

Annual report and financial **statements 2025**

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This report forms part of our annual reporting for the year ending 31 December 2025. The annual review is available on the RICS website. This report summarises RICS’ financial report and statements for 2025.

2025: a year shaped by member voices

Justin Young, RICS CEO



2025 was a strong year financially for RICS. We grew revenue in all areas of the business, with rising member numbers and an increase in commercial revenue. We also made targeted savings across the organisation and delivered a strong operating result.

This performance allowed us to continue investing in our long-term transformation to become an experience-led, member-centric organisation.

A significant milestone in this journey was the implementation of our new operating model, allowing us to redirect resources towards more regional activity, to ensure we can respond to the specific needs of local members and candidates. This includes in-market early years and candidate support, dedicated marketing and event resources and reestablishing market directors.

In 2025, we invested in several large-scale initiatives to strengthen how we serve our global membership. This included our new member app, which enables members to manage their details, access a digital membership card and log continuing professional development (CPD) on the go. I look forward to seeing future releases as we continue to develop this platform further in 2026.

I am also delighted with the level of member engagement we delivered globally: 444 regional activities took place and over 20,000 delegates participated worldwide, all of which brought people together to discuss key themes affecting the profession. Additionally, more than 80 volunteer recognition activities celebrated those who contributed to RICS' global impact.

In a new chapter for RICS, we joined a consultancy project with the General Authority of Surveying and Geospatial Information (GEOSA) in Saudi Arabia. It involves supporting the development of a national regulatory and accreditation framework.



This work, alongside the other projects we have consulted on, reflects RICS' reputation as the leading global professional body and independent regulator for the surveying profession, working with governments for the benefit of the public.

Our strong financial position in 2025 meant that, despite expenditure on strategic projects, our cash and investments balance has increased year on year. One strategic project RICS is committed to is investing in the future of the profession. We are transforming how people enter surveying through a Qualifications and Professional Development (QPD) programme, which aims to modernise and simplify the current approach and create an inclusive and resilient system for the future.

In the meantime, our three new pilot membership pathways: Residential Retrofit Surveying (AssocRICS), Sustainability Advisory (MRICS), and Data Analytics and Intelligence (MRICS) aim to open more routes into the profession for people from a wide range of backgrounds.

RICS ended 2025 well positioned to lead and positively influence our profession, our industry and the wider public.

Professional advisers

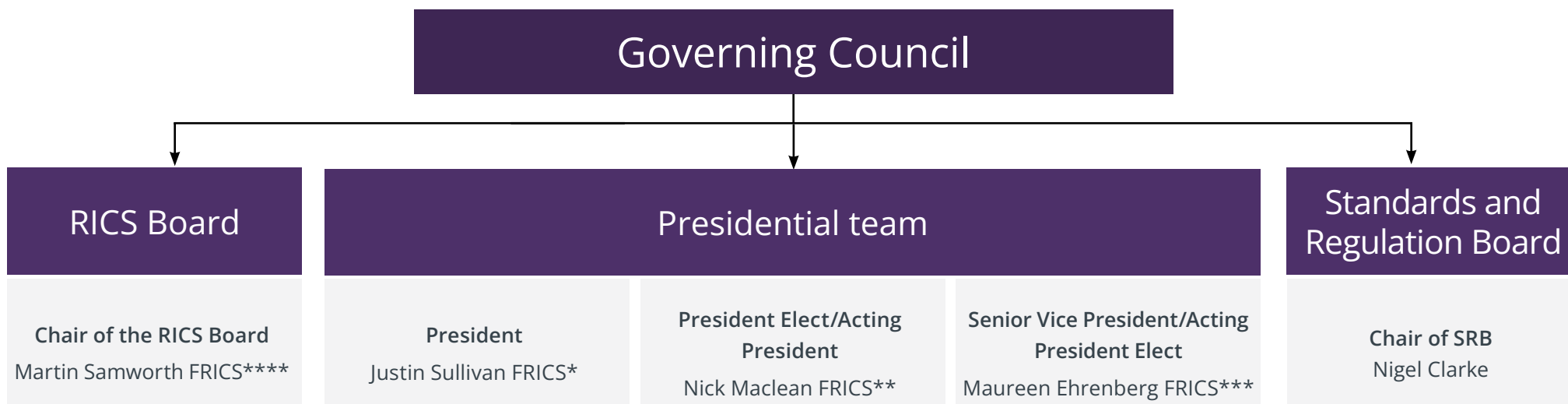
Independent Auditor	Grant Thornton UK LLP 17th Floor, 103 Colmore Row Birmingham B3 3AG
Principal Bankers	National Westminster Bank Plc. 5th Floor, 2 St Philips Place Birmingham B3 2RB
Investment Managers	Mercer Limited Tower Place West, 1 Tower Place London EC3R 5BU
Pension Advisers	Mercer Limited Tower Place West, 1 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 2025 is set out below. The current RICS governance structure can be found on the [RICS website](#).



* Justin Sullivan temporarily stepped aside from the role of President from 28 February 2025 to 31 December 2025 (when his term as President came to an end), and did not participate in Governing Council during this period.

**Nick Maclean served as Acting President from 28 February 2025 to 31 December 2025.

***Maureen Ehrenberg served as Acting President Elect from 13 March 2025 to 31 December 2025.

****Martin Samworth served as Chair of the RICS Board until 6 December 2025 when his term expired. Liz Peace is acting as Chair of the RICS Board.

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 Officer 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 2025.

Name	Position	Appointment date (if in year)
Justin Young	Chief Executive Officer	
Dabinder Hutchinson	Chief Operating Officer	
Emma Blaney	Chief People Officer	November 2025
Tony Osude	Chief Market Delivery Officer	
Rob Man	Chief Experience Officer	
Robyn McKenna	Chief Product Development Officer	
Corinna Alstromer	General Counsel	
Chris Alder	Senior Executive Officer – Standards and Regulation*	

* Senior Executive Officer – Standards and Regulation reports directly to the Standards and Regulation Board

People holding executive roles during the year to 31 December 2025:

Name	Position	Departure date
Adeola Ajayi	Director CEO Office	February 2025
Alex Lowth	Chief Financial Officer (Interim)	June 2025
Becky Hone	Chief People Officer	November 2025
Mike Hill	Chief Digital Information Officer	April 2025

On 1 January 2025, the Standards and Regulation Board (SRB) Executive team in place was as follows.

Name	Position	Appointment date (if in year)
Chris Alder	Senior Executive Officer – Standards and Regulation	
Ian Jeal	Executive Director – Education and Qualifications Standards	
Chrissie O'Rourke	Executive Director – Professional Standards	
John Fletcher	Executive Director – Dispute Resolution Service	
Belinda Howell	Executive Director – Regulation and Assurance Operations	



Financial review: numbers in summary

Revenue

£77.0m

2025

£70.8m

2024

£71.8m

2023

Subscription renewal

£52.1m

2025

£49.9m

2024

£50.3m

2023

Net assets

£59.7m

2025

£58.1m*

2024

£54.2m*

2023

*The comparative net assets previously reported of £60.6m (2023: £56.7m) have been restated to reflect the adjustments identified during the current year (see note 24).

Net result



£1.1m

2025

£0.3m

2024

£0.0m

2023

Staff costs



£45.5m

2025

£43.0m

2024

£42.4m

2023

Employees (average)



682

2025

680

2024

668

2023

Designated funds (free reserves)



£33.2m

2025

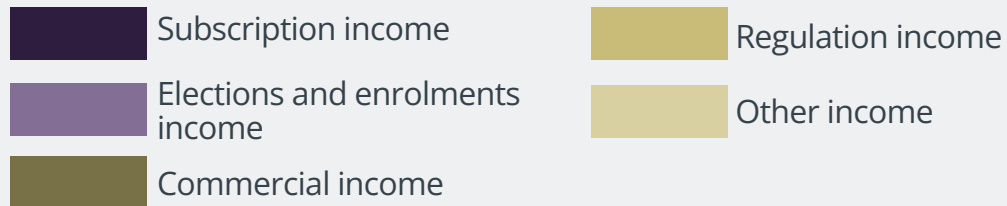
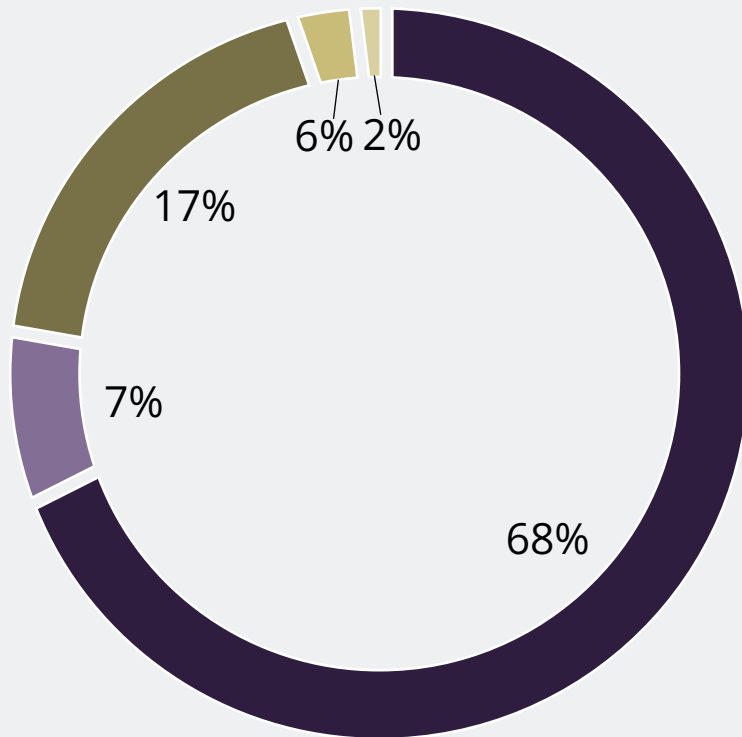
£29.6m

2024

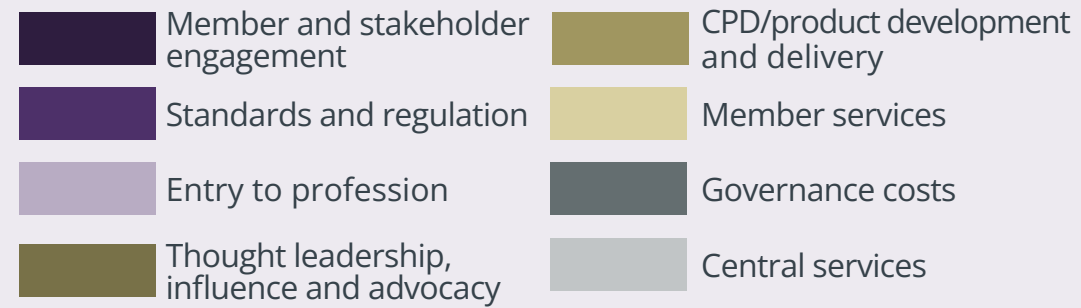
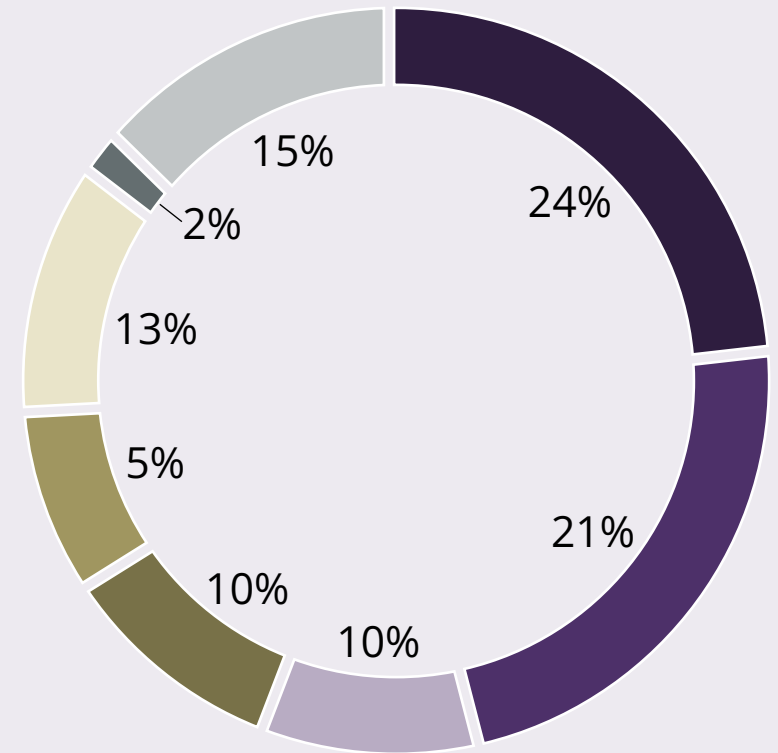
£29.9m

2023

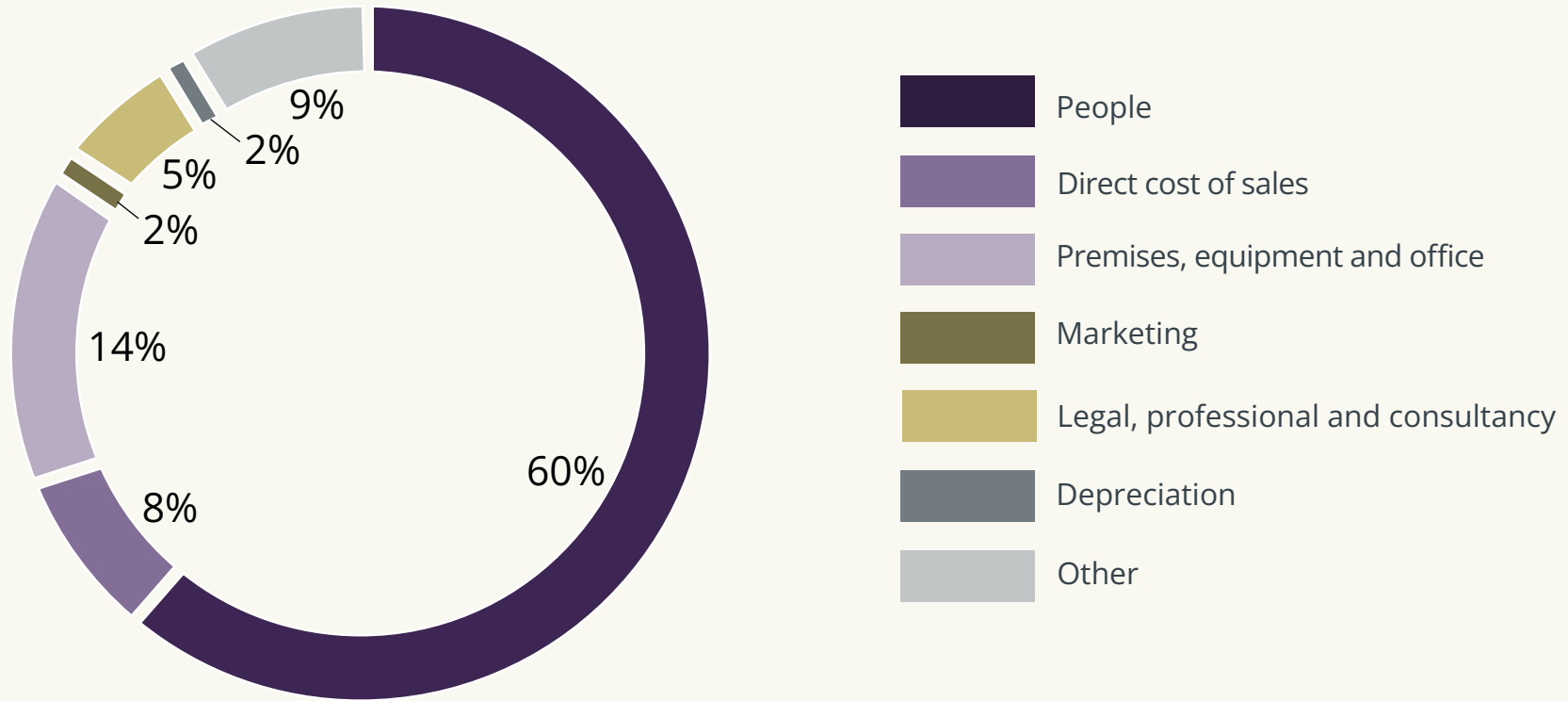
Breakdown of revenues



Breakdown of costs



Operating costs by type



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 £77.0m (2024: £70.8m), a 9% increase on the previous year on a like-for-like basis. Given the increase in income, gross profit has increased by 10% year-on-year to £52.8m.

RICS delivered a strong operating performance during the financial year with a 9% increase in total income, 10% increase in gross profit and there were costs improvements in marketing and IT and legal. 2025 was also a year of considerable investment in the change and transformation programmes at RICS. These included investment in the target operating model to enable RICS to achieve its strategic ambitions.

During 2025, the group's reported results were influenced by several non-recurring and exceptional items. These items do not reflect the underlying trading performance of the business but were required to be recognized in accordance with our accounting policies. The year included an increase in the dilapidations provision, as well as a write-off of project costs where future benefits were no longer expected. In addition, the group recognized a fair value gain on its investment in BCIS, reflecting the revaluation of our shareholding. Overall, the group reported a net profit of £1.1m for 2025.

Revenue

RICS' revenues consist of subscriptions (£52.1m), commercial activities (£10.5m), elections and enrolment (£5.6m), regulatory activities, including fines (£4.3m), DRS (£2.5m) and other income (£2.0m), totalling £77.0m for 2025.

Subscriptions revenues increased due to an increase in member numbers, a reduction in the number of members taking up concessions on their subscriptions and an increase in the cost of subscription, which was based on 3.5% increase on the UK MRICS fee. This was the first increase in four years.

Commercial and other income totals £22.5m (2024: £21.1m).

Expenditure

Total expenditure incurred in the year is £80.5m of which people costs account for £45.5m.

Other operating expenditure of £29.2m includes £6.3m for direct cost of sales, £21.2m of operating overheads and £1.7m of governance-related costs.

Strategic initiative costs during the year totalled £6.9m in relation to £1.6m of D365 spend (including depreciation) and £5.3m spent in respect of transformation programme activities and RICS Board initiatives, such as the target operating model, the new Member App and office improvements as we returned to the office.

Financial health

Total net assets have increased over the year by £1.6m, combining an increase in deferred subscriptions (£1.3m) and Assessment of Professional Competence (APC) income (£2.6m) reflecting amounts that had been incorrectly recognised as revenue in prior periods and have now been adjusted, upward revaluation of our

headquarters in Great George Street (£1.7m), an actuarial pension deficit in relation to the defined benefit scheme (£0.4m), a deferred tax on pension scheme/revaluation property/investments (£0.3m), an increase in financial assets investment and a £1.1m net profit.

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 2025	31 December 2024
Adversity funds	£24.0m	£21.1m
General funds	£9.2m	£8.5m
CMP reserves	£2.4m	£2.3m
Future Foundations Fund	£0.8m	£0.8m
Total funds	£36.4m	£32.7m

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.

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.

CMP reserves relate to the subsidiary CMP Insurance PCC Limited, which provides insurance to RICS linked in part but not solely to the Client Money Protection scheme.

Pensions

The IAS19 valuation, as of 31 December 2025, resulted in a whole scheme surplus of £3.0m (2024: £2.2m surplus). During the year there was a £0.4m 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 December 2023, this valuation showed a surplus of £1.4m (2020: deficit of £0.7m). 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 2027 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 increase in line with the price increase that was implemented for 2026.
- Commercial and other income are expected to increase from the 2025 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 2026–2028.

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 promote more stable performance and protect and create long term value for our members, with the Audit, Risk Assurance and Finance (ARAF) Committee providing oversight.

As part of our ongoing commitment to strengthening risk awareness and culture, we continued to improve how risk management is applied across the organisation, particularly in fast-moving and uncertain environments. During the year, we progressed with several initiatives to ensure our approach remains effective, proportionate, and aligned with recognised best practice in enterprise risk management.

Our enterprise risk management framework operates as the second line of defence, while internal audit provides independent assurance as the third line of defence, together forming part of our overall three lines of defence framework.

Our approach to risk management recognises that taking well-managed risks is essential to delivering our strategic objectives, supported by clear controls and mitigations. Internal audit complements this by providing a structured and independent assessment of how well our risk management, controls, and governance arrangements are working in practice.

Internal audit – third line of defence

During the year, we delivered the third year of our 2024–2026 internal audit plan, which was developed by aligning our internal audit universe to the RICS strategy and corporate objectives, with individual audits linked directly to our seven strategic risks. The internal audit plan spans across our directorates and in 2025 included areas such as People and Culture, Change and Transformation, Membership Services and Business Continuity providing adequate assurance over the design and application of controls.

However, some areas for improvement were identified. Management has accepted all audit findings and agreed clear action plans are in place to address these recommendations.

Increased focus is now placed on the timely implementation of these actions, with proactive management intervention where progress slows, including reassigning ownership or resources where necessary. Progress against actions is reported to each ARAF Committee meeting to ensure we enhance our control environment.

Risk management – second line of defence

Our risk management and internal control framework is designed to identify, limit, and manage the risks we face. As with any such framework, it provides reasonable rather than absolute assurance, meaning that issues may still arise despite the controls in place.

For each strategic risk, we have established a set of key risk indicators with defined tolerance levels. These help us monitor whether our exposure remains within our agreed risk appetite or could threaten delivery of our strategic priorities.

The indicators include a balanced mix of forward-looking and outcome-based measures and focus on our most significant risk areas, such as maintaining trust and confidence, organisational relevance, financial resilience, and key operational risks including cyber security as illustrated in the strategic risks table at the end of this section.

The strategic risk register is reviewed quarterly by the Executive team and the ARAF Committee. These reviews support informed discussion on how risks are evolving and whether additional mitigating actions are required. Following each committee meeting, updates are provided to the RICS Board.

Our Risk Champions act as local ambassadors for risk management activities. They continued to develop their own skillsets in risk management whilst 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 across business areas. The Risk Champions forum, chaired by the Risk and Audit Director, meets quarterly to promote consistent risk dialogues and drive improvements in risk management awareness and culture.

Members of the Executive team regularly attend these forums to reinforce the importance of proactive and effective risk management, demonstrating a positive tone from the top. We maintain a documented assurance map, which provides a clear and holistic view of where assurance is obtained across the lines of defence and highlights any gaps. A desktop review of the assurance map was commenced in December 2025, with the resulting observations to be shared with the ARAF Committee.

In addition, our internal audit partner undertakes annual testing of our key controls to strengthen assurance over the alignment between our activities, risks, and sources of assurance.

Enhancing risk management capability – new risk management software

To further strengthen our risk management framework, we initiated a competitive tender for new risk management software, as an important step in moving away from a manual and spreadsheet-heavy process to becoming more agile and consistent in our approach. The chosen system is expected to be adopted during summer 2026.

The new system will provide a single source of record for risks, ensuring they are assessed and monitored consistently across the organisation. It will also support automated workflows, including the tracking and implementation of audit recommendations.

Responding to incidents and building our resilience

During the year, we further strengthened how we manage significant incidents across the organisation, ensuring we are well prepared to respond effectively if issues arise. We tested our incident response arrangements with support from our third-party mass communication provider.

This included staff communications via text message and email, and the convening of our gold and silver incident management teams. The testing was successful and gave us confidence that these arrangements are robust and effective. They were also used in practice during the Hong Kong blaze, where they enabled direct communication, support, and ongoing welfare checks for the affected employees.

To further strengthen our operational resilience, our business continuity arrangements were audited at the end of 2025.

Management has committed to addressing the findings, with planned improvements to business continuity plans covering technology, member engagement, Standards and Regulation Board operations, and members' workplaces. The benefits of these enhancements, alongside updated business impact assessments, will be realised during 2026.

Capturing and responding to principal risks and uncertainties

Our strategic risk register continued to be reviewed and updated throughout the year, with input from the Executive team. It was reviewed quarterly by the ARAF Committee and biannually by the RICS Board. This ongoing review ensures that our principal risks remain relevant and up to date in a rapidly changing internal and external environment, and that they are being managed proactively to support the RICS strategy.

The ARAF Committee maintained close oversight of the delivery of agreed mitigating actions, with particular focus on whether short-term actions are effective in reducing overall risk exposure, supported by rolling deep-dive review cycles of each of our seven strategic risks.

Across the organisation, directorates continued to identify, monitor, and manage their operational risks. These risks benefited from regular review and challenge by the risk management team, supporting continued improvement in operational risk awareness and culture and thus, promoting constructive and continuous discussions about risks and actions.

Strategic risks

During 2025, 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 received. The Global Members 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 SRB plays a significant role in the development of strategic plans and overseeing the effectiveness of RICS as a regulator. The 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.
Failure to effectively deliver change and innovative solutions	Enhancements in our change and portfolio management were made following an internal audit of our Change and Innovation frameworks. 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 secure sufficient funding for key initiatives, leading to a significant threat to our ability to continue to deliver our objectives and support members effectively	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, KPIs and system controls. Global financial operations and fraud exposure are regularly reviewed, with key findings, incidents and mitigation actions reported to the ARAF Committee.
Failure to achieve and maintain effective organisational governance and legal compliance	Constitutional documents, terms of reference, Delegated Authority Matrix, appointment letters and induction processes 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 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. We have an inclusive workplace, along with ensuring our leaders and people managers play their role in building a positive and engaging experience across RICS. The Nominations and Remuneration Committee review our people risks quarterly and we 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 greenhouse gas (GHG) protocols, and the calculation has been carried out by using the GHG conversion factors.

We have excluded all managed offices where there is no separate charge for utilities.

The table below summarises the carbon emission by scope.

Hotel and air travel figures within scope 3 have increased due to international projects gaining momentum. Car travel and rail travel have decreased as we maximise our digital online capabilities.

		2025	2024
Scope	Activity	Tonnes CO ₂ e	Tonnes CO ₂ e
Scope 1	Direct emissions	62	63
Scope 2	Energy indirect	145.1	131.380
Scope 3	Waste management	0.34	1.72
	Hotel accommodation	78.29	40.50
	Car travel	16.53	53.907
	Air travel	725.76	569.5
	Rail travel	56.38	77.10
Total tonnes of CO₂e		1804.4	937
Total tonnes of CO₂e per employee		1.485	1.28

Carbon management achievements

During 2025 we have added to our carbon reduction commitment in the following ways.

- We successfully gained re-certification of our Environmental and Energy Management System for ISO 14001:2015 and ISO 50001:2018 Standards in August 2025.
- Ethically disposing of unused office equipment has resulted in a donation with a fair market value of £13,879 to support education around the world via Waste to Wonder Trust saving 15412.86 kilograms of carbon emissions.
- Electricity contract reprocured using only renewable energy sources.
- Gas contract renewed with green credentials.

- Waste contract has been reviewed and through diligent auditing a 50% reduction in general waste has been achieved in the London office.
- We have integrated multiple building management systems into a single smarter and responsive platform. This maintains a consistent temperature and allows us to optimise energy use remotely.

Future steps include occupancy sensing and weather-responsive controls as well as ensuring our 5–10 year plant life cycle programme maximises our commitment to environmental performance.

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 Group Finance Director 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
22 May 2026



Nick Maclean
President, RICS



Justin Young
Chief Executive Officer

12 Great George Street
Parliament Square, London SW1P 3AD

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

Opinion

We have audited the non-statutory financial statements (the 'financial statements') of the Royal Institution of Chartered Surveyors (RICS) and its subsidiaries (the 'Group') for the year ended 31 December 2025, 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 reserves, the RICS statement of changes in reserves, 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 non-statutory financial statements give a true and fair view of the state of the Group's and of RICS' affairs as at 31 December 2025 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's ability to continue as a going concern for a period of at least 12 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 annual report and financial statements 2025, other than the financial statements and our auditor's report thereon. The RICS Board is responsible for the other information contained within the annual report and financial statements 2025. 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 in preparing the financial statements 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 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.
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training

and participation; and

- knowledge of the industry in which the company operates.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including internal specialist, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- 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: 22 May 2026



Financial statements

Consolidated income statement

for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
Revenue	2	77.0	70.8
Cost of sales		(24.2)	(22.9)
Gross profit		52.8	47.9
Key activities and services			
Regional and local service provision		(12.2)	(12.8)
Creating and enforcing professional standards		(8.1)	(7.7)
Gaining influence and building brand profile		(7.0)	(4.2)
Technology development and operations		(9.4)	(10.0)
Legal and governance		(2.3)	(2.6)
Depreciation and amortisation		(3.6)	(3.0)
Finance operations and ongoing compliance		(4.5)	(4.4)
Property operations and life cycle maintenance		(2.4)	(2.2)
Central activities		(4.2)	(3.3)
Expenditure on key activities and services		(53.7)	(50.2)
Exceptional costs	5	(2.6)	-
Total operating expenditure		(56.3)	(50.2)
Loss on foreign exchange		(0.1)	(0.2)
Changes in fair value of investments		6.9	2.7
Gain on sale of property, plant and equipment and available for sale investments		-	(0.3)
Total other income		6.8	2.2
Result before interest and taxation		3.3	(0.1)
Finance income	6	0.8	0.8
Result before taxation		4.1	0.7
Taxation	7	(3.0)	(0.4)
Net result after taxation attributable to RICS for the financial period		1.1	0.3

The notes on [pages 35 to 88](#) form part of the financial statements.

Consolidated statement of Other Comprehensive Income for the year ended 31 December 2025

	2025 £m	2024 £m
Items that will not be reclassified subsequently to the income statement:		
Surplus on revaluation of property, plant and equipment	1.7	7.0
Actuarial deficit recognised in year	(0.4)	(1.8)
Deferred tax	(0.3)	(1.4)
Other comprehensive surplus in the year	1.0	3.8
Net result after taxation, attributable to RICS for the financial year	1.1	0.3
Total comprehensive surplus for the year	2.1	4.1

The notes on [pages 35 to 88](#) form part of the financial statements.

Consolidated and RICS statements of Financial Position

as at 31 December 2025

	Notes	Group			RICS	
		2025	(Restated) 2024	(Restated) 2023	2025	(Restated) 2024
		£m	£m	£m	£m	£m
Assets						
Non-current assets						
Lease assets	8	2.0	1.9	2.5	1.9	1.9
Property, plant and equipment	9	41.0	40.2	32.0	41.0	40.0
Intangible assets	10	4.2	5.3	4.0	4.2	5.3
Investments in subsidiaries and associates	11	0.1	0.1	0.1	2.3	2.3
Deferred tax asset	13	0.6	2.6	2.6	-	2.0
Financial assets: investments	12	4.1	0.9	0.9	4.1	0.9
Pension asset	17	3.0	2.2	2.8	3.0	2.2
		55.0	53.2	44.9	56.5	54.6
Current assets						
Financial assets investments - FVTPL	12	32.7	26.9	21.9	-	-
Current tax assets		-	0.6	-	-	0.7
Trade and other receivables	14	18.3	17.7	17.4	34.4	61.4
Cash and cash equivalents	15	19.7	19.6	25.5	7.7	6.4
		70.7	64.8	64.8	42.1	68.5
Total assets		125.7	118.0	109.7	98.6	123.1
Liabilities						
Current liabilities						
Trade and other payables	16	(51.9)	(47.9)	(44.6)	(62.3)	(81.0)
Right-of-use liabilities	8	(1.0)	(0.8)	(0.9)	(0.9)	(0.7)
Current liabilities		(52.9)	(48.7)	(45.5)	(63.2)	(81.7)

The notes on [pages 35 to 88](#) form part of the financial statements.

Consolidated and RICS statements of Financial Position (continued)

as at 31 December 2025

	Notes	Group			RICS	
		2025 £m	(Restated) 2024 £m	(Restated) 2023 £m	2025 £m	(Restated) 2024 £m
Non-current liabilities						
Lease liabilities	8	(1.4)	(1.8)	(2.4)	(1.4)	(1.8)
Provisions	18	(1.6)	(0.5)	(0.6)	(1.6)	(0.5)
Deferred tax liability	13	(10.1)	(8.9)	(7.0)	(9.0)	(8.5)
		(13.1)	(11.2)	(10.0)	(12.0)	(10.8)
Total liabilities		(66.0)	(59.9)	(55.5)	(75.2)	(92.5)
Total net assets		59.7	58.1	54.2	23.4	30.6
Reserves	20					
Revenue reserve		15.3	15.0	17.8	(17.3)	(8.8)
Revaluation reserve		33.0	31.7	26.5	33.0	31.7
Investment revaluation reserve		2.2	2.2	0.7	-	-
Other reserves		9.2	9.2	9.2	7.7	7.7
		59.7	58.1	54.2	23.4	30.6


The notes on [pages 35 to 88](#) form part of the financial statements.

RICS has not published an income statement with these consolidated accounts. The result in the RICS financial statements was a loss of £8.2m (2024: £3.6m 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 22 May 2026 by:



Nick Maclean FRICS
President, RICS



Justin Young
Chief Executive Officer

Consolidated statement of changes in reserves

for the year ended 31 December 2025

	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 2023 as previously reported	20.3	26.5	5.8	2.2	0.4	0.7	0.8	56.7
Impact of prior year adjustments (note 24)	(2.5)	-	-	-	-	-	-	(2.5)
Balance at 1 January 2024 as restated	17.8	26.5	5.8	2.2	0.4	0.7	0.8	54.2
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	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 year	(1.1)	5.2	-	-	-	-	-	4.1
Transfer/utilisation	(1.7)	-	-	-	-	1.5	-	(0.2)
Reserves at 31 December 2024 as restated	15.0	31.7	5.8	2.2	0.4	2.2	0.8	58.1
Net result after taxation	1.1	-	-	-	-	-	-	1.1
Actuarial losses recognised in defined benefit pension scheme	(0.4)	-	-	-	-	-	-	(0.4)
Deferred tax on pension scheme/ revaluation of property/investments	0.1	(0.4)	-	-	-	-	-	(0.3)
Revaluation of property and antiques	-	1.7	-	-	-	-	-	1.7
Total comprehensive result in the year	0.8	1.3	-	-	-	-	-	2.1
Transfer/utilisation	0.5	-	-	-	-	-	-	0.5
Reserves at 31 December 2025	15.3	33.0	5.8	2.2	0.4	2.2	0.8	59.7

RICS statement of changes in reserves

for the year ended 31 December 2025

	Revenue reserve	Revaluation reserve	Premises reserve	Clients' money reserve	Restricted reserve	Total
	£m	£m	£m	£m	£m	£m
Reserves at 31 December 2023 as previously reported	(1.5)	26.5	4.7	2.2	0.8	32.7
Impact of prior year adjustments (note 24)	(2.2)	-	-	-	-	(2.2)
Balance at 1 January 2024 as restated	(3.7)	26.5	4.7	2.2	0.8	30.5
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)
Revaluation of property and antiques	-	7.0	-	-	-	7.0
Total comprehensive result in the year	(5.1)	5.2	-	-	-	0.1
Reserves at 31 December 2024 as restated	(8.8)	31.7	4.7	2.2	0.8	30.6
Net result after taxation	(8.2)	-	-	-	-	(8.2)
Actuarial losses recognised in defined benefit pension scheme	(0.4)	-	-	-	-	(0.4)
Deferred tax on pension scheme/revaluation of property/ investments	0.1	(0.4)	-	-	-	(0.3)
Revaluation of property and antiques	-	1.7	-	-	-	1.7
Total comprehensive result in the year	(8.5)	1.3	-	-	-	(7.2)
Reserves at 31 December 2025	(17.3)	33.0	4.7	2.2	0.8	23.4

Consolidated Cash Flow Statement

for the year ended 31 December 2025

	<i>Notes</i>	2025 £m	2024 £m
Cash flows from operating activities			
Net result after taxation		1.1	0.3
Adjustments for:			
Depreciation of tangible assets	9	1.2	1.3
Taxation	7	3.0	0.4
Interest receivable	6	(0.8)	(0.8)
Amortisation of intangible assets	10	1.5	1.2
Depreciation of right-of-use assets	8	0.8	0.7
Changes in fair value of investments	11	(6.9)	(1.8)
Pension scheme interest		(0.1)	(0.2)
Profit on sale of property, plant and equipment and available for investment sale		-	0.3
Cash flows from operating activities before movements from working capital		(0.2)	1.4
Movements in working capital			
Increase in trade and other receivables	14	(0.6)	(0.3)
Increase in trade and other payables	16	4.0	3.1
		3.4	2.8
Cash flows from operating activities after movements from working capital		3.2	4.2
Change in Provisions	18	1.1	(0.1)
Tax paid		0.0	(0.4)
Defined benefit pension contributions	17	(1.0)	(1.0)
		0.1	(1.5)

The notes on [pages 35 to 88](#) form part of the financial statements.

Consolidated Cash Flow Statement (continued)

for the year ended 31 December 2024

	<i>Notes</i>	2025 £m	2024 £m
Net cash generated from operating activities		3.3	2.7
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(0.5)	(2.9)
Purchase of intangible assets	10	(0.4)	(2.5)
Interest received		0.8	0.8
Proceeds from disposal of available-for-sale investments		6.8	19.1
Purchase of available for sale investments	12	(8.9)	(22.3)
Net cash used in investing activities		(2.2)	(7.8)
Cash flows from financing activities			
Repayment of lease liabilities		(1.0)	(0.8)
Net cash used in from financing activities		(1.0)	(0.8)
Net increase in cash and cash equivalents in the period		0.1	(5.9)
Net cash and cash equivalents at 1 January		19.6	25.5
Net cash and cash equivalents at 31 December	15	19.7	19.6

The notes on [pages 35 to 88](#) 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 25.

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 four 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 over the average time that the candidate takes to complete the assessment.

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 1.97% (2024: 2.25%).

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 their significance and non-recurring nature.

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.

	2025 £m	2024 £m
Profession, subscription and entry fees	57.9	54.9
Learning, professional development and other professional services	19.1	15.9
	77.0	70.8
UK	61.6	57.0
Americas	1.5	1.5
EMEA	7.2	5.8
ASIA PAC	6.7	6.5
	77.0	70.8
Recognised over time	63.5	60.0
Recognised at a point in time	13.5	10.8
	77.0	70.8

3 Expenses and auditor's remuneration

	<i>Notes</i>	2025 £m	2024 £m
Depreciation of property, plant and equipment	9	1.2	1.3
Depreciation of right-of-use assets	8	0.8	0.7
Amortisation of intangible assets	10	1.5	1.2
Audit fees		£'000	£'000
Audit of these financial statements		139.9	130.3
Audit of subsidiary financial statements payable to Grant Thornton UK LLP		7.1	9.7
Audit of subsidiary financial statements payable to Grant Thornton International firms		22.2	21.3

4 Staff numbers and costs

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

	2025	2024
United Kingdom	511	505
Rest of world	171	175
	682	680

The aggregate payroll costs of these persons were as follows:

	£m	£m
Wages and salaries	39.5	37.6
Social security costs	3.9	3.4
Contributions to defined contribution plan	2.1	2.0
	45.5	43.0

5 Exceptional costs

	2025 £m	2024 £m
CMS write-off	1.1	-
Dilapidations provision	1.1	-
Other	0.4	-
	2.6	-

The CMS project costs were written off after a feasibility assessment confirmed that they would not deliver the project benefits that had been anticipated. The dilapidations provision was increased as the provision was not sufficient.

6 Net finance income

	2025 £m	2024 £m
Pension funding net interest receivable	0.1	0.2
Bank and other interest receivable	0.8	0.8
Bank and similar charges	(0.1)	(0.1)
Interest expense for leasing arrangements	-	(0.1)
	0.8	0.8

7 Taxation

a) Recognised in the income statement

	2025 £m	2024 £m
Current tax expense (UK)	-	-
Overprovision regarding prior years	-	(0.3)
Current tax expense (overseas)		
Current year	0.1	0.1
Total current tax expense	0.1	(0.2)

	2025 £m	2024 £m
Deferred tax expense (<i>see note 13</i>)		
Origination and reversal of temporary differences	2.9	0.6
Deferred tax credit	2.9	0.6
Tax charge in income statement	3.0	0.4

b) Income tax recognised in other comprehensive income

	2025 £m	2024 £m
Revaluation of property, plant and equipment	0.4	1.8
Remeasurements of defined benefit asset	(0.1)	(0.4)
Deferred tax credit	0.3	1.4

7 Taxation (continued)

c) Reconciliation of total tax

	2025 £m	2024 £m
Result before taxation	4.1	0.7
Tax using the UK corporation tax rate of 25% (2024: 25%)	1.0	0.1
Non-deductible expenses	0.9	0.2
Tax asset not recognised	0.6	0.1
Tax asset now recognised	-	(0.5)
Chargeable gain	-	0.1
Non-taxable income	(1.3)	-
Utilisation of tax losses	(0.1)	(0.1)
Under/(over) provision regarding prior years	1.9	0.5
Total tax charge	3.0	0.4

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 2025 the tax rate was 25% (2024: the tax rate was 25%). 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.

2025	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	4.0	3.1–7.1 years	4.2 years	-	-	-
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	-	-	-

8 Right-of-use assets (continued)

Group

	Leasehold buildings
	£m
Cost	
At 31 December 2024	5.5
Additions	0.8
Disposals	(0.7)
At 31 December 2025	5.6
Accumulated depreciation	
At 31 December 2024	3.5
Charge for the period	0.8
Disposals	(0.7)
As at 31 December 2025	3.6
Net book value	
At 31 December 2025	2.0
At 31 December 2024	2.0

8 Right-of-use assets (continued)

RICS

	Leasehold buildings
	£m
Cost	
At 31 December 2024	5.4
Additions	0.7
Disposals	(0.7)
At 31 December 2025	5.4
Accumulated	
At 31 December 2024	3.5
Charge for the period	0.7
Disposals	(0.7)
As at 31 December 2025	3.5
Net book value	
At 31 December 2025	1.9
At 31 December 2024	1.9

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.

8 Right-of-use assets (continued)

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

	Group		RICS	
	2025 £m	2024 £m	2025 £m	2024 £m
Current	1.0	0.8	0.9	0.7
Non-current	1.4	1.8	1.4	1.8
	2.4	2.6	2.3	2.5

At 31 December 2025 and 2024 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:

2025	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	1.0	0.9	0.3	0.1	0.1	0.1	2.5
Finance charges	-	-	-	-	-	-	-
Group	1.0	0.9	0.3	0.1	0.1	0.1	2.5
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

8 Right-of-use assets (continued)

Lease payments are 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	
	2025	2024
	£m	£m
Total cash outflow for leases	1.0	0.8
	1.0	0.8

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

	Group		RICS	
	2025	2024	2025	2024
	£m	£m	£m	£m
Short-term leases	0.3	0.2	-	-
Total cash outflow for leases	0.3	0.2	-	-

At 31 December 2025 the Group was committed to short-term leases and the total commitment at that date was £0.3m (2024: £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 £1.7m (2024: £7.0m surplus). The historic cost of the properties is £2.08m (2024: £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 2024	40.9	0.6	3.2	-	0.4	5.2	50.3
Additions	-	-	-	0.5	-	-	0.5
Transfers	(0.4)	-	-	(0.5)	0.1	0.8	-
Disposals	-	-	-	-	-	(0.7)	(0.7)
Revaluation	1.9	(0.2)	-	-	-	-	1.7
At 31 December 2025	42.4	0.4	3.2	-	0.5	5.3	51.8
Accumulated depreciation							
At 31 December 2024	4.0	-	1.9	-	0.1	40.1	10.1
Disposals	-	-	-	-	-	(0.5)	(0.5)
Charge for the period	0.5	-	0.3	-	-	0.4	1.2
At 31 December 2025	4.5	-	2.2	-	0.1	4.0	10.8
Net book value							
At 31 December 2025	37.9	0.4	1.0	-	0.4	1.3	41.0
At 31 December 2024	36.9	0.6	1.3	-	0.3	1.1	40.2

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 2024	40.9	0.6	3.2	-	0.3	3.2	48.2
Additions	-	-	-	0.5	-	-	0.5
Transfers	(0.4)	-	-	(0.5)	0.1	0.8	-
Disposals	-	-	-	-	-	(0.5)	(0.5)
Revaluation	1.9	(0.2)	-	-	-	-	1.7
At 31 December 2025	42.4	0.4	3.2	-	0.4	3.5	49.9
Accumulated depreciation							
At 31 December 2024	4.0	-	1.9	-	-	2.3	8.2
Disposals	-	-	-	-	-	(0.5)	(0.5)
Charge for the period	0.5	-	0.3	-	-	0.4	1.2
At 31 December 2025	4.5	-	2.2	-	-	2.2	8.9
Net book value							
At 31 December 2025	37.9	0.4	1.0	-	0.4	1.3	41.0
At 31 December 2024	36.9	0.6	1.3	-	0.3	0.9	40.0

10 Intangible assets

Group and RICS

	SW Systems related	Assets in the course of construction	Total
	£m	£m	£m
Cost			
At 31 December 2024	9.3	2.2	11.5
Additions	-	0.4	0.4
Transfers	2.2	(2.2)	-
At 31 December 2025	11.5	0.4	11.9
Accumulated amortisation			
At 31 December 2024	6.2	-	6.2
Amortisation for period	1.5	-	1.5
At 31 December 2025	7.7	-	7.7
Net book value			
At 31 December 2025	3.8	0.4	4.2
At 31 December 2024	3.1	2.2	5.3

11 Investments in subsidiaries and associates

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	2025 %	2024 %
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
Royal Institution of Chartered Surveyors Shanghai Representative Office	China	10	Professional activities in China	Ordinary	100	0
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

* see table on page 58

11 Investments in subsidiaries and associates (continued)

	Country of incorporation	Reg office*	Principal activity	Class of shares	2025 %	2024 %
The Association of Quantity Surveyors Limited	United Kingdom	1	Dormant	Limited by Guarantee	-	-
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
Associates						
Royal Institution of Chartered Surveyors Registered Valuers Association	India	11	Other professional activities	Ordinary	49	49
Scottish Building Contract Committee Limited (SBCC)	United Kingdom	9	Building contracts, compliant with Scottish law and designed to meet the needs of the construction industry in Scotland	Ordinary	20	16.7

* see table on page 58

11 Investments in subsidiaries and associates (continued)

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	1649B, 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
9	Rias, 15 Rutland Square, Edinburgh, Scotland, EH1 2BE
10	Room A08, 3/F, Building 4, No.255 Dong Yu Road, Pudong District, Shanghai, China
11	Vatika Business Centre, Gate No. 1, 3rd Floor Thapar House, 124, Janpath, New Delhi - 110001

11 Investments in subsidiaries and associates (continued)

Group	Investment in subsidiaries and associates £m
Cost at 31 December 2023 as previously reported	-
Prior year restatement (see note 24)	0.1
Cost at 31 December 2023 as restated	0.1
Net book value at 31 December 2025 and 2024	0.1
RICS	Investment in subsidiaries and associates £m
Cost at 31 December 2023 as previously reported	2.2
Prior year restatement (see note 24)	0.1
Cost at 31 December 2023 as restated	2.3
Net book value at 31 December 2025 and 2024	2.3

RICS holds 20% of the ordinary share capital of Scottish Building Contract Committee Limited (SBCC). This shareholding provides RICS with significant influence, and the investment is therefore accounted for as an associate using the equity method in accordance with FRS 102 Section 14.

On 1 April 2025, Scottish Building Contract Committee Limited cancelled 2,500 of its ordinary share capital. As such, RICS' percentage shareholding in the company increased from 16.7% to 20%. At 31 December 2025, SBCC's net assets totalled £594,526, giving RICS a 20% share of £118,905. The investment has been recognised at cost and adjusted for RICS' share of post-acquisition results.

This investment had not previously been recognised. This has been restated as a prior year restatement (see note 24).

12 Other financial assets

Other financial assets: non-current investments

Group and RICS

	UK unlisted securities
	£m
At 31 December 2024	0.9
Change in fair value of investment	3.2
At 31 December 2025	4.1

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

	UK unlisted securities
	£m
At 31 December 2025	4.1
At 31 December 2024	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 2024	-	1.2	-	24.5	1.2	26.9
Additions	-	0.9	-	7.1	0.9	8.9
Disposals	-	(1.0)	-	(5.8)	-	(6.8)
Change in market value of investments: recognised in profit and loss account	-	(0.1)	-	3.8	-	3.7
At 31 December 2025	-	1.0	-	29.6	2.1	32.7

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

At 31 December 2025	-	1.0	-	24.4	-	25.4
At 31 December 2024	-	1.3	-	21.5	1.2	24.0

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 Financial Instruments, 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	
	2025 £m	2024 £m	2025 £m	2024 £m
Property, plant and equipment	-	0.7	-	-
Revaluations	-	-	(8.3)	(7.9)
Financial assets: available for sale investments	-	-	(1.0)	(0.4)
Employee benefits	-	-	(0.8)	(0.6)
Provisions	0.2	0.4	-	-
Losses	0.4	1.5	-	-
Tax assets/(liabilities)	0.6	2.6	(10.1)	(8.9)
Tax assets			0.6	2.6
Net tax liabilities			(9.5)	(6.3)

The group has an unrecognised deferred tax asset of £3.3m at the year end (2024: £0.4m). Based on management's forecasting of the future business performance of RICS it is anticipated that the tax assets will not be realised and therefore management have only recognised an asset to the extent that future taxable income is probable as per IAS 12. This assessment is in turn based on experience as well as the currently available information and forecasts.

13 Deferred tax assets and liabilities (continued)

Group (continued)

Movement in deferred tax during the period.

	1 January 2025	Recognised expense	Recognised in equity	31 December 2025
	£m	£m	£m	£m
Property, plant and equipment	0.7	(0.7)	-	-
Revaluations	(7.9)	-	(0.4)	(8.3)
Financial assets: available for sale investments	(0.4)	(0.6)	-	(1.0)
Employee benefits	(0.6)	(0.3)	0.1	(0.8)
Provisions	0.4	(0.2)	-	0.2
Losses	1.5	(1.1)	-	0.4
	(6.3)	(2.9)	(0.3)	(9.5)

The deferred tax asset in respect of tax losses not recognised at the year-end is £2.0m (2024: £nil).

Movement in deferred tax during the prior year.

	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)

13 Deferred tax assets and liabilities (continued)

RICS

	Assets		Liabilities	
	2025 £m	2024 £m	2025 £m	2024 £m
Property, plant and equipment	-	0.6	-	-
Revaluations	-	-	(8.2)	(7.9)
Employee benefits	-	-	(0.8)	(0.6)
Provisions	-	0.3	-	-
Losses	-	1.1	-	-
Tax assets/(liabilities)	-	2.0	(9.0)	(8.5)
Tax assets			-	2.0
Net tax liabilities			(9.0)	(6.5)

Movement in deferred tax during the period.

	1 January 2025 £m	Recognised expense £m	Recognised in equity £m	31 December 2025 £m
Property, plant and equipment	0.6	(0.6)	-	-
Revaluations	(7.9)	-	(0.3)	(8.2)
Employee benefits	(0.6)	(0.3)	0.1	(0.8)
Provisions	0.3	(0.3)	-	-
Losses	1.1	(1.1)	-	0.0
	(6.5)	(2.3)	(0.2)	(9.0)

13 Deferred tax assets and liabilities (continued)

RICS

Movement in deferred tax during the prior year.

	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	-	0.1
	(4.3)	(0.8)	(1.4)	(6.5)

14 Trade and other receivables

	Group		RICS	
	2025	2024	2025	2024
	£m	£m	£m	£m
Trade receivables	12.1	11.0	11.8	10.7
Other receivables	2.6	2.5	1.9	1.8
Amounts owned by subsidiary undertakings	-	-	17.7	45.4
Accrued income	0.5	0.6	0.4	0.4
Prepayments	3.1	3.6	2.6	3.1
	18.3	17.7	34.4	61.4

During the year, the company recognised a provision of £4.0m against amount owed by subsidiary undertakings.

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

Group		RICS	
2025	2024	2025	2024
£m	£m	£m	£m
19.7	17.4	7.7	6.4
-	2.2	-	-
19.7	19.6	7.7	6.4

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	
2025	Restated 2024	Restated 2023	2025	Restated 2024
£m	£m	£m	£m	£m
1.6	1.8	1.9	1.6	1.9
-	-	-	13.5	36.2
1.3	1.2	1.0	1.2	1.1
10.3	8.8	8.9	7.8	6.3
38.7	36.1	32.8	38.2	35.5
51.9	47.9	44.6	62.3	81.0

The deferred income balance has been restated (see note 24). The deferred income balances at December 2024 of £38.7m (Group) and £38.2m (RICS) were recognised as revenue in 2025.

Intercompany balances are unsecured, have no fixed repayment terms and are expected to be settled through ongoing cash flows within the Group. Accordingly, they are classified as current unless otherwise stated.

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 2025, 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 2025 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	
2025	2024	2025	2024
£m	£m	£m	£m
44.2	42.9	44.2	42.93
(41.2)	(40.7)	(41.2)	(40.7)
3.0	2.2	3.0	2.2

17 Employee benefits (continued)

Group and RICS

	Defined benefit obligation		Fair value of plan assets		Net defined benefit asset/liability	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Balance at 1 January	(40.7)	(45.5)	42.9	48.3	2.2	2.8
Included in income statement:						
Past service cost	-	-	-	-	-	-
Interest (cost)/income	(2.2)	(2.1)	2.3	2.4	0.1	0.3
	(42.9)	(47.6)	45.2	50.7	2.3	3.1
Included in other comprehensive income						
Change in financial assumptions	0.3	3.1	-	-	0.3	3.1
Change in experience adjustments	(0.3)	0.1	-	-	(0.3)	0.1
Change in demographic assumptions	(0.2)	2.0	-	-	(0.2)	2.0
Return on plan assets excluding interest income	-	-	(0.1)	(7.0)	(0.1)	(7.0)
Total changes in other comprehensive income	(0.2)	5.2	(0.1)	(7.0)	(0.3)	(1.8)
Other	-	-	-	-	-	-
Contributions paid by employer	-	-	1.0	1.0	1.0	1.0
Benefits paid	1.9	1.7	(1.9)	(1.8)	-	(0.1)
Interest income	-	-	-	-	-	-
At 31 December	(41.1)	(40.7)	44.1	42.9	3.0	2.2

17 Employee benefits (continued)

Plan assets

	Group		RICS	
	2025 £m	2024 £m	2025 £m	2024 £m
Cash	0.5	0.2	0.5	0.2
Insured pensions	3.3	3.1	3.3	3.1
Equity instruments	-	-	-	-
Debt instruments	40.4	39.6	40.4	39.6
Investment funds	-	-	-	-
	44.2	42.9	44.2	42.9

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	
	2025 %	2024 %	2025 %	2024 %
Discount rate at 31 December	5.4	5.4	5.4	4.8
Future salary increases	n/a	n/a	n/a	n/a
Medical cost trend rate	2.9	3.1	2.9	3.1
Future pension increases	2.8	3.0	2.8	3.0

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: 25.4 years (male), 28.1 years (female).
- Future retiree currently aged 40 upon reaching 60: 26.7 years (male), 29.4 years (female).

17 Employee benefits (continued)

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions set out on the previous page. 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	42.4	40.0	42.4	40.0
Inflation rate (RIR, CPI)	41.5	40.9	41.5	40.9
Mortality rate: 1 year age rating	42.8		42.8	

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 2025, 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	44.2	44.1	44.2	44.1
Inflation rate (RIR, CPI)	44.2	44.2	44.2	44.2
Mortality rate: 1 year age rating	44.4		44.4	

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 £2.1m (2024: £2.0m).

18 Provisions

Dilapidations provision

Group		RICS	
2025	2024	2025	2024
£m	£m	£m	£m
1.6	0.5	1.6	0.5
1.6	0.5	1.6	0.5

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

	2024	Cash flow	Non-cash	Foreign exchange	2025
	£m	£m	£m	£m	£m
Current liabilities					
Cash and cash equivalents	19.6	0.1	-	-	19.7
Debt due within one year					
Lease liabilities	(2.6)	(1.0)	1.2	-	(2.4)
Bank overdraft	-	-	-	-	-
	17.0	(0.9)	1.2	-	17.3

Reconciliation of movements in net debt

Net debt funds at beginning of year	17.0
Decrease in cash	0.1
Repayment of lease liabilities	(1.0)
Disposal of lease liabilities	1.2
Net debt funds at end of year	17.3

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 £nil of this reserve in works.

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

	Notes	Group		RICS	
		2025 £m	2024 £m	2025 £m	2024 £m
Financial assets					
Cash and cash equivalent	15	19.7	19.6	7.7	6.4
Trade receivables (net of provision)	14	12.1	11.0	12.1	10.7
Available for sale investment	12	32.7	26.9	-	-
		64.5	57.5	19.8	17.1
Financial liabilities					
Trade payables	16	1.6	1.8	1.6	1.9

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 2025				
Cash and cash equivalents	-	19.7	-	19.7
Available for sale investments	-	-	32.7	32.7
Lease liabilities	-	(2.4)	-	(2.4)
	-	17.3	32.7	50.0

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 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

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 2025				
Cash and cash equivalents	-	7.7	-	7.7
Lease liabilities	-	(2.3)	-	(2.3)
	-	5.4	-	5.4

	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

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 2025				
Financial assets at fair value through income statement	32.7	-	-	32.7
	32.7	-	-	32.7
	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

The fair values of all other assets and liabilities are not significantly different from their carrying amount. During the year ended 31 December 2025 and the year ended 31 December 2024, 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	
	2025 £m	2024 £m	2025 £m	2024 £m
United Kingdom	11.8	10.7	11.8	10.7
Other	0.3	0.3	-	-
	12.1	11.0	11.8	10.7

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
	2025 £m	2025 £m	2024 £m	2024 £m
Not past due	7.6	-	9.2	-
30–60 days	2.7	-	1.4	-
61–90 days	2.0	(0.2)	1.1	(0.7)
90 days+	2.8	(2.8)	1.3	(1.3)
	15.1	(3.0)	13.0	(2.0)

21 Financial instruments (continued)

RICS

	Gross 2025 £m	Impairment 2025 £m	Gross 2024 £m	Impairment 2024 £m
Not past due	7.2	-	9.0	-
30–60 days	2.7	-	1.3	-
61–90 days	2.0	(0.1)	1.1	(0.7)
90 days+	2.8	(2.8)	1.3	(1.3)
	14.7	(2.9)	12.7	(2.0)

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 and RICS

	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 2025						
Trade and other payables	1.6	1.6	1.6	-	-	-
Lease liabilities	2.4	2.4	0.9	0.9	0.4	0.2
	4.0	4.0	2.5	0.9	0.4	0.2

21 Financial instruments (continued)

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

	Sterling £m	Euro £m	US dollar £m	Other £m	Total £m
At 31 December 2025					
Cash and cash equivalents	17.7	0.5	0.1	1.4	19.7
Trade receivables	11.8	0.1	-	0.2	12.1
Trade payables	(1.6)	-	-	-	(1.6)
Net exposure	27.9	0.6	0.1	1.6	30.2
	Sterling £m	Euro £m	US dollar £m	Other £m	Total £m
At 31 December 2024					
Cash and cash equivalents	17.3	0.4	0.1	1.7	19.5
Trade receivable	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

21 Financial instruments (continued)

RICS

RICS' exposure to foreign currency risk is as follows.

At 31 December 2025

Cash and cash equivalents
Trade receivable
Trade payables
Net exposure

Sterling £m	Euro £m	US dollar £m	Other £m	Total £m
7.7	-	-	-	7.7
12.1	-	-	-	12.1
(1.6)	-	-	-	(1.6)
18.2	-	-	-	18.2

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

Sensitivity analysis

Group

The Group seeks to mitigate its foreign currency risk by maintaining currency at levels equivalent to a maximum of one months' working capital requirements only. A 5% weakening of the following currencies against the pound sterling at 31 December 2025 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 2024.

Impact of +/- 5%

€
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Equity		Profit or loss	
2025 £m	2024 £m	2025 £m	2024 £m
-	-	-	-

21 Financial instruments (continued)

A 5% strengthening of the above currencies against the pound sterling at 31 December 2025 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 2025 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 2024.

	Equity		Profit or loss	
	2025	2024	2025	2024
	£m	£m	£m	£m
Impact of +/- 5%				
€	-	-	-	-

A 5% strengthening of the above currencies against the pound sterling at 31 December 2025 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 defines 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*	Justin Sullivan
President Elect/Acting President of RICS *	Nick Maclean
Senior Vice President/Acting President Elect	Maureen Ehrenberg
Chair of the RICS Board*	Martin Samworth (resigned 12/2025)
Chief Executive Officer*	Justin Young
Office of CEO	Adeola Ajayi (resigned 02/2025)
Chief Operating Officer	Dabinder Hutchinson
Chief Financial Officer (interim)	Alex Lowth (resigned 06/2025)
Chief People Officer	Becky Hone (resigned 11/2025) Emma Blaney (appointed 11/2025)
General Counsel	Corinna Alströme
Chief Market Delivery Officer	Tony Osude
Chief Product Development Officer	Robyn Mckenna
Chief Experience Officer	Rob Man
Chief Digital Information Officer	Mike Hill (resigned 04/2025)

* Senior key management personnel

22 Related parties (continued)

Justin Sullivan temporarily stepped aside from the role of President from 28 February 2025 to 31 December 2025 (when his term as President came to an end), and did not participate in Governing Council during this period. Nick Maclean served as Acting President from 28 February 2025 to 31 December 2025. Maureen Ehrenberg served as Acting President Elect from 13 March 2025 to 31 December 2025.

SRB

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

* Senior key management personnel

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

	2025 £000	2024 £000
Salary/officers' fees earned	776	759
Waived salary	-	-
Executive remuneration	776	759
Short Term Incentive Plan Bonus (STIP)	167	50
Long Term Incentive Plan Bonus (LTIP)	23	-
Contributions to pension plans	50	49
Other benefits	2	2
Total	1,018	860

22 Related parties (continued)

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

	2024	2023
	£000	£000
Salary/officers fees earned	3,046	2,889
Waived salary	-	-
Executive remuneration	3,046	2,889
Short Term Incentive Plan Bonus (STIP)	393	159
Long Term Incentive Plan Bonus (LTIP)	27	-
Contributions to pension plans	212	222
Other benefits	30	17
Total	3,708	3,287

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.

	2025 Number	2024 Number
£0 – £50,000	1	3
£50,001 – £100,000	4	3
£100,001 – £125,000	2	4
£125,001 – £150,000	4	4
£150,001 – £175,000	1	4
£175,001 – £200,000	2	1
£200,001 – £225,000	1	1
£225,001 – £250,000	2	-
£250,001 – £275,000	1	2
£275,001 – £300,000	-	-
£300,001 – £325,000	2	-
Current	20	22

The aggregate of Executive remuneration, and other benefits provided to the highest paid Executive, was £467,655 (2024: £361,185). Included in this figure is an STIP payment of £105,722 (2024: £21,082) in respect of the 2024 financial year, LTIP payments of £10,542 (2024: £nil) and a cash payment in lieu of contributions to a personal pension arrangement of £nil (2024: £nil).

22 Related parties (continued)

The amount of provision relating to the deferred awards is £1,075,021, which is due to be paid by December 2026 to those Executive Team members who are eligible.

Retirement benefits are accruing to the following number of Executive Team members under:

	2025 Number	2024 Number
Money purchase schemes	16	19
Pension allowance paid towards personal pension arrangements	-	-
	16	19

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.

24 Prior year adjustments

Included in the consolidated financial statements is an adjustment of £(2.5m) (RICS company £(2.2m)) comprising £(2.6m) relating to APC income previously recognised that is now deferred (RICS company £(2.3m)) and £0.1m relating to the recognition of RICS' investment in SBCC Ltd (RICS company only £0.1m). The adjustment to revenue in 2024 was immaterial and therefore has not been restated. The remaining balance continues to be

deferred and recognised over the appropriate service period.

APC income adjustment

During the year, we reconsidered the accounting of the APC income. Previously this was recognised at the point of invoice. However, despite this payment being non-refundable, it relates to the delivery of an assessment that could be on average between 1–6 years later.

As such, in accordance with IFRS 15, we have decided to recognise this revenue over the average length of time to sit the assessment.

Investment in SBCC Ltd

During the year, it was identified that RICS held a shareholding that had previously been undisclosed in the accounts. RICS holds 20% of the share capital of SBCC Ltd, providing RICS with significant influence over the entity. In accordance with the equity method, the investment has been recognised for the first time in the financial statements. At 31 December 2025, SBCC's net assets totalled £594k, giving RICS a 20% share of £119k, which has been recorded as the carrying value of the investment. This has been recognised as a prior period adjustment in the opening reserves.

24 Prior year adjustments (continued)

Impact on the financial statements

Group	1 January 2025	Restated	1 January 2025
	£m	£m	£m
Investments in subsidiaries and associates	-	0.1	0.1
Trade and other payables	(45.3)	(2.6)	(47.9)
Revenue reserves	17.5	(2.5)	15.0
Group	1 January 2024	Restated	1 January 2024
	£m	£m	£m
Investments in subsidiaries and associates	-	0.1	0.1
Trade and other payables	(42.0)	(2.6)	(44.6)
Revenue reserves	20.3	(2.5)	17.8
Company	1 January 2025	Restated	1 January 2025
	£m	£m	£m
Investments in subsidiaries and associates	2.2	0.1	2.3
Trade and other payables	(78.7)	(2.3)	(81.0)
Revenue reserves	(6.6)	(2.2)	(8.8)

	1 January 2024	Restated	1 January 2024
	£m	£m	£m
Investments in subsidiaries and associates	2.2	0.1	2.3
Trade and other payables	(67.7)	(2.3)	(70.0)
Revenue reserves	(1.5)	(2.2)	(3.7)

25 Subsequent events

Sale of fixed asset investment

Subsequent to the reporting date, on 8 May 2026, the Group disposed of its shareholding in BCIS Limited, which had been held as a fixed asset investment and accounted for as a non-current asset at the reporting date. The consideration received on disposal amounted to £21.0m, resulting in a profit on disposal of approximately £17.0m, after transaction costs. The proceeds were received in cash. As the sale occurred after the reporting date and did not arise from conditions existing at 31 December 2025, the transaction has been treated as a non-adjusting event after the reporting period in accordance with IAS 10 Events after the Reporting Period. Accordingly, no amounts have been recognised in these financial statements in respect of this transaction.

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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[rics.org](https://www.rics.org)