influence and building brand profile		(4.2)	(4.3)
Technology development and operations		(10.0)	(10.3)
Legal and governance		(2.6)	(1.9)
Depreciation and amortisation		(3.0)	(3.3)
Finance operations and ongoing compliance		(4.4)	(3.8)
Property operations and lifecycle maintenance		(2.2)	(2.1)
Central activities		(3.3)	(3.8)
Expenditure on key activities and services		(50.2)	(50.2)
Exceptional costs	5	-	(2.3)
Total operating expenditure		(50.2)	(52.5)
Other income		-	-
Loss on foreign exchange		(0.2)	(0.1)
Changes in fair value of investments		2.7	0.9
Gain on sale of property, plant and equipment and available for sale investments		(0.3)	-
Total other income/(costs)		2.2	0.8
Result before interest and taxation		(0.1)	(1.5)
Finance income	6	0.8	0.9
Result before taxation		0.7	(0.6)
Taxation	7	(0.4)	0.6
Net result after taxation attributable to RICS for the financial period		0.3	(0.0)

The notes on [pages 35 to 85](#) form part of the financial statements.

Consolidated statement of Other Comprehensive Income

for the year ended 31 December 2024

		2024	2023
	Notes	£m	£m
Items that will not be reclassified subsequently to the income statement:			
Surplus/(deficit) on revaluation of property, plant and equipment		7.0	(2.6)
Unrealised differences on foreign exchange retranslation		-	0.2
Actuarial surplus/(deficit) recognised in period		(1.8)	(1.2)
Deferred tax		(1.4)	-
Other comprehensive surplus/(deficit) in the period		3.8	(3.6)
Net result after taxation, attributable to RICS for the financial period	3	0.3	(0.0)
Total comprehensive surplus/(deficit) for the period		4.1	(3.6)

The notes on [pages 35 to 85](#) form part of the financial statements.

Consolidated and RICS statements of Financial Position

as at 31 December 2024

as at 31 December 2024

		Group		RICS	
	Notes	2024 £m	2023 £m	2024 £m	2023 £m
Assets					
Non-current assets					
Lease assets	8	1.9	2.5	1.9	2.5
Property, plant and equipment	9	40.2	32.0	40.0	32.0
Intangible assets	10	5.3	4.0	5.3	4.0
Investments in subsidiaries and associates	11	-	-	2.2	2.2
Deferred tax asset	13	2.6	2.6	2.0	2.5
Financial assets: investments	12	0.9	0.9	0.9	0.9
Pension asset	17	2.2	2.8	2.2	2.8
		53.1	44.8	54.5	46.9
Current assets					
Financial assets: available for sale investments - FVTPL	12	26.9	21.9	-	-
Current tax assets		0.6	-	0.7	0.2
Trade and other receivables	14	17.7	17.4	61.4	55.8
Cash and cash equivalents	15	19.6	25.5	6.4	8.1
		64.8	64.8	68.5	64.1
Total assets		117.9	109.6	123.0	111.0
Liabilities					
Current liabilities					
Bank overdraft		-	-	-	-
Trade and other payables	16	(45.3)	(42.0)	(78.7)	(67.7)
Current tax liabilities		-	-	-	-
Right-of-use liabilities	8	(0.8)	(0.9)	(0.7)	(0.8)
Current liabilities		(46.1)	(42.9)	(79.4)	(68.5)

The notes on [pages 35 to 85](#) form part of the financial statements.

Consolidated and RICS statements of Financial Position (continued)

As at 31 December 2024

	Notes	Group		RICS	
		2024 £m	2023 £m	2024 £m	2023 £m
Non-current liabilities					
Lease liabilities	8	(1.8)	(2.4)	(1.8)	(2.4)
Provisions	18	(0.5)	(0.6)	(0.5)	(0.6)
Deferred tax liability	13	(8.9)	(7.0)	(8.5)	(6.8)
		(11.2)	(10.0)	(10.8)	(9.8)
Total liabilities		(57.3)	(52.9)	(90.2)	(78.3)
Total net assets		60.6	56.7	32.8	32.7
Reserves	20				
Revenue reserve		17.5	20.3	(6.6)	(1.5)
Revaluation reserve		31.7	26.5	31.7	26.5
Investment revaluation reserve		2.2	0.7	-	-
Other reserves		9.2	9.2	7.7	7.7
		60.6	56.7	32.8	32.7

The notes on [pages 35 to 85](#) form part of the financial statements.

RICS has not published an income statement with these consolidated account. The result in the RICS financial statements was a loss of £3.6m (2023: £4.0m loss).

There is no share capital since the constitution of RICS is that of a body corporate under Royal Charter RC000487.

The accounts were approved by the RICS Board and signed on its behalf on 6 June 2025 by:

Martin Samworth

Martin Samworth FRICS
Chair, RICS Board



Justin Young
Chief Executive Officer

Consolidated statement of changes in reserves

for the year ended 31 December 2024

	Revenue reserve	Revaluation reserve	Premises reserve	Clients' money reserve	Translation reserve	Investment revaluation reserve	Restricted reserve	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Reserves at 31 December 2022	19.8	29.4	6.0	2.2	0.2	1.9	0.8	60.3
Net result after taxation	-	-	-	-	-	-	-	-
Actuarial losses recognised in defined benefit pension scheme	(1.2)	-	-	-	-	-	-	(1.2)
Deferred tax on pension scheme/ revaluation of property	0.3	(0.3)	-	-	-	-	-	-
Differences arising from foreign exchange translation	-	-	-	-	0.2	-	-	0.2
Revaluation of property and antiques	-	(2.6)	-	-	-	-	-	(2.6)
Transfer/utilisation	1.4	-	(0.2)	-	-	(1.2)	-	-
Total comprehensive result in the period	0.5	(2.9)	(0.2)	-	0.2	(1.2)	-	(3.6)
Reserves at 31 December 2023	20.3	26.5	5.8	2.2	0.4	0.7	0.8	56.7
Net result after taxation	0.3	-	-	-	-	-	-	0.3
Actuarial losses recognised in defined benefit pension scheme	(1.8)	-	-	-	-	-	-	(1.8)
Deferred tax on pension scheme/ revaluation of property/investments	0.4	(1.8)	-	-	-	-	-	(1.4)
Differences arising from foreign exchange translation	-	-	-	-	-	-	-	-
Revaluation of property and antiques	-	7.0	-	-	-	-	-	7.0
Total comprehensive result in the period	(1.1)	5.2	-	-	-	-	-	4.1
Transfer/utilisation	(1.7)	-	-	-	-	1.5	-	(0.2)
Reserves at 31 December 2024	17.5	31.7	5.8	2.2	0.4	2.2	0.8	60.6

RICS statement of changes in reserves

for the year ended 31 December 2024

	Revenue reserve	Revaluation reserve	Premises reserve	Clients' money reserve	Restricted reserve	Total
	£m	£m	£m	£m	£m	£m
Reserves at 31 December 2022	3.8	29.4	4.9	2.2	0.8	41.1
Net result after taxation	(4.1)	-	-	-	-	(4.1)
Actuarial losses recognised in defined benefit pension scheme	(1.2)	-	-	-	-	(1.2)
Deferred tax on pension scheme/revaluation of property/ investments	0.3	(0.3)	-	-	-	-
Differences arising from foreign exchange translation	(0.5)	-	-	-	-	(0.5)
Revaluation of property and antiques	-	(2.6)	-	-	-	(2.6)
Transfer/utilisation	0.2	-	(0.2)	-	-	-
Total comprehensive result in the period	(5.3)	(2.9)	(0.2)	-	-	(8.4)
Reserves at 31 December 2023	(1.5)	26.5	4.7	2.2	0.8	32.7
Net result after taxation	(3.6)	-	-	-	-	(3.6)
Actuarial losses recognised in defined benefit pension scheme	(1.8)	-	-	-	-	(1.8)
Deferred tax on pension scheme/revaluation of property/ investments	0.4	(1.8)	-	-	-	(1.4)
Differences arising from foreign exchange translation	-	-	-	-	-	-
Revaluation of property and antiques	-	7.0	-	-	-	7.0
Transfer/utilisation	-	-	-	-	-	-
Total comprehensive result in the period	(5.1)	5.2	-	-	-	0.1
Reserves at 31 December 2024	(6.6)	31.7	4.7	2.2	0.8	32.8

The notes on [pages 35 to 85](#) form part of the financial statements.

Consolidated Cash Flow Statement

for year ended 31 December 2024

Cash flows from operating activities

Net result after taxation

Adjustments for:

Depreciation of tangible assets

Taxation

Amortisation of intangible assets

Depreciation of right-of-use assets

Impairment of intangible assets

Impairment of tangible assets

Changes in fair value of investment

Pension scheme interest

Profit on sale of property, plant and equipment and available for investment sale

Cash flows from operating activities before movements from working capital

Movements in working capital

(Increase)/decrease in trade and other receivables

Increase/(decrease) in trade and other payables

Unrealised deficit on foreign exchange

Cash flows from operating activities after movements from working capital

Provisions

Tax paid

Defined benefit pension contributions

Notes	2024 £m	2023 £m
	0.3	-
9	1.3	1.4
7	0.4	(0.6)
10	1.2	1.3
8	0.7	0.6
10	-	1.2
9	-	0.7
	(1.8)	(0.9)
	(0.2)	(0.2)
	0.3	-
	2.2	3.5
14	(0.3)	3.9
16	3.1	(3.8)
	-	0.2
	2.8	0.3
	5.0	3.8
18	(0.1)	(0.2)
	(0.4)	(0.3)
17	(1.0)	(1.0)
	(1.5)	(1.5)

The notes on [pages 35 to 85](#) form part of the financial statements.

Consolidated Cash Flow Statement (continued)

for the year ended 31 December 2024

	Notes	2024 £m	2023 £m
Net cash generated from operating activities		3.5	2.3
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(2.9)	(0.4)
Purchase of intangible assets	10	(2.5)	(0.1)
Proceeds from disposal of available for sale investments		19.1	20.8
Purchase of available for sale investments	12	(22.3)	(22.7)
Net cash generated/(used) in from investing activities		(8.6)	(2.4)
Cash flows from financing activities			
Repayment of lease liabilities		(0.8)	(0.9)
Net cash used in from financing activities		(0.8)	(0.9)
Net increase in cash and cash equivalents in the period		(5.9)	(1.0)
Net cash and cash equivalents at 1 January		25.5	26.5
Net cash and cash equivalents at 31 December	15	19.6	25.5

The notes on [pages 35 to 85](#) form part of the financial statements.

Notes to the financial statements

(forming part of the financial statements)

1 Accounting policies

The Royal Institution of Chartered Surveyors (RICS) is a body established by Royal Charter in the UK that is incorporated, domiciled and registered in England and Wales. The registered office is at 12 Great George Street, Parliament Square, London SW1P 3AD (registered with company number RC000487).

The Group financial statements consolidate those of RICS and its subsidiaries (together referred to as the 'Group'). The parent financial statements present information about RICS as a separate body and not about its Group.

The Group financial statements have been prepared by the Executive and approved by the RICS Board in accordance with UK-adopted international accounting standards.

RICS has elected to prepare its parent financial statements in accordance with FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

RICS is exempt from the requirement to present its own profit and loss account.

In these financial statements, RICS has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes
- comparative period reconciliations for tangible fixed assets and intangible assets
- disclosures in respect of transactions with wholly owned subsidiaries
- disclosures in respect of capital management
- disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements include the equivalent disclosures, RICS has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

Judgements made by the Executive in the application of these accounting policies that have significant effect on the financial statements, and estimates with a significant risk of material adjustment in the next year, are disclosed in note 23.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: property and financial instruments classified as available for sale.

1.2 Going concern

As part of the business plan, the Group maintains 3-year business forecasts and projections to demonstrate that the Group and RICS will have sufficient cash and reserves to meet the day-to-day working requirements of their business operations. The current assessment of going concern has been detailed further on page 13 of these financial statements. Accordingly, the going concern basis has been adopted in preparing the annual report and financial statements.

1.3 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated.

1.4 Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the

income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations, arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the statement of financial position date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve.

Exchange differences arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the translation reserve.

1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, and associates and subsidiaries, trade and other receivables, cash and cash equivalents, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any expected credit losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Investments in debt and equity securities

Investments in debt and equity securities held by the Group are classified as being available for sale and are stated at fair value, with any resultant gain or loss being recognised directly in the profit and loss account.

Investments in associates and subsidiaries

Investments in associates and subsidiaries are carried at cost less impairment.

Available-for-sale investments

Investments are stated at fair value less accumulated impairment, with changes in fair value being recognised directly in the income statement. When such investments are disposed or become impaired, the accumulated gains and losses, previously recognised in equity, are recognised in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component

of cash and cash equivalents for the purpose of the cash flow statement only.

1.6 Right-of-use assets

Leased assets

The Group as a lessee

For any new contracts entered into on or after 1 January 2019, the Group considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Group assesses whether the contract meets three key evaluations, which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract

- the Group has the right to direct the use of the identified asset throughout the period of use
- the Group has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the statement of financial position.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets and lease liabilities have been included as separate items.

1.7 Property, plant and equipment

Property, plant and equipment are stated at cost and land and buildings at valuation, less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated.

The estimated useful lives are as follows:

Freehold buildings	50 years
Leasehold buildings	Over life of asset
Other assets	
Fixtures and fittings	5–20 years
Motor vehicles	5 years
Office equipment	4 years
Computer equipment	3–5 years

Listed buildings that are believed to have an economic life in excess of 50 years are not depreciated on the grounds that the charge would not be material.

Depreciation methods, useful lives and residual values are reviewed at each statement of financial position date.

Assets in the course of construction are not subject to depreciation until the asset is brought into use.

Artwork and silverware owned by the Group is held at brought forward valuation, which is deemed cost under IFRS.

1.8 Intangible assets

Software costs

Other intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement on a straight-line basis over the useful economic lives of the assets concerned, which are assessed annually, and are principally as follows:

Software costs	3–5 years
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Research and development

Expenditure on research activities is recognised in the income statement as an expense as incurred.

1.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle. Inventories comprise *RICS Valuation – Global Standards* and other literature material. Provision is made for obsolete, slow-moving or defective items where appropriate.

1.10 Impairment excluding inventories

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.11 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which RICS pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and

prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) is deducted.

The Group determines the net interest on the net defined benefit liability/asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit asset/(liability).

The discount rate is the yield at the reporting date on bonds that have a credit rating of at least AA, have maturity dates approximating the terms of the Group's obligations and are denominated in the currency in which the benefits are expected to be paid.

Remeasurements arising from defined benefit plans comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in future contributions, and takes into account the adverse effect of any minimum funding requirements.

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on a settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made

directly by the Group in connection with the settlement.

1.12 Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation, as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.13 Revenue

Revenue represents the value of goods, services and subscriptions provided and is stated net of discounts and VAT. Professionals' subscriptions to RICS are due on 1 January for the subsequent 12 months.

Revenue is taken to the statement of financial position when professionals confirm their renewal; this is taken to be on receipt of a payment. Revenue is released to the profit and loss account over the period of the membership year. The deferred income is recorded in the

statement of financial position, within creditors, and will fall into the income statement for the following year.

Assessment of Professional Competence (APC) revenue is recognised at the point of candidate registration.

All other revenue, including entrance fees, conferences and events, CPD training and book sales, are recognised in the income statement in the period in which the services or goods are provided.

1.14 Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Financing income and expenses

Financing expenses comprise interest payable and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy).

Financing income comprises interest receivable on funds invested, dividend income and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

1.15 Taxation

Tax on the surplus or deficit for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

1.16 Leases

Leases are accounted for under IFRS 16 'Leases' for all operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. Right-of-use assets are measured at an amount equal to the lease liability, adjusted for any prepaid or accrued lease payments that existed at the date of transition.

The weighted average incremental borrowing rate applied to lease liabilities recognised under IFRS 16 was 2.25% (2023: 2.16%).

1.17 Exceptional costs

Exceptional items are disclosed and described separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

2 Revenue

An operating segment is a distinguishable component of the Group that engages in business activities from which it may earn revenues and incur expenses, and whose operating results are reviewed by RICS Executives to make decisions about the allocation of resources and assessment of performance, and about which discrete financial information is available.

RICS Executives have defined that the Group's only operating segment is that of operating as a global, independent and self-regulating professional body, providing associated services to its members. The vast majority of the Group's revenues arise in the UK.

Profession, subscription and entry fees
Learning, professional development and other professional services

UK
Americas
EMEA
ASIA PAC

Recognised over time
Recognised at a point in time

2024 £m	2023 £m
54.9	55.0
15.9	16.8
70.8	71.8
57.0	56.0
1.5	1.6
5.8	5.7
6.5	8.5
70.8	71.8
57.1	59.9
13.7	11.9
70.8	71.8

3 Expenses and auditor's remuneration

		2024	2023
	Notes	£m	£m
Depreciation of property, plant and equipment	9	1.3	1.4
Depreciation of right-of-use assets	8	0.7	0.6
Amortisation of intangible assets	10	1.2	1.3
Impairment of property, plant and equipment	9	-	0.7
Impairment of Intangible assets and assets under construction	10	-	1.2
Audit fees		£'000	£'000
Audit of these financial statements		130.3	96.6
Audit of subsidiary financial statements payable to Grant Thornton UK LLP		9.7	28.4
Audit of subsidiary financial statements payable to Grant Thornton International firms		21.3	44.5

4 Staff numbers and costs

The monthly average number of persons employed by the Group during the period, analysed by category, was as follows:

	2024	2023
United Kingdom	505	492
Rest of world	175	176
	680	668

The aggregate payroll costs of these persons were as follows:

	£m	£m
Wages and salaries	37.6	37.3
Social security costs	3.4	3.6
Contributions to defined contribution plan	2.0	1.5
	43.0	42.4

5 Exceptional costs

Independent review
Severance payment restructuring
Impairment of intangible assets under construction
Impairment of property, plant and equipment
Other

2024	2023
£m	£m
-	0.2
-	0.2
-	1.2
-	0.7
-	-
-	2.3

6 Net finance income

Returns earned on available for sale investments
Pension funding net interest receivable
Bank and other interest receivable
Bank and similar charges
Interest expense for leasing arrangements

2024	2023
£m	£m
-	0.3
0.2	0.2
0.8	0.6
(0.1)	(0.1)
(0.1)	(0.1)
0.8	0.9

7 Taxation

a) Recognised in the income statement

Current tax expense (UK)

Current year

Overprovision regarding prior years

Current tax expense (overseas)

Current year

Total current tax expense

2024 £m	2023 £m
-	-
(0.3)	(0.2)
0.1	0.1
(0.2)	(0.1)

Deferred tax expense (*see note 13*)

Origination and reversal of temporary differences

Deferred tax credit

Tax charge in income statement

2024 £m	2023 £m
0.6	(0.5)
0.6	(0.5)
0.4	(0.6)

b) Income tax recognised in other comprehensive income

Revaluation of property, plant and equipment

Remeasurements of defined benefit asset

Deferred tax credit

2024 £m	2023 £m
1.8	0.3
(0.4)	(0.3)
1.4	-

7 Taxation (continued)

c) Reconciliation of total tax

	2024	2023
	£m	£m
Result before taxation	0.7	(0.6)
Tax using the UK corporation tax rate of 25% (2023: 23.5%)	0.1	(0.2)
Non-deductible expenses	0.2	0.3
Tax asset not recognised	0.1	-
Tax asset now recognised	(0.5)	-
Change in tax rates	-	-
Chargeable gain	0.1	-
Non-taxable income	-	(0.1)
Utilisation of tax losses	(0.1)	(0.4)
Difference in overseas tax rates	-	-
Under/(over) provision regarding prior years	0.5	(0.2)
Total tax charge/(credit)	0.4	(0.6)

In the Spring Budget 2021, the UK government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. For the financial year ended 31 December 2024 the tax rate was 25% (2023: the weighted average tax rate was 23.5%). Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

8 Right-of-use assets

The Group has leases for its main offices. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the statement of financial position as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see note 9).

Leases of property generally have a lease term ranging from 0.6 years to 8.1 years, however most leases of property are now generally expected to be limited to 5 years or less except in special circumstances. Lease payments are generally fixed.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee.

Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

Furthermore, the Group must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on the statement of financial position.

2024	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with termination options	No of leases with options to purchase
Leasehold buildings	5.0	0.7-7.1 years	3.2 years	-	-	-
2023	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with termination options	No of leases with options to purchase
Leasehold buildings	6.0	0.6-8.1 years	4.2 years	-	-	-

8 Right-of-use assets (continued)

Group

	Leasehold buildings
	£m
Cost	
At 31 December 2023	5.5
Additions	0.1
Disposals	(0.1)
Foreign exchange movement	-
At 31 December 2024	5.5
Accumulated depreciation	
At 31 December 2023	3.0
Charge for the period	0.7
Disposals	(0.1)
Foreign exchange movement	-
As at 31 December 2024	3.6
Net book value	
At 31 December 2024	1.9
At 31 December 2023	2.5

8 Right-of-use assets (continued)

RICS	Leasehold buildings
	£m
Cost	
At 31 December 2023	5.3
Additions	-
Disposals	-
Foreign exchange movement	-
At 31 December 2024	5.3
Accumulated	
At 31 December 2023	2.8
Charge for the period	0.6
Disposals	-
Foreign exchange movement	-
As at 31 December 2024	3.4
Net book value	
At 31 December 2024	1.9
At 31 December 2023	2.5

The right-of-use assets are included in the same line item as where the corresponding underlying assets would be presented if they were owned.

Lease liabilities are presented in the statement of financial position as follows:

	Group		RICS	
	2024	2023	2024	2023
	£m	£m	£m	£m
Current	0.8	0.9	0.7	0.8
Non-current	1.8	2.4	1.8	2.4
	2.6	3.3	2.5	3.2

At 31 December 2024 and 2023 the Group had no leases committed to that had not commenced.

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:

2024	Less than 1 year	1–2 years	2–3 years	3–4 years	4–5 years	More than 5 years	Total
Lease payments	0.8	0.8	0.8	0.1	0.1	0.1	2.7
Finance charges	(0.1)	(0.1)	-	-	-	-	(0.2)
Group	0.7	0.7	0.8	0.1	0.1	0.1	2.5
2023	Less than 1 year	1–2 years	2–3 years	3–4 years	4–5 years	More than 5 years	Total
Lease payments	0.9	0.9	0.9	0.9	0.2	0.2	4.0
Finance charges	(0.1)	(0.1)	-	-	-	-	(0.2)
Group	0.8	0.8	0.9	0.9	0.2	0.2	3.8

8 Right-of-use assets (continued)

Lease payments not recognised as a liability. The Group has elected not to recognise a lease liability for short-term leases (leases of expected term of 12 months or less) or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

Amounts recognised in the consolidated cash flow statement:

	Group	
	2024	2023
	£m	£m
	0.8	0.9
Total cash outflow for leases	0.8	0.9

The expense relating to payments not included in the measurement of the lease liability is as follows:

	Group		RICS	
	2024	2023	2024	2023
	£m	£m	£m	£m
Short-term leases	0.2	0.2	-	-
Total cash outflow for leases	0.2	0.2	-	-

At 31 December 2024 the Group was committed to short-term leases and the total commitment at that date was £0.2m (2023: £0.2m).

9 Property, plant and equipment

All freehold properties are revalued every year at open market value by independent, professionally qualified valuers. They are included in the statements of financial position at their revalued amounts, derived from observable market data of comparative buildings in a similar location. Surpluses on revaluations are transferred to the revaluation reserve. Deficits on revaluations are charged against the revaluation reserve to the extent that there are available surpluses relating to the same asset and are otherwise charged to the income statement.

The valuations were undertaken in accordance with *RICS Valuation – Global Standards* (Red Book Global Standards). RICS (in its capacity as a professional regulatory body), informed by the Material Valuation Uncertainty Leaders Forum (UK) – which meets regularly to discuss material valuation uncertainty in UK real estate markets – recommended on 7 July 2020 that reporting material

valuation uncertainty may no longer be appropriate for ‘central London offices’. It was subsequently recommended on 4 August 2020 that this be extended to ‘all offices’. On 8 September 2020, consensus was reached at the Forum that reporting material valuation uncertainty may no longer be appropriate for ‘all UK real estate’.

Given the unknown future impact that current economic uncertainty and cost of living pressure might have on the real estate market, and the difficulty in differentiating between short-term impacts and long-term structural changes, we will continue to revalue our properties on an annual basis.

The surplus arising in the Group in the year was £7.0m (2023: £2.6m deficit). The historic cost of the properties is £2.08m (2023: £2.08m).

Other plant and equipment

Other plant and equipment are capitalised at cost. Depreciation is charged on a straight-line basis over the estimated useful economic lives of the individual assets.

The impairment of property, plant and equipment is considered annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, and provisions are made where necessary.

9 Property, plant and equipment (continued)

Group

	Land and buildings: freehold	Land and buildings: long leasehold	Land and buildings: short leasehold	Assets in the course of construction	Artwork and silverware	Other assets	Total
	£m	£m	£m	£m	£m	£m	£m
Cost or valuation							
At 31 December 2023	32.6	0.7	3.2	-	0.4	11.3	48.2
Additions	-	-	-	2.4	-	0.5	2.9
Transfers	2.4	-	-	(2.4)	-	-	-
Disposals	(1.2)	-	-	-	-	(6.6)	(7.8)
Impairment	-	-	-	-	-	-	-
Revaluation	7.1	(0.1)	-	-	-	-	7.0
At 31 December 2024	40.9	0.6	3.2	-	0.4	5.2	50.3
Accumulated depreciation							
At 31 December 2023	4.4	-	1.6	-	0.1	10.1	16.2
Disposals	(0.9)	-	-	-	-	(6.5)	(7.4)
Charge for the period	0.5	-	0.3	-	-	0.5	1.3
Impairment	-	-	-	-	-	-	-
At 31 December 2024	4.0	-	1.9	-	0.1	4.1	10.1
Net book value							
At 31 December 2024	36.9	0.6	1.3	-	0.3	1.1	40.2
At 31 December 2023	28.2	0.7	1.6	-	0.3	1.2	32.0

9 Property, plant and equipment (continued)

RICS

	Land and buildings: freehold	Land and buildings: long leasehold	Land and buildings: short leasehold	Assets in the course of construction	Artwork and silverware	Other assets	Total
	£m	£m	£m	£m	£m	£m	£m
Cost or valuation							
At 31 December 2023	32.6	0.7	3.2	-	0.3	9.5	46.3
Additions	-	-	-	2.4	-	0.3	2.7
Transfers	2.4	-	-	(2.4)	-	-	-
Disposals	(1.2)	-	-	-	-	(6.6)	(7.8)
Impairment	-	-	-	-	-	-	-
Revaluation	7.1	(0.1)	-	-	-	-	7.0
At 31 December 2024	40.9	0.6	3.2	-	0.3	3.2	48.2
Accumulated depreciation							
At 31 December 2023	4.4	-	1.6	-	-	8.3	14.3
Disposals	(0.9)	-	-	-	-	(6.5)	(7.4)
Charge for the period	0.5	-	0.3	-	-	0.5	1.3
Impairment	-	-	-	-	-	-	-
At 31 December 2024	4.0	-	1.9	-	-	2.3	8.2
Net book value							
At 31 December 2024	36.9	0.6	1.3	-	0.3	0.9	40.0
At 31 December 2023	28.2	0.7	1.6	-	0.3	1.2	32.0

10 Intangible assets

	SW Systems related	Assets in the course of construction	Total
	£m	£m	£m
Cost			
At 31 December 2023	10.2	0.3	10.5
Additions	-	2.5	2.5
Disposals	(1.5)	-	(1.5)
Transfers	0.6	(0.6)	-
At 31 December 2024	9.3	2.2	11.5
Accumulated amortisation			
At 31 December 2023	6.5	-	6.5
Amortisation for period	1.2	-	1.2
Disposals	(1.5)	-	(1.5)
Impairment	-	-	-
At 31 December 2024	6.2	-	6.2
Net book value			
At 31 December 2024	3.1	2.2	5.3
At 31 December 2023	3.7	0.3	4.0

11 Investments in subsidiaries

Group investments

RICS has investments in the following subsidiary undertakings that affected the surpluses or net assets of the Group.

	Country of incorporation	Reg office*	Principal activity	Class of shares	2024 %	2023 %
Subsidiary undertakings – direct holdings						
RICS Holdings Limited	United Kingdom	1	Activities of other holding companies not elsewhere classified	Ordinary	100	100
RICS Americas Inc	United States of America	2	Professional activities in North America	Non-stock corporation	-	-
RICS Australasia Pty Limited	Australia	3	Professional activities in Australia and New Zealand	Ordinary	100	100
CMP Insurance PCC Limited	Guernsey	4	Insurance	Ordinary	100	100
RICS India Private Limited	India	5	Professional activities in India	Ordinary	100	100
Royal Institute of Chartered Surveyors in Mexico, S. de R.L. de C.V.	Mexico	6	Non-trading (in liquidation)	Ordinary	99	99
RICS International Limited	United Kingdom	1	Other professional, scientific and technical activities not elsewhere classified	Ordinary	100	100
RICS China Limited	China	7	Professional activities in China	Ordinary	100	100
RICS Japan Kabushiki Kaisha	Japan	8	Professional activities in Japan	Ordinary	100	100
RICS Business Services Limited	United Kingdom	1	Non-trading	Ordinary	100	100
The Association of Quantity Surveyors Limited	United Kingdom	1	Dormant	Limited by Guarantee	-	-

* see table on page 58

11 Investments in subsidiaries (continued)

	Country of incorporation	Reg office*	Principal activity	Class of shares	2024 %	2023 %
Subsidiary undertakings – direct holdings						
R.I.C.S. Services Limited	United Kingdom	1	Non-trading	Ordinary	100	100
RICS NewCo 1 Limited (formerly Building Cost Information Service Limited)	United Kingdom	1	Dormant	Ordinary	100	100
Building Data Banks Limited	United Kingdom	1	Non-trading	Ordinary	100	100

* see table below

Number	Registered office
1	12 Great George Street, Parliament Square, London, England, SW1P 3AD
2	615 South DuPont Highway, Dover, Delaware, 19901, USA. C/o National Corporate Research Ltd.
3	Spaces Martin Place, Office 317, 60 Martin Place, Sydney NSW, Australia-2000
4	PO Box 155, Mill Court, La Charroterie, St Peter Port, Guernsey, GY1 4ET
5	16th Floor, Tower - 9A, Cybercity, DLF City Phase II, Gurgaon-122002, Haryana, India
6	No registered office as entity is dormant
7	Room 585, 4th Floor, No 20 East Middle 3rd Ring Road, Chaoyang District, Beijing, China
8	8F, Shinkawa Ohara Building, 1-27-8, Shinkawa, Chuo-ku, Tokyo

RICS

Investment in
subsidiaries
£m

Cost at 31 December 2023

2.2

Net book value at 31 December 2024 and 2023

2.2

12 Other financial assets

Other financial assets: non-current investments

Group and RICS

	UK unlisted securities £m
At 31 December 2023	0.9
Additions	-
At 31 December 2024	0.9

On a historical cost basis the comparable amounts of investment are:

	UK unlisted securities £m
At 31 December 2024	0.9
At 31 December 2023	0.9

Shares in an unlisted company (BCIS) held for the purpose of long-term investment growth are considered to be level 3 assets as defined by IFRS 13 – Fair Value Measurement. The fair value has been calculated using available quantitative data including market multiples, PE ratios and future cash flows.

12 Other financial assets (continued)

Other financial assets: available for sale investments

Group

	Government securities	Corporate bonds	UK listed securities	Listed securities in overseas funds	Certificates of deposits	Total
	£m	£m	£m	£m	£m	£m
At 31 December 2023	-	1.3	0.6	18.0	2.0	21.9
Additions	-	1.3	0.1	20.9	-	22.3
Disposals	-	-	(0.8)	(18.3)	-	(19.1)
Change in market value of investments: recognised in profit and loss account	-	(1.4)	0.1	3.9	(0.8)	1.8
At 31 December 2024	-	1.2	-	24.5	1.2	26.9

On a historical cost basis, the comparable amounts of investment are:

At 31 December 2024	-	1.3	-	21.5	1.2	24.0
At 31 December 2023	-	1.3	0.6	17.3	2.0	21.2

Interest-bearing investments, equities and unit trusts held for the purposes of generating long-term investment income are considered to be level 1 assets as defined by IFRS 13 – Fair Value Measurement and are treated as available for sale investments. They are included at mid-price market value at the year-end date. As per IFRS 9, gains and losses on re-measurement are taken to the income statement.

At each year-end date, an assessment is made as to whether there is objective evidence that an available for sale equity instrument is impaired. A significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the asset is impaired. Judgement is used to determine what constitutes a significant or prolonged decline. As the Group has adopted IFRS 9, any impairment charges are recognised in the profit and loss account.

The methods and valuation techniques used to measure fair value are unchanged compared to the previous year.

13 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities.

Deferred tax assets and liabilities are attributable to the following:

Group

	Assets		Liabilities	
	2024	2023	2024	2023
	£m	£m	£m	£m
Property, plant and equipment	0.7	2.2	-	-
Revaluations	-	-	(7.9)	(6.1)
Financial assets: available for sale investments	-	-	(0.4)	(0.1)
Employee benefits	-	-	(0.6)	(0.8)
Provisions	0.4	0.2	-	-
Losses	1.5	0.2	-	-
Tax assets/(liabilities)	2.6	2.6	(8.9)	(7.0)
Tax assets			2.6	2.6
Net tax liabilities			(6.3)	(4.4)

The deferred tax asset in respect of tax losses not recognised at year end is £0.2m (2023: £0.8m).

13 Deferred tax assets and liabilities (continued)

Group (continued)

Movement in deferred tax during the period.

	1 January 2024	Recognised expense	Recognised in equity	31 December 2024
	£m	£m	£m	£m
Property, plant and equipment	2.1	(1.5)	-	0.6
Revaluations	(6.1)	-	(1.8)	(7.9)
Financial assets: available for sale investments	(0.1)	(0.3)	-	(0.4)
Employee benefits	(0.7)	(0.2)	0.4	(0.5)
Provisions	0.2	0.2	-	0.4
Losses	0.2	1.3	-	1.5
	(4.4)	(0.5)	(1.4)	(6.3)

Movement in deferred tax during the prior year.

	1 January 2023	Recognised expense	Recognised in equity	31 December 2023
	£m	£m	£m	£m
Property, plant and equipment	1.9	0.2	-	2.1
Revaluations	(5.9)	0.1	(0.3)	(6.1)
Financial assets: available for sale investments	(0.4)	0.3	-	(0.1)
Employee benefits	(0.7)	(0.3)	0.3	(0.7)
Provisions	0.3	(0.1)	-	0.2
Losses	-	0.2	-	0.2
	(4.8)	0.4	-	(4.4)

13 Deferred tax assets and liabilities (continued)

RICS

	Assets		Liabilities	
	2024	2023	2024	2023
	£m	£m	£m	£m
Property, plant and equipment	0.6	2.1	-	-
Revaluations	-	-	(7.9)	(6.1)
Employee benefits	-	-	(0.6)	(0.7)
Provisions	0.3	0.2	-	-
Losses	1.1	0.2	-	-
Tax assets/(liabilities)	2.0	2.5	(8.5)	(6.8)
Tax assets			2.0	2.5
Net tax liabilities			(6.5)	(4.3)

The deferred tax asset in respect of tax losses not recognised at year end is £nil (2023: £nil).

Movement in deferred tax during the period.

	1 January 2024	Recognised expense	Recognised in equity	31 December 2024
	£m	£m	£m	£m
Property, plant and equipment	2.1	(1.5)	-	0.6
Revaluations	(6.1)	-	(1.8)	(7.9)
Employee benefits	(0.7)	(0.3)	0.4	(0.6)
Provisions	0.2	0.1	-	0.3
Losses	0.2	0.9	-	1.1
	(4.3)	(0.8)	(1.4)	(6.5)

13 Deferred tax assets and liabilities (continued)

RICS

Movement in deferred tax during the prior year.

	1 January 2023	Recognised expense	Recognised in equity	31 December 2023
	£m	£m	£m	£m
Property, plant and equipment	1.9	0.2	-	2.1
Revaluations	(5.9)	0.1	(0.3)	(6.1)
Employee benefits	(0.7)	(0.3)	0.3	(0.7)
Provisions	0.2	-	-	0.2
Losses	-	0.2	-	0.2
	(4.5)	0.2	-	(4.3)

14 Trade and other receivables

	Group		RICS	
	2024	2023	2024	2023
	£m	£m	£m	£m
Trade receivables	11.0	12.6	10.7	12.4
Other receivables	2.5	0.9	1.8	0.4
Amounts owned by subsidiary undertakings	-	-	45.4	39.6
Accrued income	0.6	0.7	0.4	0.7
Prepayments	3.6	3.2	3.1	2.7
	17.7	17.4	61.4	55.8

15 Cash and cash equivalents

Cash at bank

Cash held by investment managers for ultimate investment in available for sale investments

Net cash and cash equivalents

Notes	Group		RICS	
	2024	2023	2024	2023
	£m	£m	£m	£m
	17.4	25.5	6.4	8.1
	2.2	-	-	-
	19.6	25.5	6.4	8.1

16 Trade and other payables

Current liabilities

Trade payables

Amounts owed to subsidiary undertakings

Other taxation and social security

Accrued charges

Deferred income

	Group		RICS	
	2024	2023	2024	2023
	£m	£m	£m	£m
	1.8	1.9	1.9	2.1
	-	-	36.2	27.9
	1.2	1.0	1.1	0.9
	8.8	8.9	6.3	6.6
	33.5	30.2	33.2	30.2
	45.3	42.0	78.7	67.7

The deferred income balances at December 2023 of £30.2m (Group) and £30.2m (RICS) were recognised as revenue in 2024.

17 Employee benefits

Pension plans

RICS operates a pension scheme, which has a defined benefit funded section and a defined contribution section. All active members of the scheme are employed directly by RICS. Employees of subsidiary undertakings have pension arrangements appropriate to the circumstances prevailing within the individual countries.

The assets of the defined benefit pension scheme are held in a separate trustee administered fund, known as The Royal Institution of Chartered Surveyors Pension and Assurance Scheme. The defined benefit section was closed to new entrants from 1 January 1999 and from future

service accrual from 1 May 2008 when the active members were offered membership of the defined contribution section and retained a salary link to their defined benefit section pensions until they retire or leave service.

The defined benefit section of the Scheme is valued on a triennial basis; the most recent completed valuation of the Scheme was undertaken as 1 January 2024, and RICS have agreed to pay in £1 million per annum for the foreseeable future. Pension costs relating to the defined contribution section are based on a set percentage of salary and are accounted for separately and included as a staff cost (see note 4).

The pension cost relates to the defined benefit section only and is assessed in accordance with the advice of a qualified actuary using the projected unit method.

The assumptions as at 31 December 2024 that had the most significant effect on the outcome of the valuation were:

- 1 discount rate of 5.4% per annum
- 2 CPI at 2.5%
- 3 RPI at 3.1%
- 4 salary increases of 2.0%

The results of the assumptions used within the valuation are set out below.

Defined benefit asset
Total defined benefit liability
Total employee surplus

Group		RICS	
2024	2023	2024	2023
£m	£m	£m	£m
42.9	48.3	42.9	48.3
(40.7)	(45.5)	(40.7)	(45.5)
2.2	2.8	2.2	2.8

17 Employee benefits (continued)

Group and RICS

	Defined benefit obligation		Fair value of plan assets		Net defined benefit asset/liability	
	2024	2023	2024	2023	2024	2023
	£m	£m	£m	£m	£m	£m
Balance at 1 January/1 August	(45.5)	(44.2)	48.3	47.0	2.8	2.8
Included in income statement:						
Past service cost	-	-	-	-	-	-
Interest (cost)/income	(2.1)	(2.1)	2.3	2.3	0.2	0.2
	(47.6)	(46.3)	50.6	49.3	3.0	3.0
Included in other comprehensive income						
Change in financial assumptions	3.1	(1.1)	-	-	3.1	(1.1)
Change in experience adjustments	0.1	(0.3)	-	-	0.1	(0.3)
Change in demographic assumptions	2.0	(0.3)	-	-	2.0	(0.3)
Return on plan assets excluding interest income	-	-	(7.0)	0.5	(7.0)	0.5
Total changes in other comprehensive income	5.2	(1.7)	(7.0)	0.5	(1.8)	(1.2)
Other	-	-	-	-	-	-
Contributions paid by employer	-	-	1.0	1.0	1.0	1.0
Benefits paid	1.7	2.5	(1.7)	(2.5)	-	-
Interest income	-	-	-	-	-	-
At 31 December	(40.7)	(45.5)	42.9	48.3	2.2	2.8

17 Employee benefits (continued)

Plan assets

	Group		RICS	
	2024	2023	2024	2023
	£m	£m	£m	£m
Cash	0.2	1.7	0.2	1.7
Insured pensions	3.1	2.6	3.1	2.6
Equity instruments	-	-	-	-
Debt instruments	39.6	44.0	39.6	44.0
Investment funds	-	-	-	-
	42.9	48.3	42.9	48.3

All equity securities and government bonds have quoted prices in active markets. All government bonds are issued by European governments and are AAA or AA rated. All other plan assets are not quoted in an active market.

Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Group		RICS	
	2024	2023	2024	2023
	%	%	%	%
Discount rate at 31 December	5.4	4.8	5.4	4.8
Future salary increases	n/a	n/a	n/a	n/a
Medical cost trend rate	3.1	3.1	3.1	3.1
Future pension increases	3.0	3.1	3.0	3.1

The assumptions relating to longevity underlying the pension liabilities at the statement of financial position date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 60-year-old to live for a number of years as follows:

- Current pensioner aged 60: 25.1 years (male), 28.0 years (female).
- Future retiree currently aged 40 upon reaching 60: 26.3 years (male), 29.2 years (female).

17 Employee benefits (continued)

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions set out above. The following table shows the value of the defined benefit obligation at the end of the reporting period with a change in the respective assumptions by 0.25%.

	Group		RICS	
	-0.25%	0.25%	-0.25%	0.25%
	£m	£m	£m	£m
Discount rate	41.8	39.6	41.8	39.6
Inflation rate (RIR, CPI)	40.9	40.5	40.9	40.5
Mortality rate: 1 year age rating	42.3		42.3	

The above sensitivities are based on the average duration of the benefit obligation determined at the date of the current actuarial valuation at 1 January 2024, and are applied to adjust the defined benefit obligation at the end of the reporting period for the assumptions concerned. While the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation to the sensitivity of the assumptions shown.

The following table shows the fair value of scheme assets at the end of the reporting period, with a change in the respective assumptions by 0.25% (allowing for the impact of the increase or decrease of the particular assumption on the secured pensioner annuities only).

	Group		RICS	
	-0.25%	0.25%	-0.25%	0.25%
	£m	£m	£m	£m
Discount rate	42.9	42.9	42.9	42.9
Inflation rate (RIR, CPI)	42.9	42.9	42.9	42.9
Mortality rate: 1 year age rating	43.2		43.2	

Funding

The funding requirement of the defined benefit plan is based on the pension fund's actuarial measurement framework set out in the funding policies of the plan. The funding of the plan is based on a separate actuarial valuation for funding purposes, for which the assumptions may differ from the assumptions above. Employees are not required to contribute to the defined benefit section of the plan.

Defined contribution plans

The Group operates a number of defined contribution pension plans. The total expense relating to these plans in the current year was £2.0m (2023: £1.5m).

18 Provisions

Dilapidations provision

Group		RICS	
2024	2023	2024	2023
£m	£m	£m	£m
0.5	0.6	0.5	0.6
0.5	0.6	0.5	0.6

A provision is made for an estimate of dilapidation costs on the leasehold property in relation to both repairs and reinstatement relating to conditions in place at the reporting date. This provision is expected to be used on termination of the respective leases; the actual outflows will vary dependent upon agreement with the landlord at that time.

19 Notes to cash flow

	2023	Cash flow	Non-cash	Foreign exchange	2024
	£m	£m	£m	£m	£m
Current liabilities					
Cash and cash equivalents	25.5	(5.9)	-	-	19.6
Debt due within one year					
Lease liabilities	(3.3)	(0.8)	1.5	-	(2.6)
Bank overdraft	-	-	-	-	-
	22.2	(6.7)	1.5	-	17.0

Reconciliation of movements in net debt	£m
Net debt funds at beginning of year	22.2
Decrease in cash	(5.9)
Repayment of lease liabilities	(0.8)
Disposal of lease liabilities	1.5
Net debt funds at end of year	17.0

20 Reserves

Group and RICS

Revaluation reserve

The revaluation reserve predominantly arises from the valuation of 12 Great George Street, Parliament Square, London, SW1P 3AD and 175, St George Wharf, London SW8 2LJ. The reserve is unrealised and cannot be used to fund the activities of RICS unless the properties are sold.

Premises reserve

The reserve is intended to fund major one-off refurbishments to the RICS properties and ongoing repairs. In the year, we have utilised £2.3m of this reserve in works on our Great George St property.

Client money reserve

This reserve represents funds received to cover claims falling under the insurance of the Client Money Protection Scheme (CMPS). RICS has a subsidiary in Guernsey, whose principal activity is that of providing insurance to RICS to reimburse it for payments made to members of the public in respect of funds.

This would include any claims made under the CMPS. Claims are settled either directly by the captive or recovered through related reinsurance policies. Any such liabilities are consolidated in the Group accounts.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

Investment revaluation reserve

The investment reserve arises from the valuation from cost to market value of the listed financial investments. The reserve is unrealised and cannot be used to fund the activities of RICS unless the investments are sold.

Restricted reserves/Future Foundations reserve

In line with the Bichard Report Recommendation 9, the RICS Board has established a fund for public interest activity.

The restricted reserves for Professional Support Services, Prize Fund and other restricted reserves have been merged to create this fund.

Financial instruments

Financial instruments comprise cash, investments and various items such as trade receivables and trade payables that arise directly from operations. The main purpose of these financial instruments is to maintain Group and RICS operations.

21 Financial instruments

	<i>Notes</i>	Group		RICS	
		2024 £m	2023 £m	2024 £m	2023 £m
Financial assets					
Cash and cash equivalent	15	19.6	25.5	6.4	8.1
Trade receivables (net of provision)	14	11.0	12.6	10.7	12.4
Available for sale investment	12	26.9	21.9	-	-
		57.5	60.0	17.1	20.5
Financial liabilities					
Trade payables	16	1.8	1.9	1.9	2.1

The accounting classifications of each class of financial assets and liabilities are as follows.

Group

	Financial assets at fair value through other comprehensive income	Financial assets/ (liabilities) at amortised cost	Fair value through profit or loss	Total
	£m	£m	£m	£m
At 31 December 2024				
Cash and cash equivalents	-	19.6	-	19.6
Available for sale investments	-	-	26.9	26.9
Lease liabilities	-	(2.6)	-	(2.6)
	-	17.0	26.9	43.9

21 Financial instruments (continued)

	Financial assets at fair value through other comprehensive income	Financial assets/ (liabilities) at amortised cost	Fair value through profit or loss	Total
	£m	£m	£m	£m
At 31 December 2023				
Cash and cash equivalents	-	25.5	-	25.5
Available for sale investments	-	-	21.9	21.9
Lease liabilities	-	(3.3)	-	(3.3)
	-	22.2	21.9	44.1

RICS

	Financial assets at fair value through other comprehensive income	Financial assets/ (liabilities) at amortised cost	Fair value through profit or loss	Total
	£m	£m	£m	£m
At 31 December 2024				
Cash and cash equivalents	-	6.4	-	6.4
Lease liabilities	-	(2.5)	-	(2.5)
	-	3.9	-	3.9

	Financial assets at fair value through other comprehensive income	Financial assets/ (liabilities) at amortised cost	Fair value through profit or loss	Total
	£m	£m	£m	£m
At 31 December 2023				
Cash and cash equivalents	-	8.1	-	8.1
Lease liabilities	-	(3.2)	-	(3.2)
	-	4.9	-	4.9

21 Financial instruments (continued)

Fair value hierarchy

The following table presents the Group's financial assets and liabilities that are measured at fair value by the level of fair value hierarchy:

- quoted prices (unadjusted) from active markets for identical assets/liabilities (Level 1)
- inputs other than quoted prices within Level 1 that are observable for the asset/liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2)
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
At 31 December 2024				
Financial assets at fair value through income statement	26.9	-	-	26.9
	26.9	-	-	26.9
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
At 31 December 2023				
Financial assets at fair value through income statement	21.9	-	-	21.9
	21.9	-	-	21.9

The fair values of all other assets and liabilities are not significantly different from their carrying amount. During the year ended 31 December 2024 and the year ended 31 December 2023, there were no transfers between valuation levels.

Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a professional, customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from its professionals and other customers and cash deposits held by financial institutions.

Due to the nature of the Group's activities, there is no significant exposure to any one party in relation to trade receivables; additional disclosure is however provided to illustrate geography and ageing of trade receivables.

21 Financial instruments (continued)

Financial instruments

The concentration of credit risk for trade receivables at the statement of financial position date by geographic region was:

	Group		RICS	
	2024	2023	2024	2023
	£m	£m	£m	£m
United Kingdom	10.7	12.4	10.7	12.4
Other	0.3	0.2	-	-
	11.0	12.6	10.7	12.4

Credit quality of financial assets and expected credit losses

The ageing of trade receivables (excluding other receivables) at the statement of financial position date was:

Group

	Gross	Impairment	Gross	Impairment
	2024	2024	2023	2023
	£m	£m	£m	£m
Not past due	8.2	-	8.3	-
30–60 days	1.4	-	1.8	-
61–90 days	1.1	-	1.9	-
90 days+	1.3	0.9	1.3	0.7
	12.0	0.9	13.3	0.7

21 Financial instruments (continued)

RICS

	Gross 2024 £m	Impairment 2024 £m	Gross 2023 £m	Impairment 2023 £m
Not past due	8.1	-	8.2	-
30–60 days	1.3	-	1.7	-
61–90 days	1.1	-	1.9	-
90 days+	1.3	0.9	1.3	0.7
	11.8	0.9	13.1	0.7

Counterparty risk

The principal counterparty risk faced by the Group relates to cash deposits invested with financial institutions. Accordingly, the Group ensures that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited and limits its investment activities to cash on deposit only.

Liquidity risk

Financial risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by continuously monitoring forecast and actual cash flows. Future cash requirements are forecast on a monthly basis and funding, including appropriate headroom, is funded through general reserves if required.

Liquidity risk

The following are the contractual maturities of financial liabilities:

Group

	Carrying amount £m	Contractual cash flows £m	1 year or less £m	1 to <2 years £m	2 to <5 years £m	5 years and over £m
At 31 December 2024						
Non-derivative financial liabilities	-	-	-	-	-	-
Trade and other payables	1.8	1.8	1.8	-	-	-
Lease liabilities	2.6	2.6	0.8	0.8	0.9	0.1
	4.4	4.4	2.6	0.8	0.9	0.1

21 Financial instruments (continued)

RICS

	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
At 31 December 2024	£m	£m	£m	£m	£m	£m
Non-derivative financial liabilities	-	-	-	-	-	-
Trade and other payables	1.9	1.9	1.9	-	-	-
Lease liabilities	2.6	2.6	0.8	0.8	0.9	0.1
	4.5	4.5	2.7	0.8	0.9	0.1

Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments.

Foreign currency risk

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amounts for monetary financial instruments.

Group

At 31 December 2024	Sterling £m	Euro £m	US dollar £m	Other £m	Total £m
Cash and cash equivalents	17.3	0.4	0.1	1.7	19.5
Trade receivables	10.7	0.1	-	0.2	11.0
Trade payables	(1.9)	-	-	0.1	(1.8)
Net exposure	26.1	0.5	0.1	2.0	28.7

At 31 December 2023	Sterling £m	Euro £m	US dollar £m	Other £m	Total £m
Cash and cash equivalents	22.4	0.8	0.1	2.2	25.5
Trade receivable	12.4	-	-	0.2	12.6
Trade payables	(2.1)	-	-	0.2	(1.9)
Net exposure	32.7	0.8	0.1	2.6	36.2

21 Financial instruments (continued)

RICS

RICS' exposure to foreign currency risk is as follows.

At 31 December 2024

Cash and cash equivalents

Trade receivable

Trade payables

Net exposure

Sterling £m	Euro £m	US dollar £m	Other £m	Total £m
6.4	-	-	-	6.4
10.7	-	-	-	10.7
(1.9)	-	-	-	(1.9)
15.2	-	-	-	15.2

At 31 December 2023

Cash and cash equivalents

Trade receivable

Trade payables

Net exposure

Sterling £m	Euro £m	US dollar £m	Other £m	Total £m
8.1	-	-	-	8.1
12.4	-	-	-	12.4
(2.1)	-	-	-	(2.1)
18.4	-	-	-	18.4

Sensitivity analysis

Group

The Group seeks to mitigate its foreign currency risk by maintaining currency at levels equivalent to a maximum of 1 months' working capital requirements only. A 5% weakening of the following currencies against the pound sterling at 31 December 2024 would have increased/(decreased) equity and profit or loss by the amounts shown below. This calculation assumes that the change occurred at the statement of financial position date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant. The analysis is performed on the same basis for the year ended 31 December 2023.

Impact of +/- 5%
€

Equity		Profit or loss	
2024 £m	2023 £m	2024 £m	2023 £m
-	-	-	-

21 Financial instruments (continued)

A 5% strengthening of the above currencies against the pound sterling at 31 December 2024 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

RICS

A 5% weakening of the following currencies against the pound sterling at 31 December 2024 would have no impact on equity and profit or loss. This calculation assumes that the change occurred at the statement of financial position date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant. The analysis is performed on the same basis for the year ended 31 December 2023.

	Equity		Profit or loss	
	2024	2023	2024	2023
	£m	£m	£m	£m
Impact of +/- 5%	-	-	-	-
€	-	-	-	-

A 5% strengthening of the above currencies against the pound sterling at 31 December 2024 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Market risk – interest rate risk

Exposure to interest rate risk is not considered significant since the Group does not hold significant interest-bearing assets or liabilities. The Group does not therefore utilise interest rate swaps or other hedging instruments.

Market risk – equity price risk

The Group's exposure to equity price risk arises from its investment in equity securities, which are classified as available for sale financial assets and are shown on the statement of financial position as current assets (see note 12). The Group has engaged professional investment managers to manage the equity risk of its investment holdings.

Capital management

The Group operates within the Treasury and Reserves policies established by its ARAF Committee. Within the scope of these policies, the Group manages its capital with the objectives of delivering the wider RICS strategy. The assets and liabilities that are managed as capital comprise trade and other receivables, cash and cash equivalents, investments held for resale, inventories and trade and other payables.

22 Related parties

Transactions with key management personnel

RICS define key management as the Executive team members who have delegated responsibility for the day-to-day running of the organisation, the President and the Chairs of the RICS Board and the Standards and Regulation Board (SRB).

Key management personnel who have served during the year are:

RICS

President of RICS*	Tina Paillet
Chair of the RICS Board*	Martin Samworth
Chief Executive Officer*	Justin Young
Chief Operating Officer	Alison Currie (Resigned 06/2024) Alex Lowth (Appointed 07/2024, resigned 12/2024) Dabinder Hutchinson (Appointed 11/2024)
Chief People Officer	Andrea Sutherill (Resigned 11/2024) Becky Hone (Appointed 11/2024)
General Counsel	Corinna Alströme
Chief Market Delivery Officer	Tony Osude (Appointed 06/2024)
Chief Product Development Officer	Robyn Mckenna (Appointed 10/2024)
Chief Experience Officer	Rob Man (Appointed 03/2024)
Executive Director, Markets Strategy, Growth & Engagement (interim)	Lorella Patterson (Resigned 10/2024)
Director of Knowledge & Practice (interim)	Luay Al-Khatib (Resigned 10/2024)
Market Director UK&I	Emma Causer (Resigned 10/2024)
Director of Strategy & Planning (interim)	Jonathan Gorvin (Resigned 01/2024)
Director CEO Office	Adeola Ajayi

* Senior key management personnel

22 Related parties (continued)

SRB

Chair of SRB*	Nigel Clarke
Senior Executive Officer, SRB*	Chris Alder
Executive Director, Education & Qualification Standards	Ian Jeal
Executive Director, Professional Standards	Christine O'Rourke
Executive Director, Dispute Resolution Service	John Fletcher
Executive Director, Regulation & Assurance Operations	Belinda Howell

* Senior key management personnel

The aggregate remuneration for senior key management personnel is provided below.

	2024 £000	2023 £000
Salary/officers' fees earned	759	914
Waived salary	-	-
Executive remuneration	759	914
Short Term Incentive Plan Bonus (STIP)	50	141
Long Term Incentive Plan Bonus (LTIP)	-	-
Contributions to pension plans	49	43
Other benefits	2	3
Total	860	1,101

22 Related parties (continued)

Total remuneration for the key management personnel, including those above, is provided below.

	2024 £000	2023 £000
Salary/officers fees earned	2,889	2,182
Waived salary	-	-
Executive remuneration	2,889	2,182
Short Term Incentive Plan Bonus (STIP)	159	166
Long Term Incentive Plan Bonus (LTIP)	-	-
Contributions to pension plans	222	145
Other benefits	17	31
Total	3,287	2,524

22 Related parties (continued)

Salary, performance bonus, benefits and pension contributions made to the Executive team of the Group (excluding the Chief Executive Officer) are disclosed in remuneration bands in the table below on a like-for-like comparison.

	2024 Number	2023 Number
£0 – £50,000	3	3
£50,001 – £100,000	3	4
£100,001 – £125,000	4	2
£125,001 – £150,000	4	5
£150,001 – £175,000	4	2
£175,001 – £200,000	1	1
£200,001 – £225,000	1	-
£225,001 – £250,000	-	1
£250,001 – £275,000	2	-
£275,001 – £300,000	-	-
£300,001 – £325,000	-	-
£325,001 – £350,000	-	-
£350,001 – £375,000	-	-
£375,001 – £400,000	-	-
£400,001 – £425,000	-	-
£425,001 – £450,000	-	1
Current	22	19

The aggregate of Executive remuneration, and other benefits provided to the highest paid Executive, was £361,185 (2023: £483,468). Included in this figure is an STIP payment of £21,082 (2023: £129,723) in respect of the 2023 financial year, LTIP payments of £nil (2023: £nil) and a cash payment in lieu of contributions to a personal pension arrangement of £nil (2023: £12,675).

22 Related parties (continued)

The amount of provision relating to the deferred awards is £86,948, which is due to be paid by December 2025 to those Executive team members who are eligible. Retirement benefits are accruing to the following number of Executive team members under:

	2024 Number	2023 Number
Money purchase schemes	19	14
Pension allowance paid towards personal pension arrangements	-	1
	19	15

23 Accounting estimates and judgements

To be able to prepare financial statements according to generally accepted accounting principles, the Group must make estimates and assumptions that affect the recorded asset and liability items (including those under lease arrangements and intercompany balances) as well as other information, such as that provided on pensions, as well as valuations of our freehold property and recoverability of deferred tax assets. These estimates are based on historical experience and various other assumptions that the Institution believes are reasonable under the circumstances.

The results of these form the basis for making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Further details in relation to specific areas are included below.

Leases – note 8

At the lease commencement date, the lease liability is calculated by discounting the lease payments. The discount rate used should be the interest rate implicit in the lease (IRIIL). However, if that rate cannot be readily determined, the lessee’s incremental borrowing rate (IBR) is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Due to the capital structure of the Group, the Group’s cost of debt forms the base of the IBR with specific finance and lease adjustments made, when applicable, which are linked to the lease term, country of lease and start date.

23 Accounting estimates and judgements (continued)

Management exercises judgement in determining the likelihood of exercising break or extension options in determining the lease term. Hence at commencement of the lease, break or extension options are not typically considered reasonably certain that they will be exercised. Leases are regularly reviewed and will be revalued if it becomes likely that a break clause or option to extend the lease is exercised.

Valuations of property – note 9

Freehold properties are revalued annually to fair value in accordance with *RICS Valuation – Global Standards*, as well as incorporating IFRS 13. The Group engages the services of external experts in conducting the valuation of freehold property.

Retirement benefits – note 17

In determining the valuation of defined benefit pension scheme assets and liabilities, a number of key assumptions, which are largely dependent on factors outside the control of the Group, have been made in relation to:

- expected return on plan assets
- inflation rate
- mortality
- discount rate
- salary and pensions increases.

Management have carefully considered the extent to which a pension asset can be recognised under IAS 19 and IFRIC 14, which require an entity to limit the measurement of a net defined benefit asset to the lower of the surplus in the defined benefit scheme and the asset ceiling, defined to be the present value of economic benefits available in the form of refunds from the scheme or reductions to future contributions.

Management has concluded that it can recognise the full amount of the defined benefit pension surplus on the grounds it could gain sufficient economic benefit from a future reduction in contributions.

Impairment of intangible assets – note 10

Management has considered the recoverability of the Net book value of the intangible assets and reviewed this against the expected utilisation and economic inflow derived from the intangible assets. Any impairment identified is recognised immediately in the income statement.

24 Subsequent events

There are no subsequent events to report.

Delivering confidence

We are RICS. As a member-led chartered professional body working in the public interest, we uphold the highest technical and ethical standards.

We inspire professionalism, advance knowledge and support our members across global markets to make an effective contribution for the benefit of society. We independently regulate our members in the management of land, real estate, construction and infrastructure. Our work with others supports their professional practice and pioneers a natural and built environment that is sustainable, resilient and inclusive for all.

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