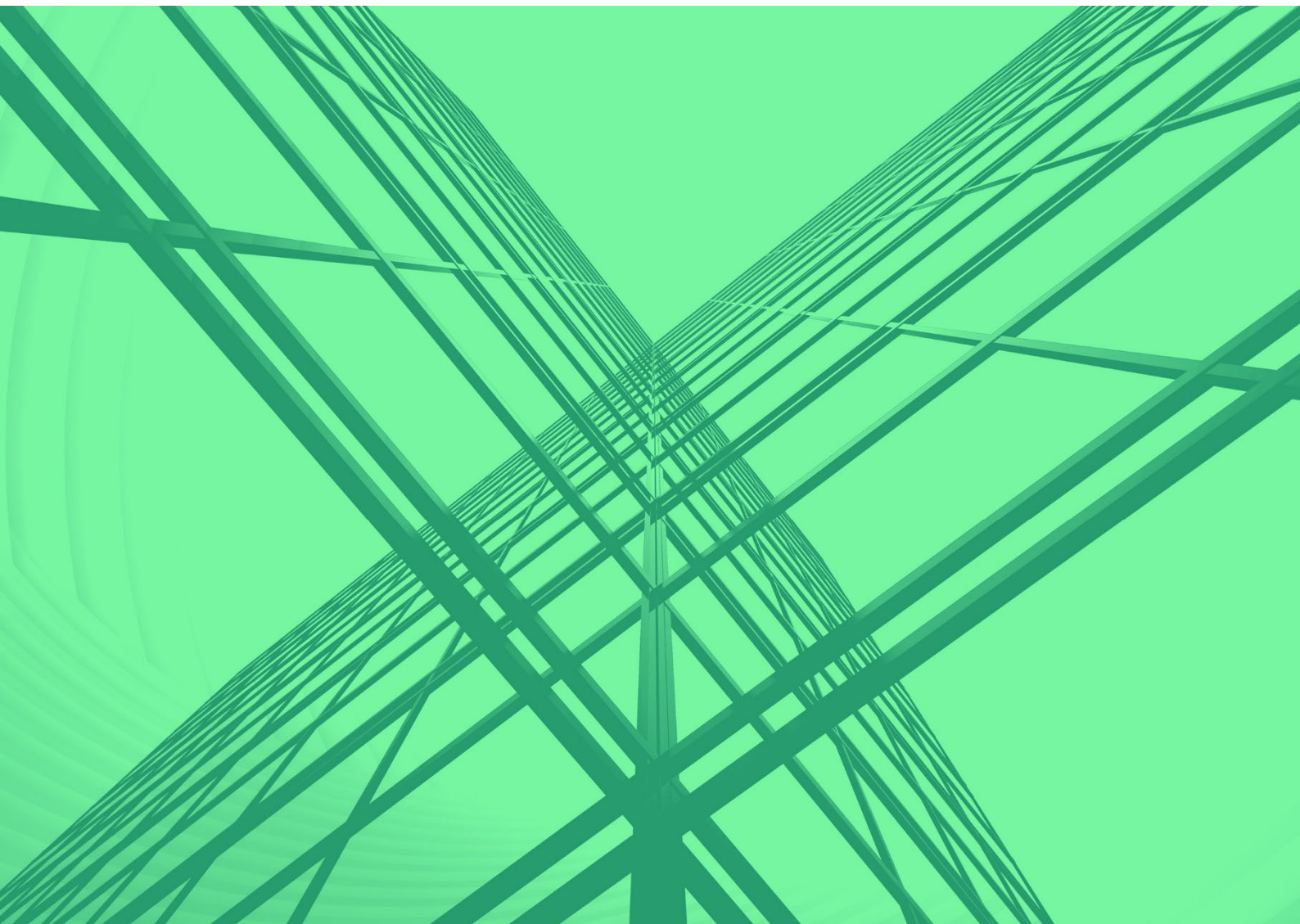


ANNUAL REPORT AND ACCOUNTS

For the year to 31 December 2025

- 
- ▶ International HQ, 47–58 Bastwick Street, London, EC1V 3PS, UK
 - ▶ Telephone: +44(0)20 7235 4535
 - ▶ Email: mail@istructe.org
 - ▶ Website: istructe.org
 - ▶ Charity Registered in England & Wales No. 233392 and in Scotland No. SC038263

Contents

| | Page |
|--|------|
| 1 Introduction | 1 |
| 2 Objects and activities | 1 |
| 3 Achievements and performance | 5 |
| 4 Financial review | 10 |
| 5 Plans for future periods | 12 |
| 6 Structure, governance and management | 15 |
| 7 Reference and administrative information | 23 |
| 8 Financial Statements | 25 |

1. Introduction

The Institution of Structural Engineers ('Institution' or 'IStructE') is a registered charity, registered and regulated by the Charity Commission in England and Wales ('the Charity Commission'), and the Office of the Scottish Charity Regulator ('OSCR').

The Institution's Trustee Board (whose members are the Trustees of the Charity) submits its annual report and accounts for the Institution for the year ended 31 December 2025. In preparing the report, the Trustee Board has complied with the Charities Act 2011 (and any new provisions in force from the Charities Act 2022), the Charities and Trustee Investment (Scotland) Act 2005, the Statement of Recommended Practice – Accounting and Reporting by Charities (2019) ('SORP') and applicable accounting standards.

2. Objects and activities

2.1 Objects

The Institution's objects, which are laid down in its Royal Charter, are:

To promote for the public benefit the general advancement of the science and art of structural engineering in any or all of its branches and to facilitate the exchange of information and ideas relating to structural engineering amongst members of the Institution and otherwise.

2.2 Aims

The Institution's aim is to accredit and support a corps of highly qualified structural engineers for the safe, sustainable, effective and efficient design, construction, adaptation, maintenance and refurbishment of buildings, bridges and other structures throughout the world.

2.3 Main activities

The Institution, in furtherance of its objects to promote for the public benefit the general advancement of the art and science of structural engineering, continued to maintain and disseminate information and ideas on structural engineering to its members and wider structural engineering community. Activities are focused on:

- ▶ Maintaining high standards of professional qualifications for structural engineering.
- ▶ Assisting members to maintain and enhance their professional competence.
- ▶ Fulfilling the Institution's learned society role in supporting members and non-members in providing public benefit.
- ▶ Promoting the Institution and the profession of structural engineering.
- ▶ Ensuring ongoing value for money and efficiency in the management of the Institution's affairs.
- ▶ Valuing members' voluntary time in supporting the activities of the Institution and utilising that support as effectively as possible.

2.4 Objectives for 2025

The objectives for 2025 included:

- ▶ The continuation of investment in responding to the climate and biodiversity emergency, including:
 - ▶ Advocating for UK embodied carbon regulation through Part Z (Part Z is a coalition of construction industry bodies in the UK).
 - ▶ Supporting cross-industry interest through the UK Net Zero Carbon Buildings Standard and sharing of companies' carbon data.
 - ▶ Promoting guidance on regenerative design, systems thinking and broader impacts beyond carbon.
- ▶ To promote excellence in the construction industry and structural engineering's practice by:
 - ▶ Informing members of the requirements of the UK Building Safety Act (2022) (BSA), providing guidance and case studies on how to meet the requirements and build knowledge in key areas.
 - ▶ Ensuring Eurocode 2 manuals reflect the Institution's safety and sustainability objectives.
 - ▶ Developing guidance on:
 - ▶ The assessment of existing buildings.
 - ▶ Understanding construction and deconstruction.
 - ▶ Using Modern Methods of Construction (MMC).
 - ▶ Digital engineering.
 - ▶ Fire design.
 - ▶ Developing training materials on:
 - ▶ Risk management.
 - ▶ Geotechnics.
 - ▶ General building knowledge.
- ▶ To assist members and industry to respond to changes arising from the recommendations of the Grenfell Tower Phase 2 Inquiry report.
- ▶ To continue the promotion of CROSS in the US (CROSS-US) and Australasia (CROSS-AUS) and explore opportunities to further expand the initiative internationally and to embrace other engineering sectors.
- ▶ To develop an engagement strategy for CROSS to improve industry liaison.
- ▶ To effectively engage with policy makers about the Institution's technical expertise relating to structural safety and climate action.
- ▶ To improve the Institution's digital systems, including:
 - ▶ Advancing the IStructE.org website redevelopment, ensuring improved UX, accessibility and content discoverability.
 - ▶ Implementing structured IT governance frameworks.

- ▶ Completing the SER web platform rebuild.
- ▶ Advancing cloud migration and IT operations governance, ensuring security, resilience and efficiency.
- ▶ Upgrading the telephony system by transitioning to Teams Softphones for improved efficiency.
- ▶ To continue to support membership engagement and growth through:
 - ▶ The continued promotion of all membership grades, providing more accessible routes to, and between, grades of membership.
 - ▶ Investigating, developing and implementing an alternative to the Technical Report Route to provide a simplified solution for applicants who do not have other options available to them to demonstrate the academic benchmark for professional registration.
 - ▶ Review of the Institution's examinations to ensure they remain fit for purpose and reflect developments in the profession — for example, use of digital tools.
 - ▶ Establishing tailored onboarding campaigns for each membership grade.
 - ▶ Reviewing and improving campaigns to increase the number of graduates who convert from free Graduate membership and increasing awareness of Associate grade eligibility.
 - ▶ Encouraging member retention by reviewing the subscription renewal process, simplifying processes where possible.
 - ▶ Promoting, in collaboration with the Institution of Civil Engineers (ICE), Higher-Risk Building (HRB) Registration to maximise the number of registrants.
- ▶ To enhance provision of educational products and grow revenue streams to further strengthen the Institution's financial position through the following activities:
 - ▶ Building engagement through educational products in terms of uptake, scope, and improve non-member reach. Key areas include creating new on-demand courses with broad appeal, upskilling members in areas of emerging concern or priority — for example, large panel systems, risk, reuse, fire safety, the BSA and digital engineering processes.
 - ▶ Growing global awareness and engagement of the IStructE through CPD training.
 - ▶ Significantly growing the reach and utility of the upgraded Find an Engineer website across the UK.
 - ▶ Continuing to grow the external venue hire business by ensuring the IStructE HQ venue can compete on service levels, pricing and technology.
 - ▶ Growing the existing logo licensing offer and introduce a logoed signboard offering.
 - ▶ Driving revenue growth by increasing commercial income from third parties. Identifying and cultivating strategic sponsorships.
- ▶ The continued development of collaborative relationships with international organisations to enable shared access to technical/educational material.
- ▶ To grow and sustain the Institution's Equity, Diversity and Inclusion (EDI) strategy, with a focus on growing the *Elevate* mentoring programme.
- ▶ To grow and sustain the Institution's member Online Community Platform.

- ▶ To review and develop the Institution's brands, including the IStructE brand, and launching a new brand for SER.
- ▶ To close-out the Defined Benefits pension scheme.
- ▶ To embed the new pay and grading structure and progression methodology, which were introduced in 2024.
- ▶ To complete the implementation of the new design of the staff floors at the Institution's HQ.

2.5 Public benefit

2.5.1 Benefits from aims

The general public throughout the world benefit from a safe and well-designed infrastructure provided by the highly skilled members of the Institution. This has a knock-on effect benefiting the world economy by providing employers with employees (who are Institution members) having an internationally recognised specialist professional qualification.

Public benefit is also gained from the ongoing professional support provided to members to keep their knowledge and skills up to date and relevant.

The Institution also serves the wider structural engineering community (and public) by making a selection of resources freely available to members and non-members. A very significant amount of resource pertaining to sustainability and structural safety, specifically the BSA, has been made available. The Institution's freely available resources can be found on its website, with links provided below:

Building Safety Act: <https://www.istructe.org/resources/building-safety-act/>

Climate Emergency: <https://www.istructe.org/resources/climate-emergency/>

Other resources: <https://www.istructe.org/resources/>

2.5.2 Membership benefits

The Institution is a membership organisation and members' annual subscriptions form a significant part of the Institution's income, which is used to fund its activities for the public benefit. Members themselves receive benefits through: the Institution's dissemination of knowledge and best practice; from their membership of a professional body with high standards of entry and continuing membership; and from the international recognition of competence and increased professional mobility that is associated with Institution membership. However, it is only with and through its members that the Institution can continue to fulfil its objects and provide benefit to the public.

2.5.3 Charity Commission and OSCR guidance

The Trustee Board has regard to guidance on public benefit published by the Charity Commission and that by the OSCR, when exercising its powers and duties and where such guidance is relevant. The Trustees have considered the Charity Commission's and OSCR's general guidance on public benefit, and have taken it into account when reviewing the Institution's aims and objectives and in planning its future activities.

3. Achievements and performance

3.1 Overall review

2025 was a year of continued delivery alongside preparation for strategic transition. The Institution remained focused on supporting members and the profession across its global footprint, while responding to increased regulatory expectations and laying the groundwork for the 2026–2030 strategy. The following were accomplished in 2025 in pursuit of the Institution’s objectives:

- ▶ Following consultation and preparation in 2024, the Institution developed and launched its new five-year strategy for 2026–2030. The strategy includes a mission to secure a safe and sustainable society by advancing structural engineering, raising professional standards and sharing knowledge. The vision is to create an engaged global community of structural experts who are inspired and supported to innovate, collaborate, and generate a safe and sustainable built environment. This will be achieved by focusing on themes of advancing the profession, supporting professionals, enhancing professionalism and organisational resilience.
- ▶ The Institution continued its collaboration with other professional bodies around the world, including other professional engineering institutions, the ICE, Engineering Council, the Royal Academy of Engineering and the Construction Industry Council, on matters of mutual interest.
- ▶ In September 2025, the *Pan-African Structural Engineering Knowledge Partnership* initiative was launched in conjunction with the Commonwealth Engineers’ Council. There are 10 African Professional Engineering Institutions (‘PEIs’) participating. This is a major initiative aimed at building structural engineering capacity across the African continent. The launch was a highlight for media coverage, with mentions in the UK trade press and African media outlets:
- ▶ Structural safety remains at the heart of the Institution’s mission, and significant work continues to be undertaken to support members and the wider profession following the introduction of the BSA and to maintain high standards of professional qualifications for structural engineering. Activities dedicated to advancing structural safety included:
 - ▶ Being heavily involved in the structural engineering industry’s response to the Grenfell Tower Inquiry Phase 2 report, including giving updates to the Institution’s membership via an article in *The Structural Engineer*. The Institution’s response to the report was quoted in an article by *The Spectator*, which was written by Graham Watts of the Construction Leadership Council (CLC).
 - ▶ The Institution has met with the government throughout the year to discuss ways in which the Institution can inform government plans and actions.
 - ▶ The Institution fed into the CLC reports to the Ministry of Housing, Communities and Local Government (MHCLG) and working groups on competence and industry transformation.
 - ▶ The Institution’s Technical Director was elected co-chair of the Industry Competence Steering Group (ICSG) Working Group 3 (Engineers), which has significant influence on industry competence policy.
 - ▶ The Institution previously provided a response to the government’s consultation on ‘How to build 1.5million quality homes’. The Institution was subsequently invited to give oral evidence to the All-Party Parliamentary Group on Excellence in the Built Environment.
 - ▶ Oral evidence was given to the House of Commons Education Committee in October as part of its inquiry into the Department of Education’s response to the RAAC crisis in schools in 2023, and wider issues affecting the school estate.

- ▶ The Institution contributed to discussions on the reform of the building regulatory landscape, including the introduction of a Single Construction Regulator.
- ▶ The Institution continued the work of CROSS-UK (CROSS) to operate a confidential safety reporting system for buildings and other structures. CROSS allows professionals working across the built environment to share their concerns about, and experiences of, structural safety and fire safety. This sharing of knowledge helps others make structures safer. CROSS had the following successes in the year:
 - ▶ Following an open tender process, CROSS was appointed for a further three years from 1 July 2025, with the option for two one-year extensions, by the BSR / UK Health and Safety Executive (HSE), to act as the provider of the Voluntary Occurrence Reporting system in accordance with the requirements of the BSA. This provides financial and operational stability for CROSS.
 - ▶ A joint workshop was held with the Joint Committee of Structural Safety (JCSS), with the aim to bring together the quantitative work of JCSS and qualitative work of CROSS.
 - ▶ Several members of CROSS have been assisting HSE in a project to research data on Structural Incident Statistics for Occupied Buildings.
- ▶ The Institution continued to invest significant resources in responding to the climate and biodiversity emergency. Through the Technical team and the work of the Climate Emergency Task Group, the Institution continues to make a major impact and progress, both in support of learning and development within our profession via internal programmes, and in collaborative activities across a range of cross-sector initiatives, including:
 - ▶ Publication of position papers on structural materials and global emissions.
 - ▶ Guidance on embodied carbon was published as part of the UK Net Zero Carbon Building Standard (UKNZCBS) initiative.
 - ▶ In July 2025, Institution staff participated in filming for the Futurebuild Conference (Video) Podcast, which was circulated to its 100,000 member mailing list.
 - ▶ The Institution, in collaboration with RICS and the UK Green Building Council, organised an Embodied Carbon Summit in November 2025.
 - ▶ As part of the London Climate Action week, the Institution co-hosted an event on regenerative approaches to building, contributing to thought leadership and collaborative dialogue on sustainable development in the built environment. Similarly, the Institution collaborated on other cross-industry events, including:
 - ▶ Speaking at the Retrofit stage at the Footprint+ Conference.
 - ▶ Organising an IStructE/CIBSE/RIBA event at the Woodknowledge Wales annual WoodBUILD conference.
 - ▶ Speaking on the UKNZCBS at an IStructE/The Royal Incorporation of Architects in Scotland/CIBSE sustainability event.
 - ▶ Running four IStructE/ICE roundtables on ethics and climate change.
- ▶ The Institution launched a scrap steel cross-industry thought-leadership paper setting out a position on the use of recycled scrap in the decarbonisation of the global steel industry. This paper argues that the industry must focus on the decarbonisation of primary iron-making/steel-making and the decarbonisation of steel recycling. This paper was covered in *Specification Online, Construction*

Industry Today, *Construction UK* magazine, *PBC Today*, *Digital Construction Now* and *Eurometal* (Germany). British Steel also requested a copy of the report and the press release. The Institution also appeared on BBC Radio 4's *Rare Earth* programme about steel.

- ▶ Digital engineering has been a focus for the Institution during the year, with the following activities undertaken to progress this:
 - ▶ A focus group was established to examine how AI can/should be used in structural engineering. Following this, a roundtable was also held on the use of AI, with a guidance paper on the use of AI published after the roundtable.
 - ▶ A new webpage was published featuring information on a Digital Tools Database.
- ▶ The continued promotion and raising awareness of the IStructE Code of Conduct to members and the public, setting out the professional behaviour we expect of our members beyond technical and engineering competence, including obligations towards sustainability and EDI.
- ▶ The Institution continued to embed and improve its governance structure as outlined in *Structured for Success (S4S)*. Some achievements of *S4S* included:
 - ▶ Delivery a series of six online lectures on the BSA
 - ▶ Introducing a new IT support platform to make it easier for Regional Groups to obtain IT support from HQ.
- ▶ The Institution's Regional Groups (in the UK and across the world) continued to meet regularly. Regional Groups continued throughout 2025 to:
 - ▶ Provide quality CPD and interesting lectures for members. The Singapore Regional Group organised the 11th IStructE Asia-Pacific forum in April 2025 to bring the wider region together.
 - ▶ Assist with the assessment and processing of membership applications in their region.
 - ▶ Engage with universities and schools to promote the importance of the profession and the Institution.
- ▶ The Institution continued to support membership engagement and growth, which included the following activities:
 - ▶ Following the launch of the Mutual Recognition Agreement with the National Council of Examiners for Engineering and Surveying in the US, there has been a significant increase in the number of members applying for the IntPE registration, which is a requirement to proceed through the Agreement.
 - ▶ In the UAE, we strengthened our international partnerships by signing two Memorandum of Understandings with sign with local construction industry bodies.
 - ▶ Holding a second joint conference with L'Ecole Nationale des Ponts et Chausees for the French engineering community in Paris. The conference further built on increasing the Institution's profile in France.
 - ▶ Applications for HRB Registration continue to be received. The Institution continues to, in collaboration with other PEIs and the Engineering Council, promote this new specialist registration.
 - ▶ The President and Chief Executive attended the at the SESOC conference in New Zealand, where the President presented a keynote speech and the Chief Executive sat on a panel discussing the importance of EDI within the built environment.

- ▶ The Institution successfully renewed its licence as an assessment scheme for registration with the Board of Professional Engineers of Queensland.
- ▶ New IPD Regulations for Incorporated and Technician Members were published, in addition to guidance for the Research and Development Route.
- ▶ In 2025, the Institution received almost 400 applications for Professional Review Interview, which represents about a 25% increase on the 2024 total.
- ▶ Complimentary (read-only) member access to BSI's Knowledge GBM48 package of codes and standards was rolled out.
- ▶ The Fusion 360 member research project was completed to help inform decisions on the Institution's website and its publications in the future.
- ▶ Following on from the initiative in 2024 to introduce Direct Debit instalment plans for the payment of subscriptions, the Institution introduced a similar credit card instalment facility for international members in 2025.
- ▶ The Institution continued to promote EDI by:
 - ▶ Continuing to develop and promote *Elevate*, which is its member mentoring programme with a focus on career advancement and personal development. There was a significant increase in active mentoring partnerships in 2025. Moreover, a number of case study interviews were published on the mentoring webpage, which showcases the breadth of participation across grades and regions.
 - ▶ Holding a global *Elevate* webinar where mentors and mentees spoke about the benefits of the programme.
 - ▶ The EDI Working Group worked with the EDI Steering Committee to drive accessibility, diversity and inclusivity in the structural engineering community and wider built environment.
- ▶ Key new digital systems were developed, with achievements including:
 - ▶ Continuing to promote, grow and develop the Members' Online Community Platform, which has been highly successful.
 - ▶ The modernisation of IT infrastructure, improving IT governance frameworks, upgrading the telephony system and consolidating resources into a secure, resilient platform improved IT support to staff and volunteers worldwide.
- ▶ The continued improvement of the Institution's learning and development provision to include:
 - ▶ 81 CPD courses and 13 webinars, with highlights including the 'Hollow pots construction and assessment' and 'Structuring connections: the benefits of mentoring and networking' webinars.
 - ▶ Eight conferences were delivered, including:
 - ▶ The Young Engineer's Conference, which focused on exploring the future of structural engineering, emphasising collaboration and the use of digital tools.
 - ▶ Managing existing buildings conference.
 - ▶ Climate emergency conference.
 - ▶ The curation and delivery of 12 lectures, including:
 - ▶ Current practices and future of structural use of bamboo.

- ▶ James Sutherland History Lecture.
- ▶ The future of structural design book launch.
- ▶ The role of scrap in steel decarbonisation – launch event.
- ▶ Four publications, namely:
 - ▶ *How to calculate embodied carbon* (3rd edition).
 - ▶ *The future of structural design*.
 - ▶ *Appraising factors of safety in existing engineered structures*.
 - ▶ *Verification of existing building structures*.
- ▶ *Structures* research journal is ranked in the top quartile of journals indexed in the 'Civil Engineering' category. This continues to improve the journal's public profile.
- ▶ The project to commission and deliver 11 2nd Generation Eurocode manuals by 2028 was progressed.
- ▶ Learned Society events included: Presidents Inaugural Address, People and Papers Awards Ceremony, Annual General Meeting, and Gold Medal Address.
- ▶ The Institution hosted and organised the annual *Structural Engineers Declare* forum.
- ▶ The Structural Awards 2025 were a highlight of the events calendar, with 34 projects highlighted and 11 projects announced as winners in front of a global audience at a ceremony in central London.
- ▶ The Institution's wholly owned trading subsidiary SER operates Schemes of Certification of Design (Building Structures) under the Building (Scotland) Act 2003 for the Scottish Government Building Standards Division, and a similar Scheme for the States of Jersey. In 2025, certificate numbers were similar to 2024
- ▶ The Institution's new pay and grading structure has improved equity and consistency in the Institution's approach to pay and reward, whilst also encouraging progression and staff retention via an objective-based pay reward scheme.
- ▶ The Institution strengthened foundations for delivering its new strategy by completing an organisational restructure of teams to ensure the Institution has the right skills needed to deliver its strategy from 2026.
- ▶ Organisational capability and infrastructure were improved by completing a refurbishment of Bastwick Street HQ, particularly the office floors, which created improved collaborative working spaces and additional meeting facilities for members, staff and external engagement.

4. Financial review

4.1 Trustees' responsibilities for the accounts and financial statements

The Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 require the Trustees to prepare financial statements for each financial year that give a true and fair value of the state of affairs of the charity at the end of the year, and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The Trustees must also prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are satisfied that these requirements are being met.

4.2 Review of the year

Overall, the Institution's consolidated result (referred to as the "Group") was a deficit of £184k for the year ended 31 December 2025 compared to a deficit of £77k in 2024. Whilst this is a deficit, it was a better result than expected from the original budget for 2025. The Institution's cash levels increased £309k from 31 December 2025 compared to 31 December 2024 and the Institution remains in a strong financial position with a strong asset base and no long-term borrowings.

Total Group income was £9.3M (2024: £9.1M), with £5.3M (2024: £5.2M) coming from members' subscriptions and qualification fees, and £4.0M (2024: £3.9M) from other sources including trading subsidiaries. Some 58% of the Group's income comes from membership and qualification activities; 18% from the trading activities of SER; and 13% from commercial activities undertaken by IStructE Limited. The remaining 11% was derived from a range of activities across the charity and trading companies.

4.3 Reserves

At the end of 2025, the Institution had total Unrestricted Reserves of £11.3M (2024: £11.6M). The majority of these are General Funds (2025: £6.6M; 2024: £6.2M), with Designated Funds making up the remaining £4.7M (2024: £5.4M) and the Bastwick Street Fund making up the majority of this (2025: £4.0M; 2024: £4.3M). The main reason for the movement between General and Designated Funds is the transfer between these funds as detailed in note 17. The remaining funds are made up of Restricted Funds of £301k and Permanent Endowment Funds of £39k.

The Institution uses two tests to monitor the adequacy of its Reserves – Free Reserves and Free Cash Reserves:

- ▶ Free Reserves are calculated using the total Unrestricted Funds, less Designated Funds (excluding the Bastwick Street Fund) and Fixed and Intangible Assets. The Free Reserves position is monitored on an annual basis to ensure it is adequate and in line with the Institution's operational requirements at that time.
As at 31 December 2025, the Institution had Free Reserves of £1.3M (the comparable 2024 figure was £1.1M). This has increased by £0.2M in the year, which is mainly due to the increase in the general fund value.
- ▶ The Free Cash Reserves policy was set in 2019 with the target that our Free Cash balances, representing the Institution's bank accounts excluding those held for restricted purposes, should be equivalent to three months of expenditure, currently approximately £2.7M.
The minimum Free Cash balance figure during 2025 was £3.4M, which is substantially higher than the target set by the Trustee Board. With the advance receipt of subscriptions for 2026, Free Cash Reserves were £4.5M as at 31 December 2025.

4.4 Funds

The Institution's Restricted and Designated funds are described in Notes 16 and 17 to the financial statements, respectively.

The Trustee Board decides on a year-by-year basis the amounts that are placed in each designated fund and monitors actual income and expenditure against the operating forecast.

4.5 Final Salary Pension Scheme

The Institution has, in prior years, contributed to the Institution of Structural Engineers (1973) Pension and Life Assurance Scheme ('the Scheme') at rates set by the Scheme Actuary and as advised to the Trustees by the Scheme Administrator. In accordance with FRS102, the Scheme is accounted for as a defined benefit scheme.

In the period to November 2021, the Institution concluded a Buy-in arrangement with Legal & General ('L&G'), which resulted in the Scheme's assets being transferred to L&G. The transferred assets comprise the insured annuities for the value of member benefits under FRS102. At this point, L&G assumed responsibility for making the payments due to the members of the Scheme, with the Institution retaining the legal responsibility for the payment of all member benefits.

The Institution is working with L&G and the Scheme members to agree a Buy-out arrangement where the members will have a direct legal relationship with L&G, who will then take responsibility for paying pensions directly to each individual Scheme member. It is expected that this Buy-out arrangement will be concluded in 2026. The Buy-out has been delayed due to the legal requirement to complete Guaranteed Minimum Pension (GMP) Equalisation and Rectification activities.

With the completion of the Buy-in:

- ▶ Effective December 2021, the Institution has made no further contributions into the Scheme, although it continues to meet the costs of administering and operating the Scheme;
- ▶ and, in line with the accounting policy adopted in last year's financial statements for the year ending 31 December 2021, the Institution has chosen not to recognise within its Balance Sheet any deficit or surplus on the Scheme calculated under FRS102.

Full information on the Final Salary Pension Scheme is given in Note 20 to the financial statements.

4.6 Grant-making policy

4.6.1 The Institution and Regional Group Awards

As a learned society, the Institution has a vision to lead, support and nurture the development of structural engineering worldwide by upholding high standards, building knowledge communities and promoting structural engineering. In furtherance of this vision, the Institution encourages its members to pursue excellence in their work and contribution to the profession and wider society. The Institution celebrates outstanding contributions from structural engineers, and awards are given each year to members and non-members for the technical papers and presentations at meetings in the Regional Groups, for the best students at higher educational establishments in regional areas, and for newly built/refurbished structures. Each of these award winners receives a certificate. Some also receive a plaque or a nominal financial reward.

4.6.2 Research Fund

The Institution's Research Fund (administered by the Research Panel, which reports to the Structural Futures Committee) makes grants to support research in structural engineering in industry and academia, including at undergraduate and master's levels. It also supports young researchers through the annual Young Researchers Conference.

5. Plans for future periods

5.1 2026 to 2030 strategy

In 2025, The Institution Trustee Board approved a strategy to guide its direction of travel from 2026 to 2030. The purpose of the strategy is included in its mission statement aligned to the Royal Charter:

- ▶ To secure a safe and sustainable world by advancing structural engineering, raising professional standards and sharing knowledge.

This feeds through into the Institution's vision for tomorrow:

- ▶ To lead and develop an engaged global community of structural experts who are inspired to innovate, collaborate, and create a safe and sustainable built environment.

The Institution's strategic goals translate its vision into clear priorities for action. Through this, the Institution will:

- ▶ Expand global influence through collaboration for a visible and meaningful impact on a wider built environment.
- ▶ Develop, retain and support an engaged and diverse built environment.
- ▶ Promote innovation, excellence and best practice standards for safe and sustainable ways of working.
- ▶ Foster a culture of continuous improvement to make the Institution efficient, service-oriented and financially resilient.

Four new values anchor the way that the Institution will deliver its strategy and ensure that its actions reflect who the Institution is and what it stands for:

- ▶ Integrity — We are committed to upholding the highest standards of ethical conduct in our practices and interactions.
- ▶ Excellence — We are focused on excellence in everything we do, setting high standards for ourselves and our members, and valuing quality, innovation and continuous improvement.
- ▶ Inclusion — We are inclusive, and we embrace diversity and value the contributions of individuals from all backgrounds, perspectives and experiences, fostering a welcoming environment for all.
- ▶ Collaboration — We believe in the power of collaboration and cooperation, encouraging members to share knowledge, resources and expertise for the collective advancement of structural engineering.

The strategy has four pillars that will help guide activity in pursuit of its goals, which are:

- ▶ Advancing the profession of structural engineering — to expand global influence through collaboration for a visible and meaningful impact on the wider built environment.
- ▶ Supporting professional structural engineers — to develop, retain and support an engaged and diverse membership across all grades.
- ▶ Enhancing professionalism — to promote innovation, excellence and best practice standards for safe and sustainable ways of working.
- ▶ Organisational resilience — to continuously improve processes and culture to make the institution efficient, service-oriented and financially resilient.

It is envisaged that the new strategy will mean the Institution can more effectively meet its objects as laid down in the Royal Charter.

5.2 Looking ahead to 2026

A programme of objectives for 2026 is planned in support of the strategic plan. Proposed activities include the following:

- ▶ The continuation of investment in responding to the climate and biodiversity emergency, including:
 - ▶ Advocating for UK embodied carbon regulation through Part Z (Part Z is a coalition of construction industry bodies in the UK).
 - ▶ Supporting cross-industry interest through the UK Net Zero Carbon Buildings Standard and sharing of companies' carbon data.
 - ▶ Promoting guidance on regenerative design, systems thinking and broader impacts beyond carbon.
 - ▶ Engaging with policy makers to ensure the Institution's technical expertise is recognised and acted upon.
- ▶ To promote excellence in the construction industry and structural engineering's practice by:
 - ▶ Informing members of the requirements of the BSA, providing guidance and case studies on how to meet the requirements and build knowledge in key areas.
 - ▶ To assist members, industry and government respond to changes arising from the recommendations of the Grenfell Tower Phase 2 Inquiry report.

- ▶ Ensuring Eurocode 2 manuals reflect the Institution's safety and sustainability objectives.
- ▶ Developing guidance on relevant topics including:
 - ▶ the assessment of defective buildings.
 - ▶ Checking and quality control.
 - ▶ Building control submissions.
 - ▶ Essentials of building modelling.
 - ▶ Embodied carbon essentials.
 - ▶ Design of MMC.
 - ▶ Developing training materials on topics such as:
 - ▶ risk and safety management.
 - ▶ Fire engineering.
 - ▶ Digital engineering.
 - ▶ Resilience.
 - ▶ Essentials of seismic engineering.
 - ▶ Essentials of sustainability.
- ▶ To revise the structure of the Institution's panels/committees to improve effectiveness/efficiency in the delivery of output to members.
- ▶ Develop and deliver a strategic programme of 40+ events that strengthen the Institution's global influence, showcase innovation and excellence in structural engineering, and grow engagement across priority audiences.
- ▶ To work towards implementing a new e-library platform to ensure a continuation of online publications for our members to access.
- ▶ To continue to operate the Voluntary Occurrence Reporting (VOR) system in accordance with the BSA requirements
- ▶ To explore with the Building Safety Regulator further ways in which CROSS can contribute to structural and fire safety.
- ▶ To broaden the reach of CROSS into new structural/fire/engineering sectors and also internationally.
- ▶ To ensure a robust pipeline of technical publications to support members evolving competency requirements and enable the commissioning of new publications annually.
- ▶ To improve the Institution's digital systems, including:
 - ▶ Advancing the IStructE.org website redevelopment, ensuring improved UX, accessibility and content discoverability.
 - ▶ Progressing the SER web platform rebuild.
 - ▶ Advancing IT operations governance, ensuring security, resilience and efficiency.
- ▶ To continue to support membership engagement and growth through:

- ▶ The continued promotion of all membership grades, providing more accessible routes to, and between, grades of membership.
- ▶ Collaboration with the government and other stakeholders in the development of the Single Construction Regulator and specifically the principle of improving competence through the protection of title and reserving function
- ▶ Promoting, in collaboration with the ICE and Engineering Council, HRB Registration.
- ▶ Promoting, in collaboration with the Society for the Environment, Chartered Environmentalist (CEnv) registration
- ▶ Reviewing existing mutual recognition agreements and exploring the opportunity to develop new agreements, to ensure Institution membership is recognised world-wide and facilitates professional mobility.
- ▶ Contributing to the review of the Engineering Council standards and updating Institution standards as appropriate,
- ▶ Reviewing barriers to Institution membership and access to services for those with lower incomes.
- ▶ Growing global awareness and engagement of the IStructE through CPD training.
- ▶ To grow and sustain the Institution's EDI strategy, with a focus on growing the *Elevate* mentoring programme.
- ▶ To close-out the Defined Benefits pension scheme.
- ▶ To embed the Institution's new organisational values internally within our staff culture.

6. Structure, governance and management

6.1 Organisational structure

The Institution was founded in 1908 and was incorporated by Royal Charter on 4 May 1934; the current Supplemental Charter, with associated Bye-laws, was granted on 1 December 2004. The Charter empowers the Trustee Board to make Regulations relating to the Institution and for the conduct of members. They are kept under review and were last amended in 2025.

The Institution's activities are conducted through the Institution itself and through its two wholly owned subsidiaries: IStructE Ltd and SER Ltd.

Structural-Safety Ltd (SSL), jointly owned with the ICE, brings together the activities of the Standing Committee on Structural Safety (SCOSS) and Collaborative Reporting for Safer Structures (CROSS).

To support its international development activities, the Institution has legal entities registered in Hong Kong and the United Arab Emirates: IStructE (Asia-Pacific) Limited and IStructE FZ LLC respectively.

Collectively, all these companies are referred to as 'the Institution Group'.

6.2 Governance

The Trustee Board Chair is chair of the Board of Trustees, which currently comprises 10 further members including the President. Vice-Presidents are elected from five world electoral regions and serve a term of three years; other members of the Trustee Board are elected by, and from, the worldwide voting membership. Each year, Council ratifies the recommendations made by the Nominations Committee for those standing for election for Vice-President, Trustee Board Member and Ordinary Member of Council.

The Trustee Board may invite specialist advisers to attend, and relevant senior leaders may also be invited to attend when required. Such persons do not thereby become members of the Trustee Board and may not vote on any matter to be decided by it.

The Institution's 'session' commenced on 1 January 2025, when the new President and members of the Trustee Board, the Council and committees took office. The session ran to 31 December 2025. At the first meeting of the session, Trustee Board members received training in trusteeship.

At the end of the session, the Trustee Board members self-evaluated their individual performance and the overall performance of the Board during the year. The collective output was discussed by the Trustee Board and, as necessary, action plans developed to make improvements.

Council (which includes members elected by, and from, Chartered and Incorporated Structural Engineers, Associates, Technician Members, and Graduates worldwide, as well as Regional Group Chairs, representatives from the Headline committees and other co-optees) support the Trustee Board in determining the core values and strategic aims of the Institution. Although its role is essentially advisory and consultative, it debates and influences policies, offers advice to the Trustee Board, and, in each year when elections take place, elects the President and President-Elect and elects Council members to the Nominations Committee.

6.2.1 Committees and panels

The committee structure is shown on page 19.

The Membership Committee advises on policy regarding membership of the Institution, including setting and maintaining standards to qualify structural engineers globally.

The **Education Committee** advises on policy concerning school and university education for potential members and throughout members' careers.

The Engineering Leadership Group advises on policy concerning technical matters related to structural engineering. It is assisted in this task by four topic head committees.

The Resources Committee assesses and reviews how best to manage and maximise the Institution's resources (finance, staff and premises), taking into account its goals.

The Professional Conduct Committee keeps the code of conduct, guidance notes and disciplinary procedures under review, and investigates allegations of misconduct made against members and also misrepresentations relating to Institution membership.

The Nominations Committee makes annual recommendations to the Council concerning the election of the President, President-Elect and co-options to Council, and the appointment of Past-President to Council. The Committee is responsible for the appointment of the Trustee Board Chair and it adjudicates on Institution Awards made to individuals.

Panels, which deal with specific areas of activity, report as shown on page 19.

6.3 Management

6.3.1 Staff

Authority to conduct the day-to-day operations of the Institution is delegated by the Trustee Board to the Chief Executive, who is responsible to the Trustee Board for the efficient running of the Institution and for the implementation of policies and strategies. The Chief Executive, the Deputy Chief Executive and Membership Director, along with other Directors at the Institution, are responsible for delivery and operations, along with supporting the Trustee Board in the fulfilment of their obligations as Trustees.

The average number of staff employed during the year to 31 December 2025 was 74, which is a modest increase on the average number of 70 staff employed during 2024. This increase is due to increased activity to support members and the profession. The staff organogram is shown on page 20.

All staff receive an induction into the organisation and access to ongoing learning and development activities, which supports their own continuing professional development.

Staff are rewarded with a market comparable pay and benefits package, which is set out in the formal pay structure.

6.3.2 Pay and remuneration of key management personnel

A new performance-based pay and grading structure and process has been implemented to create a fair and equitable pay and remuneration for all staff including senior management.

In this pay structure, staff salary increases are linked to the achievement of agreed objectives and also considers various factors such as inflation, affordability and external market benchmarking with other similar professional institutions. The Chief Executive's remuneration is reviewed using the same criteria by the Trustee Board Chair and the President. This framework ensures the Institution remains competitive in attracting and retaining high-calibre senior leadership talent.

6.3.3 Regional Groups

Institution members throughout the world, where there are sufficient concentrations of members, are allocated to Regional Groups. These are run by committees, which arrange learned society, continuing professional development and networking events online and physically, to complement those organised by the Institution centrally. Each group has regulations for its governance, which have been approved by the Trustees. The financial activities of these groups form part of the 2025 annual statement.

6.3.4 Volunteers

All members of the Trustee Board, the Council, committees, panels, task groups, advisory groups and study groups (as well as members serving the Institution on Regional Group and Hub committees, some event speakers, Elevate mentors and those acting in other capacities including as Student Liaison Officers and Institution Representatives in countries outside the United Kingdom where there is no Regional Group) are volunteers, numbering an estimated 1,250 individuals. Additionally, an extensive network of members contributes to authorship and editorial roles and circa 50 members serve on committees of the British Standards Institution, construction and engineering technical organisations, and educational institutions. This represents considerable commitment and input to the profession, mainly by senior members, which is to the public benefit as well as that of the Institution itself.

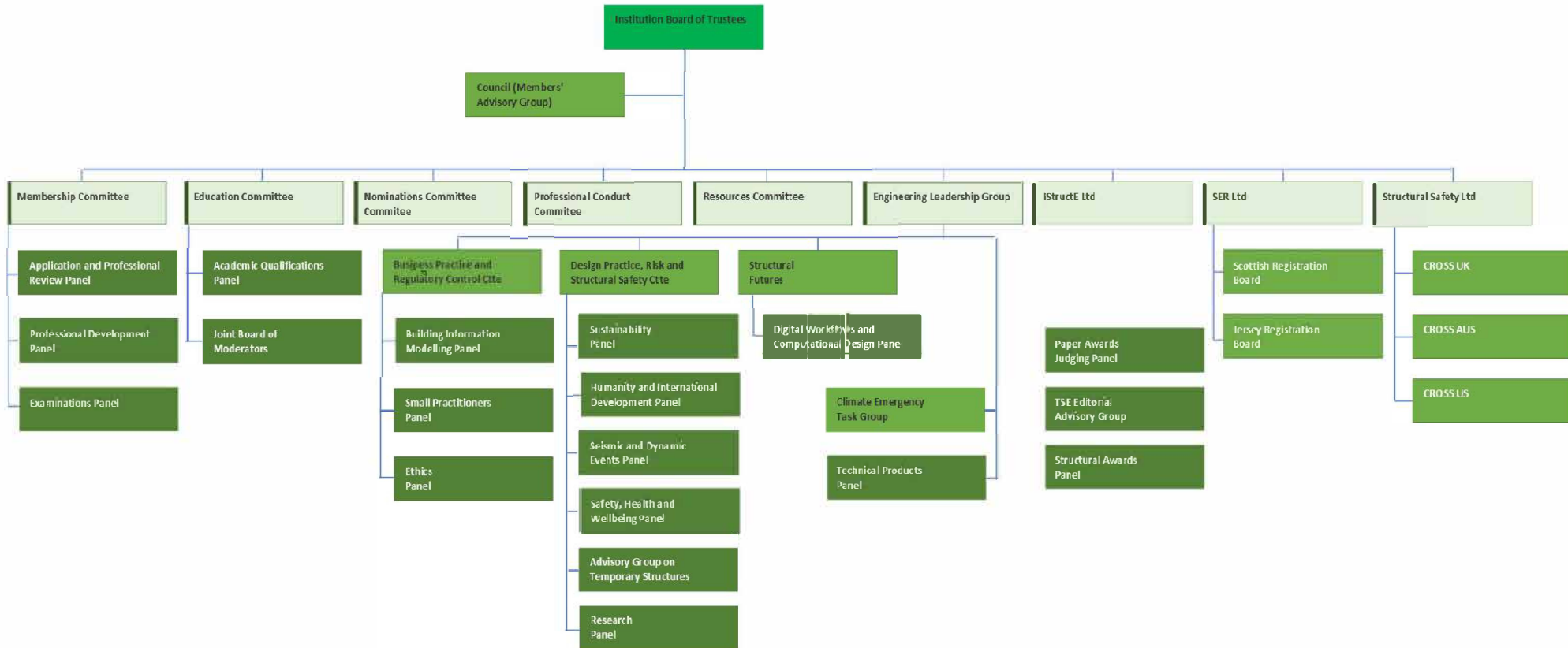
6.3.6 Subsidiary companies

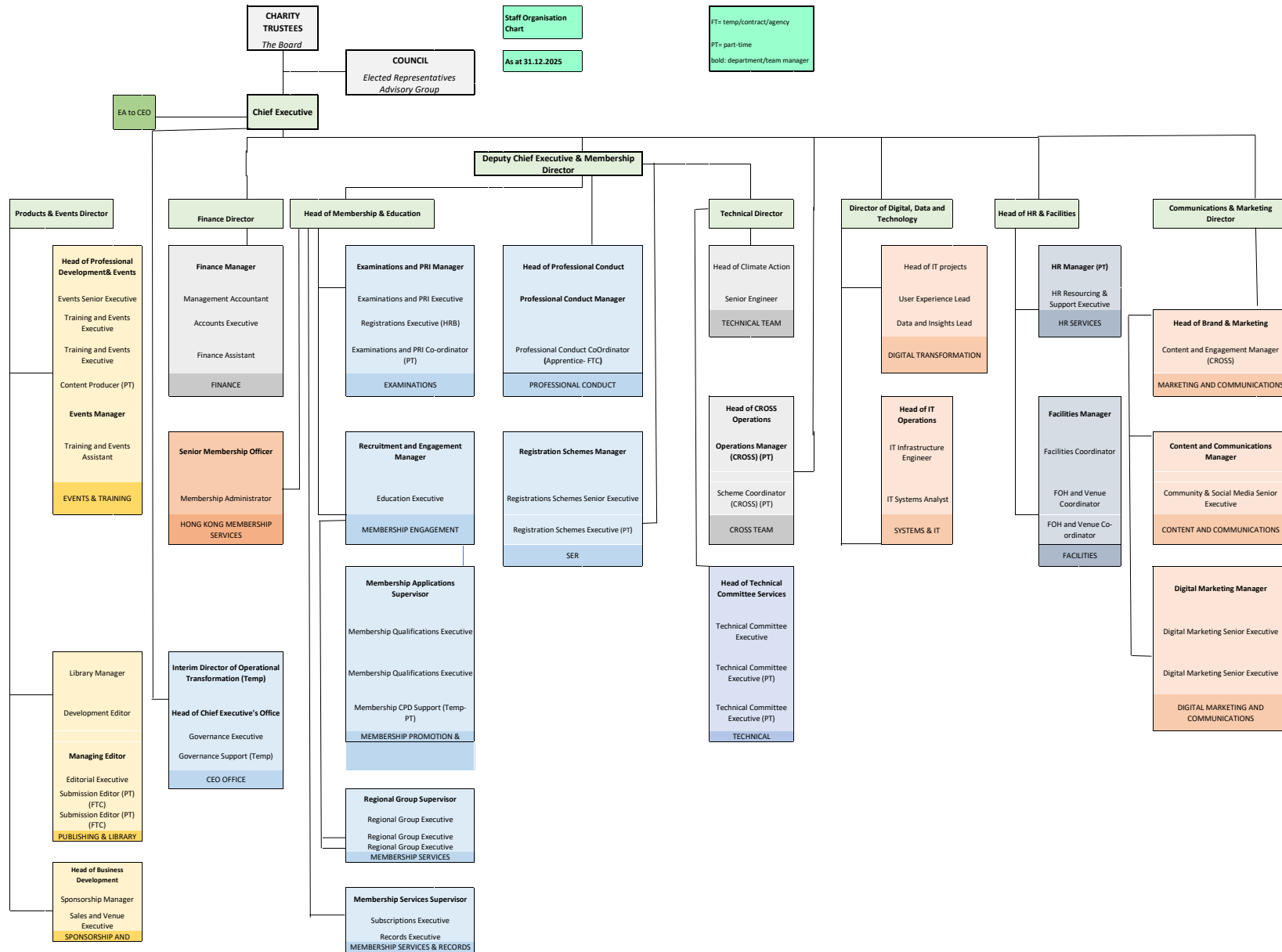
The Institution's subsidiary companies are listed in Note 9 to the financial statements.

6.3.7 Connected charities

6.3.7.1 The Institution of Structural Engineers Benevolent Fund

The Institution of Structural Engineers Benevolent Fund is deemed a connected charity as its objects restrict its beneficiaries to current or former members of the Institution and their dependents or former dependents. During 2025, the Institution collected £33,203 (2024: £28,702) of donations from its members and paid these to the Fund.





Staff Organisation Chart
As at 31.12.2025

FT= temp/contract/agency
PT= part-time
bold: department/team manager

6.3.8 Risk management

The Trustee Board acknowledges its responsibility for managing the risks to which the Institution is exposed. It oversees an ongoing assessment of the major risks — particularly those relating to strategic objectives, operations, finances and reputation. Control systems are in place to manage those risks.

Key risks are identified and monitored by the organisation's senior leaders, Board and Resources Committee through the use of a risk register. The responsibility for providing guidance to the Trustee Board on matters relating to finance and operational risk is delegated to the Resources Committee. The most significant risks of a strategic, reputational or operational nature are reported to the Board regularly, which reviews mitigating actions and residual risks. The principal risks facing the Institution, with the key actions in place to mitigate against them are:

- ▶ Data protection and cyber security. A risk-based approach to data security is taken and appropriate technical and organisational measures are in place, including:
 - ▶ The Institution's Cyber Security Framework, is reviewed annually and the Institution achieved Cyber Essentials Plus accreditation again in 2025
 - ▶ Mandatory training is provided to all staff on data security and guidance is provided to Regional Groups and other volunteers.
- ▶ Geo-political issues: Where the Institution operates in regions of geopolitical friction, there is a risk that geo-political factors may make it impossible for the Institution and its members to effectively operate, which could reduce membership numbers, detract from the Institution's standing within the industry and impact its ability to deliver its core objectives. To mitigate these risks the Institution takes actions including:
 - ▶ Where appropriate, local registered companies are set up in countries.
 - ▶ The Institution (and its international representatives) operates in a style that is as pragmatic and collaborative as realistically possible.
- ▶ Resilience of revenue. In order to reduce reliance on income from membership subscriptions, a number of revenue streams have been, and continue to be, developed through IStructE Ltd and SER Ltd. Furthermore:
 - ▶ The portfolio of products spreads the risk in line with the commercial strategy and is reviewed regularly.
 - ▶ There is a senior leader with specific responsibility for developing commercial activity.
 - ▶ There is an effective marketing function with a focus on promoting commercial products.
 - ▶ A strong relationship is maintained with the Building Standards Division of the Scottish Government to support SER activities.
- ▶ The Institution does not have sufficient financial resilience to achieve its strategic aims. The Institution's income has grown to over £9M but the financial result is usually around breakeven, so, as with many organisations, this remains a risk. This risk is mitigated by:
 - ▶ The Institution diversifying its income streams as discussed above.
 - ▶ Running an in-depth budgeting annual process (with longer-term financial planning also conducted). The annual budget is reviewed by the Resources Committee, and reviewed and approved by the Board, which gives the Institution the opportunity to identify income opportunities and reduce expenditure as necessary.

- ▶ Reduction in membership. Income from membership subscriptions is key to the Institution. In order to mitigate against a reduction in the number of members as a result of demographic factors and also to seek to grow the membership, the Institution has introduced initiatives to remove barriers to membership, improve support through the qualification process, increase recruitment and retention, and ultimately grow the membership. Examples include the route to AIStructE introduced in recent years, and revised standards and guidance for the PRI and Exam.
- ▶ Loss of key senior personnel. Loss of staff is a risk in any organisation and will occur. However, the Institution's staff organisational structure and ways of working are such that knowledge does not generally reside with one person. The team of senior leaders forms a robust executive team and enables the better sharing of knowledge across senior management.
- ▶ Negative publicity brings the Institution into disrepute from an unforeseen event, incident or malicious communications. This may result in a damaging financial payout, or loss of members and/or income. The Institution manages this by setting standards and ensuring appropriate policies are in place to manage an evolving and changing risk profile, and by monitoring relevant stories in the news media and on social media so the team can quickly react and escalate to the Chief Executive and Board as necessary.
- ▶ Failure to recruit and retain a motivated and skilled workforce. This would reduce the Institution's ability to deliver its operational and strategic objectives. This is addressed by a number of activities:
 - ▶ HR proactively manages the Institution's people to prevent issues arising that could lead to employee turnover.
 - ▶ A new pay and grading structure was introduced to improve retention and attractiveness of the Institution as a place to work.
 - ▶ Improved development of line managers to create a culture of retention and support.
 - ▶ Building a learning-led culture to increase knowledge, skill and levels of engagement.

6.3.9 Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Institution does not undertake widespread fundraising from the general public, the Charities Act 2011 defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes', and the Charities and Trustee Investment (Scotland) Act 2005 definition includes 'representing and soliciting in any manner, whether expressly or implied... for a body established for charitable, benevolent or philanthropic purposes'.

Such amounts receivable are presented in the Institution's accounts as 'donations and legacies'.

In relation to the above, the Trustees confirm that all solicitations are managed internally, without involvement of commercial participators, professional fundraisers or third parties. The day-to-day management of all income generation is delegated to the staff directorate, all of whom are accountable to the Trustees.

The Institution is not subject to any undertaking to be bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice. No complaints have been received by the Institution in relation to fundraising activities. The Institution's terms of employment require staff to behave reasonably at all times and, as it does not approach individuals for funds, it does not particularise this to fundraising activities, nor is it considered necessary to design specific procedures to monitor such activities.

7. Reference and administrative information

7.1 Registration

The Institution is registered with the Charity Commission for England and Wales under number 233392 and the Office of the Scottish Charity Regulator under number SC038263.

7.2 Address of principal office

The Institution's address is 47–58 Bastwick Street, London, EC1V 3PS.

7.3 Trustee Board

During 2025, the Trustees were:

| | | |
|----------------|------------------------|--------------------------------|
| Mohamad Al-Dah | Shalini Jagnarine-Azan | John Price |
| Colin Caprani | Elisabeth Marlow | Brian Uy |
| Tanya De Hoog | Don McQuillan | Keith Williams |
| Jiemin Ding | Tendayi Munyebvu | Kate Wise (until 10 July 2025) |

7.4 Senior Leaders

Executive Team

| | |
|---------------|--|
| Yasmin Becker | Chief Executive |
| Darren Byrne | Deputy Chief Executive and Membership Director |
| Sunita Dhawan | Product and Events Director |

Company Secretary

| | |
|----------------|------------------|
| Stephen Martin | Finance Director |
|----------------|------------------|

7.5 Auditors

HaysMac LLP, statutory auditor
10 Queen Street Place
London
EC4R 1AG

Approved by the Trustee Board and signed on their behalf by

Don McQuillan

Don McQuillan

Trustee Board Chair

Date: 12 May 2026

Independent auditor's report to the trustees of the Institution of Structural Engineers

Opinion

We have audited the financial statements of the Institution of Structural Engineers for the year ended 31 December 2025 which comprise the consolidated statement of financial activities, the balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2025 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient and proper accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law applicable in both England and Wales and Scotland, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the group relevant to the preparation of the financial statements to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates, in particular the valuation of intangible assets and debt provisions.
- Reviewing the assumptions and judgements used by the professional actuary in relation to the Charity's pension scheme.

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP
10 Queen Street Place
Statutory Auditors
London
EC4R 1AG

Date: 17/05/2026

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

Consolidated statement of financial activities

Year ended 31 December 2025

| | Note | Unrestricted Funds £'000 | Restricted Funds £'000 | Permanent Endowment Funds £'000 | 2025 Total £'000 | 2024 Total £'000 |
|--|------|--------------------------------|------------------------------|--|------------------------|------------------------|
| Income from: | | | | | | |
| Donations, legacies and grants | 2 | 18.9 | 15.7 | - | 34.6 | 39.8 |
| Income from trading activities | | | | | | |
| Gross income from ancillary trading | | 275.9 | - | - | 275.9 | 238.4 |
| Trading subsidiaries' income | | 2,938.5 | - | - | 2,938.5 | 2,735.1 |
| Income from charitable activities | | | | | | |
| Membership and qualification activities | | 5,339.2 | - | - | 5,339.2 | 5,243.0 |
| Technical & professional learning and development | | 259.3 | 23.9 | - | 283.2 | 269.9 |
| Other charitable activities | | 192.6 | - | - | 192.6 | 259.8 |
| Income from investments | 3 | 183.5 | 10.9 | 1.5 | 195.9 | 295.2 |
| Total income | | <u>9,207.9</u> | <u>50.5</u> | <u>1.5</u> | <u>9,259.9</u> | <u>9,081.2</u> |
| Expenditure on: | | | | | | |
| Cost of raising funds | | | | | | |
| Cost of ancillary trading | | 114.2 | - | - | 114.2 | 120.1 |
| Trading subsidiaries costs | | 2,418.7 | - | - | 2,418.7 | 2,416.3 |
| Charitable activities | | | | | | |
| Membership and qualification activities | | 4,451.4 | - | - | 4,451.4 | 4,070.2 |
| Technical & professional learning and development | | 1,050.7 | 27.9 | - | 1,078.6 | 954.2 |
| Other charitable activities | | 1,353.1 | - | - | 1,353.1 | 1,564.1 |
| Loss from joint venture | 11 | 27.5 | - | - | 27.5 | 26.8 |
| Total expenditure | 4 | <u>9,415.6</u> | <u>27.9</u> | <u>-</u> | <u>9,443.5</u> | <u>9,151.7</u> |
| (Loss) on translation of foreign entities | | (0.4) | - | - | (0.4) | (6.8) |
| Net income | | <u>(208.1)</u> | <u>22.6</u> | <u>1.5</u> | <u>(184.0)</u> | <u>(77.3)</u> |
| Actuarial (loss) / gain on final salary pension scheme | 20 | - | - | - | - | - |
| Net movement in funds | | <u>(208.1)</u> | <u>22.6</u> | <u>1.5</u> | <u>(184.0)</u> | <u>(77.3)</u> |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 11,551.2 | 278.8 | 37.5 | 11,867.5 | 11,944.8 |
| Total funds carried forward | | <u>11,343.1</u> | <u>301.4</u> | <u>39.0</u> | <u>11,683.5</u> | <u>11,867.5</u> |

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The notes on pages 31 to 47 form part of these financial statements.

Charity statement of financial activities

Year ended 31 December 2025

| | Note | Unrestricted Funds £'000 | Restricted Funds £'000 | Permanent Endowment Funds £'000 | 2025 Total £'000 | 2024 Total £'000 |
|---|------|--------------------------------|------------------------------|--|------------------------|------------------------|
| Income from: | | | | | | |
| Donations, legacies and grants | 2 | 18.9 | 15.7 | - | 34.6 | 39.8 |
| Income from trading activities | | | | | | |
| Gross income from ancillary trading | | 275.8 | - | - | 275.8 | 238.4 |
| Income from charitable activities | | | | | | |
| Membership and qualification activities | | 5,339.2 | - | - | 5,339.2 | 5,243.0 |
| Technical & professional learning and development | | 259.4 | 23.9 | - | 283.3 | 269.9 |
| Other charitable activities | | 1,010.8 | - | - | 1,010.8 | 1,022.7 |
| Income from investments | 3 | 183.5 | 10.9 | 1.5 | 195.9 | 295.2 |
| Gift aid received from subsidiaries | | 454.7 | - | - | 454.7 | 808.7 |
| Total income | | <u>7,542.3</u> | <u>50.5</u> | <u>1.5</u> | <u>7,594.3</u> | <u>7,917.7</u> |
| Expenditure on: | | | | | | |
| Cost of raising funds | | | | | | |
| Cost of ancillary trading | | 133.1 | - | - | 133.1 | 143.7 |
| Charitable activities | | | | | | |
| Membership and qualification activities | | 5,250.9 | - | - | 5,250.9 | 4,683.9 |
| Technical & professional learning and development | | 1,257.7 | 27.9 | - | 1,285.6 | 1,141.1 |
| Other charitable activities | | 1,581.7 | - | - | 1,581.7 | 1,824.4 |
| Total expenditure | | <u>8,223.4</u> | <u>27.9</u> | <u>-</u> | <u>8,251.3</u> | <u>7,793.1</u> |
| Net income | | <u>(681.1)</u> | <u>22.6</u> | <u>1.5</u> | <u>(657.0)</u> | <u>124.6</u> |
| Actuarial loss on final salary pension scheme | 20 | - | - | - | - | - |
| Net movement in funds | | <u>(681.1)</u> | <u>22.6</u> | <u>1.5</u> | <u>(657.0)</u> | <u>124.6</u> |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 10,833.1 | 278.8 | 37.5 | 11,149.4 | 11,024.8 |
| Total funds carried forward | | <u>10,152.0</u> | <u>301.4</u> | <u>39.0</u> | <u>10,492.4</u> | <u>11,149.4</u> |

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The notes on pages 31 to 47 form part of these financial statements.

Consolidated and Charity balance sheets

Year ended 31 December 2025

| | Note | The Group | | Charity | |
|--|------|------------------|------------------|------------------|------------------|
| | | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Intangible assets | 8 | 855.8 | 1,300.2 | 855.8 | 1,300.2 |
| Investment in joint venture | 11 | 34.2 | 61.7 | - | - |
| Fixed assets | | | | | |
| Tangible assets | 7 | 8,461.2 | 8,109.3 | 8,460.3 | 8,107.7 |
| Investment in subsidiary companies | 9 | - | - | 0.2 | 0.2 |
| Total fixed and intangible assets | | <u>9,351.2</u> | <u>9,471.2</u> | <u>9,316.3</u> | <u>9,408.1</u> |
| Current assets | | | | | |
| Stocks of publications | 12 | 2.5 | 2.5 | 2.5 | 2.5 |
| Debtors | 13 | 736.2 | 814.3 | 658.9 | 730.8 |
| Cash at bank and in hand | | <u>4,841.1</u> | <u>4,531.6</u> | <u>3,503.1</u> | <u>3,673.1</u> |
| Total current assets | | <u>5,579.8</u> | <u>5,348.4</u> | <u>4,164.5</u> | <u>4,406.4</u> |
| Creditors – amounts falling due within one year | 14 | <u>(3,247.5)</u> | <u>(2,952.1)</u> | <u>(2,988.4)</u> | <u>(2,665.1)</u> |
| Net current assets | | <u>2,332.3</u> | <u>2,396.3</u> | <u>1,176.1</u> | <u>1,741.3</u> |
| Total net assets | | <u>11,683.5</u> | <u>11,867.5</u> | <u>10,492.4</u> | <u>11,149.4</u> |
| Funds of the charity | | | | | |
| Unrestricted funds: | | | | | |
| Designated funds | 17 | 4,744.8 | 5,335.2 | 4,744.8 | 5,335.2 |
| General funds | | <u>6,598.3</u> | <u>6,216.0</u> | <u>5,407.2</u> | <u>5,497.9</u> |
| Total unrestricted funds | | <u>11,343.1</u> | <u>11,551.2</u> | <u>10,152.0</u> | <u>10,833.1</u> |
| Permanent endowment funds | 15 | 39.0 | 37.5 | 39.0 | 37.5 |
| Restricted funds | 16 | <u>301.4</u> | <u>278.8</u> | <u>301.4</u> | <u>278.8</u> |
| Total funds | | <u>11,683.5</u> | <u>11,867.5</u> | <u>10,492.4</u> | <u>11,149.4</u> |

Approved by the Institution Board, authorised for issue and signed on their behalf by:

Don McQuillan

Donald McQuillan, Chairman

Keith Williams

Keith Williams, President-Elect

Date: 12 May 2026

Consolidated and Charity statement of cash flows

Year ended 31 December 2025

| Reconciliation of changes in resources to net cash inflow from operating activities | Note below | Group | | Charity | |
|---|------------|----------------|----------------|----------------|----------------|
| | | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Cash flows from operating activities | | | | | |
| Net income after tax | | (184.0) | (77.3) | (1,111.8) | (684.1) |
| Investment income | 3 | (195.9) | (295.2) | (195.9) | (295.2) |
| Interest payable | | - | 30.1 | - | 30.1 |
| Depreciation | 7 | 233.0 | 188.0 | 232.4 | 187.3 |
| Amortisation of intangible assets | 8 | 216.1 | 255.1 | 216.1 | 255.1 |
| Decrease in stock | 12 | - | - | - | - |
| (Increase) / decrease in debtors | 13 | 78.1 | (91.2) | 71.9 | 100.1 |
| Increase / (decrease) in creditors | 14 | 295.4 | (33.8) | 323.3 | (135.8) |
| Net cash generated from operating activities | | <u>442.7</u> | <u>(24.3)</u> | <u>(464.0)</u> | <u>(542.5)</u> |
| Cash flow from investing activities | | | | | |
| Purchase of tangible fixed assets | 7 | (288.6) | (39.0) | (288.6) | (36.7) |
| Purchase of intangible assets | 8 | (68.0) | (778.8) | (68.0) | (778.8) |
| Investment in joint venture | 11 | 27.5 | 26.8 | - | - |
| Amount received in gift aid | 10 | - | - | 454.7 | 808.7 |
| Interest received | 3 | 195.9 | 295.2 | 195.9 | 295.2 |
| Net cash from investing activities | | <u>(133.2)</u> | <u>(495.8)</u> | <u>294.0</u> | <u>288.4</u> |
| Cash flow from financing activities | | | | | |
| Capital element of mortgage paid | | - | (907.5) | - | (907.5) |
| Interest paid | | - | (30.1) | - | (30.1) |
| Net cash from financing activities | | <u>-</u> | <u>(937.6)</u> | <u>-</u> | <u>(937.6)</u> |
| Increase / (decrease) in cash in year | | 309.5 | (1,457.7) | (170.0) | (1,191.7) |
| Cash and cash equivalents at the beginning of the year | | <u>4,531.6</u> | <u>5,989.3</u> | <u>3,673.1</u> | <u>4,864.8</u> |
| Cash and cash equivalents at the end of the year | | <u>4,841.1</u> | <u>4,531.6</u> | <u>3,503.1</u> | <u>3,673.1</u> |

The notes on pages 32 to 48 form part of these financial statements.

Notes to the accounts

Year ended 31 December 2025

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2019) (effective 1 January 2019) - (Charities SORP (FRS 102) (2019)), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Basis of consolidation

The financial statements include the consolidation of IStructE Limited, Structural Engineers Registration Limited, IStructE (Asia Pacific) Limited and CROSS-AUS Limited (wholly owned subsidiaries of the Institution) and IStructE FZ LLC (a subsidiary of IStructE Ltd) on a line by line basis. Structural-Safety Limited, a 50% owned subsidiary, is accounted for by including 50% of the net assets. The financial statements of a connected charity, The Institution of Structural Engineers Benevolent Fund, has not been included within the group consolidation.

Income

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and receipt is probable. The following accounting policies are applied to income:

Donations and grants

Donations and grants are included in the financial statements when the conditions of receipt have been met.

Trading activities

Income from publishing, recruitment, catering, room hire and training

Turnover is recognised when the event, product or service has been delivered and the Group has fulfilled its contractual obligations.

Certification and renewal fees

The income from certification fees is recognised on receipt of payment while renewal fees are held as deferred income and allocated to the year to which they relate.

Charitable fees

Members' subscriptions and fees

Members' subscriptions and fees due are treated as income when receivable. Amounts received in respect of future years are held as deferred income and allocated to the year to which they relate.

Examinations and professional review fees

The income is recognised in the accounts in the month in which the examination is held with amounts received in advance held as deferred income. Income from professional review interviews is recognised on receipt.

Investment income and gains

Investment income, including any tax recoverable thereon, is included in the financial statements in the year in which it is receivable. The income from the joint venture (Structural-Safety Limited) is recognised as the service is provided based on 50% of the net assets of the Company.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably and includes irrecoverable Value Added Tax. Expenditure has been allocated on the basis indicated below:

Cost of raising funds

This cost category includes the cost of books sold and the operating costs of the trading subsidiaries.

Charitable activities

This includes all expenditure directly related to the objects of the charity.

Membership and qualification activities

This comprises the costs involved in providing support and services to the members of the Institution.

Technical & professional learning and development

This comprises the costs related to the advancement and development of structural engineering.

Other charitable activities

This comprises the costs of training members and events.

Support costs

These costs represent the staffing and associated costs of finance, IT, the general building and administration costs and governance costs in supporting the operational activities for which the charity is responsible. Governance costs include external audit, legal advice to the Trustees and costs associated with the Board. These are allocated as detailed in Note 4. The method of allocating support costs is based on headcount using FYE (full year equivalents) to full-time posts, irrespective of whether these posts are filled by permanent or temporary staff.

Fund accounting

The charity maintains various types of funds as follows:

Permanent endowment funds

These funds have been received by the Institution with specific restrictions on their use within the objectives of its Royal Charter and from which the income arising is available for fulfilment of those objectives. These funds comprise various prize funds.

Restricted funds

These funds have been received by the Institution with specific restrictions on their use within the objectives of its Royal Charter.

Unrestricted funds

These are available for the Institution to pursue its objectives under its Royal Charter and comprise:

Designated funds

Designated funds are amounts which have been put aside at the discretion of the Trustees. General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity under its Royal Charter.

General fund

This represents the undesignated accumulated surpluses from funds available for the general objectives of the Institution.

Intangible assets

The assets in this category contain the historical cost less amortisation to date of the Institution's websites and customer relationship management system (CRM). The cost is written off on a straight-line basis at 16.67% per annum.

Tangible fixed assets

Fixed assets are stated at historical cost less depreciation. Equipment renewals due to technological changes are charged to the Statement of Financial Activities. Depreciation is provided at rates calculated to write off the costs less land and estimated residual value on a straight-line basis over their estimated useful lives as follows:

Freehold premises 2% per annum on cost

Computers 33.3% per annum on cost

Furniture and equipment 16.67% per annum on cost

Investments in subsidiaries

Investments in subsidiaries are shown at cost. Investments in non-charitable companies under a joint venture arrangement are included at fair value, which is the Group's share of the net assets of the commercial company at the balance sheet date.

Stock

Finished stock and work in progress relates to technical publications and is stated at the lower of cost and net realisable value. Cost comprises the price of purchasing, compilation, printing and binding.

Cash at bank and in hand

Cash at bank and in hand includes cash and bank deposits.

Pension contributions

The Institution operates two pension schemes as follows:

Final salary pension scheme

This scheme provides benefits based on final pensionable salary. The scheme was closed during 2002 and future pension arrangements were provided through a group personal pension plan. The assets of the final salary scheme are invested and are totally separate from those of the Institution. Contributions to the scheme are charged to income and expenditure to spread the cost over the employees' working lives with the Institution. These contributions are

determined by a qualified actuary on the basis of triennial valuations using the projected unit method. In accordance with FRS102 a Pension surplus is recognised under certain conditions.

Since December 2021, no contributions have been made into this Scheme. A full update on the Final Salary Pension Scheme is given in note 20 below.

Group personal pension plan

The plan provides benefits based on contributions made and investment returns. The plan commenced during 2002 following the closure of the final salary scheme. Both the Institution and employees contribute to this plan. The assets of the plan are held in individual policies for each employee and invested and are totally separate from those of the Institution. Contributions to the plan are charged to income and expenditure as incurred. During 2015, new and existing employees who are not in the plan were automatically enrolled unless they have exercised their right to opt out.

Leases

Rental costs under operating leases are charged to the Statement of Financial Activities in equal amounts over the periods of the lease.

Financial instruments

The Institution only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. This is referred to in Note 14.

Current and deferred tax

The tax expense for the year comprises current and deferred tax. The current tax charge is calculated on all taxable income on the basis of tax rates and laws that have been enacted at the reporting date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below:

Useful economic lives of tangible and intangible assets

The annual depreciation and amortisation charge for fixed assets is sensitive to changes in estimated useful economic lives of the assets. The useful economic lives are re-assessed annually and are amended where necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Final salary pension scheme asset

The determination of the assumptions used in calculating the final salary pension scheme asset is the responsibility of the Trustees. The assumptions are set with regard to advice given by the scheme actuary (see note 20). In this context, significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 December 2019 has been used by the actuary in valuing the pension asset at 31 December 2025.

The Institution has de-risked its exposure to fluctuations in the final salary pension scheme valuation by entering into a "buy-in" arrangement. Whilst the liabilities of the scheme legally sit with the Institution, the buy-in arrangement ensures it is backed at all times, by an insurance asset, see note 20 for further details.

Allocation of support costs

Judgement is exercised in determining the appropriate basis to use for each category of support cost when apportioning those costs to the activities within raising funds and charitable activities. Details of the method of apportionment are included within note 4.

Foreign currency

Transactions in foreign currencies are recognised at the rate of exchange at the date of the transaction. Any exchange differences are recognised through the statement of financial activities. Foreign exchange monetary assets and liabilities are recognised at the rate of exchange ruling at the balance sheet date.

2. Donations, legacies and grants

| | 2025 | | | | 2024 | | | |
|--------------------|--------------------|-------------------|-----------------|----------------|--------------------|-------------------|-----------------|----------------|
| | Donations £'000 | Legacies £'000 | Grants £'000 | Total £'000 | Donations £'000 | Legacies £'000 | Grants £'000 | Total £'000 |
| Restricted Funds | 15.7 | - | - | 15.7 | 17.5 | - | - | 17.5 |
| Unrestricted Funds | 18.9 | - | - | 18.9 | 20.3 | 2.0 | - | 22.3 |
| Total | 34.6 | - | - | 34.6 | 37.8 | 2.0 | - | 39.8 |

3. Investment income

| | | |
|---------------|--------------|--------------|
| | 2025 | 2024 |
| | £'000 | £'000 |
| Bank interest | <u>195.9</u> | <u>295.2</u> |

4. Analysis of Support and Governance Costs

| | Management | Legal & finance | Information technology | Governance | Total support and governance costs | Direct costs | Total |
|---|-------------------|----------------------------|-------------------------------|-------------------|---|---------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| <i>Basis of allocation</i> | <i>Head count</i> | <i>Head count</i> | <i>Head count</i> | <i>Head count</i> | | | |
| Ancillary trading | 27.9 | 8.3 | 11.3 | 5.1 | 52.6 | 61.6 | 114.2 |
| Trading subsidiaries | 287.7 | 85.4 | 116.3 | 52.8 | 542.2 | 1,876.6 | 2,418.8 |
| Membership & qualification activities | 818.3 | 243.0 | 330.8 | 150.1 | 1,542.2 | 2,909.1 | 4,451.3 |
| Technical & professional learning & development | 215.1 | 63.9 | 86.9 | 39.5 | 405.4 | 673.2 | 1,078.6 |
| Other charitable activities | 237.4 | 70.5 | 96.0 | 43.5 | 447.4 | 905.7 | 1,353.1 |
| Loss on joint venture | - | - | - | - | - | 27.5 | 27.5 |
| Total | <u>1,586.4</u> | <u>471.1</u> | <u>641.3</u> | <u>291.0</u> | <u>2,989.8</u> | <u>6,453.7</u> | <u>9,443.5</u> |

Comparative figures for 2024

| | Management | Legal & finance | Information technology | Governance | Total support and governance costs | Direct costs | Total |
|---|-------------------|----------------------------|-------------------------------|-------------------|---|---------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| <i>Basis of allocation</i> | <i>Head count</i> | <i>Head count</i> | <i>Head count</i> | <i>Head count</i> | | | |
| Ancillary trading | 24.2 | 9.6 | 10.3 | 4.1 | 48.2 | 71.9 | 120.1 |
| Trading subsidiaries | 256.4 | 102.2 | 109.4 | 43.9 | 511.9 | 1,904.4 | 2,416.3 |
| Membership & qualification activities | 691.8 | 275.8 | 295.2 | 118.4 | 1,381.2 | 2,689.0 | 4,070.2 |
| Technical & professional learning & development | 191.1 | 76.2 | 81.5 | 32.7 | 381.5 | 572.7 | 954.2 |
| Other charitable activities | 266.1 | 106.1 | 113.5 | 45.5 | 531.2 | 1,032.9 | 1,564.1 |
| Loss on joint venture | - | - | - | - | - | 26.8 | 26.8 |
| Total | <u>1,429.6</u> | <u>569.9</u> | <u>609.9</u> | <u>244.6</u> | <u>2,854.0</u> | <u>6,297.7</u> | <u>9,151.7</u> |

5. Net income for the year is stated after charging

| | 2025 £'000 | 2024 £'000 |
|--|---------------|---------------|
| Auditors' remuneration | | |
| For audit services | 38.7 | 37.2 |
| Depreciation and amortisation of fixed & intangible assets | 449.1 | 443.1 |

6. Information regarding employees, trustees and key management personnel

The average number of staff employed by the Institution in 2025 was 74 (2024: 70), split across the functions below.

| Function | 2025 | 2024 |
|---|-----------|-----------|
| Ancillary trading | 1 | 1 |
| Trading subsidiaries | 10 | 8 |
| Membership and qualification | 29 | 28 |
| Technical and professional learning and development | 8 | 8 |
| Other charitable activities | 9 | 8 |
| Support and governance | 17 | 17 |
| Total | 74 | 70 |

Staff costs comprise:

| | 2025 £'000 | 2024 £'000 |
|--|----------------|----------------|
| Salaries | 3,794.0 | 3,512.2 |
| Permanent health Insurance | 51.1 | 48.4 |
| Social security costs | 442.8 | 376.4 |
| Pension costs | 346.4 | 387.3 |
| Staff welfare, training, recruitment and temporary staff | 414.3 | 323.9 |
| | 5,048.6 | 4,648.2 |

The number of employees whose total emoluments amounted to £60,001 or above for the year is as follows:

| | 2025 | 2024 |
|---------------------|------|------|
| £ 60,001 - £ 70,000 | 4 | 7 |
| £ 70,001 - £ 80,000 | 4 | 3 |
| £ 80,001 - £ 90,000 | 1 | 1 |
| £ 90,001 - £100,000 | 3 | 1 |
| £100,001 - £110,000 | 1 | - |
| £110,001 - £120,000 | 1 | 1 |
| £180,001 - £190,000 | - | 1 |
| £190,001 - £200,000 | 1 | - |

The key management personnel of the parent charity, the Institution, comprise the Trustees, the Chief Executive, the Deputy Chief Executive, the Products and Events Director and the Finance Director. The total employee salary and benefits of the key management personnel were £571,050 (2024: £553,689).

Redundancy payments totalling £69,936 were made to 4 employees during the year (2025 – there were no redundancy payments to any employees). In line with the Institution's accounting policy, these payments were fully recognised at the date they were made.

The Board is drawn from the membership of the Institution. No Trustee received any remuneration for their duties as Trustees (2024: none). Trustees are reimbursed for travelling expenses whilst engaged on the activities of the Institution.

Reimbursements were made as follows:

| | £'000 |
|---|-------|
| Reimbursed in 2025 to 12 members of the Board | 122.3 |
| Reimbursed in 2024 to 11 members of the Board | 99.7 |

6. Information regarding employees, trustees and key management personnel (continued)

The breakdown of costs incurred for each Trustee is listed below.

| Trustee | Country of Residence | Travel & Subsistence Incurred £'000 | Professional Review & Invigilation Fees £'000 | Total £'000 |
|------------------------|----------------------|---|--|----------------|
| M Al-Dah (President) | United Arab Emirates | 57.6 | - | 57.6 |
| D McQuillan (Chairman) | United Kingdom | 2.3 | - | 2.3 |
| S Jagnarine-Azan | Jamaica | 5.3 | - | 5.3 |
| C Caprani | Australia | 14.4 | - | 14.4 |
| J Ding | China | 0.6 | - | 0.6 |
| T de Hoog | Australia | 9.5 | - | 9.5 |
| E Green | United Kingdom | 1.3 | - | 1.3 |
| T Munyevbu | United Kingdom | 3.8 | - | 3.8 |
| J Price | United Arab Emirates | 3.2 | - | 3.2 |
| B Uy | Australia | 22.4 | - | 22.4 |
| K Williams | United Kingdom | 1.3 | - | 1.3 |
| K Wise | United Kingdom | 0.6 | - | 0.6 |

The President's spouse incurred travel expenses of £1.7k accompanying the president on Institution-business during the period.

In their capacity as members of the Institution Trustees are obliged to pay annual subscriptions due to the Institution. Trustees are entitled to take advantage of the services offered by the Institution and its subsidiary companies, on the same terms offered to all members or to the general public.

Where Trustees or their connections provide services to, or utilise any other services or facilities of the Institution, the amounts paid to or charged by the Institution and based on either:

Standard rates paid by the Institution to members and non-members alike for services such as lecturing; or

Rates negotiated on behalf of the Institution, independently of the member involved, by the Board or their delegated committee, based on competitive tenders or general rates.

7. Tangible fixed assets

Consolidated

| | Freehold Premises £'000 | Computers £'000 | Furniture and Equipment £'000 | Total £'000 |
|---------------------------------|-------------------------------|--------------------|--|----------------|
| Cost | | | | |
| Balance at 1 January 2025 | 9,527.9 | 310.2 | 197.0 | 10,035.1 |
| Additions | - | 38.8 | 249.8 | 288.6 |
| Transfer from intangible assets | - | - | 296.4 | 296.4 |
| Disposals | - | - | - | - |
| Balance at 31 December 2025 | 9,527.9 | 349.0 | 743.2 | 10,620.1 |
| Accumulated Depreciation | | | | |
| Balance at 1 January 2025 | 1,497.1 | 240.9 | 187.8 | 1,925.8 |
| Charge for year | 148.6 | 43.7 | 40.8 | 233.1 |
| Disposals | - | - | - | - |
| Balance at 31 December 2025 | 1,645.7 | 284.6 | 228.6 | 2,158.9 |
| Net Book Value | | | | |
| At 31 December 2025 | 7,882.2 | 64.4 | 514.6 | 8,461.2 |
| At 31 December 2024 | 8,030.8 | 69.3 | 9.2 | 8,109.3 |

7. Tangible fixed assets (continued)

Charity

| | Freehold Premises £'000 | Computers £'000 | Furniture and Equipment £'000 | Total £'000 |
|---------------------------------|-------------------------------|--------------------|--|-----------------|
| Cost | | | | |
| Balance at 1 January 2025 | 9,527.9 | 307.9 | 197.0 | 10,032.8 |
| Additions | - | 38.8 | 249.8 | 288.6 |
| Transfer from intangible assets | | | 296.4 | 296.4 |
| Disposals | - | - | - | - |
| Balance at 31 December 2025 | <u>9,527.9</u> | <u>346.7</u> | <u>743.2</u> | <u>10,617.8</u> |
| Accumulated Depreciation | | | | |
| Balance at 1 January 2025 | 1,497.1 | 240.2 | 187.8 | 1,925.1 |
| Charge for year | 148.6 | 43.0 | 40.8 | 232.4 |
| Disposals | - | - | - | - |
| Balance at 31 December 2025 | <u>1,645.7</u> | <u>283.2</u> | <u>228.6</u> | <u>2,157.5</u> |
| Net Book Value | | | | |
| At 31 December 2025 | <u>7,882.2</u> | <u>63.5</u> | <u>514.6</u> | <u>8,460.3</u> |
| At 31 December 2024 | <u>8,030.8</u> | <u>67.7</u> | <u>9.2</u> | <u>8,107.7</u> |

8. Intangible fixed assets

Consolidated and Charity

| | Websites & CRM £'000 | Assets under construction £'000 | Total £'000 |
|-----------------------------|----------------------------|---------------------------------------|----------------|
| Cost | | | |
| Balance at 1 January 2025 | 2,027.6 | 739.2 | 2,766.8 |
| Additions | - | 68.0 | 68.0 |
| Transfer to tangible assets | - | (296.3) | (296.3) |
| Disposals | - | - | - |
| Balance at 31 December 2025 | <u>2,027.6</u> | <u>510.9</u> | <u>2,538.5</u> |
| Amortisation | | | |
| Balance at 1 January 2025 | 1,466.6 | - | 1,466.6 |
| Charge for year | 216.1 | - | 216.1 |
| Disposals | - | - | - |
| Balance at 31 December 2025 | <u>1,682.7</u> | <u>-</u> | <u>1,682.7</u> |
| Net Book Value | | | |
| At 31 December 2025 | <u>344.9</u> | <u>510.9</u> | <u>855.8</u> |
| At 31 December 2024 | <u>561.0</u> | <u>739.2</u> | <u>1,300.2</u> |

9. Investments in subsidiaries

The group has the following subsidiary trading companies:

| Subsidiary undertaking | Principal activities | Net Assets | Share capital held |
|---------------------------------------|---|-------------|--------------------|
| IStructE Ltd | Various commercial activities | See note 10 | £100 |
| Structural Engineers Registration Ltd | A registration service to engineers in Scotland and Jersey | See note 10 | £1 |
| IStructE (Asia Pacific) Ltd | To support the Institution's activities in the area | £0k | £100 |
| IStructE FZ LLC | To support the Institution's activities in the UAE | See note 10 | £28.2k |
| Structural Safety Ltd | Provision of structural safety reporting schemes | £0k | - |
| CROSS-AUS Ltd | Provision of structural safety reporting schemes in Australia | Nil | - |
| Institution of Construction Engineers | Not trading | Nil | - |
| Association of Construction Engineers | Not trading | Nil | - |

IStructE Ltd and Structural Engineers Registration Ltd are 100% subsidiaries of the Institution and incorporated in the UK. Subsidiaries activities have been consolidated into the Institution's financial statements. As a general policy, the trading companies' gift aid all their taxable profits to the charity.

IStructE (Asia Pacific) Ltd is incorporated in Hong Kong.

IStructE FZ LLC is a Branch office of IStructE Ltd. The Company is incorporated in the United Arab Emirates.

Structural Safety Ltd is a company limited by guarantee and is 50/50 owned by the Institution of Structural Engineers and the Institution of Civil Engineers.

CROSS-AUS Ltd is a company limited by guarantee and is a wholly-owned subsidiary of the Institution of Structural Engineers. The Company is incorporated in Australia.

10. Results and net assets of trading subsidiaries

| | IStructE Ltd | SER Ltd | IStructE (Asia-Pac) Ltd | CROSS_AUS Ltd | IStructE FZ LLC | Total | 2024 |
|-----------------------------------|--------------|---------|-------------------------|---------------|-----------------|---------|-----------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Turnover | 1,180.4 | 1,668.5 | 84.3 | 2.5 | 3.0 | 2,938.7 | 2,735.1 |
| Cost of sales | (290.5) | (677.6) | (11.6) | - | - | (979.7) | (1,192.3) |
| Gross profit | 889.9 | 990.9 | 72.7 | 2.5 | 3.0 | 1,959.0 | 1,542.8 |
| Administrative expenses | (543.4) | (337.6) | (92.0) | (2.6) | (1.0) | (976.6) | (872.4) |
| Operating profit before tax | 346.5 | 653.3 | (19.3) | (0.1) | 2.0 | 982.4 | 670.4 |
| Amount donated to the Institution | - | - | - | - | - | - | - |
| | 346.5 | 653.3 | (19.3) | (0.1) | 2.0 | 982.4 | 670.4 |
| Corporation tax | - | - | - | - | - | - | - |
| Amount retained by the subsidiary | 346.5 | 653.3 | (19.3) | (0.1) | 2.0 | 982.4 | 670.4 |
| Fixed assets | 28.2 | - | 0.8 | - | - | 29.0 | 28.2 |
| Current assets | 523.5 | 806.7 | 4.3 | 1.5 | 44.2 | 1,380.2 | 893.2 |
| Current liabilities | (205.1) | (153.4) | (7.0) | - | - | (365.5) | (399.6) |
| Net assets and funds | 346.6 | 653.3 | (1.9) | 1.5 | 44.2 | 1,043.7 | 521.8 |

11. Investment in joint venture

The Charity has an investment in a joint venture run through a company called Structural-Safety Ltd. The company is co-owned by the Institution of Structural Engineers and the Institution of Civil Engineers. The company began trading during 2020. The results and net assets of the company for the financial years ending 31.12.2025 and 31.12.2024 were as follows:

| | 2025 £'000 | 2024 £'000 |
|---|----------------|----------------|
| Turnover | 622.6 | 548.4 |
| Cost of sales | <u>(365.4)</u> | <u>(406.2)</u> |
| Gross profit | 257.2 | 142.2 |
| Administrative expenses | <u>(312.2)</u> | <u>(195.7)</u> |
| Operating (loss) / profit before tax | (55.0) | (53.5) |
| Amount paid in gift aid | - | - |
| Amount retained | <u>(55.0)</u> | <u>(53.5)</u> |
| Intangible assets | 66.3 | 123.1 |
| Fixed assets | 0.1 | 0.3 |
| Current assets | 222.3 | 282.7 |
| Current liabilities | <u>(220.3)</u> | <u>(282.7)</u> |
| Net assets and funds | <u>68.4</u> | <u>123.4</u> |
| Share of net assets | | |
| Institution of Structural Engineers – 50% | 34.2 | 61.7 |
| Institution of Civil Engineers – 50% | <u>34.2</u> | <u>61.7</u> |
| | <u>68.4</u> | <u>123.4</u> |
| Income from joint venture | | |
| Share of (loss) / profit from joint venture | (27.5) | (26.75) |
| Gift aid received 2025; 2024 | - | - |
| | <u>(27.5)</u> | <u>(26.75)</u> |

12. Stock

| | Group | | Charity | |
|----------------|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Finished goods | <u>2.5</u> | <u>2.5</u> | <u>2.5</u> | <u>2.5</u> |
| | 2.5 | 2.5 | 2.5 | 2.5 |

13. Debtors

| | Group | | Charity | |
|--|---------------|---------------|---------------|---------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Debtors in respect of charitable services | 323.7 | 314.1 | 197.7 | 193.3 |
| Amounts due from IStructE Ltd | - | - | 24.2 | 29.7 |
| Amounts due from Structural Engineers Registration Ltd | - | - | 70.2 | 63.5 |
| Other debtors and prepayments | 406.5 | 456.7 | 366.8 | 400.8 |
| Other taxation and social security | <u>6.0</u> | <u>43.5</u> | <u>-</u> | <u>43.5</u> |
| | <u>736.2</u> | <u>814.3</u> | <u>658.9</u> | <u>730.8</u> |

14. Creditors

| | Group | | Charity | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2025 £'000 | 2024 £'000 | 2025 £'000 | 2024 £'000 |
| Trade creditors | 228.4 | 303.8 | 177.5 | 205.5 |
| Other creditors | 294.5 | 246.8 | 279.9 | 222.8 |
| Accruals | 155.7 | 254.3 | 113.4 | 227.8 |
| Deferred income | 2,414.2 | 2,004.7 | 2,304.3 | 1,909.8 |
| Other taxation and social security | 154.7 | 142.5 | 113.3 | 99.2 |
| | <u>3,247.5</u> | <u>2,952.1</u> | <u>2,988.4</u> | <u>2,665.1</u> |

15. Movement in permanent endowment funds

| | 1 January 2025 | Income | Expenditure | 31 December 2024 |
|-------------|-------------------|------------|-------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Prize funds | <u>37.5</u> | <u>1.5</u> | <u>-</u> | <u>39.0</u> |

| | 1 January 2024 | Income | Expenditure | 31 December 2024 |
|-------------|-------------------|------------|-------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Prize funds | <u>33.4</u> | <u>4.1</u> | <u>-</u> | <u>37.5</u> |

16. Movement in restricted funds

| | 1 January 2024 | Income | Expenditure | Transfer to Restricted Funds | 31 December 2025 |
|-----------------------------------|-------------------|-------------|-------------|------------------------------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Research fund | 75.5 | 18.6 | 7.0 | - | 87.1 |
| Prize funds | 2.9 | 0.1 | - | - | 3.0 |
| EEFIT fund | 36.8 | 4.7 | 3.5 | - | 38.0 |
| Young Structural Eng. Competition | 125.8 | 5.0 | - | - | 130.8 |
| Fib (UK) | 31.6 | 21.9 | 15.1 | - | 38.4 |
| Pai Lin Li Travel Awards | 6.2 | 0.2 | 2.3 | - | 4.1 |
| | <u>278.8</u> | <u>50.5</u> | <u>27.9</u> | <u>-</u> | <u>301.4</u> |

| | 1 January 2024 | Income | Expenditure | Transfer to Unrestricted Funds | 31 December 2024 |
|-----------------------------------|-------------------|-------------|-------------|--------------------------------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Research fund | 71.0 | 22.2 | 17.7 | - | 75.5 |
| Prize funds | 2.7 | 0.2 | - | - | 2.9 |
| EEFIT fund | 33.7 | 5.9 | 2.8 | - | 36.8 |
| Young Structural Eng. Competition | 118.2 | 7.6 | - | - | 125.8 |
| Fib(UK) | 29.3 | 23.1 | 20.8 | - | 31.6 |
| Pai Lin Li Travel Awards | 8.0 | 0.5 | 2.3 | - | 6.2 |
| | <u>262.9</u> | <u>59.5</u> | <u>43.6</u> | <u>-</u> | <u>278.8</u> |

16. Movement in restricted funds (continued)

Purpose of restricted funds

| Name | Purpose |
|---------------------------------------|---|
| Research fund | This fund has the objectives of raising and applying funds for the purpose of enabling research to advance the art, science, and practice of structural engineering. |
| Prize funds | These funds were raised for specific educational prizes. |
| EEFIT fund | This fund is used to support the activities of the Earthquake Engineering Field Investigation Team. |
| Young Structural Engineer Competition | This fund will be used for competitions for young Structural Engineers. |
| Fib(UK) | This fund is to be used for the administration of the UK fib group. |
| Pai Lin Li Travel Awards | The fund is used to award travel bursaries for young engineers wishing to spend 4 to 6 weeks abroad studying current practice or trends related to the use of any construction material in the field of structural engineering. |

17. Movement in unrestricted and designated funds

| | 1 January 2025 | Income | Gains, losses & transfers | Expenditure | 31 December 2025 |
|----------------------------------|-------------------|----------------|---------------------------------|----------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Designated funds | | | | | |
| Employee pensions fund | 47.9 | - | - | 47.9 | - |
| Bursary/EDI fund | 200.0 | - | - | 92.9 | 107.1 |
| Bastwick Street fund | 4,280.6 | - | - | 232.3 | 4,048.3 |
| England Registration fund | 150.0 | - | - | - | 150.0 |
| Bastwick Street Maintenance fund | 200.0 | - | - | - | 200.0 |
| Development fund | 456.7 | - | - | 217.3 | 239.4 |
| Total designated funds | <u>5,335.2</u> | <u>-</u> | <u>-</u> | <u>590.4</u> | <u>4,744.8</u> |
| Unrestricted funds | 6,216.0 | 9,207.9 | - | 8,825.6 | 6,598.3 |
| | <u>11,551.2</u> | <u>9,207.9</u> | <u>-</u> | <u>9,416.0</u> | <u>11,343.1</u> |

| | 1 January 2024 | Income | Gains, losses & transfers | Expenditure | 31 December 2024 |
|----------------------------------|-------------------|----------------|---------------------------------|----------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Designated funds | | | | | |
| Employee pensions fund | 59.6 | - | - | 11.7 | 47.9 |
| Bursary/EDI fund | 200.0 | - | - | - | 200.0 |
| Bastwick Street fund | 4,467.9 | - | - | 187.3 | 4,280.6 |
| England Registration fund | 150.0 | - | - | - | 150.0 |
| Digital transformation fund | 150.9 | - | - | 150.9 | - |
| Bastwick Street maintenance fund | 200.0 | - | - | - | 200.0 |
| Development fund | 530.3 | - | - | 73.6 | 456.7 |
| Mortgage repayment fund | 700.0 | - | (700) | - | - |
| Total designated funds | <u>6,458.7</u> | <u>-</u> | <u>(700)</u> | <u>423.5</u> | <u>5,335.2</u> |
| Unrestricted funds | 5,189.8 | 9,017.6 | 693.2 | 8,661.6 | 6,216.0 |
| | <u>11,648.5</u> | <u>9,017.6</u> | <u>(6.8)</u> | <u>9,085.1</u> | <u>11,551.2</u> |

17. Movement in unrestricted and designated funds (continued)

Funds are designated for the following purposes:

| Name | Purpose | Period to be used |
|----------------------------------|---|-------------------|
| Employee pensions fund | This fund was designated in 2001 to cover the ongoing costs of the Final Salary Pension Scheme. | When required |
| Bursary/EDI fund | The fund has been created to assist students from disadvantaged backgrounds in their studies to become a structural engineer and improve the equality, diversity and inclusion of the profession. | When required |
| Bastwick Street fund | This is to recognise the accounting profit after the sale of the leasehold of 11 Upper Belgrave Street, London. Being used to offset annual depreciation charges on Bastwick street. | When required |
| England Registration fund | Established in 2014 to fund the work required to investigate the setting up of a Structural Engineer Registration scheme in England. | When required |
| Digital transformation | This is to fund future digital projects. | When required |
| Bastwick Street maintenance fund | Setup to fund the future maintenance work at Bastwick Street. | When required |
| Development fund | This is to fund a replacement for the Institution's CRM, IT hardware, software upgrades and other development projects. | Next 4 years |

18. Analysis of assets and liabilities between funds for the year ended 31st December 2025

| | Unrestricted Funds | Restricted Funds | Permanent Endowment Funds | Total 2025 |
|-----------------------------|-----------------------|---------------------|---------------------------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Intangible assets | 855.8 | - | - | 855.8 |
| Investment in joint venture | 34.2 | - | - | 34.2 |
| Tangible fixed assets | 8,461.2 | - | - | 8,461.2 |
| Current assets | 5,239.4 | 301.4 | 39.0 | 5,579.8 |
| Current liabilities | (3,247.5) | - | - | (3,247.5) |
| Total net assets | 11,343.1 | 301.4 | 39.0 | 11,683.5 |

Comparative analysis for the year ended 31st December 2024

| | Unrestricted Funds | Restricted Funds | Permanent Endowment Funds | Total 2024 |
|-----------------------------|-----------------------|---------------------|---------------------------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Intangible assets | 1,300.2 | - | - | 1,300.2 |
| Investment in joint venture | 61.7 | - | - | 61.7 |
| Tangible fixed assets | 8,109.3 | - | - | 8,109.3 |
| Current assets | 5,032.1 | 278.8 | 37.5 | 5,348.4 |
| Current liabilities | (2,952.1) | - | - | (2,952.1) |
| Total net assets | 11,551.2 | 278.8 | 37.5 | 11,867.5 |

19. Taxation

The Institution is a charity within the meaning of Part 1 Schedule 6 Finance Act 2011. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2011 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

20. Final salary pension scheme

The Institution has, in prior years, contributed to the Institution of Structural Engineers (1973) Pension and Life Assurance Scheme ('the Scheme') at rates set by the Scheme Actuary and as advised to the Trustees by the Scheme Administrator. In accordance with FRS102, the Scheme is accounted for as a defined benefit scheme.

In the period to November, 2021, the Institution concluded a Buy-in arrangement with Legal & General ('L&G') which resulted in the Scheme's assets being transferred to L&G. The transferred assets comprise the insured annuities for the value of member benefits under FRS102. At this point, L&G assumed responsibility for making the payments due to the members of the Scheme, with the Institution retaining the legal responsibility for the payment of all member benefits.

The Institution is working with L&G and the Scheme members to agree a Buy-out arrangement where the members will have a direct legal relationship with L&G who will then take responsibility for paying pensions directly to each individual Scheme member. It is expected that this buy-out arrangement will be concluded in 2026.

With the completion of the Buy-In:

- Effective December, 2021 the Institution has made no further contributions into the Scheme, although it continues to meet the costs of administering and operating the Scheme;
- And, in line with the accounting policy adopted in last year's financial statements for the year ending December 31, 2022, as the deficit or surplus calculated under FRS 102 can vary greatly from year to year depending on the assumptions made at the valuation date, the Institution has chosen not to recognise within its Balance Sheet any deficit or surplus on the Scheme calculated under FRS 102.

The information prepared below on the Scheme's assets and liabilities should be read in the context of the existing buy-in arrangement and of the proposed buy-out arrangement.

The assumptions which had the most significant effect on the results of the valuation are those relating to the return on investments and the discount rate used to derive the net present value of the scheme liabilities. The assets of the scheme have been calculated below at open market value as at the year end and the liabilities have been calculated using the following actuarial assumptions.

| | 31 December 2025 | | 31 December 2024 | | 31 December 2023 |
|--|------------------|----|------------------|----|------------------|
| | % per annum | | % per annum | | % per annum |
| Rate of discount | 5.45 | | 5.45 | | 5.05 |
| Inflation (RPI) | 3.20 | | 3.50 | | 3.45 |
| Inflation (CPI) | 2.80 | | 3.00 | | 2.75 |
| Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less with a minimum of 3% p.a. | 3.00 | | 3.00 | | 3.00 |
| Allowance for pension in payment increases of RPI or 5% p.a. if less, minimum 3% p.a. | 3.60 | | 3.80 | | 3.80 |
| Allowance for commutation of pension for cash at retirement | 80% | of | 80% | of | 80% |
| | Post | A | Post | A | Post A |
| | Day | | Day | | Day |

The mortality assumptions adopted at 31 December 2025 imply the following life expectancies:

| | 2025 | 2024 |
|-----------------------------------|-------|-------|
| | Years | Years |
| Male retiring at age 65 in 2024 | 21.1 | 20.9 |
| Female retiring at age 65 in 2024 | 22.9 | 22.9 |
| Male retiring at age 65 in 2044 | 22.4 | 22.2 |
| Female retiring at age 65 in 2044 | 24.4 | 24.3 |

Present values of plan liabilities, fair value of assets and deficit:

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|-----------------------------------|--------|--------|--------|--------|--------|
| | £'000s | £'000s | £'000s | £'000s | £'000s |
| Fair value of plan assets | 4,497 | 4,530 | 4,773 | 4,755 | 7,108 |
| Present value of plan liabilities | 4,359 | 4,425 | 4,607 | 4,590 | 6,950 |
| Surplus in scheme | 138 | 105 | 166 | 165 | 158 |
| Recognised surplus | - | - | - | - | - |

20. Pension schemes (continued)

Reconciliation of opening and closing balances of the present value of the scheme liabilities:

| | Year Ending 31 December 2025 £'000s | Year Ending 31 December 2024 £'000s |
|--|---|---|
| Scheme liabilities at start of period | 4,425 | 4,607 |
| Interest cost | 234 | 214 |
| Actuarial (gains) / losses | (16) | (112) |
| Benefits paid, death in service insurance premiums | (284) | (284) |
| Plan liabilities at end of period | <u>4,359</u> | <u>4,425</u> |

Reconciliation of opening and closing balances of the fair value of scheme assets:

| | Year Ended 31 December 2025 £'000s | Year Ended 31 December 2024 £'000s |
|--|--|--|
| Fair value of scheme assets at start of period | 4,530 | 4,773 |
| Expected return on scheme assets | 239 | 222 |
| Actuarial gains / (losses) | 12 | (181) |
| Benefits paid, death in service insurance premiums | (284) | (284) |
| Fair value of scheme assets at end of year | <u>4,497</u> | <u>4,530</u> |

The actual return on the scheme assets over the period ended 31 December 2025 was a profit of £251,000.

Total expense recognised in the statement of financial activities:

| | Year Ended 31 December 2025 £'000s | Year Ended 31 December 2024 £'000s |
|--|--|--|
| Net Interest cost | 234 | 214 |
| (Gains) / losses on settlements | 16 | 112 |
| Total expense recognised in the statement of financial activities | <u>250</u> | <u>326</u> |

Other Comprehensive Income:

| | Year Ended 31 December 2025 £'000s | Year Ended 31 December 2024 £'000s |
|--|--|--|
| Return on plan assets (excluding amounts included in net interest cost) – (loss) / gain | 12 | (181) |
| Experience gains and losses arising on the plan liabilities: Amount of gain | (18) | (180) |
| Effects of changes in the demographic and financial assumptions underlying the present value of the plan liabilities: Amount of gain / (loss) | 20 | 292 |
| Effect of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) – (loss) / gain | (27) | 69 |
| Total amount recognised in other comprehensive income within the statement of financial activities – (loss) / gain | <u>-</u> | <u>-</u> |

20. Pension schemes (continued)

Pension Asset

The report from the actuaries showed a surplus of £138k at the 31 December 2025 (2024 £105k) and it has been considered prudent to reduce this figure to £Nil (2024 £Nil).

Assets:

| | Year Ended 31 December 2025 £'000s | Year Ended 31 December 2024 £'000s | Year Ended 31 December 2023 £'000s |
|---------------------|--|--|--|
| Cash | 185 | 155 | 170 |
| Insurance Policy | 4,312 | 4,375 | 4,585 |
| Total assets | 4,497 | 4,530 | 4,755 |

21. Related party transactions

The Institution has six trading subsidiaries. The following paragraphs show the transactions with each subsidiary during the financial years ended 31.12.25 and 31.12.24 and the amounts owed at the end of each year.

IStructE Ltd

The company undertakes activities relevant to the profession of structural engineering which either the Institution of Structural Engineers as a charity is unable to undertake or which can be more effectively conducted through the company. Key activities are the sale of advertising space in the institutions journal, acting as an agent to sell the Institutions technical publications, and selling sponsorship for Institution events.

| | 2025 £'000 | 2024 £'000 |
|---|---------------|---------------|
| Sales | 63.7 | 148.3 |
| Purchases | 12.9 | 48.7 |
| Charitable donations to the Institution of Structural Engineers | 296.4 | 368.4 |
| Management charges from the Institution of Structural Engineers | 516.3 | 447.1 |
| Intercompany balance (Debtor) | 14.4 | 21.2 |

Structural Engineers Registration Limited

The company promotes and manages schemes for the registration of individuals and organisations engaged in the certification of structures in Scotland and Jersey.

| | 2025 £'000 | 2024 £'000 |
|---|---------------|---------------|
| Management charges from the Institution of Structural Engineers | 267.4 | 250.6 |
| Charitable donations to the Institution of Structural Engineers | 158.3 | 440.2 |
| Intercompany balance (Debtor) | 69.9 | 63.2 |

Structural Safety Limited

The company provides a reporting service on issues to do with structural safety.

| | 2025 £'000 | 2024 £'000 |
|---|---------------|---------------|
| Sales | 73.5 | 129.2 |
| Purchases | 86.3 | 49.2 |
| Management charges from the Institution of Structural Engineers | 259.4 | 245.0 |
| Intercompany balance (Debtor) | 181.8 | 254.0 |

IStructE (Asia Pacific) Ltd

The purpose of the company is to facilitate and support the activities of the regional groups in the Asia Pacific area.

| | 2025 £'000 | 2024 £'000 |
|--|---------------|---------------|
| Grant from the Institution of Structural Engineers | 83.5 | 89.2 |

IStructE FZ LLC

The purpose of the company is to facilitate and support the activities of the regional group in the United Arab Emirates.

| | 2025 £'000 | 2024 £'000 |
|--|---------------|---------------|
| Grant from the Institution of Structural Engineers | - | - |

CROSS-AUS Ltd

The purpose of the company is to provide structural safety reporting on schemes in Australasia.

| | 2025 £'000 | 2024 £'000 |
|---|---------------|---------------|
| Grant from the Institution of Structural Engineers via the Australia Regional Group | 2.5 | 2.5 |

22. Analysis of changes in net debt

| | At the 1 st January 2025 £'000 | Cash flows £'000 | Other non- cash changes £'000 | At 31 st December 2025 £'000 |
|----------------------------------|---|---------------------|--|--|
| Cash and cash equivalents | | | | |
| Cash | 4,531.6 | 309.5 | - | 4,841.1 |
| Total | 4,531.6 | 309.5 | - | 4,841.1 |

23. Consolidated statement of financial activities

Year ended 31 December 2024

| | Note | Unrestricted Funds £'000 | Restricted Funds £'000 | Permanent Endowment Funds £'000 | 2024 Total £'000 | 2023 Total £'000 |
|--|------|--------------------------------|------------------------------|--|------------------------|------------------------|
| Income from: | | | | | | |
| Donations, legacies and grants | 2 | 22.3 | 17.5 | - | 39.8 | 45.1 |
| Income from trading activities | | | | | | |
| Gross income from ancillary trading | | 238.4 | - | - | 238.4 | 155.7 |
| Trading subsidiaries' income | | 2,735.1 | - | - | 2,735.1 | 2,722.9 |
| Income from charitable activities | | | | | | |
| Membership and qualification activities | | 5,243.0 | - | - | 5,243.0 | 5,076.5 |
| Technical & professional learning and development | | 245.0 | 24.9 | - | 269.9 | 355.9 |
| Income from joint venture | 11 | - | - | - | - | 42.3 |
| Other charitable activities | | 259.8 | - | - | 259.8 | 256.4 |
| Income from investments | 3 | 274.0 | 17.1 | 4.1 | 295.2 | 264.9 |
| Total income | | <u>9,017.6</u> | <u>59.5</u> | <u>4.1</u> | <u>9,081.2</u> | <u>8,919.7</u> |
| Expenditure on: | | | | | | |
| Cost of raising funds | | | | | | |
| Cost of ancillary trading | | 120.1 | - | - | 120.1 | 147.0 |
| Trading subsidiaries costs | | 2,416.3 | - | - | 2,416.3 | 2,068.0 |
| Charitable activities | | | | | | |
| Membership and qualification activities | | 4,070.2 | - | - | 4,070.2 | 4,226.6 |
| Technical & professional learning and development | | 910.6 | 43.6 | - | 954.2 | 1,176.1 |
| Other charitable activities | | 1,564.1 | - | - | 1,564.1 | 1,203.3 |
| Loss from joint venture | 11 | 26.8 | - | - | 26.8 | - |
| Total expenditure | | <u>9,108.1</u> | <u>43.6</u> | <u>-</u> | <u>9,151.7</u> | <u>8,821.0</u> |
| (Loss)/gain on translation of foreign entities | | (6.8) | - | - | (6.8) | (9.0) |
| Net income | | <u>(97.3)</u> | <u>15.9</u> | <u>4.1</u> | <u>(77.3)</u> | <u>89.7</u> |
| Actuarial (loss) / gain on final salary pension scheme | 22 | - | - | - | - | - |
| Net movement in funds | | <u>(97.3)</u> | <u>15.9</u> | <u>4.1</u> | <u>(77.3)</u> | <u>89.7</u> |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 11,648.5 | 262.9 | 33.4 | 11,944.8 | 11,855.1 |
| Total funds carried forward | | <u>11,551.2</u> | <u>278.8</u> | <u>37.5</u> | <u>11,867.5</u> | <u>11,944.8</u> |

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.