

THE INSTITUTION OF CIVIL ENGINEERS

England & Wales · Charity number 210252

Details

Other names	ICE
Status	Registered
Legal form	Other
Registered	1963-03-04
Register	View on the Charity Commission register

Contact

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Website	www.ice.org.uk

Activities

Objects: TO FOSTER AND PROMOTE THE ART AND SCIENCE OF CIVIL ENGINEERING.

Activities: The ICE is a international membership organisation that exists to promote and advance civil engineering around the world. Civil Engineers design, build and maintain roads, railways, airports, ports, power stations, flood defences, water and waste systems. Where possible they seek to minimise society's impact on the environment and look for more sustainable ways of meeting our needs.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Australia
- Hong Kong
- Malaysia
- Northern Ireland
- Scotland
- United Arab Emirates
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£43,050,000	£46,551,000	£76,992,000	355
2023-12-31	£42,712,000	£41,067,000	£78,888,000	348
2022-12-31	£40,403,000	£37,386,000	£71,095,000	334
2021-12-31	£35,043,000	£29,797,000	£73,477,000	312
2020-12-31	£33,066,000	£30,679,000	£75,338,000	337

Trustees

Name	Role	Appointed
Andrew Enston		2025-11-04
Andrew James Mcnaughton		2025-11-04
David Norman Porter		2022-11-01
Jonathan Alan Spruce		2021-11-02
Julie Louise Wood		2022-11-01
Lewis Barlow		2023-11-07
Lucy Rew		2023-11-07
Ohis Ilalokhoin		2024-11-05
Paula McMahon		2021-11-02
Priti Parikh		2023-11-07
Richard William Bayfield		2021-11-02
Yvonne Murphy		2025-11-04

Linked charities

- COOPERS HILL WAR MEMORIAL (210252-1)
- HALCROW BEQUEST (210252-10)
- C H ROBERTS BEQUEST (210252-11)
- ROBERT ALFRED CARR BEQUEST (210252-12)
- CIVIL ENGINEERS' AWARDS FUND (210252-13)
- HOWARD BEQUEST (210252-14)
- TREVITHICK MEMORIAL (210252-15)
- CRAMPTON BEQUEST (210252-16)
- JAMES FORREST LECTURE FUND (210252-17)
- G H DENNISON FUND (210252-18)
- CULMANN FUND (210252-19)
- C C LINDSAY CIVIL ENGINEERING SCHOLARSHIP FOUNDATION (210252-2)
- WILLIAM CAWTHORNE UNWIN LECTURESHIP (210252-20)
- UNWIN LIBRARY ENDOWMENT (210252-21)
- RADLEY SCHOLARSHIP FUND (210252-22)
- WEBB BEQUEST (210252-23)
- WILLIAM LINDLEY FUND (210252-24)
- KELVIN MEDAL FUND (210252-25)
- J D AND E D KNIGHT FUND (210252-26)
- RUSSELL ALLIN PRIZE (210252-27)
- FREDERICK PALMER PRIZE (210252-28)
- PALMER SCHOLARSHIP (210252-29)
- BAKER MEDAL FUND (210252-3)
- ALFRED YARROW EDUCATIONAL FUND (210252-30)
- TELFORD FUND (210252-31)
- MANBY PREMIUM FUND (210252-32)
- MILLER FUND (210252-33)
- JAMES ALFRED EWING MEDAL FUND (210252-4)
- JOHN BAYLISS BEQUEST (210252-5)
- INDIAN FUND (210252-6)
- VERNON-HARCOURT BEQUEST (210252-7)
- SIR HORACE BOOT FUND (210252-8)
- CHARLES HAWKSLEY BEQUEST (210252-9)

THE INSTITUTION OF CIVIL ENGINEERS

England & Wales - Charity number 210252

Accounts



Institution of Civil Engineers Annual Report and Accounts 2024



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President's foreword

As we enter a landmark year, we can reflect on a very successful 12 months for our institution.

2025 marks the halfway point for the UN Decade of Action on the Sustainable Development Goals (SDGs). With 72% of the SDG targets influenced by the work of civil and infrastructure engineers, the ICE's performance and position as a global membership body are critically important.

A key part of this is our role as a knowledge-sharing organisation. January 2024 saw a re-energisation of the State of the Nation programme, focusing on how our profession can help deliver the SDGs. Supported by a series of prestige events resulting in a year-on-year audience growth of 78% for the 2024 report.

PAS 2080, the standard for whole life management of carbon in infrastructure and buildings, took to the road in 2024 with a series of roadshow events, bringing this important standard to a much wider audience. And our institution is showing leadership with the ICE Group's first carbon management plan, building the foundations for timely, ambitious climate action. Embedding the PAS 2080 principles within the ICE's own operations has the real potential to deliver efficient carbon management across the group and demonstrate that we are serious about reducing our own carbon footprint.

The ICE has also continued to build its status as a strong and trusted voice in infrastructure decision-making. One of this year's biggest policy programmes interrogated what HS2 can teach us – in the UK and abroad – about planning and delivering major infrastructure. The report achieved significant media traction, with over 30 pieces of coverage reaching an audience of over 100 million.

The ICE also engages directly with governments through the Enabling Better Infrastructure (EBI) programme. The programme made huge strides this year, including important dialogues with Te Waihanga, the New Zealand Infrastructure Commission, to help shape how New Zealand plans and prioritises infrastructure projects.

On the commercial front, thanks to a new partnership with the Peruvian Ministry of Economy and Finance, NEC has become the contract of choice in Peru. This partnership has also led to the first official translation of the NEC4 suite into Spanish, as well as the accompanying guides and training.



The ICE has also strengthened its organisational ties – welcoming its first international corporate partner, Gammon Construction Limited, and its thirtieth academic partner, Bristol University.

Of course, our membership underpins all this. Our institution needs reach to match our ambition, and I'm pleased to see our numbers continue to grow and diversify – including a record number, 11,700, registered on ICE training agreements.

These are just some of the headlines from a busy and successful 2024. The ICE has gone from strength to strength, thanks to the efforts of many. Our volunteers, who are the lifeblood of our institution. Our Council and Board of Trustees. Janet and her staff team, who work hard to deliver on the ICE's plans year on year. And of course, our members, whose work continues to demonstrate just how important engineering is – for people and the planet.

I'd like to thank all of you for your dedication this past year. I look forward to working with you to make the next 12 months just as successful.

Prof. Jim Hall

ICE President 2024 – 2025

Delivering a better future for people and planet

2024 was a busy year for the institution, and I'm delighted with the progress we've made against our plans.

It seems hard to believe that it is over a year since we presented our first Chartered Infrastructure Engineer, Chris Landsburgh with his qualification. We have now awarded three such titles and will focus on expanding our cohort of infrastructure engineers in 2025. We can only achieve this if we are able to recruit and train reviewers, so I'm pleased to say we have made significant progress in 2024 in this area, increasing our pool by 25%.

Becoming a reviewer is just one of the volunteer roles that many of our members undertake. Reviewers, supervising civil engineers, policy fellows and STEM ambassadors are just some of the vital roles that they fulfil. It is a fantastic way to share knowledge and expertise and a great way to give back to the profession. It cannot be understated how important our network of volunteers is in helping us to fulfil the ICE's mission and our charitable aims.

Our regional and international networks are the eyes and ears of the institution at grass roots level and add immense value to the ICE's work. They have hosted hundreds of events across the year and delivered value for their communities in advocating for improved delivery of local infrastructure.

Good governance of the institution is vital to making sure that our programmes of work are being delivered effectively. I am immensely grateful to those members who contribute their time to our panels and committees. The collective wisdom and insight that they offer is invaluable. They help keep our programmes of work on course, offer us important evaluation as to progress and allow us to recalibrate where necessary.

Similarly, the ICE Council acts as a vital sounding board for the institution to examine and ratify our work. Importantly it offers guidance and advice to the executive as well as trustees. I have greatly enjoyed listening to the many debates and discussions that have taken place at council meetings across the year. It continues to offer me a great deal of satisfaction to see just how passionate our council members are about their institution.

Equally, we are fortunate to have a group of highly committed trustees who offer a strategic vision for the institution, helping to guide us to increased relevance and standing in the world. Crucially they provide the executive with the necessary checks and balances it needs to ensure that its programmes of work are successfully delivered.



I am also hugely grateful to ICE colleagues around the world for having worked so hard to make us the only professional engineering organisation that has grown year on year for nine consecutive years. This superb achievement is no accident. It is the result of the many activities that have gone into demonstrating to our members that we are their professional home. Whether that be offering them professional qualifications, lifelong learning or representing the profession to decision makers and the public, every member of staff has played a role in making us the home of infrastructure.

What you will read in the coming pages is just a snapshot of what we have accomplished this year. It is clear to me that working in partnership with our members, the ICE is a force for good in society, working to deliver a better future for the planet and those who live on it.

Janet Young

Dr Janet Young CBE

Director general and secretary

Reference and administrative details

Patron

Her Royal Highness The Princess Royal

Trustees

President	Prof. Jim Hall	
Senior Vice President	David Porter	
Vice President, membership	Julie Wood	
Vice President, UK regions	Richard Bayfield	
Trustee, learning society	Dr Ohis Ilalokhoin	Appointed 5 November 24
Trustee, professional conduct & ethics	Paula McMahon	
Trustee, membership engagement & relationship with council	Ed Bingham	
Trustee, international	Prof. Priti Parikh	
Trustee carbon and climate	Lewis Barlow	
Trustee, UK regions	Paula McMahon	
Trustee, policy & external affairs	Jonathan Spruce	
Trustee, communications	Liz Waugh	
Trustee, finance, assurance & risk	Lucy Rew	

The following served as trustee until November 2024

Past President	Anusha Shah	Retired 5 November 24

Senior leadership team

Director general and secretary	Dr Janet Young	
Deputy director general and director membership	Séan Harris	
Managing director Thomas Telford Limited	Andrea Naylor	
Chief operating officer	Gary Payne	
Director of engineering knowledge	Mark Hansford	
Director of policy and external affairs	Sam Gould	From 7 January 25
Interim director of policy and external affairs	David Hawkes	From 13 September 24 until 7 January 25
Director of policy and external affairs	Chris Richards	Until 12 September 24
Chief finance officer	Kulvinder Sihota	From 6 February 25
Group finance director	Calum Mercer	Until 18 February 25
Communications director	Tas Bhanji	



External Auditor:

HaysMac LLP

10 Queen Street Place
London
EC4R 1AG

Internal Auditor:

Crowe LLP

55 Ludgate Hill
London
EC4M 7JW

Banker:

HSBC UK Bank plc

2-4 St Ann's Square
Manchester
M2 7HD

Investment Manager:

Cazenove

1 London Wall Place
London
EC2Y 5AU

Solicitors:

Bristows LLP

100 Victoria Embankment
London
EC4Y 0DH

Weightmans LLP

100 Old Hall Street
Liverpool
EC4Y L3 9QJ

Principal Office:

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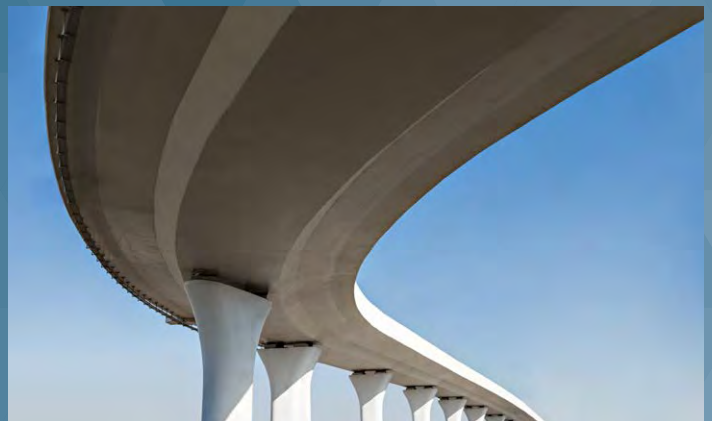
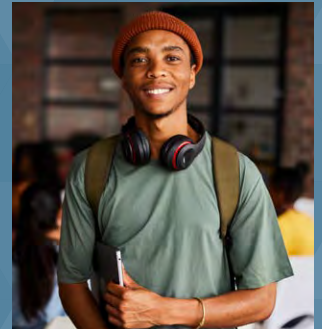
Registered charity number:

210252

Charity registered in Scotland
number:

SC038629

Trustees' Report



Objectives and activities

Background and mission

As defined by our Royal Charter, the overriding purpose of the Institution of Civil Engineers (the institution, the ICE, or the Charity) is to foster and promote the art and science of civil engineering. In practice, the ICE is a 97,000-strong global membership organisation that shares learning and experience through original research, engaging events, professional development, partnerships and mentoring. We qualify engineers working in infrastructure to create safer and more sustainable infrastructure for society.

As a voice for civil and infrastructure engineers, we promote the importance of the work they do for society and offer trusted, impartial advice to politicians and decisionmakers on how to build and adapt infrastructure to create a more sustainable world.

Vision and strategy

Civil and infrastructure engineers plan, design, create, operate and maintain our roads, railways, bridges, water and energy networks as well as social infrastructure such as national and local government buildings. They are at the forefront of adapting infrastructure to make it more resilient to the effects of climate change.

Global infrastructure requires significant investment to make sure that the roads, rail networks, buildings, energy networks and water supplies that we all rely on are well built, dependable and safe.

And there is a more fundamental requirement in countries where people's needs for infrastructure are not being met.

According to the UN, 733 million people live without electricity and the World Health Organisation's figures show that in 2022, only 73% of the global population used a safely managed drinking-water service. At the same time the world's population is expected to increase by nearly 2 billion persons in the next 30 years, from the current 8 billion to 9.7 billion in 2050 and could peak at nearly 10.4 billion in the mid-2080s, putting further pressure on existing infrastructure. We also urgently need to build infrastructure that is low carbon, resilient to climate change, and values nature and treats it as an asset.

The ICE aims to improve lives by ensuring that the world has the engineering capacity and infrastructure systems it needs to allow our planet, and those who live on it, to thrive.

Business planning

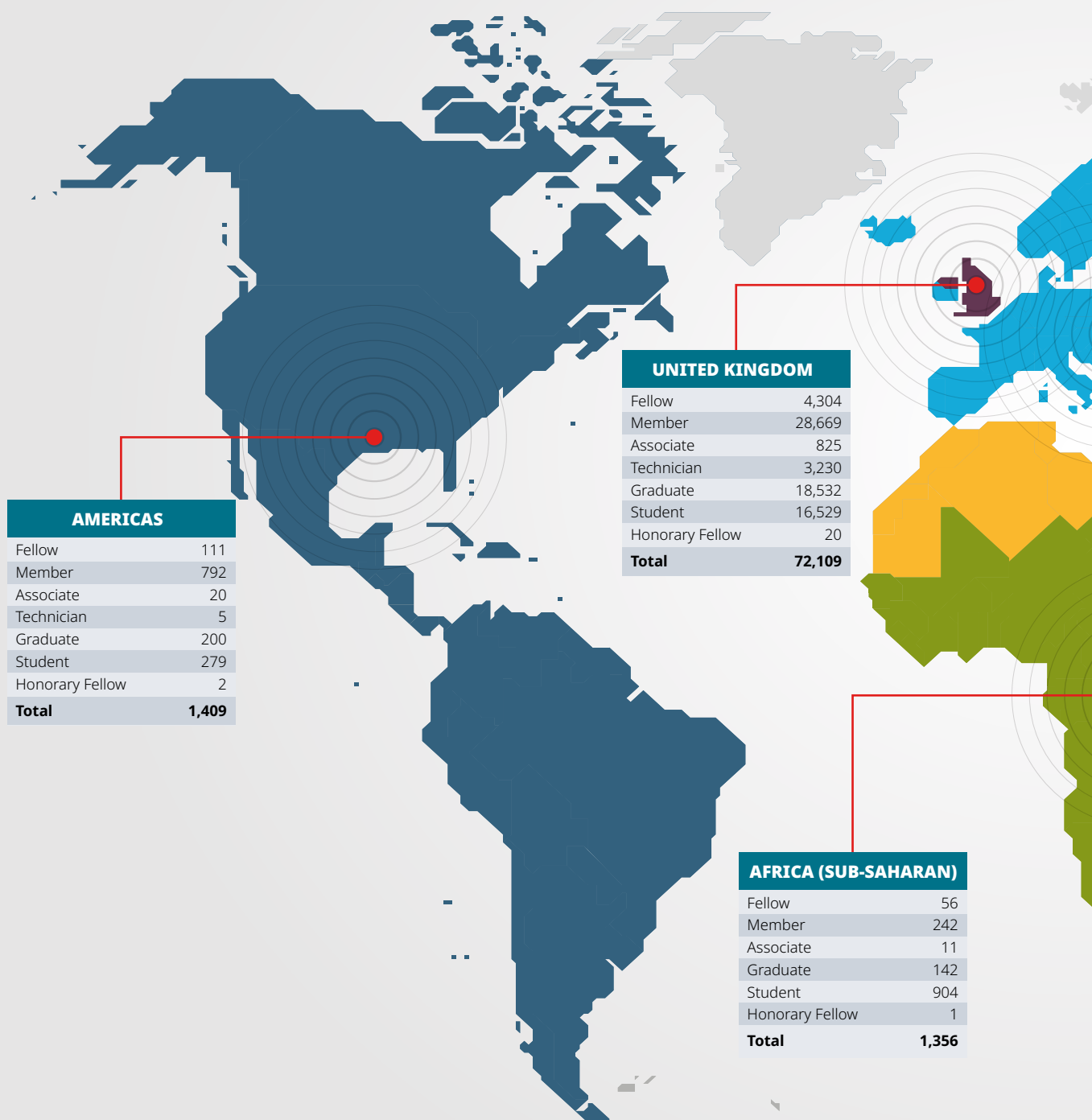
The ICE Trustee Board sets the long-term vision and strategy for the institution. It approves the priorities and resource parameters across a five-year plan, which is then developed by ICE staff and approved by the Trustee Board along with a five-year financial plan and annual budget. The Trustee Board is supported by the ICE Council which acts as a consultative body offering advice and support.

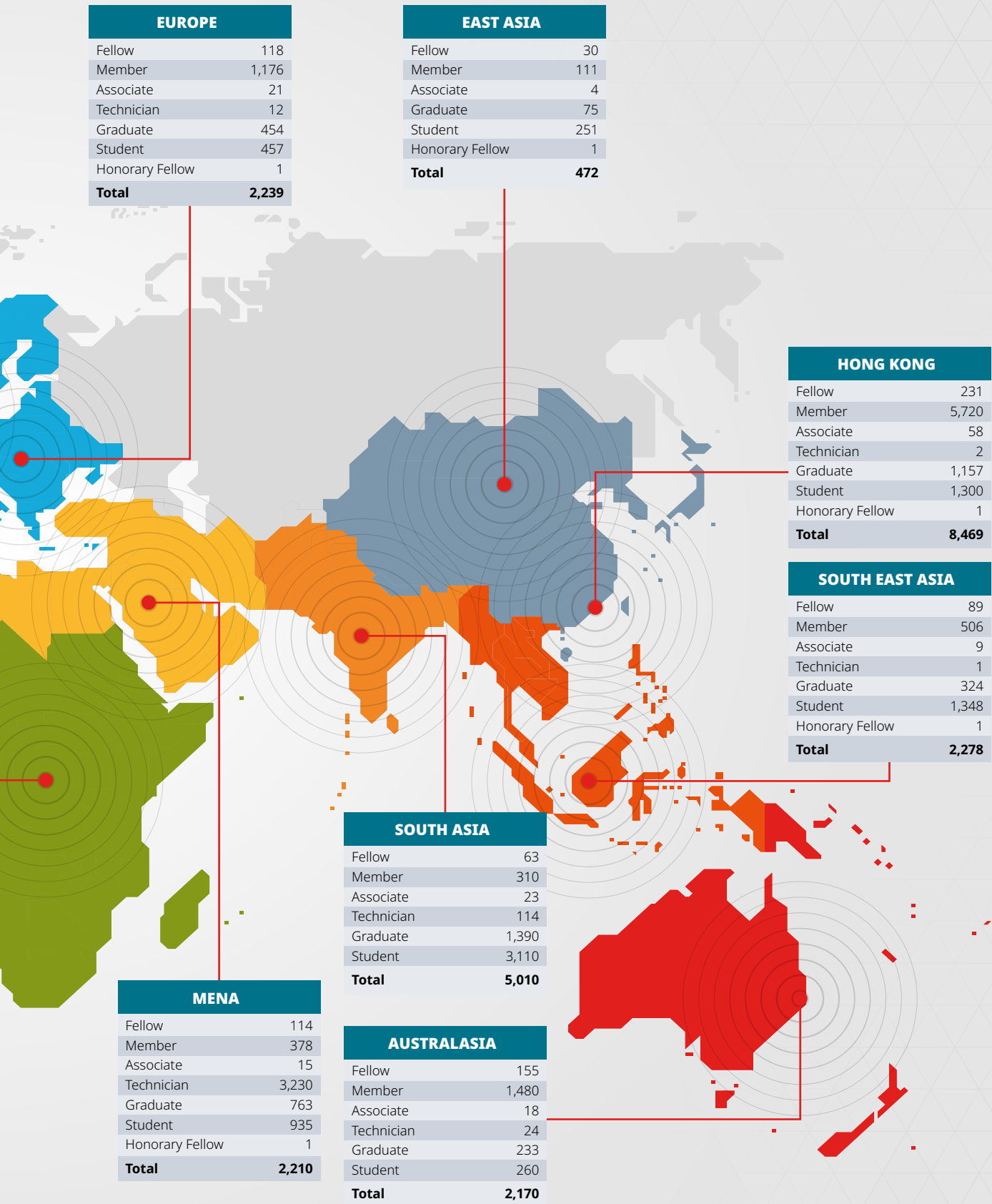
The five-year plan is managed by the ICE staff for the benefit of the institution and its members and is delivered in partnership with

the ICE's volunteer members, who are vital to its work. It is thanks to members' efforts across the globe, by serving on panels and committees and driving the ICE's vision forward, that the institution can deliver its ambitious programmes of work.

The TTL Board sets the long-term vision and strategy for Thomas Telford Limited (TTL), the ICE's commercial arm, to financially support the charitable aims of the ICE. The TTL Board has a separate commercial plan, which is carefully managed to ensure the maximum long-term contribution to the ICE.

A global membership organisation





A year in numbers



Regional events held

800



Member numbers to end of year

97,722



Members who professionally qualified

2,121 (Eng Tech 461, IEng/CEng 1,660)



Website page views

10 million



Regional Delegate numbers

53,500



PAS 2080 guidance downloads

2,097



Media impact in mentions

2,922



PAS 2080 roadshow attendees

1,500



Social media followers

643,000



**QUEST scholarships
awarded**

365



**STEM Learning
activities and visits
for 2024**

2,210



**Presidential
inauguration attendees
(in person and online)**

1,500



**State of the Nation
report downloads**

1,677



**R&D Funds
provided
for 7 projects**

£149,000



**Specialist Knowledge
Society Event
attendees**

10,000



**14-18s engaged in
digital careers activities**

2,500



**Meetings with
parliamentarians and
key decision-makers**

72



**Policy reports
and consultation
responses**

27



Policy events held

38

Professional practice



A primary focus of the ICE is to promote the importance of professional qualifications within the infrastructure sector. ICE qualifications are internationally recognised standards of engineering excellence, validating technical expertise, ethical practice, and a commitment to professional growth. These qualifications, which span all career stages from technician to chartered engineer in civil and infrastructure disciplines, enhance career prospects, ensure safety and sustainability in infrastructure, and empower professionals to address complex engineering challenges effectively.

Professional qualifications

Professional qualifications validate expertise, demonstrating a commitment to high standards and continuous learning. They build credibility, enhance career prospects, and foster trust among clients, peers and wider society. By promoting ethical practices and up-to-date knowledge, qualifications drive innovation and excellence, ensuring professionals can effectively meet evolving industry demands and societal needs.

Professional qualifications validate expertise, demonstrating a commitment to high standards and continuous learning.

Professional registers

The ICE maintains specialist professional registers to recognise expertise in specific civil engineering areas. These registers enhance career prospects by validating specialised knowledge and skills. Joining a register requires passing a rigorous peer-reviewed assessment. In 2024, the ICE established a Registers Panel to oversee these registers, ensuring high standards of

competence, ethics, and professional conduct. The panel will convene in 2025 to uphold the integrity and credibility of the registers. This initiative provides a transparent process for evaluating qualifications and promotes continuous development. While quasi-independent, registered ICE members are expected to share and adopt best practices.

Higher-Risk Buildings (HRB) Register

In November 2023, the ICE and the Institution of Structural Engineers (IStructE) announced a partnership to establish a joint competency register for professionals working on higher-risk buildings. Taking effect in December 2024 the initiative aims to ensure that engineers involved in the construction and maintenance of HRBs adhere to legally required high standards, enhancing safety and public trust.



Infrastructure engineers

The infrastructure suite of qualifications is aimed at ensuring that professionals possess the skills to design, build and maintain vital infrastructure. Embracing those engineers working in the infrastructure sector alongside civil engineers, particularly in digital and emerging technologies, is vital for efficiency, resilience, and addressing urgent challenges swiftly, in a rapidly evolving AI-underpinned world. In 2024 the ICE qualified a further two infrastructure engineers. Recruitment of reviewers who are suitably qualified to undertake professional reviews for infrastructure engineer candidates continues to be a priority.



"The ICE's professional qualifications are an important way for us to demonstrate our standing, competence and credibility. They ensure adherence to the highest standards of practice and ethics, reassuring members of society that the infrastructure they use is well designed, safe and dependable."

"Being awarded a qualification by the ICE enhances career prospects and opens up leadership opportunities. Organisations can set themselves apart by actively supporting the professional development of their people."

"The ICE supports members throughout their career, offering opportunities to further qualify, right up to Fellowship, the highest level of membership."

Julie Wood, Trustee membership

Developing our members' skills



Continuing professional development (CPD)

In 2024 the ICE concluded a wide-ranging member consultation aimed at gathering feedback to allow it to refine and enhance the CPD framework. It sought to gain an understanding of which activities or topics should be mandatory and for whom, what support members needed in attaining CPD, and how the ICE should check for compliance.

By engaging with members, the ICE has ensured the CPD process remains relevant, accessible, and aligned with evolving industry standards. The ICE Professionalism Panel, which oversaw the consultation, recommended a number of prescribed CPD activities focused on safety protocols, risk assessment, and mitigation strategies and these were deployed in 2024.

By engaging with members, the ICE has ensured the CPD process remains relevant, accessible, and aligned with evolving industry standards.

Knowledge hub



The ICE's Knowledge Hub contains over 90 pieces of original learning content in a range of different formats such as podcasts, videos and explainers for members at all career stages. Content on the platform covers a wide variety of topics including sustainable development (including the application of PAS 2080 and nature positive solutions), safety risk management, ethical and professional behaviours, and the ICE Code of Professional Conduct, as well as discipline specific modules such as water, energy and transport.

Mentoring

ICE's Mentor Match Me programme connects aspiring engineers with experienced mentors to support their professional development. This initiative helps young engineers and technicians navigate their career paths by offering guidance, advice, and insights from seasoned professionals. Mentors provide invaluable support in areas such as technical expertise, career progression, and personal development, while mentees benefit from tailored advice to help them achieve their goals.



Policy Fellows network

The ICE Policy Fellows network offers experienced members an opportunity to drive the institution's policy programme. Policy Fellows act as the face of the institution when engaging with policy and decision-makers, helping it to develop effective infrastructure policy. A growing network of 52 representatives across nine countries supports the ICE's policy and external affairs work by providing insight through blogs, sitting on steering groups, offering insight and expert views at roundtables and direct to policymakers. They also help support the development of consultation responses and policy positions as well as serving as media spokespersons.



"Many of the great problems facing our society need clever engineering as part of their solutions – our profession needs to ensure that the trajectory to those solutions is always rational, holistic and evidence-based."

"It is an honour to be part of the ICE team advocating for better infrastructure solutions to improve the health, happiness and prosperity of real people."

Tim Chapman, partner and director, BCG. ICE Policy Fellow



Decarbonisation and net zero

Offering advice and insight to decision makers

The ICE ran several policy programmes and published reports across 2024, including a major report on the public behavioural changes required to meet net zero, in conjunction with the All-Party Parliamentary Group on Infrastructure (APPGI). Based on workshops, interviews, written evidence, public polling and focus groups, the report set out recommendations to policymakers in enabling the public behavioural changes required to get to net zero.

In September 2024 the ICE and the British Standards Institution (BSI) published a new version of a BSI Flex standard designed to highlight the potential of lower-carbon concrete

options and recommend their use. This new code of practice sets out the best way to identify possible decarbonised substitutes for traditional concrete and demonstrate their suitability.

The ICE's 2024 decarbonisation programme focused on building carbon competence through adoption of PAS 2080

PAS 2080:2023

PAS 2080:2023 is a Publicly Available Specification developed by BSI that manages carbon in infrastructure, looking at the whole value chain. It aims to reduce carbon and cost through intelligent design, construction and use. The ICE's 2024 decarbonisation programme focused on building carbon competence through adoption of PAS 2080 and development of further supporting tools, guidance and CPD learning. During 2024, the ICE focused on the dissemination of this industry-changing standard including the rollout of PAS 2080 roadshows which were led by experts and showcased regional case studies. The roadshows attracted over 2,000 attendees across the UK. The ICE also promoted PAS 2080 at a range of events across the world in 2024 including Transforming Infrastructure Productivity Live, the Inspiring Engineering Excellence conference and the NEC conference.



2,097

PAS 2080 guidance downloads



1,500

PAS 2080 roadshow attendees



16

PAS events held

The ICE's Carbon Management Plan



As leaders in helping society towards a net-zero future, it is important that the ICE also demonstrates that it is serious about reducing its own carbon footprint. In 2024 it appointed Useful Projects to develop the ICE Group's first Carbon Management Plan (CMP). The plan's authors were clear that embedding the standard's principles within the ICE's operations had the potential to deliver efficient carbon management at the organisational level too.

Five decarbonisation action areas have been determined on the back of a carbon hotspot analysis and four of these cover specific activities across the group's operations that contribute most to its carbon impact, while the fifth addresses organisation-wide 'enablers.'

One Great George Street (OGGS) works

Progress was made in 2024 in improving the sustainability of OGGS with the introduction of measures including installing double-glazing on the roof lights, replacing gas cookers with induction equipment, and upgrading the air handling units. This happened alongside other extensive refurbishment and maintenance including the replacement of the leaking main dome, completing conservation repairs, cleaning the ceiling on the Great Hall and refurbishing and upgrading the Telford

Theatre. The works were delivered on time, on budget, and in line with PAS 2080 principles. Lewis Barlow, trustee for carbon and climate drafted an additional clause based on the NEC X29, carbon reduction clause to support the use of the NEC4 Engineering and Construction Short Contract (ECSC). This will be the standard carbon reduction clause used across all future NEC4 ECSCs that the ICE places for projects within the Westminster estate.



"More than ever, we need to clearly demonstrate the consistent management of carbon emissions across the built environment. The ICE has promoted the value of PAS 2080 at events across the world, helping join the dots between national carbon targets and the sharp end of project delivery. The updated PAS 2080 process has huge value not only in minimising carbon and increasing efficiency on projects, but also at a system level in selecting the right projects in the first place. Incorporating best practices in procurement, design, construction, and end-of-life carbon management, PAS 2080 is central to our industry's net zero future."

Lewis Barlow, Trustee, carbon and climate

Climate resilience, mitigation and adaptation

Developing nature-and-people-positive infrastructure

In 2024 the ICE released a special series of podcasts looking at how different sectors can come together to develop nature-and-people-positive infrastructure. In the filmed podcasts, cross-sector expert panels explore barriers and the practical solutions to overcome them. The two podcasts covered funding nature-positive infrastructure and overcoming systemic barriers to a nature-positive world.

The UN Climate Change conferences are an important annual fixture in the ICE's diary.

Prestige lectures

Over 350 people participated in a Spring Prestige debate held in March 2024 with a focus on water. Emma Howard Boyd, chair of the London Climate Resilience Review shared conclusions from the London Climate Resilience Review, the preparedness and challenges facing London's infrastructure, and explored how engineers can embed resilience into their work.

The 14th Brunel International Lecture Series was completed with a closing lecture in Hong Kong in July 2024. The series was made up of nine lectures and began in London in September 2022. The ICE collaborated with the International Coalition of Sustainable Infrastructure (ICSI) and the Global Covenant of Mayors (GCoM) on the lecture series.



COP 29



The UN Climate Change conferences are an important annual fixture in the ICE's diary. The ICE held an 'Accelerating Clean Tech for Energy and Agriculture in Small Island Developing States' event at COP 29 in partnership with the World Federation of Engineering Organisations (WFEO). In 2024, the ICE was

accredited with observer status at COP by the United Nations Framework Convention on Climate Change which meant that the ICE could hold events in the blue zone housing the official negotiating room, world leaders and accredited media organisations.



David Smith, ICE Resilience CAB co-chair

"Creating climate resilient infrastructure, and adapting existing infrastructure, is crucial due to the increasing frequency and severity of climate-related events, such as extreme weather, rising sea levels, and prolonged droughts. Building resilience helps communities, economies, and ecosystems better withstand and recover from these impacts, reducing vulnerability and enhancing sustainability.

"The ICE's nature and resilience Community Advisory Board advocates for adaptation and resilience to be core to engineering and infrastructure."

Improving productivity and efficiency



Recognising that improving productivity and efficiency are fundamental principles of improving the way infrastructure is delivered, the Productivity Community Advisory Board (CAB) and the Fundamentals and Behaviours CAB were merged into a new Inspiring Engineering Excellence CAB in 2024.



PAS for Productivity

The ICE began early development of a new PAS for Productivity alongside BSI in 2024, building upon the ICE's work on developing national standards. The ICE is working in partnership with the Department for Transport on this important new project.



Transforming Infrastructure Live

Over two hundred people attended the Transforming Infrastructure Live conference held at the ICE in November 2024. The programme focused on the new UK government priorities and case studies to improve productivity and outcomes.

Inspiring Engineering Excellence Conference

The Inspiring Engineering Excellence Conference was held at OGGS in May 2024. The conference focused on excellence in productivity and decarbonisation exploring how infrastructure professionals are effecting positive changes and responding to the need for a culture where people are willing to discuss mistakes openly and learn from them.

Improving productivity and efficiency are fundamental principles of improving the way infrastructure is delivered.

Design champions



In 2024 new research began to define the scope of the role of the design champion, working with two pilot projects to define the job description. This collaborative project between the ICE and Infrastructure and Projects Authority (IPA) builds on the two pilot projects with existing Design Champions in place. A session showcasing two case studies was held at the Transforming Infrastructure Live event.

Australian infrastructure productivity policy programme



In 2024 the ICE ran a policy programme on improving productivity in infrastructure delivery in Australia. This represents the ICE's first non-UK country-specific policy programme. The ICE published an initial scoping paper and call for evidence to explore what needs to happen to improve the quality

of outcomes and reduce waste in Australia's infrastructure delivery. This was developed alongside a public panel debate on the topic, attended by over 120 stakeholders. Following further engagement, a final policy position statement with recommendations was published in December 2024.



"The ICE's new Inspiring Engineering Excellence Community Advisory Board develops and enacts core knowledge programmes in line with the ICE plan. It operates in several exciting and forward-looking areas of the infrastructure sector – areas that will shape the future of the industry. It comes together to shape projects including the new Design Champions role, the planned PAS for productivity standard as well as examining the challenges and opportunities presented to the industry by AI."

Darren James, Inspiring Engineering Excellence CAB co-chair

Informing decision-making

2024 was notable for the large number of elections that were held around the world, including in the UK. The UK general election saw the first change in the governing party for 14 years and infrastructure was at the heart of the election debates. Getting the economy growing was one of the Labour party's stated missions and improving how infrastructure is delivered was at the heart of that. The ICE engaged with all parties to offer independent advice and expertise, working closely with Labour in opposition to support them in developing policies around infrastructure and transport planning.

Coming quickly after the election were the political party conferences with ICE policy representatives heading around the country to attend those held by the three major parties. The ICE hosted receptions at both the Labour party and Conservative party conferences. With the new Parliament back in session, the ICE met with dozens of new MPs.



Enabling Better Infrastructure (EBI)

The EBI programme continues to be a leading international policy initiative at the ICE and is strongly linked to the Presidential theme for 2024/25.

EBI has successfully established itself as a trusted partner for engaging international governments in strengthening strategic infrastructure planning. Over the last year, the programme has delivered one-to-one support to the New Zealand government to inform its 30-year plan for infrastructure, and it is currently engaging with leading government stakeholders in Peru and Indonesia. The programme's impact has also been recognised internationally. The New Zealand Infrastructure Commission has invited the EBI to be a key expert on its quality review panel for developing its infrastructure plan. EBI has run over eight events, helping to build a close network of 15 governments.



38
Policy events held



27
policy reports and
consultation responses



72
meetings with
parliamentarians and
key decision-makers

The EBI programme continues to be a leading international policy initiative at the ICE and is strongly linked to the Presidential theme for 2024/25.



HS2 Lessons Learned

Following the then-Prime Minister's decision in 2023 to cancel Phase 2 of HS2, the ICE developed a policy programme to explore how and why the UK's flagship rail project was cut short, and what lessons policymakers and practitioners should learn. A steering group proved invaluable in obtaining insight from senior stakeholders who were involved in the project throughout HS2's lifetime, resulting in a briefing paper and public panel discussion.

There was strong media interest in this work, including a piece in The Times. The ICE's policy team fed the findings through to the Department for Transport and HM Treasury ahead of the capital projects review, Budget and Spending Review.



All Party Parliamentary Group on Infrastructure (APPGI)

The 51-member APPGI is Parliament's leading cross-party group dedicated to economic infrastructure in the UK, with the ICE acting as the group's secretariat. The start of the year saw the publication of the joint APPGI and ICE report on what needs to happen to make it easier for the public to make changes that help them reduce the amount of carbon they use. The report was launched alongside the annual APPGI reception at One Great George Street, where over 100 industry leaders heard from the then-Chancellor Jeremy Hunt.



"Identifying and applying international best practices is essential for getting best value out of our infrastructure investment. Engaging with the Enabling Better Infrastructure programme has helped us to access this best practice knowledge. We are grateful for their ongoing assistance and support."

Geoff Cooper, Chief Executive, New Zealand Infrastructure Commission

Partnerships and collaboration



The ICE is seen as a trusted partner to organisations across the world who are pursuing progress on common goals such as climate change, resilience, mitigation, as well as with employers, colleges and universities around the world.

Working with employers

The ICE collaborates with employers to develop skilled professionals, offering tailored training, mentoring, and accreditation pathways. It supports workforce development by aligning industry needs with engineering standards.

Working with universities

The ICE's academic partnerships bridge academia and industry, helping to develop the next generation of engineers. By collaborating with universities and colleges, the ICE integrates professional standards into curricula, supports research, and provides mentorship.

World Federation of Engineering Organisations (WFEO)

WFEO is the global organisation for the engineering profession, representing more than 30 million engineers from some 100 nations. WFEO organises and supports various events, conferences, and initiatives related to engineering and sustainable development, and ICE members are actively involved with WFEO and sit on their committees.

As an important partner to WFEO, senior ICE members are participants to or chairs of many of the key committees.



69
JBM accredited UK universities



1,200
UK accredited university courses



13
JBM accredited international universities



30
academic partner universities

Commonwealth Engineers Council (CEC)



The ICE is a founding member of the CEC whose mission is to promote and support the role of engineers and engineering in the Commonwealth. There are currently 22 CEC member institutions. The Young Engineers / Future Leaders group includes development of an information dissemination hub and newsletters and the capacity building objectives are focused on growing membership, mentoring and providing online webinars.

Windsor Leadership programme

Put together in partnership with the Windsor Trust, this bespoke programme brings together senior leaders from across the infrastructure sector and business functions. It focuses on facilitated learning in a peer-to-peer environment, challenging leaders to think differently, explore their own leadership style and consider the wider impact of their leadership. It was held in Windsor in September 2024 with an alumni event taking place in April 2024.

The ICE is seen as a trusted partner to organisations across the world who are pursuing progress on common goals.



Specialist Knowledge Societies (SKS)



14
societies



2,500
in-person event
attendees



5,000
online event
attendees

The Specialist knowledge societies form a key part of the ICE's activities, producing knowledge and networking events which are held at OGGs. The societies work with the ICE to encourage society members to pursue continuing professional development and promote the exchange of knowledge and experience for each specialism. Each society has its own membership and maintains strong links to international organisations in their field.



"The ICE's reputation on the world stage means that like-minded organisations are keen to work with us where our missions align. As the UK's National Member Representative on the WFEO Executive Council, I am proud to represent the UK and promote the work that the ICE and the UK engineering sector is doing to deliver real change. In an era where climate change is having a catastrophic effect on communities around the world, it is more essential than ever for engineering organisations to collaborate to develop solutions."

Richard Coackley CBE, National Member Representative, WFEO Executive Council



Equity, diversity, and inclusion

Throughout 2024, the ICE championed inclusivity, working towards creating an infrastructure sector that is truly reflective of the society it serves. The ICE website and social media channels celebrated diversity across the year as well as during events such as Black History Month, LGBTQ+ History Month, International Women in Engineering Day and the International Day of People with Disabilities.

ICE Connects - Women in Fellowship

The ICE Connects programme champions gender diversity in engineering leadership. It supports women pursuing Fellowship, the ICE's highest professional grade, through mentoring, networking, and tailored guidance. The initiative empowers women to achieve career milestones, promotes inclusivity, and inspires the next generation, driving progress and innovation within the engineering profession. In 2024 several ICE Connects activities took place and in the three years the programme has been underway, the number of female Fellows has grown by 50% to 429.



Sexual harassment survey

The ICE Sexual Harassment Survey aligns with recent legislation that requires proactive measures to prevent sexual harassment in the workplace, rather than simply addressing incidents after they occur. In response to increasing legal and societal demands, the survey sought to identify and understand the root causes of harassment within the civil and infrastructure engineering profession. By gathering feedback from members, the ICE was able to raise awareness and highlight the latest regulations for employers. Through these efforts, the ICE is striving to build a culture of prevention that fosters a more inclusive and supportive workplace for everyone.

Throughout 2024, the ICE championed inclusivity, working towards creating an infrastructure sector that is truly reflective of the society it serves.



50.4%
**increase in female
fellows in 2024**



5
Girlguiding regional pilots

Girlguiding



The ICE's partnership with Girlguiding aims to inspire and empower young girls to explore careers in civil and infrastructure engineering. Through this collaboration, the ICE engages with Girlguiding members, offering workshops, resources, and opportunities to discover the diverse roles within civil engineering. The initiative encourages girls to develop STEM skills, challenge stereotypes, and consider civil engineering as a rewarding career path. So far, 6,000 civil engineering badges have been awarded to young girls as part of the pilots in Northern Ireland, Wales, London and the South East, and the East of England. The 2025 programme will see an expansion into the North East, Yorkshire and Humber, Scotland and the North West.



"I warmly thank the huge number of members who responded to our sexual harassment survey; taking the time, effort and courage to share their stories. They are not alone. Sadly it was no surprise to see these shocking results; this is an issue pervasive in society.

"While we do commendable work in attracting women to the profession we must do our utmost to ensure our workplaces are fair, inclusive and respectful; and that means safe.

"It's a necessity if we are to retain the wealth of talent, expertise and diverse thought which is crucial to successful output of our industry in making a meaningful contribution to society."

Kate Cairns, ICE Fairness, Inclusion and Respect Committee chair

Communicating our work



A key part of the ICE's charitable remit is to demonstrate the benefits that civil and infrastructure engineers bring to society, and to help the public to understand more about the infrastructure that they interact with in their daily lives. With a membership approaching 100,000 we also make sure that we regularly communicate our work to members, demonstrating the depth and breadth of the ICE offer.

Press and media

The ICE regularly liaises with the media on issues that affect the public, such as flooding, climate change and transport, responding to enquiries and proactively promoting the ICE's expertise on topical matters. In 2024 our ability to quickly field experts for media requests and our improved relationship with journalists led to an increase in media hits of over 100%. In 2024 the ICE secured coverage in media outlets such as The Times, Radio 4, Sky News and LBC. Our EBI programme also attracted international media coverage.





**400k
projects and profiles
page views**



**60+
new engineer profiles added**

Social media

In 2024 we strengthened our social media offering by bringing in dedicated resource and implementing a new digital strategy, focusing on quality over quantity with more video content curated specifically for ICE audiences and content tailored to appeal to audiences on each specific platform. This approach has resulted in much improved engagement across our main channels and an increase in social media followers.

Showcasing our profession and its people

One of the most popular sections of the ICE website is our 'Meet the engineers' section, which showcases the profiles of over 240 people working in our industry. Designed to help the public understand more about civil and infrastructure engineers, it delves into the working lives of civil and infrastructure engineers.

The site also contains 287 case studies covering projects and initiatives from around the world, including the Millennium Dome, the Hong Kong-Zhuhai-Macao Bridge and a look at the work of Engineers without Borders.

In 2024, our audiences viewed almost 400,000 web pages in this section and over 60 new profiles were added.



The ICE regularly liaises with the media on issues which affect the public, such as flooding, climate change and transport,

ICE website



The ICE website is the key 'shop window' to the institution's work. Content across the site was updated in 2024 to optimise it for search engines, making it much easier to find. The ICE website is now seen as a key reference source for those searching for topical and historic infrastructure information. In December 2024 the percentage of visitors to the website that came via search engines was 65.5%, the second highest since we began recording these statistics.



"Every day, virtually everyone benefits from some aspect of civil engineering. From the blindingly obvious aspects of construction – transport, water, energy etc to the more subtle interventions that help us deal with climate change, erosion, flooding and the like. Elements that support the economy – not just projects, but skills, training, enterprise and innovation. It's revelatory stuff. And we need to excite people with it and get more involved. From mainstream media, to STEM ambassadors, mentoring to socials – it's all part of the vital story we need to tell.

"The ICE plays a key role in promoting awareness to raise our game and bring more people into the industry. We showcase the ground breaking as well as the more every day – it's about creating the diversity of thought and approach that reflect the society we serve."

Liz Waugh, Trustee, communications

Inspiring and educating younger people

Inspiring young people to choose civil engineering as a career is key to building a better society. By highlighting the profession's role in creating sustainable, resilient infrastructure, the ICE can ignite their passion for problem-solving and innovation. Showcasing real-world projects, offering mentorship, and emphasising civil and infrastructure engineering's potential to impact communities, the ICE looks to attract diverse talent to rewarding and impactful careers. In 2024 over 2,500 14-18-year-olds took part in digital careers activities and over 2,200 STEM Ambassador visits and activities took place.



CityZen

Aimed at 16–18-year-olds, the ICE's CityZen digital initiative inspires engagement with civil and infrastructure engineering by showcasing its impact on daily life. It highlights sustainable, innovative solutions shaping cities and infrastructure. Through interactive content and events, CityZen connects communities with engineers, fostering appreciation, collaboration, and awareness of how engineering improves lives and builds a resilient future.



2,500+
digital careers activities



2,200
STEM Ambassador activities



Virtual work experience

The ICE virtual work experience programme aims to spark interest in careers in civil engineering. In 2024 almost 2,000 participants aged 14-18 completed an average of five hours of online learning. A survey that took place following the work

experience showed a 500% increase in those stating that their awareness of careers in the industry was excellent and a 114% increase in those feeling very confident about finding a job in the future.

Queen's Jubilee Scholarship Trust



The ICE QUEST programme, supported by ICE and employer funding is the ICE's longest running programme having started in 1977 and it provides young engineers and technicians with valuable training and development opportunities. The programme offers QUEST scholars access to mentorship, practical experience, and industry expertise in areas such as project management, design, and sustainability. ICE funding helps ensure that participants gain essential skills, advancing their careers and contributing to the development of high-quality, innovative infrastructure while promoting professional excellence in civil engineering.



"My experience of the ICE QUEST scholarship was transformational in my early civil engineering career. The opportunities that the QUEST scholarship and my employer afforded me while at university allowed me to explore my passions in engineering and find a role that would provide a fulfilling graduate career.

"The civil engineers of the future will be people solving the largest challenges of our time and the QUEST scholarship can help you become one of these engineers."

Rhys Phillips, former ICE QUEST scholar

Our UK regional and international reach



The ICE's active membership plays a pivotal role in both the UK and international regions, shaping the future of civil engineering and infrastructure. Across the world, members contribute to setting professional standards, accrediting qualifications, and driving best practices across the industry. Through active engagement, they influence policies on safety, sustainability, productivity and innovation.

ICE members collaborate to tackle infrastructure challenges, share knowledge, and promote sustainable development. Their contributions foster a dynamic network that supports

the exchange of ideas, encourages leadership, and ensures civil engineers actively address pressing global issues such as climate change, urbanisation, and infrastructure resilience.





Working with decision makers around the world

Policy roundtables, chaired by the ICE's president, played a pivotal role in convening experts and shaping infrastructure policy discussions in the UK and overseas. In 2024 topics included industrial strategy, decarbonising the grid, nature-based solutions, and infrastructure financing.

The ICE's EBI Live series continued to go from strength to strength in 2024 with government representatives from countries including Canada, New Zealand, St Lucia and Chile sharing their insight on how to improve elements on infrastructure planning and prioritisation, using the EBI programme's eight principles.

Elsewhere the EBI programme convened global leaders and experts at events including a joint event with the UN

The ICE's active membership plays a pivotal role in both the UK and international regions, shaping the future of civil engineering and infrastructure.

Environment Programme where discussions took place around how three governments have broken down siloes to plan and finance infrastructure for the future. In December 2024 the ICE brought together 200 attendees and senior stakeholders from the OECD, the UN Environment Programme, the New Zealand Infrastructure Commission and the UK Foreign, Commonwealth and Development Office who discussed how governments can avoid costly mistakes.



12
UK regions



8
international regions



25,613
international members



53,500
UK regional event attendees



Jonathan Spruce, Trustee for Policy and External Affairs

"The ICE's global reach allows it to support decision makers around the world. The Enabling Better Infrastructure programme is the ICE's flagship international policy programme, helping governments to strengthen their strategic infrastructure planning.

"It is a testament to how valuable the ICE's counsel is received that the New Zealand Infrastructure Commission has invited EBI to be a key expert on its quality review panel for developing its infrastructure plan."

Our people

It is essential that the way our staff work embodies the ICE's strategy, values and charitable objectives. The ICE prides itself on its diverse, motivated and highly skilled people, and we offer learning and engagement opportunities to colleagues across the year, empowering them to deliver our ambitious plans.



Employee engagement

A new engagement survey has allowed us to develop our people engagement action plan. The resulting plan was shared with colleagues and the drop-in sessions that were held across 2024 allowed them a better understanding of what the plan meant for them. This more robust approach has meant that more staff have completed a development plan than in previous years.



Engaging our people with our vision and purpose

The ICE held its second all-staff day in spring 2024, bringing colleagues from across the ICE's global network. The day allowed colleagues to network and collaborate face to face, and feedback from attendees suggested it was a highly appreciated exercise. Guest speakers gave inspiring talks about topics including neurodiversity, and collaboration was the overall theme of the day allowing colleagues to take part in interactive sessions.

Internal communications

A dedicated internal communications resource introduced in 2024 has significantly improved the way we communicate with colleagues. The internal comms team implemented several initiatives to increase colleagues' understanding of the ICE plan and the part they play in delivering it.



Reward and recognition

Refreshing and relaunching our Star awards in 2024 has improved the way we recognise and reward exceptional service. As a result, we launched a refreshed recognition model that delivered a tiered recognition scheme to allow managers and colleagues to recognise outstanding behaviour.

People development and workforce planning

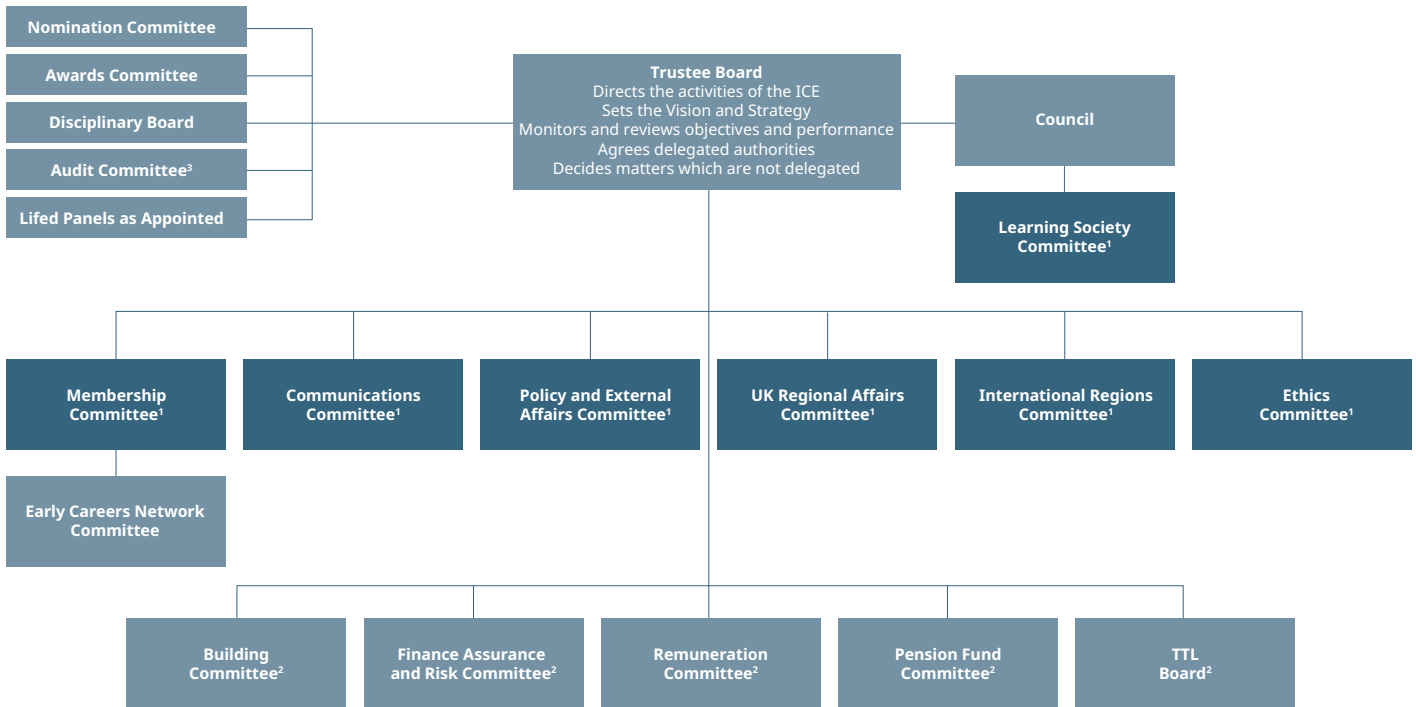
Developing people and improving the CPD offer within the ICE has significantly enhanced the learning opportunities available to colleagues, leading to improved engagement with the development activities in the performance development review process. A series of training activities aimed at upskilling our managers has ensured that leaders at all levels within the ICE are equipped with the skills, knowledge and tools to excel at leading their people to success.

Structure, governance and management

The ICE is governed by a Trustee Board which is legally responsible for the institution. It is chaired by the president and meets regularly to discuss the ICE's programmes of work, as well as shaping the direction of a range of corporate governance matters. The board delegates responsibility for certain areas of work to a number of key committees. Trustees agree the contents of the annual rolling ICE Plan which is implemented by the ICE's senior leadership team under the guidance of the director general, who is also responsible for the day-to-day management of the institution.

Trustees are supported by a 38-strong advisory council, that offers insight and advice on the ICE's strategy and plan. The council is chaired by the president, while council members are directly elected by ICE members worldwide.

Council members are drawn from the breadth of the ICE's membership and the structure of council is designed to represent a good cross section of members. It has a particular role in helping shape the knowledge programme, offering valuable insight into the topics and subjects that affect civil and infrastructure engineers in their working lives.



1 Main Standing Committees (carrying out charitable object of ICE)

2 Commercial, Financial and Operational Committees

3 Operational reporting line through Trustee Board whilst retaining independent monitoring and security role

Trustee board

In 2024 trustees made decisions on a variety of the ICE's programmes of work. The CPD consultation was one such programme culminating in the introduction of new prescribed CPD topics, in line with their desire to bolster our members' knowledge and understanding of safety protocols, risk assessment, and mitigation strategies. Trustees were also responsible for agreeing the ICE's 2025 Plan, its first ever carbon management plan as well as agreeing to continue the corporate and academic partners initiative.

An important entry in the trustees' calendar is the annual strategy day. Chaired by the incoming 2024/25 president it took a strategic look ahead at the state of the institution, its global footprint, how the ICE should help the industry meet the Sustainable Development Goals, as well as the future of the knowledge offer.

Council meetings

Council meetings are held regularly throughout the year in person and online and offer an excellent opportunity for experienced senior members from across the UK and overseas to debate the issues of the day. The meetings allow council members to act as representatives for the wider membership feeding in their

thoughts on a broad range of topics. In 2024 council members took part in several strategy sessions and meetings covering topics such as nature-positive solutions, how to protect physical and digital assets, CPD, the ICE Plan, and the ICE knowledge programme.

Future plans



The ICE is committed to improving lives by ensuring the world has the engineering capacity and infrastructure systems it needs to enable our planet and those who live on it, to thrive.

In 2025 the ICE will continue to focus on the core issues affecting society and the industry, including decarbonisation, nature and resilience, and improving expertise in delivery. Once again, the water, energy and transport sectors will be central to our programmes of work, and the ICE will use the UNSDG framework as its guiding principle.

Member engagement review

Our relationship with members, decision makers and partners is crucial to the delivery of the ICE plan and allows it to do its work effectively. In 2025 the ICE will undertake a comprehensive stakeholder mapping and engagement review. This important cross-organisational initiative will enable us to properly map

those with whom we have relationships, making sure that we understand how we interact with them across the ICE group. The results will enable us to put in place plans to improve engagement and offer a more robust way of managing our relationship.



Strategy review 2025-30

The ICE strategy shapes our rolling plan, and in 2025 a review will take place that will set the vision for the institution across all of its component parts for the next five years. Initial work began in late 2024 with a preliminary discussion at the ICE Council. Refreshing the strategy will be a major part of the 2025 programme.



Board and governance reviews

As a large membership organisation, it is vital the structures which govern its work are checked, re-checked and stress-tested periodically to ensure that it is complying with its charitable objectives and delivering on its societal obligations. In line with the Senior Vice President's 2022 review, the ICE will complete its triennial Trustee Board effectiveness review, as well as the quinquennial governance review.

ICE Connect and the ICE website

In 2025 the ICE aims to conclude its ICE Connect member database project, deploying it for use for the first time. This transformational project will deliver a step-change in the way we deliver services to our members and other stakeholders. Alongside improvements in the day-to-day processes that help

manage the institution, it will in future allow the ICE to enhance its digital user experience, for example offering a more personalised website based on members' career aspirations and interests. Work to scope the proposals for a new ICE website began in 2024 and will continue in 2025.

Financial review



The financial statements for the year ended 31 December 2024 are set out on pages 56 to 91.

The charity only financial results incorporate the results of the UK charity and its branch in the United Arab Emirates.

The consolidated financial results also include the results of the institution's UK trading subsidiary, Thomas Telford Limited (TTL) and its branch in Hong Kong, and the institution's overseas subsidiary, The Institution of Civil Engineers (Hong Kong) Limited (together, the Group).

Group results

Total Group income increased by £338k, or 1%, to £43,050k (2023: £42,712k), while total Group expenditure increased by £5,484k, or 13%, to £46,551k (2023: £41,067k), giving a net expenditure before investment and other gains and losses of £3,501k (2023: net income of £1,645k).

After accounting for net investment gains of £841k (2023: £1,045k) and the one-off gain arising from the disposal of the ICE Publishing book and journal catalogue in TTL of £nil (2023: £5,283k), net expenditure before other recognised gains and losses was £2,660k (2023: net income of £7,973k).

The activities undertaken in the year were carried out within the framework of budgetary control approved by the trustees and all the income of the Charity alone has been deployed on charitable activities or retained in the Charity's reserves.

Income from membership subscriptions increased by £763k, or 5%, from £15,185k to £15,948k, reflecting rising membership numbers and an increase in subscription fee rates. Income from professional development and admission increased by £235k, from £2,015k to £2,250k, as the number of graduates on training agreements rose and the number of those coming through for professional review increased.

Income from donations and legacies remained consistent with the prior year at £582k (2023: £584k), while investment income also remained consistent at £1,001k (2023: £973k) as interest rates remained at broadly the same level throughout the year.

While the institution directly carries out some primary purpose trading, the majority of income from trading activities is attributable to Thomas Telford Limited (TTL), whose principal activities include the publication of contracts, books and journals, the provision of training and consultancy, and the provision of meeting and hospitality facilities. Further details are provided on page 43.

The increase in expenditure is primarily attributable to a major repairs and refurbishment programme carried out at One Great George Street. Whilst some of the expenditure has been capitalised, an amount of £3,487k was spent on repairs and has been expensed in the year.

Membership and qualification related expenditure, which covers the cost of admissions and transfers, professional reviews, and professional learning and development, accounted for £14,507k (2023: £11,534k) of expenditure.

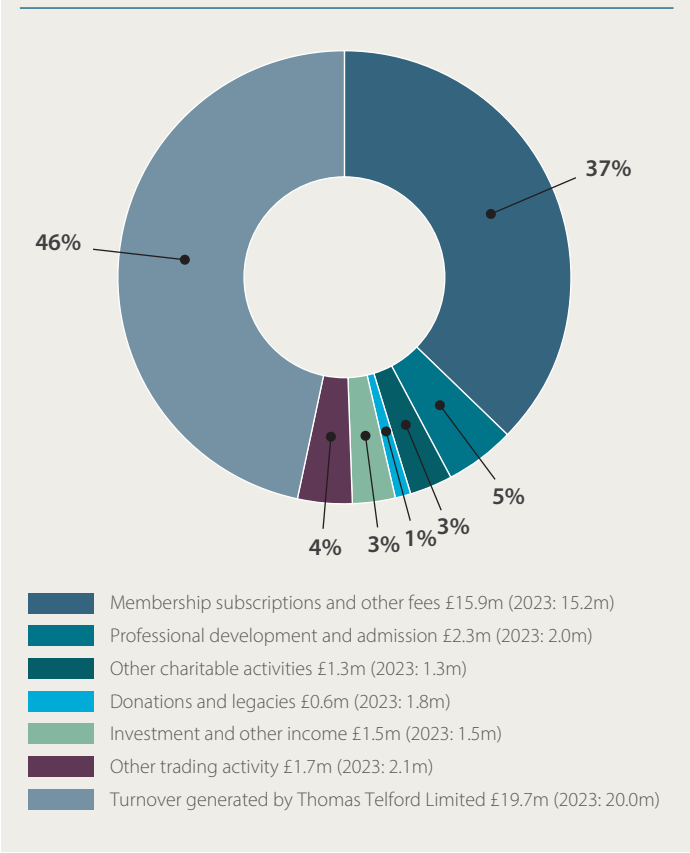
Knowledge related expenditure of £5,740k (2023: £5,579k) includes costs related to nurturing and sharing civil engineering knowledge and producing CPD content for members, while policy and public affairs expenditure totalled £3,602k (2023: £3,046k).

An amount of £6,373k (2023: £5,442k) was spent on the institution's regional activities, which includes the costs of the UK regions, overseas offices, and of supporting the ICE's Local Associations across the world.

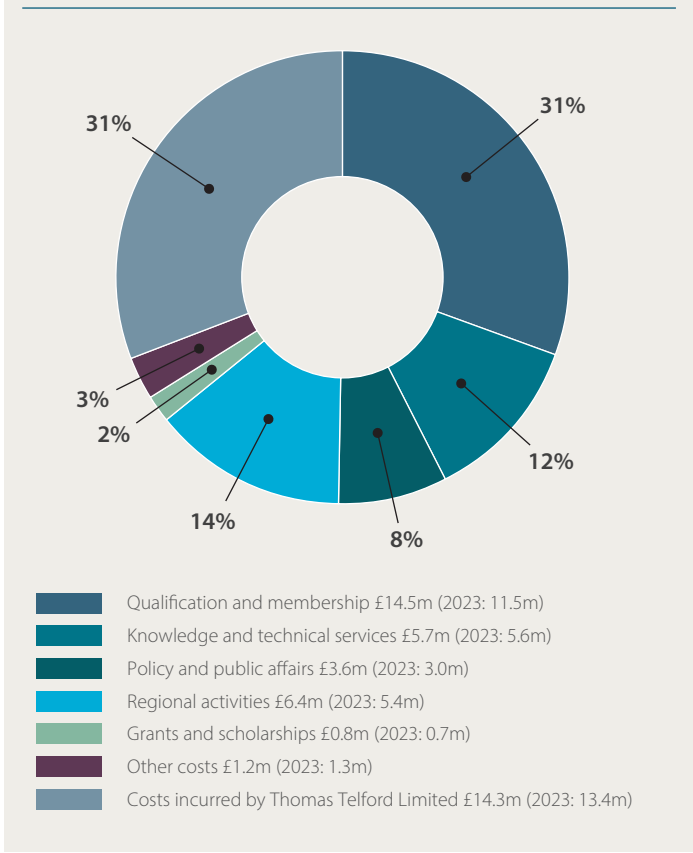
Trading activities accounted for £15,330k, or 33% of total expenditure (2023: £14,583k, 36%), of which the majority related to the trading subsidiary, TTL. While expenditure varies in relation to the volume of trading activity, the key measure of effectiveness is the profit generated, which is used to support charitable activities and mitigate increases to membership subscription fees. TTL's result for the year was a net profit of £5,130k (2023: £11,026k). Further details are provided on page 43.

Included within charitable and trading expenditure are support costs totalling £14,515k which represent 31% of total expenditure (2023: £10,873k, 26%). Support costs include expenditure incurred on information technology, people, premises, finance, and governance. The increase in 2024 is primarily due to the costs of the major repairs programme carried out at One Great George Street, including the replacement of the main dome, and continued investment in information technology to modernise and improve the digital delivery of services.

Total Group Income



Total Group Expenditure



Restricted funds

The total movement on restricted funds during the year was an increase of £100k (2023: £80k). The majority of the restricted funds are held for the long-term and managed sustainably to ensure they remain available to provide support in the long term.

The QUEST fund enjoyed another successful year. Incoming donations totalled £446k (2023: £463k) and scholarships of £495k (2023: £460k) were awarded to 365 recipients (2023: 351). The Into Civil Engineering Fund continued to make awards

to existing scholars, and payments totalling £28k (2023: £32k) were made to five students (2023: seven). No new scholarships are expected to be awarded, and the fund is expected to be closed once the last scholars The Research and Development Enabling Fund awarded eight new grants in 2023 (2023: seven) totalling £191k (2023: £167k)

We are continually grateful to the generosity of our members and other donors who donate to the QUEST and Research and Development Enabling Funds.

Thomas Telford Limited

The whole of the TTL profit, the ICE's wholly owned UK trading subsidiary, is gift aided to the ICE under a Deed of Charitable Covenant. The profit, and donation due to the ICE for the year, was £5,130k (2023: £11,026k).

The principal reason for the decrease in profit is the sale of the ICE Publishing book catalogue and journal titles in May 2023, which generated a gain on disposal of £5,283k in the year ended

31 December 2023. The profit in 2023, excluding this gain, was £5,743k. The underlying performance across the business remains strong, despite the decrease, which reflects the closure of the events and hospitality business for an extended closure over the Summer of 2024 whilst parts of the building underwent refurbishment, and continued investment in product development within the contracts and training business.

Balance sheet and cash flow

The ICE's Group reserves and net assets, including restricted and endowment funds, decreased in the year by £1,896k (2023: £7,793k increase), summarised as follows:

	2024 £'000	2023 £'000
Net (expenditure) income before investment gains and losses	(3,501)	1,645
Net investment gains (losses)	841	1,045
Gain on the disposal of publishing assets	–	5,283
Actuarial gain (loss) on defined benefit pension scheme	354	(180)
Gain on revaluation of heritage assets	410	–
Net movement in funds	(1,896)	7,793

Listed investments decreased to £22,126k (2023: £31,636k) principally due to the redemption of short-dated UK government gilts which had been used as a short-term alternative to term deposit accounts. Returns within the main ongoing portfolio were positive, but behind the target and the composite benchmark.

Intangible assets increased to £6,145k (2023: £4,311k), primarily due to continued investment by the institution in the new membership management system and by Thomas Telford Limited in the development of new products. Tangible fixed assets increased to £27,993k (2023: £26,588k), principally due to the capitalisation of part of the major refurbishment works that took

place at One Great George Street during the year, including the installation of the new kitchen and refurbishment of the Thomas Telford Theatre.

The Group generated a total cash inflow during the year of £8,500k (2023: £3,392k net outflow), reflecting the net cash inflow from operating activities of £1,300k (2023: £1,104k) and a net cash inflow of £7,200k (2023: £4,496k net outflow) from investment activities. The cash flows from investment activities includes a net flow £10,269k in respect to the purchase and sale of investments (2023: net outflow of £9,756k).

Reserves policy

A healthy level of free reserves is essential to ensuring that the institution can sustainably continue to deliver its aims and objectives and is an important part of how the ICE is financially resilient.

The ICE maintains reserves for the following reasons:

- The trading activities of TTL are cyclical and difficult to predict in the medium- to long-term. The institution remains aware of the need to diversify its income streams and to minimise the extent to which TTL profits fund the core cost base of the institution.
- The ICE is exposed to several risks, which may interrupt income streams or require additional investment. Reserves are held for contingency purposes.
- Investment balances are subject to potentially adverse change should market conditions deteriorate.
- Pension liabilities could increase as they are dependent on scheme investment performance, long-term gilt rates, investment returns and mortality assumptions.
- Major long-term investments are expected to be necessary in the coming years to ensure the ICE responds to changes in its operating environment and remains relevant to the needs of society and of its members. Reserves are required for 'step change' investments, where funding is expected to be in excess of cash generated through annual operations.

The institution's methodology for assessing the desired level of reserves seeks to align the reserves target with the risk assessment process and the specific risks faced by the institution. The specific risks and the desired levels of reserves associated with them are reviewed annually.

The methodology allows the Trustees to ensure that the institution is not accumulating funds unnecessarily so that they are used to enable the aims and objectives instead. Reviewing the risk register, there are a number of specific risks that may impact income or expenditure that have the potential to significantly impact the institution and its ability to be business resilient.

The reserves policy is renewed annually by the Finance, Assurance, and Risk Committee and the Trustees. During the year, the Trustees have assessed each of these material risks and identified the potential financial impact and likelihood of occurrence of each. While the free reserves target could be set as the sum of the total financial impact of all these risks, it is highly unlikely that all would crystallise in the same year. Trustees also recognise that action can be taken in year to reduce expenditure and protect income if a material risk does crystallise.

Based on this analysis, the Trustees confirmed the target range for free unallocated reserves should remain at £12.0m to £15.0m in November 2024, where free unallocated reserves consist of free reserves, in accordance with Charity Commission definitions, adjusted to include the balance of current and non-current assets and liabilities retained in subsidiaries. The trustees plan to review the reserves policy again during 2025, and it is expected that the target reserves range will be increased to reflect an increasing level of political and economic volatility.

Funds of the Group

Total Group funds at 31 December 2024 were £76,992k (2023: £78,888k). Included in this total are restricted funds of £5,494k (2023: £5,394k) and endowment funds of £1,188k (2023: £1,150k), which represent amounts for restricted purposes specified by the donors and therefore not available for the general purposes of the Charity.

Within the unrestricted funds the trustees have set aside designated funds for specific purposes which are not available for the Charity's free use. These funds include the value of the Charity's tangible and intangible fixed assets, the funds retained in subsidiaries and joint ventures, and other amounts set aside to support future project investments and other specific initiatives. At 31 December 2024, these designated funds amounted to £50,223k (2023: £51,920k).

The balance of the Charity's unrestricted funds, or general fund, at 31 December 2024 was £20,087k (2023: £20,424k). Under Charity Commission definitions this balance represents the ICE's free reserves. The designated estate maintenance fund of £5,500k, which was built up over several years through careful planning, was released in full in the year, mitigating the in-year impact of the major works programme on the charity's free reserves.

Reserves at 31 December 2024 exceeded the target range of £12.0m to £15.0m, however the trustees expect the ICE to draw on these reserves over the next one to two years in order to maintain delivery of charitable activities whilst TTL continue a period of investment in new products and services following the sale of the ICE Publishing portfolio in 2023. Free reserves also remain subject to any movement in investment markets, which have seen significant volatility in recent years, including post-year end during the early part of 2025.

The institution is also mindful of the necessity of maintaining adequate liquidity and therefore maintains a liquidity policy of ensuring freely available cash and investment balances do not fall below £6.0m. At 31 December 2024 they stood at £30,387k (2023: £27,120k). Excluding long-term investments, the freely available cash balance at 31 December 2024 was £15,067k (2023: £7,690k).

Pensions

Pension funds are valued in different ways by the actuaries to suit different purposes. A triennial valuation establishes an appropriate funding level and uses set financial assumptions that differ from those used for valuations used for including the pension scheme in the financial statements of the sponsoring employer. These accounting disclosure requirements are governed by the Financial Reporting Standard, FRS 102.

The most recent triennial valuation as at 31 December 2022 showed the pension scheme surplus was £6.9m, a funding level of 120%. The value as per the FRS 102 valuation at the same date was a surplus of £10.3m, a funding level of 133%. The triennial valuation estimates the long-term liabilities over the remaining lives of scheme members. However, the FRS 102 valuation assumes higher interest and discount rates than the triennial valuation, leading to a lower calculation of pension liabilities. The surplus at 31 December 2024 calculated on the same basis as the triennial valuation was £2.7m, a funding level of 108%, whilst the updated FRS 102 valuation was a surplus of £3.6m, a funding level of 113%.

In June 2024 the Charity concluded a buy-in arrangement with Aviva which resulted in the defined benefit pension scheme's assets being transferred to Aviva. The transferred assets comprise insured annuities for the value of member benefits under FRS 102. At this point, Aviva assumed responsibility for making the payments due to the members of the scheme, with the institution retaining the responsibility for the payment of all member benefits.

The Charity is working with Aviva and the scheme members to agree a buy-out arrangement where the members will have a direct legal relationship with Aviva 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 ongoing valuation basis, as used for the triennial valuation, is used to agree contribution levels. The institution made voluntary contributions to the scheme until March 2022, after which payments ceased with agreement from the scheme trustees. The scheme also began to pay its own expenses from January 2023 and during the year ended 31 December 2024 expenses totalling £820k (2023: £301k) were paid from the scheme.

The Trustees have reassessed the estimate of the pension scheme asset included in the accounts, and for the year ended 31 December 2024 the surplus on the FRS 102 basis has not been recognised in the accounts. Even with the buy-in and planned buy-out, there is no certainty that, if it were to crystallise, any sum would be refundable from the pension scheme.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment policy of the institution is to seek the maximum return over the medium term having due regard to risk. The institution is active in ensuring that a socially responsible and ethical approach is followed by the investment management funds through which monies are invested, either requiring managers to be signatories to the UN's Principles for Responsible Investment (UNPRI) or by ensuring their approach is consistent and compatible with the UNPRI. The Trustees have also agreed that, wherever possible, preference should be given to funds which support the UNSDGs.

The objective for each of the Main, Quest, and Trust Fund, investment portfolios is to generate a return in excess of inflation over the long term, while generating an income to support the ongoing activities of the institution or the relevant specific restricted fund. Investments for each specific fund are managed within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks.

The Trustees have delegated the responsibility for investment activities to the Finance, Assurance, and Risk Committee. A Statement of Investment Principle (SIP) for each fund is reviewed annually by the Finance, Assurance, and Risk Committee and recommended to the Trustees for approval.

The Finance, Assurance and Risk Committee takes professional investment advice in developing the SIPS and the underlying investment strategy, to ensure that the investments are managed on behalf of the Trustees in accordance with legislation and good practice. The investment strategy, including strategic

asset allocations and investment management approach, was developed with our investment advisors, Mazars Financial Planning Limited, who also manage the funds on a discretionary basis. During the year the institution appointed new advisors, Cazenove Capital, however the transfer of the portfolio had not completed by the year end and all funds were still held with Mazars.

Investment risk is managed at an overall level by diversifying the investment portfolio between different asset classes and geographic markets together with maximum ranges for these allocations. Liquidity risk is managed by periodic forecasts of the ICE's reserve and cashflow requirements to determine tolerance to illiquid asset classes.

Money in the form of cash balances not required for use in ongoing operations will normally be placed on overnight or short to medium term cash deposits with a UK bank with an appropriately low credit risk. Except for the principal banker, there is a maximum limit for the ICE Group of up to £5m deposit with any one bank. Where overnight deposit accounts, which are maintained with the ICE's principal banker, temporarily exceed the amount required for ongoing operations, the ICE seeks to identify suitable deposit accounts with alternative providers as quickly as possible.

The Trustees have considered in detail the requirements of the Charity Commission's guidance note "Charities and investment matters: a guide for trustees" (CC14).

Grant making policy

The institution does not generally make grants from its unrestricted funds. Grants are generally made to individuals in the form of scholarships or awards from the QUEST, Into Civil Engineering, and Trust funds. All grants are made in accordance with the objectives and restrictions of the relevant fund.

The Research and Development Enabling Fund is administered by the Research, Development and Innovation towards Engineering Excellence Panel. Grants from this fund are made to support research in civil engineering and are given to recipients in both industry and academia.

Streamlined Energy and Carbon Reporting (SECR)

We recognise that climate change is one of the most important issues facing every one of us today. As civil engineers, our members play a crucial role in the reduction of carbon emissions and the ICE aims to help the profession contribute towards the net zero carbon target and mitigate climate change.

In light of this, we believe it is important that the ICE is transparent about its own carbon emissions. While not legally required to do so, we are voluntarily reporting our energy and carbon emissions in compliance with The Companies (Directors’

Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. This requires an annual report on greenhouse gas emissions from UK energy use and business vehicles travel.

The table below summarises emissions in the year. The carbon footprint for the year ended 31 December 2024 was 509 tonnes CO₂e, which represents a carbon intensity of 1.49 tCO₂e per full time equivalent employee (2023: 1.64 tCO₂e).

Group	Unit	Quantity 2024	Carbon Footprint (tCO ₂ e) 2024	Quantity 2023	Carbon Footprint (tCO ₂ e) 2023	Scope
Electricity, One Great George Street	KWh	1,118,187	232	1,181,591	245	2
Gas, One Great George Street	KWh	1,040,985	190	1,192,774	218	1
Electricity, 8 Storey's Gate	KWh	177,223	37	166,542	34	2
Gas, 8 Storey's Gate	KWh	133,383	24	143,674	26	1
Business vehicle travel	vkm	157,956	26	141,003	23	3
			509		546	

Total emissions remained at a similar level to the prior year. Emissions from the consumption of gas decreased following the reduction of the boiler flow temperature in our buildings. However, the reduction in emissions achieved from lowering gas use was offset by an increase in emissions from the consumption of electricity. While there was a small increase in the amount of electricity consumed, the increase in emissions is primarily attributable to a change in the conversion factor used to convert KWh to tCO₂e.

Methodology

Our reporting methodology is based on the UK Government’s 2019 Environmental Reporting Guidelines and these carbon footprints have been calculated using the UK Government GHG Conversion Factors for Company Reporting for 2024. Energy use data was collected from energy bills. We have excluded all managed offices where we do not receive a separate charge for energy (which includes the Group’s overseas offices).

While the institution does not own any vehicles and thus does not purchase any vehicle fuel directly, UK staff and volunteers do sometimes use their own cars for the institution’s business. This has been voluntarily disclosed in the information above and is estimated based on submitted mileage claims. Business travel has been calculated using the factor for “Average car, unknown fuel”.

From October 2023 100% of the electricity at One Great George Street and 8 Storey’s Gate has been supplied from renewable source, and prior to this date approximately 75% of the of the electricity supplied during 2023 was from renewable sources. However, in compliance with reporting standards, the carbon saving this creates is not included in the standardised carbon footprint reported above.

Energy efficient actions

The works carried out at One Great George Street during 2024 included a number of energy efficient actions to improve the sustainability of the building, and included installing double-glazing on the roof lights, replacing gas cookers with induction equipment, and upgrading the air handling units. We have also worked with a supplier to develop our first carbon management plan, and further detail is provided on page 17.

Standing and Operational Committees

A brief description of the role of each of the principal committees, and the key commercial, financial, and operational committees, is detailed below. The current chair of each committee is listed on page 93.

- **Nomination Committee:** the role of the ICE Nomination Committee is to make recommendations to the Trustee Board for the appointment of candidates for senior positions in the institution.
- **Membership Committee:** the Membership Committee is responsible to the Trustee Board for the role of the institution as a qualifying body and for maintaining the professionalism element of membership. The committee admits, on the Trustee Board's behalf, persons to the membership roll at all grades in accordance with the Royal Charter and By-laws.
- **UK Regional Affairs Committee:** the UK Regional Affairs Committee advises the Trustee Board on the ICE's UK regional strategy. The committee is made up of the regional committee chairs from each of the individual 12 UK region committees, and the regional council members.
- **International Regions Committee:** the International Committee oversees ICE's strategy across the eight ICE international regions and reports to the Trustee Board.
- **Learning Society Committee:** the Learning Society Committee supports the ICE Council in delivering the institution's knowledge programme.
- **Policy and External Affairs Committee:** the Policy and External Affairs Committee provides strategic direction in matters of government relations and policy.
- **Finance, Assurance and Risk Committee:** the Finance, Assurance and Risk Committee monitors the financial performance and prospects of the Group, helping to ensure the institution can meet its ongoing financial and non-financial commitments. The committee scrutinises the annual budgets and plans, reviews management accounts, and monitors performance against the business plan and budgets. The committee also has responsibility for the oversight of the institution's investment arrangements.
- **Remuneration Committee:** the Remuneration Committee reviews and approves the remuneration of staff at director level and above on an annual basis. Further details on how pay for these staff is set is detailed on page 50.
- **Audit Committee:** the Audit Committee ensures that effective audit functions are in place, oversees the management of risk, and assesses the overall risk profile of the institution. Based on this, the committee undertakes a regular cycle of reviews and receives reports on selected internal control processes. The committee reviews the Annual Report and Accounts of the institution and the annual financial statements of TTL, before recommending their approval to the Trustee Board and TTL Board respectively.

Risk management

The ICE must protect against a range of risks and the Trustee Board have embedded risk management within the Group. Strategic and operational risk registers are regularly updated and reviewed by the management team, and further reviewed by the Audit Committee and the Trustee Board. Action plans identified through the risk register are included in the institution's annual business planning and budgeting cycle and in the individual objectives for managers and staff.

We track and consider both short and long-term risks. The latter are, almost inevitably, creeping risks, initially they seem small or avoidable, but cumulatively over several years they manifest themselves as significant or even severe. As a result, the risk register is based around the following key strategic risks:

- Risks to income
- Risks relating to cyber security
- Member and volunteer engagement
- Risks to delivering the new CRM system, ICE Connect
- Failure to attract and retain the best staff
- Long term risks to TTL income and or products

The institution is heavily reliant on two main sources of funding, membership subscriptions and profit from TTL's commercial operations.

As a membership-based institution, it is imperative that we maintain our membership income streams and levels of membership engagement. We have a number of programmes for engaging with universities, sixth forms, and employers which have been hugely successful, and we are in a strong position as membership numbers have grown steadily over the last eight years.

Whilst the institution's IT services have been shown to be resilient in recent years, there is always a risk that key IT infrastructure fails or that we fail to deliver a strategic IT solution that meets the needs of our members, clients, or staff. As a membership organisation, we are particularly sensitive to the requirements of data protection legislation and the need to protect our systems. We continually review our systems, receiving assistance from specialist third parties where necessary, to ensure we are well placed to protect the data we hold.

The role played by our members, who so generously volunteer their time to serve the institution, cannot be overestimated. Their expertise is vital to enable us to deliver across a number of charitable activities, including:

- The professional review process by which individuals are assessed for qualification to membership
- Acting as STEM (science, technology, engineering, and mathematics) ambassadors to schools
- Committees
- Knowledge and insights

We have various programmes in place to engage, attract and support members volunteering in the above areas. We have appointed a firm of accountants to deliver an internal audit function to provide additional assurance starting in 2024.

While accepting that absolute assurance cannot be achieved, the Trustees are satisfied overall that the major risks have been reviewed and systems or procedures have been established to manage those risks.

Pay policy for senior staff

Members of the Trustee Board and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 11 and 12 to the accounts.

The remuneration of senior management at director level and above is reviewed and approved annually by the ICE Group Remuneration Committee. This committee is chaired by a recent past president. The committee ensures arrangements are affordable and fair, and designed to motivate and reward performance in the interest of the ICE Group. Remuneration is benchmarked periodically using external surveys and data which include both commercial and not-for-profit organisations.

Related parties and connected organisations

The ICE has two wholly owned subsidiary undertakings: Thomas Telford Limited, a company registered in England and Wales which operates on a commercial basis and donates its profits to the ICE, and The Institution of Civil Engineers (Hong Kong) Limited, a company registered in Hong Kong.

The institution is also an equal guarantor to Structural-Safety Limited (SSL), a company registered in England and Wales, with IStructE.

The ICE works with a number of charitable organisations in pursuit of its charitable objectives, including 14 Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering.

The institution also works closely with the ICE Benevolent Fund, a charity registered in England and Wales, who provide benevolent services to ICE members and staff.

Public benefit statement

The ICE achieves its public benefit purpose by encouraging the next generation of engineers, disseminating and exchanging technical knowledge, enhancing capability, professionalism and innovation, together with an improved understanding of how civil engineering can provide solutions to meet society's needs.

The Trustee Board confirms it has complied with the duty outlined in Part 2 of the Charities Act 2011 to have regard to guidance on public benefit published by the Charity Commission when exercising any powers or duties to which the guidance is relevant.

Fundraising

Section 162a of the Charities Act 2011 requires charities of a certain size to make a statement regarding fundraising activities in their Annual Report. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes".

The institution's fundraising activities focus on generating income to support civil engineering scholarships through the QUEST fund, and research grants through the Research and Development Enabling fund. All solicitations are managed internally, without involvement of professional fundraisers or commercial participators. The day-to-day management of all income generation is delegated to the management team, who are accountable to the Trustee Board.

Fundraising income is presented in our accounts within income from donations and legacies and includes grants.

The ICE is registered with the UK Fundraising Regulator and complies with all the relevant standards set out in the Code of Fundraising Practice. We have received no complaints in relation to fundraising activities during the year.

Professional conduct matters

Members of the ICE must demonstrate that they work to the highest possible standards. A Disciplinary Board exists to hold members who do not meet these standards to account. The Professional Conduct Panel (PCP) considers complaints against ICE members, and the Disciplinary Board adjudicates on cases referred to it by the PCP. The Disciplinary Board has powers to make orders against members found guilty of improper conduct, which in the most serious cases may be expulsion from ICE membership.

In 2024, the PCP considered 22 complaints against members regarding their professional conduct. In six cases the panel determined that there was no case to answer and the complaint was dismissed. In four cases, the panel issued advice to the member, but did not take the view that a referral to the Disciplinary Board was merited. Seven cases have been carried forward to 2025.

Seven new referrals to the Disciplinary Board were made and five are due to be heard in 2025, including one case concerning a non-member.

The Disciplinary Board heard 10 cases in 2024. In three cases the allegations were dismissed, and the matter was concluded. Four cases resulted in an admonishment of the member, one member was reprimanded, and two members were referred back to the Professional Conduct Panel.

Appeals

No appeals were lodged in 2024.

Reservoir safety - Reservoirs Committee

During 2024, the ICE Reservoirs Committee dealt with 44 applications from civil engineers seeking appointment or reappointment to panels of engineers under the relevant United Kingdom legislation for the construction, inspection and supervision of large, raised reservoirs. The committee found that 38 of the applicants qualified for appointment and six were not qualified.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Charity and of the income and application of resources, including the income and expenditure, of the Group and Charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Provision of information to the auditor

Each of the persons who are Trustees at the time when the Trustees' Report is approved has confirmed that:

- so far as the Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

On 18 November 2024 the Charity's auditor changed its name from haysmacintyre LLP to HaysMac LLP.

Signed on behalf of the Trustee Board:



Prof. Jim Hall
ICE President 2024/25

Independent auditor's report to the Trustees of the Institution of Civil Engineers

Opinion

We have audited the financial statements of the Institution of Civil Engineers for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Charity 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 2024 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and President's Foreword. 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 Statement of Trustees' Responsibilities set out on page 52, 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), and determined that the principal risks were related to income recognition. 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;
- 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;
- Challenging assumptions and judgements made by management in their critical accounting estimates, in particular the valuation of heritage and intangible assets and stock provisions; and
- 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: **28/04/2025**

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

Financial statements



Consolidated Statement of Financial Activities

For the year ended 31 December 2024

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Income from:									
Donations and legacies	1	2	580	–	582	22	562	–	584
Charitable activities									
Membership and qualification	2	18,865	18	–	18,883	17,863	22	–	17,885
Knowledge		396	–	–	396	487	–	–	487
Policy and public affairs		–	248	–	248	–	161	–	161
Other trading activities	3	21,474	–	–	21,474	22,099	–	–	22,099
Investments	4	850	151	–	1,001	863	110	–	973
Joint venture	16	–	–	–	–	42	–	–	42
Other	5	466	–	–	466	481	–	–	481
Total		42,053	997	–	43,050	41,857	855	–	42,712
Expenditure on:									
Raising funds									
Trading activities	6	15,330	–	–	15,330	14,583	–	–	14,583
Investment managers fees	6	107	23	–	130	111	23	–	134
Joint venture	6,16	26	–	–	26	–	–	–	–
Charitable activities									
Membership and qualification	6	14,507	–	–	14,507	11,534	–	–	11,534
Knowledge	6	5,740	–	–	5,740	5,579	–	–	5,579
Policy and public affairs	6	3,452	150	–	3,602	2,899	147	–	3,046
Regional activities	6	6,373	–	–	6,373	5,442	–	–	5,442
Grants and scholarships	6	9	834	–	843	1	748	–	749
Total expenditure		45,544	1,007	–	46,551	40,149	918	–	41,067
Net gains on investments		693	110	38	841	853	143	49	1,045
Gain on disposal of publishing assets		–	–	–	–	5,283	–	–	5,283
Net (expenditure) income		(2,798)	100	38	(2,660)	7,844	80	49	7,973
Transfers between funds		–	–	–	–	–	–	–	–
Other recognised gains									
Actuarial gains (losses) on defined benefit pension scheme	24	354	–	–	354	(180)	–	–	(180)
Gain on revaluation of heritage assets	15	410	–	–	410	–	–	–	–
Net movement in funds		(2,034)	100	38	(1,896)	7,664	80	49	7,793
Reconciliation of funds:									
Total funds brought forward		72,344	5,394	1,150	78,888	64,680	5,314	1,101	71,095
Total funds carried forward		70,310	5,494	1,188	76,992	72,344	5,394	1,150	78,888

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 61 to 91 form an integral part of these financial statements.

Charity Statement of Financial Activities

For the year ended 31 December 2024

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Income from:									
Donations and legacies	1	5,132	580	–	5,712	11,048	562	–	11,610
Charitable activities									
Membership and qualification	2	18,865	18	–	18,883	17,863	22	–	17,885
Knowledge		396	–	–	396	487	–	–	487
Policy and public affairs		–	248	–	248	–	161	–	161
Other trading activities	3	1,935	–	–	1,935	2,489	–	–	2,489
Investments	4	732	151	–	883	855	110	–	965
Joint venture	16	–	–	–	–	42	–	–	42
Other	5	466	–	–	466	481	–	–	481
Total		27,526	997	–	28,523	33,265	855	–	34,120
Expenditure on:									
Raising funds									
Trading activities	6	1,289	–	–	1,289	1,136	–	–	1,136
Investment managers fees	6	107	23	–	130	111	23	–	134
Joint venture	6, 16	26	–	–	26	–	–	–	–
Charitable activities									
Membership and qualification	6	14,512	–	–	14,512	11,538	–	–	11,538
Knowledge	6	5,740	–	–	5,740	5,579	–	–	5,579
Policy and public affairs	6	3,452	150	–	3,602	2,899	147	–	3,046
Regional activities	6	5,955	–	–	5,955	5,044	–	–	5,044
Grants and scholarships	6	9	834	–	843	1	748	–	749
Total expenditure		31,090	1,007	–	32,097	26,308	918	–	27,226
Net gains on investments		693	110	38	841	853	143	49	1,045
Net (expenditure) income		(2,871)	100	38	(2,733)	7,810	80	49	7,939
Transfers between funds		–	–	–	–	–	–	–	–
Other recognised gains									
Actuarial gains (losses) on defined benefit pension scheme	24	354	–	–	354	(180)	–	–	(180)
Gain on revaluation of heritage assets	15	410	–	–	410	–	–	–	–
Net movement in funds		(2,107)	100	38	(1,969)	7,630	80	49	7,759
Reconciliation of funds:									
Total funds brought forward		71,905	5,394	1,150	78,449	64,275	5,314	1,101	70,690
Total funds carried forward		69,798	5,494	1,188	76,480	71,905	5,394	1,150	78,449

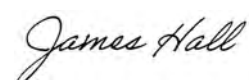
All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 61 to 91 form an integral part of these financial statements.

Balance Sheets at 31 December 2024

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Fixed assets					
Intangible assets	13	6,145	4,311	5,143	3,659
Tangible assets	14	27,993	26,588	27,867	26,437
Heritage assets	15	13,548	13,136	13,548	13,136
Investments	16	22,188	31,724	22,489	32,025
		69,874	75,759	69,047	75,257
Current assets					
Stocks	17	77	137	–	–
Debtors	18	5,162	6,831	8,528	6,121
Cash at bank and in hand		17,209	8,627	8,687	4,828
		22,448	15,595	17,215	10,949
Creditors: amounts falling due within one year	19	(14,590)	(11,834)	(9,782)	(7,757)
Net current assets		7,858	3,761	7,433	3,192
Creditors: amounts falling due after one year	20	(740)	(632)	–	–
Total net assets before pension scheme asset		76,992	78,888	76,480	78,449
Defined benefit pension scheme asset	24	–	–	–	–
Total net assets		76,992	78,888	76,480	78,449
Funds					
Endowment funds	26	1,188	1,150	1,188	1,150
Restricted funds	27	5,494	5,394	5,494	5,394
Unrestricted income funds	28	64,208	66,652	63,696	66,213
Revaluation reserve	28	6,102	5,692	6,102	5,692
Total funds		76,992	78,888	76,480	78,449

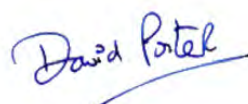
The financial statements were approved by the trustees on 18 March 2025 and signed on their behalf by:



James Hall
President



Janet Young
Director general and secretary



David Porter
Senior Vice President

The accounting policies and notes on pages 61 to 91 form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	2024 £'000	2023 £'000
Cash flows from operating activities		
Net income for the year (as per the statement of financial activities)	(2,660)	7,973
Adjusted for:		
Investment income	(1,001)	(973)
Joint venture loss (income)	26	(42)
Net investment gains	(841)	(1,045)
Depreciation	1,169	1,067
Amortisation	204	293
Loss on disposal of tangible fixed assets	24	14
Gain on disposal of publishing assets	–	(5,283)
Donated heritage assets	(2)	(2)
Net interest on defined benefit pension scheme	(466)	(481)
Defined benefit pension scheme administration expenses	820	301
Decrease in stocks	60	197
Decrease (increase) in debtors	1,669	(802)
Increase (decrease) in creditors	2,298	(113)
Net cash provided by operating activities	1,300	1,104
Cash flows from investing activities		
Investment income	1,001	973
Proceeds from the sale of investments	13,610	17,097
Purchase of investments	(3,341)	(26,853)
Purchase of tangible fixed assets	(2,473)	(291)
Purchase of intangible fixed assets	(1,597)	(705)
Net proceeds from the sale of publishing assets	–	5,283
Net cash used in investing activities	7,200	(4,496)
Change in cash and cash equivalents in the reporting period	8,500	(3,392)
Cash and cash equivalents at 1 January	8,881	12,273
Cash and cash equivalents at 31 December	17,381	8,881

	At 1 January 2024 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 December 2024 £'000
Analysis of changes in net debt				
Cash and cash equivalents				
Cash in hand	2,204	632	–	2,836
Short term deposits	6,423	7,950	–	14,373
Cash held by investment manager for reinvestment	254	(82)	–	172
	8,881	8,500	–	17,381

The accounting policies and notes on pages 61 to 91 form an integral part of these financial statements.

Principal accounting policies

For the year ended 31 December 2024

The principal accounting policies adopted by the Charity and Group are set out below.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The statements have been prepared under the historical cost convention as modified by the revaluation of investments at market value.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Basis of consolidation

The consolidated financial statements incorporate the results of The Institution of Civil Engineers ('the Charity') and its subsidiary undertakings, Thomas Telford Limited (TTL) and The Institution of Civil Engineers (Hong Kong) Limited, on a line-by-line basis, after the elimination of intra-group transactions.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no statement of cash flows is presented for the Charity; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent Charity as their remuneration is included in the totals for the Group as a whole.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees have considered the key risks and uncertainties facing the Charity and regularly review budgets and forecasts, including cash flows, and other key performance indicators. Budgets and forecasts consider the mitigating actions the Charity can deploy and consider immediate liquidity and longer-term solvency, together with the impact on reserves.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

With regard to the next accounting period, the year ending 31 December 2025, the most significant areas that are likely to affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets.

Fund accounting

Unrestricted funds are reserves which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for specific purposes. In accordance with FRS 102 – Retirement Benefits, a pension reserve is included within unrestricted funds representing the value of the defined benefit pension scheme asset as recognised in the accounts.

Principal accounting policies

For the year ended 31 December 2024

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted reserves are funds which are allocated by the donor for specific purposes.

Endowment funds are assets which must be held permanently by the Charity but income arising from the assets may be expended.

A description of the funds in existence during the year is included in notes 26 to 28 of the accounts.

Income

Income is recognised in the period in which entitlement is established, when economic benefit is probable, and the value can be measured reliably.

Donations

Income from donations is included when the conditions for receipt have been met and there is a probable assurance of receipt. When donors specify that donations are for a particular restricted purpose which do not amount to preconditions regarding entitlement, this income is included in income of restricted funds when receivable.

Legacies

Recognition of legacy income is dependent on the type of legacy. Pecuniary legacies are recognised when notification is received, and probate is granted. Residuary legacies are recognised when entitlement is established, and the value can be measured reliably, which is typically on grant of probate.

Member subscriptions

Income from member subscriptions is allocated to the year to which it relates, with payments received in advance held as deferred income.

Investment income and interest

Investment income and interest are recognised when receivable.

Trading activities

Turnover arises 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. It excludes value added tax and trade discounts. Income from journal subscriptions and event bookings is allocated to the year to which it relates, with payments received in advance held as deferred income.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is allocated on the bases indicated below.

Cost of raising funds

Cost of raising funds comprises the costs of fundraising activities, commercial trading activities and investment management fees. Expenditure on other trading activities includes all the costs of Thomas Telford Limited, including the costs of goods sold.

Charitable activities

Expenditure on charitable activities is reflected in these accounts under five main headings:

- Membership and qualification
- Knowledge
- Policy and public affairs
- Regional activities
- Grants and scholarships

Principal accounting policies

For the year ended 31 December 2024

Expenditure on charitable activities includes direct costs and support costs. Support costs include property costs, HR, finance, IT, and other administrative and governance costs associated with supporting the charitable activities. They have been allocated to the cost of charitable activities on a basis consistent with the use of resources using appropriate measures such as headcount and floor area. The basis of the cost allocation has been explained in the note 8 to the accounts.

Grants payable

Grants payable, including scholarships, are 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.

Retirement benefits

Defined contribution pension plan

Employer contributions to defined contribution pension plans are charged to the accounts on an accruals basis in the period in which they occur. Amounts not paid are shown in other creditors in the balance sheet.

Defined benefit pension plan

The Institution of Civil Engineers Staff Retirement Benefits & Life Assurance Scheme (the Scheme) is a defined benefit pension scheme that closed to future accrual in November 2010. Pension assets and liabilities are being accounted for under Section 28 of FRS 102. The trustees of the Scheme believe that the Scheme currently meets the minimum funding requirements. The assets of the Scheme are held completely independently from the Charity.

Administration expenses, together with the net interest for the year, are allocated to the relevant expenditure headings within the statement of financial activities. Actuarial gains and losses arising and the difference between the interest income on the Scheme assets and the actual return on the Scheme assets are recognised in other recognised gains and losses.

The net pension asset represents the present value of the defined benefit obligation minus the fair value of the plan assets out of which the obligations are to be settled. The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations. The net Scheme asset is recognised on the balance sheet to the extent that it is considered to be recoverable by the Charity.

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.

Taxation

The Institution of Civil Engineers is a registered charity and accordingly is exempt from taxation on its charitable activities which fall within the scope of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992. No tax liability, current or deferred, arose in respect of the Charity during the year.

Leases

Payments made under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

Principal accounting policies
For the year ended 31 December 2024

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Gains or losses on revaluation are credited or charged to the statement of financial activities. Investments in subsidiary companies are included at cost less any provision for impairment. Investments in non-charitable companies under a joint venture arrangement are included at fair value, which is the Group's and/or Charity's share of the net assets of the commercial company as at the balance sheet date.

Tangible fixed assets

Freehold properties are capitalised at historical cost. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. The values of the buildings are informally monitored by the trustees on a regular basis in order to identify any permanent diminution in value which, where applicable, is charged to the statement of financial activities. Depreciation is charged on freehold refurbishment costs to write off the cost over the anticipated economic life.

No depreciation is charged on the assets under construction until they are brought into service. The annual rates of depreciation used to write off the cost of tangible fixed assets in equal instalments over their expected useful lives are as follows:

Freehold property	2% per annum
Improvements to freehold property	2.5% to 10% per annum
Furniture, fixtures and equipment	5% to 20% per annum

Intangible assets

Software acquired from third parties is capitalised when it is probable that the expected future economic benefits that are attributable will flow to the Group and their costs can be reliably measured. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. Amortisation is charged to write off the cost over the anticipated economic life.

No amortisation is charged on the software until the asset is brought into service. The annual rate of depreciation used to write off the cost of intangible assets in equal instalments over their expected useful lives is 14% to 20% per annum.

Heritage assets

The institution holds a collection of heritage assets relating to the history of the institution itself and the wider history of civil engineering. The collection is in three main categories: printed works, pictures, and other artefacts. An overview of the collections is set out in Note 15. The institution holds and retains these assets as a long-term policy for use for its charitable purposes and does not intend to dispose of such assets.

The assets are held in the accounts at a valuation obtained for insurance purposes. All assets are included on the balance sheet, at the values shown in Note 15. Additions to the collections by purchase or donation are capitalised. Purchases are recorded at cost and donations are recorded at an appropriate current value, where available at the time of acquisition, until the time of the next periodic valuation, from which point they are held at valuation. The cost of obtaining an annual valuation outweighs the value of any resultant benefit. Trustees consider that this constitutes an appropriate and relevant basis for valuation.

Any changes in value of the heritage assets capitalised are charged or credited to the recognised gains and losses within the statement of financial activities. Such assets are not depreciated as they are deemed to have indeterminate lives. Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the statement of financial activities when it is incurred.

Principal accounting policies

For the year ended 31 December 2024

Stocks

Stocks are valued at the lower of cost and net realisable value. Provision is made for obsolete, slow-moving, or defective items where appropriate.

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 as detailed below:

Useful economic lives of tangible and intangible fixed 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.

Valuation of heritage assets

The valuation of heritage assets is based on estimates provided by external professional valuers based on their experience and judgement. Further detail on heritage assets is provided with the heritage assets accounting policy above and within note 15.

Defined benefit pension scheme asset

The determination of the assumptions used in calculating the defined benefit pension scheme asset is the responsibility of the Trustees. The assumptions are set with regard to advice given by the scheme actuary. 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 2022 has been used by the actuary in valuing the pension asset at 31 December 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset.

The scheme rules include instructions for dealing with any residual surplus in the scheme at the point of wind up and these make provision, in certain circumstances, for the return of a surplus to the Charity. Given there is a degree of uncertainty within the rules, significant accounting judgement is exercised in determining whether to recognise the pension scheme asset on the balance sheet, and, if applicable, in determining the value of the asset that is recognised.

The Trustees have reassessed the position of the scheme as at 31 December 2024, and have taken the decision to continue to derecognise the pension scheme asset on the basis that the amount of any residual surplus that may be returned to the Charity cannot be measured reliably. Further details of this are set out in note 24.

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 8.

Notes to the financial statements

For the year ended 31 December 2024

1. Income from donations and legacies

Group	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
R&D Enabling Fund	–	96	96	–	99	99
Quest	–	447	447	–	463	463
Other donations	2	–	2	2	–	2
Legacies	–	37	37	20	–	20
	2	580	582	22	562	584

Charity	Unrestricted Funds £'000	Restricted funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
R&D Enabling Fund	–	96	96	–	99	99
Quest	–	447	447	–	463	463
Other donations	2	–	2	2	–	2
Legacies	–	37	37	20	–	20
Gift aid donation from TTL	5,130	–	5,130	11,026	–	11,026
	5,132	580	5,712	11,048	562	11,610

2. Income from membership and qualification

Group and charity	2024 £'000	2023 £'000
Annual subscriptions	15,948	15,185
Professional development and admission	2,250	2,015
Other fees and service income	685	685
	18,883	17,885

All income from membership and qualification activities was unrestricted in both 2024 and 2023.

3. Income from trading activities

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Events and sponsorship	1,046	1,453	662	1,130
Rental income	444	383	1,118	1,225
Turnover generated by Thomas Telford Limited	19,746	20,043	–	–
Interest receivable	–	–	18	18
Other charges	238	220	137	116
	21,474	22,099	1,935	2,489

All income from trading activities was unrestricted in both 2024 and 2023.

Notes to the financial statements

For the year ended 31 December 2024

4. Income from investments

Group	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Dividends from investments	488	138	626	485	87	572
Interest income	362	13	375	378	23	401
	850	151	1,001	863	110	973

Charity	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Dividends from investments	488	138	626	485	87	572
Interest income	244	13	257	370	23	393
	732	151	883	855	110	965

5. Other income

Group and charity	Total 2024 £'000	Total 2023 £'000
Net interest on defined benefit pension scheme asset	466	481

All other income was unrestricted in both 2024 and 2023.

6. Expenditure

Group	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2024 £'000	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2023 £'000
Raising funds								
Trading activities	14,750	–	580	15,330	14,213	–	370	14,583
Investment managers fees	130	–	–	130	134	–	–	134
Joint venture	26	–	–	26	–	–	–	–
	14,906	–	580	15,486	14,347	–	370	14,717
Charitable activities								
Membership and qualification	6,239	–	8,268	14,507	5,473	–	6,061	11,534
Knowledge	2,744	–	2,996	5,740	3,121	–	2,458	5,579
Policy and public affairs	2,686	–	916	3,602	2,397	–	649	3,046
Regional activities	4,618	–	1,755	6,373	4,107	–	1,335	5,442
Grants and scholarships	83	760	–	843	72	677	–	749
	16,370	760	13,935	31,065	15,170	677	10,503	26,350
	31,276	760	14,515	46,551	29,517	677	10,873	41,067

Notes to the financial statements

For the year ended 31 December 2024

Charity	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2024 £'000	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2023 £'000
Raising funds								
Trading activities	709	–	580	1,289	766	–	370	1,136
Investment managers fees	130	–	–	130	134	–	–	134
Joint Venture	26	–	–	26	–	–	–	–
	865	–	580	1,445	900	–	370	1,270
Charitable activities								
Membership and qualification	6,244	–	8,268	14,512	5,478	–	6,060	11,538
Knowledge	2,744	–	2,996	5,740	3,120	–	2,459	5,579
Policy and public affairs	2,686	–	916	3,602	2,397	–	649	3,046
Regional activities	4,200	–	1,755	5,955	3,709	–	1,335	5,044
Grants and scholarships	83	760	–	843	72	677	–	749
	15,957	760	13,935	30,652	14,776	677	10,503	25,956
	16,822	760	14,515	32,097	15,676	677	10,873	27,226

7. Awards & grants

Group and charity	2024 £'000	2023 £'000
Research and Development grants	184	167
Into Civil Engineering scholarships	28	32
Queen's Jubilee Scholarship Trust	504	460
Trust Fund awards and prizes	44	18
	760	677

The number of individuals and organisations who received awards, prizes and scholarships is as follows:

Group and charity	2024 No	2023 No
Research and Development grants – organisations	7	6
Into Civil Engineering scholarships – individuals	5	7
Queen's Jubilee Scholarship Trust – individuals	365	351
Trust Fund awards and prizes - individuals	78	76
	455	440

Notes to the financial statements

For the year ended 31 December 2024

Grants made to organisations from the Research and Development Enabling Fund are as follows:

Organisation	Purpose	2024 £'000	2023 £'000
Air Aware Labs Ltd	Options appraisal for improving Air Quality in the Harlesden Air Quality Focus Area.	13	–
City University of Hong Kong	Research in the bamboo bridge infrastructure, with its cost, structural and social characteristics.	6	–
Imperial College London	Glass and polymer separation from recycled powders of waste wind blades for making low-carbon concrete.	25	–
Imperial College London	First sustainable and resilient high-strength permeable pavement towards a net-zero future.	–	35
Imperial College London	Next generation of tall buildings with large-own mass dampers for efficient and resilient design.	–	19
Newcastle University	Natural Flood Management: Intervention Monitoring and Modelling.	25	–
Newcastle University	Quantifying the Underestimation of Rainfall by Rain Gauge Networks: Significance, Implications & Recommendations.	12	–
Strathclyde University	Concrete dams and sea walls assessment using two new Geophysical monitoring systems.	–	3
Sustrans	The Impact of colourful surfaces at informal road crossings for Vulnerable Users.	50	–
Ulster University	Circular Economy-friendly concretes using municipal waste, calcined clays and graphene for Floating Offshore Wind applications.	35	–
University of Leeds	Concrete mix design for improved thermal conductivity in thermal energy piles.	–	25
University of Sheffield	The Design and Construction of a Hole Erosion Test (HET) apparatus for UK soils.	–	35
Useful Simple Group	Reclaimed steel for bridge design.	25	–
Useful Simple Group	Embodied biodiversity: impact of production, supply and end of life of construction materials.	–	–
Useful Simple Group	Insights into the carbon impacts of enabling infrastructure in large-scale development and regeneration projects.	–	25
Liverpool John Moores University	Durability analysis of a cement free breakwaters developed using waste based geopolymers and recycled aggregate - an approach to decarbonise shore protection globally (incomplete project).	(7)	–
		184	167

Notes to the financial statements

For the year ended 31 December 2024

8. Support costs

Group and charity	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2024 £'000	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2023 £'000
Membership and qualification	3,305	2,049	2,914	8,268	1,874	1,810	2,377	6,061
Knowledge	1,197	743	1,056	2,996	760	734	964	2,458
Policy and public affairs	365	227	323	915	201	194	254	649
Regional activities	169	744	843	1,756	69	630	636	1,335
	5,036	3,763	5,136	13,935	2,904	3,368	4,231	10,503
Trading activities	232	144	204	580	114	111	145	370
	5,268	3,907	5,340	14,515	3,018	3,479	4,376	10,873

The methods used to apportion overheads are as follows:

Charity management costs		2024 £'000	2023 £'000
Finance	Headcount	1,406	1,236
DB Pension Scheme expenses	Headcount	843	482
Human Resources	Headcount	969	674
Governance	Headcount	1,008	961
Depreciation and repairs	Estimated usage	1,114	1,023
		5,340	4,376
Premises costs	Headcount	5,268	3,018
IT costs	Headcount	3,907	3,479
		14,515	10,873

9. Net income

This is stated after charging:

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Depreciation of tangible fixed assets	1,169	1,067	1,104	995
Amortisation of intangible assets	204	293	20	56
Loss on disposal of tangible fixed assets	24	14	24	15
Auditors' remuneration				
Audit services	42	40	25	24
Non-audit services	50	28	4	2
Investment management fees	130	134	130	134
Amounts payable under operating leases				
Equipment	14	17	12	15
Property	209	204	141	136

Notes to the financial statements

For the year ended 31 December 2024

10. Staff costs

	Group 2024 £'000	Group 2023 £'000
Wages and salaries	19,237	17,527
Social security costs	2,008	1,770
Pension costs	2,029	1,373
Temporary staff	924	813
	24,198	21,483

Included in wages and salaries above is an amount of £88k (2023: £101k) paid out as redundancy payments and an amount of £108k paid out as termination payments (2023: £84k).

The average number of employees of the Group during the year was as follows:

	Headcount 2024 No	Headcount 2023 No	FTE 2024 No	FTE 2023 No
Charitable activities	186	183	175	171
Trading activities	100	100	99	99
Governance and support	69	65	67	63
	355	348	341	333

The number of employees whose emoluments, including taxable benefits in kind and bonuses paid, but excluding pension costs and accrued bonuses, exceeded £60,000, were within the following bands:

	Group 2024 No	Group 2023 No	Charity 2024 No	Charity 2023 No
£60,000 - £69,999	22	24	14	18
£70,000 - £79,999	24	18	20	13
£80,000 - £89,999	10	8	7	6
£90,000 - £99,999	8	5	6	5
£100,000 - £109,999	3	6	2	4
£110,000 - £119,999	1	2	–	–
£120,000 - £129,999	2	3	1	1
£130,000 - £139,999	2	2	1	1
£140,000 - £149,999	2	2	1	1
£150,000 - £159,999	3	–	–	–
£160,000 - £169,999	1	–	1	–
£170,000 - £179,999	–	2	–	1
£180,000 - £189,999	1	1	–	–
£190,000 - £199,999	2	–	–	–
£200,000 - £209,999	1	2	1	1
£210,000 - £219,999	–	–	–	–
£220,000 - £229,999	–	1	–	–
£230,000 - £239,999	1	–	–	–
£240,000 - £249,999	–	–	–	–
£250,000 - £259,999	1	–	1	–

For the Group, 11 employees (2023: 14) and for Charity seven employees (2023: nine) were deferred members of the defined benefit scheme, for those in the bandings above £60k.

Notes to the financial statements

For the year ended 31 December 2024

For the Group, pension payments to the defined contribution scheme for those in bandings above £60k totalled £548k (2023: £551k). For the Charity, pension payments to the defined contribution scheme for those in bandings above £60k totalled £382k (2023: £333k).

The ICE considers the key management personnel of the Group to comprise the members of the Trustee Board, together with the director general and secretary and other members of the senior leadership team who routinely attend Trustee Board meetings. Key management personnel received remuneration and benefits during the year as summarised below:

	Group 2024 £'000	Group 2023 £'000
Wages and salaries	1,439	1,554
Social security costs	165	180
Pension costs	122	114
Benefits in kind	13	13
	1,739	1,861

11. Trustee remuneration and reimbursement

During the year travelling and subsistence expenses totalling £72,367 were incurred by 13 Trustees on behalf of the institution (2023: £106,074 by 13 Trustees). With the exception of the benefits listed below, none of the Trustees (2023: £nil) received any remuneration in respect of the services provided as a trustee, or any other volunteer role with the institution.

It is a longstanding ICE policy to pay for the expenses for all Trustees when acting in an official ICE capacity, these costs are budgeted for well ahead of time. For the President this includes covering the expenses of a partner to accompany them on trips and international visits. For tax purposes the amounts paid for the person accompanying the President are considered to be a benefit in kind. The President who was a trustee of the institution until 5 November 2024 received a benefit in kind of £31,305 (2023: £3,594) relating to travel costs paid by the ICE for a partner accompanying them on overseas presidential tours and other ICE events. The current President, who is a trustee of the institution, received a benefit in kind of £223 (2023: £nil) relating to travel costs paid by the ICE for family members to attend the Presidential Address in November 2024.

Directors' and Officers' Liability insurance has been purchased by the Group at a cost of £4k (2023: £4k).

Notes to the financial statements

For the year ended 31 December 2024

12. Related parties

In addition to the transactions below, Trustees use facilities of the Group on the same terms as other members or external customers. This includes access to events, and the purchase of goods or services from the institution's trading subsidiary, Thomas Telford Limited. For the year ended 31 December 2024 and the year ended 31 December 2023 all such transactions with related parties are considered within the normal scope of transactions.

The following payments, which have been made in accordance with Charity Commission guidance (CC11), have been made to Trustees or parties related to them in respect of services to ICE. There were no related party transactions in which the individual had direct influence over.

Lewis Barlow is a trustee of the institution who has provided tutoring and course development services to ICE Training, a division of TTL, a wholly owned subsidiary of the institution. In 2024, TTL was charged £10,660 (2023: £15,701) by Mr Barlow for these services. At 31 December 2024, the amount payable to Mr Barlow by TTL was £705 (2023: £nil).

Liz Waugh is a trustee of the institution and a director of Coast Communications & Marketing Limited. During the year the institution made a payment of £nil (2023: £65) to Coast Communications & Marketing Limited for costs incurred on the institution's behalf related to the renewal of internet domain names. The expenses incurred were recharged to the institution at cost.

The Trustees donated in aggregate £102 (2023: £87) to the Charity during the year. Of these amounts, £70 (2023: £60) was donated towards the Queen's Jubilee Scholarship Trust fund and £32 (2023: £27) was donated towards the Research and Development Enabling Fund.

13. Intangible assets

Group	Total 2024 £'000
Cost	
At 1 January 2024	7,997
Additions	2,038
Disposals	(293)
At 31 December 2024	9,742
Amortisation	
At 1 January 2024	3,686
Charge for the year	204
On disposals	(293)
At 31 December 2024	3,597
Net book value at 31 December 2024	6,145
Net book value at 31 December 2023	4,311

All intangible assets relate to computer software and licensed products.

Notes to the financial statements

For the year ended 31 December 2024

	Total 2024 £'000
Charity	
Cost	
At 1 January 2024	5,958
Additions	1,504
Disposals	(293)
At 31 December 2024	7,169
Amortisation	
At 1 January 2024	2,299
Charge for the year	20
On disposals	(293)
At 31 December 2024	2,026
Net book value at 31 December 2024	5,143
Net book value at 31 December 2023	3,659

14. Tangible fixed assets

Group	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2024 £'000
Cost/valuation			
At 1 January 2024	38,052	5,676	43,728
Additions	1,286	1,311	2,597
Disposals	(827)	(717)	(1,544)
At 31 December 2024	38,511	6,270	44,781
Depreciation			
At 1 January 2024	13,158	3,982	17,140
Charge for the year	762	407	1,169
On disposals	(826)	(695)	(1,521)
At 31 December 2024	13,094	3,694	16,788
Net book value at 31 December 2024	25,417	2,576	27,993
Net book value at 31 December 2023	24,894	1,694	26,588

All Group assets are used in support of charitable or trading activities. Freehold property includes two assets. The institution's headquarters, One Great George Street, and 8 Storey's Gate. There is no reasonable likelihood that either property will be considered for sale in the foreseeable future.

The Trustees consider that the market values of the respective properties are not less than the carrying values included above.

Notes to the financial statements

For the year ended 31 December 2024

Charity	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2024 £'000
Cost/valuation			
At 1 January 2024	38,052	4,888	42,940
Additions	1,286	1,272	2,558
Disposals	(827)	(699)	(1,526)
At 31 December 2024	38,511	5,461	43,972
Depreciation			
At 1 January 2024	13,158	3,345	16,503
Charge for the year	762	342	1,104
On disposals	(826)	(676)	(1,502)
At 31 December 2024	13,094	3,011	16,105
Net book value at 31 December 2024	25,417	2,450	27,867
Net book value at 31 December 2023	24,894	1,543	26,437

15. Heritage assets

Group and charity	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Valuation at 1 January	13,136	13,134	15,241	15,240	15,204
Donations	2	2	2	1	4
Revaluation	410	–	(2,109)	–	32
Valuation at 31 December	13,548	13,136	13,134	15,241	15,240
Printed works	7,357	6,947	6,947	6,947	6,947
Pictures and other artefacts	6,191	6,189	6,187	8,294	8,293
	13,548	13,136	13,134	15,241	15,240

The printed works were revalued in the year ended 31 December 2024 and the pictures and other artefacts were last revalued in the year ended 31 December 2022. The Trustees consider there to be no material impairment on the present market values/replacement values compared to those stated. Other than those movements shown above, there have been no other additions or disposals.

Notes to the financial statements

For the year ended 31 December 2024

Description of the collection

The institution holds a collection of heritage assets relating to the history of the institution itself and the wider history of civil engineering. The collection is in three main categories:

- Printed works: the library contains over 140,000 titles. In addition, the collection includes manuscripts, original drawings, engravings and photographs of or by eminent civil engineers. This collection was designated as being of 'national significance' by the MLA (now Arts Council England) in 2009.
- Pictures: the institution displays a collection of over 250 paintings, including engineering portraits and those of other engineering related subjects.
- Other artefacts: this collection of approximately 200 items includes fine furniture, decorative art, and silver, mostly donated by distinguished past members, and with a civil engineering association. We also act as custodians for the Smeatonian Society of Civil Engineers' small collection.

The collection is accessible to the public on request with most of the pictures on display throughout the building.

Preservation and management

Those assets stored in the institution's archive or in display cabinets comply with BS 5454, "Recommendations for the storage and exhibition of archival documents". Among other things, it specifies temperature and humidity ranges for document storage, shelving schemes, and materials for document containers. The archive is protected by a gas fire suppression system.

Collections are managed and recorded in discrete databases and to the prevailing standard (UDC system for cataloguing of books and ISAD for the archive items).

16. Fixed asset investments

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Listed investments	22,126	31,636	22,126	31,636
Investments in subsidiaries	–	–	301	301
Joint venture	62	88	62	88
	22,188	31,724	22,489	32,025

Listed investments

Group and charity	2024 £'000	2023 £'000
Listed investments		
Market value at 1 January	31,382	20,581
Acquisitions at cost	3,341	26,853
Disposals at book value (proceeds: £13,610k, realised gains: £110k)	(13,500)	(16,959)
Net unrealised investment gains (losses)	731	907
Market value at 31 December	21,954	31,382
Cash held by investment managers for reinvestment	172	254
	22,126	31,636
Historical cost at 31 December	21,400	31,969
Cumulative unrealised investment losses	554	(587)

Notes to the financial statements

For the year ended 31 December 2024

An analysis of the market value of quoted investments at 31 December 2024 is as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000
Mutual Funds	675	76	128	879
Exchange Traded Funds	16,211	1,818	3,046	21,075
Cash	95	11	66	172
	16,981	1,905	3,240	22,126

An analysis of the market value of quoted investments at 31 December 2023 is as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Mutual Funds	16,021	3,136	1,080	20,237
UK Government Bonds	10,018	–	–	10,018
Exchange Traded Funds	893	174	60	1,127
Cash	203	41	10	254
	27,135	3,351	1,150	31,636

Investments in subsidiaries

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Investments at cost	–	–	1	1
Long term loans	–	–	300	300
	–	–	301	301

Thomas Telford Limited

Thomas Telford Limited (TTL), a company incorporated in England and Wales (company registration number 02556636), is a wholly owned trading subsidiary of the Charity whose net profits are donated to the Charity under a Deed of Covenant. The principal activities of TTL are the publication of learned society books and quality journals, the organisation of courses, provision of contracts and ancillary services, provision of meeting facilities and ancillary services, and the operation of a job board.

At 31 December 2024 the Charity owned the entire issued share capital of 502 ordinary shares of £1 each in TTL. A summary of the results and the financial position of the company at 31 December 2024 is shown below.

Summary statement of income:	2024 £'000	2023 £'000
Turnover	21,984	22,126
Cost of sales	(3,939)	(4,277)
Gross profit	18,045	17,849
Administration expenses	(13,018)	(12,127)
Operating profit	5,027	5,722
Gain on disposal of publishing assets	–	5,283
Interest receivable	121	39
Interest payable	(18)	(18)
Net result	5,130	11,026
Gift Aid distribution to the charity	(5,130)	(11,026)
Profit for the year	–	–

Notes to the financial statements

For the year ended 31 December 2024

Summary statement of financial position and retained earnings:	2024 £'000	2023 £'000
Fixed assets	1,119	795
Current assets	11,414	7,250
Current and non-current liabilities	(12,517)	(8,029)
Total net assets	16	16
Called up share capital	1	1
Retained earnings	15	15
	16	16

Included with non-current liabilities above is a long-term loan of £300k from the Charity to TTL. The loan is repayable on one year's notice and is secured by debenture over the assets of the subsidiary. The interest payable to the Charity is calculated quarterly at the daily bank rate ruling during the quarter or 6% whichever is greater.

[The Institution of Civil Engineers \(Hong Kong\) Limited](#)

At 31 December 2024 the Charity owned the entire share capital of two ordinary shares of HKD\$1 each in The Institution of Civil Engineers (Hong Kong) Limited. A summary of the results and the financial position of the company at 31 December 2024 is shown below.

Summary statement of income:	2024 £'000	2023 £'000
Income	1,158	1,058
Expenditure	(1,074)	(1,014)
Profit on ordinary activities before taxation	84	44
Income tax (charge) credit	(11)	(10)
Profit for the year	73	34

Summary statement of financial position and retained earnings:	2024 £'000	2023 £'000
Fixed assets	8	8
Current assets	518	427
Current liabilities	(29)	(11)
Total net assets	497	424
Retained earnings	497	424

Notes to the financial statements

For the year ended 31 December 2024

Joint venture

The investment in the joint venture represents the Charity's investment in Structural-Safety Limited (SSL), a company incorporated in England and Wales (company registration number 11750936) on 4 January 2019. SSL is a company limited by guarantee and it has two members, the Institution of Civil Engineers and the Institution of Structural Engineers (IStructE). In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

A summary of the results and the financial position of the company at 31 December 2024 is shown below.

Summary statement of income:	2024 £'000	2023 £'000
Income	548	592
Cost of sales	(406)	(317)
Gross profit	142	275
Other operating charges	(196)	(190)
(Loss) profit on ordinary activities before taxation	(54)	85
Income tax charge	–	–
(Loss) profit for the year after taxation	(54)	85

Summary statement of financial position and retained earnings:	2024 £'000	2023 £'000
Fixed assets	123	177
Current assets	283	278
Current liabilities	(283)	(278)
Total net assets	123	177

The total net assets are represented by retained net profits. The retained net profits are shared equally by the two partners. As such, the investment by the Charity as at 31 December 2024 comprises:

Group and charity	2024 £'000	2023 £'000
Investment at 1 January	88	46
Share of (losses) profits in the year	(26)	42
Investment at 31 December	62	88

Notes to the financial statements

For the year ended 31 December 2024

17. Stocks

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Raw materials and consumables	25	34	–	–
Finished goods and good for resale	52	103	–	–
	77	137	–	–

18. Debtors

Amounts falling due within one year	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Trade debtors	3,201	3,904	590	825
Amount owed by subsidiary undertakings	–	–	6,322	2,704
Other debtors	636	353	549	265
Prepayments and accrued income	1,325	2,574	1,067	2,327
	5,162	6,831	8,528	6,121

Included within the amount owed by subsidiary undertakings is a loan of £300k (2023: £300k) to Thomas Telford Limited. Interest is payable on the loan and is calculated quarterly at the bank base rates ruling during the quarter or 6%, whichever is the greater.

19. Creditors: amounts falling due within one year

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Trade creditors	2,305	1,133	1,465	643
Amount owed to subsidiary undertakings	–	–	341	291
Taxation and social security	530	705	529	704
Other creditors	921	557	737	551
Accruals	2,768	2,320	1,473	1,285
Deferred income	8,066	7,119	5,237	4,283
	14,590	11,834	9,782	7,757

Deferred Income	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Balance at 1 January	7,133	7,410	4,283	3,987
Amounts released from previous years	(6,728)	(7,410)	(4,283)	(3,987)
Resources deferred in the year	7,661	7,119	5,237	4,283
Balance at 31 December	8,066	7,119	5,237	4,283

Deferred income includes income from membership subscriptions, journal subscriptions, training, and catering and room hire received in advance.

Notes to the financial statements

For the year ended 31 December 2023

20. Creditors: amounts falling due after one year

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Deferred income	740	632	–	–

21. Operating lease commitments

Minimum lease payments under non-cancellable operating leases for photocopiers and office rental which expire:

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Land and buildings				
Within one year	98	148	78	80
Between one and two years	4	37	4	18
	102	185	82	98

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Equipment				
Within one year	14	12	12	12
Between one and two years	14	12	12	12
Between two and five years	24	32	20	32
	52	56	44	56

At 31 December 2024 the Group had total commitments under operating leases of £154k (2023: £241k).

22. Contingent liabilities

The Group and Charity had no contingent liabilities at 31 December 2024 or 31 December 2023.

Notes to the financial statements

For the year ended 31 December 2024

23. Capital commitments

At 31 December 2024 the Group and Charity had the following capital commitments in respect to the development of computer software:

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Contracted for, but not provided in the financial statements	339	–	339	508

At 31 December 2024 the Group and Charity had the following capital commitments in respect to the development of computer software:

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Contracted for, but not provided in the financial statements	1,208	508	701	508

24. Pension Schemes

Defined benefit pension schemes

The Charity operated one defined benefit pension scheme during the year, the Institution of Civil Engineers (ICE) Staff Retirement Benefits & Life Assurance Scheme (the Scheme). The Scheme previously closed to new members in February 2002 and to future service accrual in November 2010. The Charity did not make any contributions to the Scheme in the year ended 31 December 2024 (2023: £nil paid). Contributions to be paid to the Scheme during the annual period beginning after the reporting period are expected to be £nil.

The pension expense charged to the statement of financial activities makes no allowance for actuarial gains and losses during the year. Actuarial gains and losses are recognised separately in the statement of financial activities in the year in which they occur.

In June 2024 the Charity concluded a buy-in arrangement with Aviva which resulted in the Scheme's assets being transferred to Aviva. The transferred assets comprise insured annuities for the value of member benefits under FRS 102. At this point, Aviva assumed responsibility for making the payments due to the members of the Scheme, with the institution retaining the responsibility for the payment of all member benefits.

The Charity is working with Aviva and the Scheme members to agree a buy-out arrangement where the members will have a direct legal relationship with Aviva 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 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.

Notes to the financial statements

For the year ended 31 December 2024

Reconciliation of amounts charged (credited) to the statement of financial activities

	2024 £'000	2023 £'000
Net interest income	(466)	(481)
Administration expenses	820	301
Net amount charged (credited) to the statement of financial activities	354	(180)
Actuarial losses (gains) immediately recognised	6,958	(438)
Change in effect of net pension scheme asset ceiling	(7,312)	618
Actuarial (gains) losses charged to the statement of financial activities	(354)	180

Reconciliation of amounts charged (credited) to the statement of financial activities

	2024 £'000	2023 £'000
Amounts recognised in the balance sheet		
Present value of funded obligation	(26,747)	(29,937)
Fair value of plan assets	30,315	40,817
Derecognition of net pension scheme asset	(3,568)	(10,880)
	-	-
Change in benefit obligation		
Benefit obligation at 1 January	29,937	30,850
Interest cost	1,295	1,425
Benefits paid	(1,688)	(1,717)
Actuarial (gains) losses	(2,807)	942
Experience gains on liabilities	(212)	(367)
Changes to demographic assumptions	(1,688)	(1,196)
Benefit obligation at 31 December	26,747	29,937
Change in plan assets		
Fair value of plan assets at 1 January	40,817	41,112
Interest on assets	1,761	1,906
Actuarial losses	(9,755)	(183)
Administration expenses	(820)	(301)
Benefits paid	(1,688)	(1,717)
Fair value of plan assets at 31 December	30,315	40,817
Actual return on plan assets	(7,994)	1,723
Funded status and net amount not recognised	3,568	10,880

The most recent triennial actuarial valuation as at 31 December 2022 showed a surplus of £3,023k.

Notes to the financial statements

For the year ended 31 December 2024

Fund assets

The weighted average asset allocation at the year-end was as follows:

	2024 £'000	2023 £'000
Corporate bonds	–	53.8%
Liability-driven investment	–	35.1%
Cash	11.7%	11.0%
Insured assets	88.3%	–
	100.0%	100.0%

Principal actuarial assumptions

	2024	2023
Discount rate	5.45%	4.45%
Inflation (RPI)	3.50%	3.30%
Inflation (CPI)	2.80%	2.60%
Salary increases	n/a	3.60%
Pension increases (RPI capped at 5%)	3.20%	3.10%
Pension increases (RPI capped at 5% with 3% floor)	3.85%	3.75%
Commutation	20% of total pension	
Life expectancy at age 65 of male aged 45	22.4	22.4
Life expectancy at age 65 of male aged 65	21.4	21.1
Life expectancy at age 65 of female aged 45	25.7	25.6
Life expectancy at age 65 of female aged 65	24.3	24.2

Mortality assumptions used in 2024 and 2023 are based upon 108% of the S3PMA tables for male members and 99% of the S3PFA series tables for female members. Future improvements are assumed to be in line with the CMI projection model, assuming improvements have peaked. The long-term improvement is assumed to be 1.25% per annum (2023: 1.25% per annum), with a default smoothing parameter reflecting a decline at older ages, a 0.25% (2023: 0.25%) initial addition, and a weight parameter of 15% (2023: 25%).

Sensitivity of the value placed on the liabilities

The calculation of the defined benefit obligation is sensitive to the assumptions set out above. The table set out below shows the approximate impact on the value of the defined benefit obligation as at 31 December of a change in assumptions:

	2024 £'000	2023 £'000
Discount rate +1.00%	(2,887)	(3,262)
Discount rate -1.00%	3,507	3,994
Inflation +1.00%	1,965	2,219
Inflation -1.00%	(1,837)	(2,010)

Notes to the financial statements

For the year ended 31 December 2024

Projected profit and loss account for next period

	2025 £'000
Administration cost	820
Interest on liabilities	1,412
Interest on assets	(1,585)
Interest on effect of asset ceiling	194
Total charge to profit and loss	841

Five-year history

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Benefit obligation at 31 December	(26,747)	(29,937)	(30,850)	(47,315)	(49,778)
Fair value of plan assets at 31 December	30,315	40,817	41,112	59,970	58,270
Surplus for FRS 102 purposes	3,568	10,880	10,262	12,655	8,492
Derecognition of surplus	(3,568)	(10,880)	(10,262)	(12,655)	–
Net pension asset	–	–	–	–	8,492

Group personal pension

The GPP was introduced for employees on 1 October 2010 with members of the defined contribution scheme joining on this date and members of the defined benefit scheme joining on 1 December following closure to future accrual of that scheme. The pension cost for this scheme for 2024 was £1,183k (2023: £1,049k).

Notes to the financial statements

For the year ended 31 December 2024

25. Analysis of net assets between funds

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Fixed assets	–	47,686	–	–	47,686
Investments	15,382	2,113	3,505	1,188	22,188
Current assets	14,127	5,937	2,384	–	22,448
Creditors: amounts falling due within one year	(9,422)	(4,773)	(395)	–	(14,590)
Creditors: amounts falling due after one year	–	(740)	–	–	(740)
	20,087	50,223	5,494	1,188	76,992

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Fixed assets	–	46,558	–	–	46,558
Investments	15,683	2,113	3,505	1,188	22,489
Current assets	13,791	1,040	2,384	–	17,215
Creditors: amounts falling due within one year	(9,387)	–	(395)	–	(9,782)
	20,087	49,711	5,494	1,188	76,480

Comparative information for prior year:

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Fixed assets	–	44,035	–	–	44,035
Investments	19,596	7,626	3,352	1,150	31,724
Current assets	8,206	4,969	2,420	–	15,595
Creditors: amounts falling due within one year	(7,378)	(4,078)	(378)	–	(11,834)
Creditors: amounts falling due after one year	–	(632)	–	–	(632)
	20,424	51,920	5,394	1,150	78,888

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Fixed assets	–	43,232	–	–	43,232
Investments	19,897	7,626	3,352	1,150	32,025
Current assets	7,906	623	2,420	–	10,949
Creditors: amounts falling due within one year	(7,379)	–	(378)	–	(7,757)
	20,424	51,481	5,394	1,150	78,449

Notes to the financial statements

For the year ended 31 December 2024

26. Analysis of endowment funds

Group and charity	2024 £'000	2023 £'000
Opening balance at 1 January	1,150	1,101
Net investment (losses) gains	38	49
Closing balance at 31 December	1,188	1,150

Endowment funds comprise 41 separate Trust Funds created by trust deed at various times and their capital is permanent endowment. Prizes and awards for achievement in civil engineering are made from the investment income in accordance with the terms of each Trust Fund and accounted for within restricted funds.

27. Analysis of restricted funds

Group and charity	1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2024 £'000
Into Civil Engineering	59	1	(27)	–	–	33
Research and Development Enabling Fund	487	108	(184)	–	–	411
Innovation and Research Focus	24	–	–	–	–	24
Infrastructure Client Group	177	248	(150)	–	–	275
David Butler Education & Inspiration Fund	42	–	–	–	–	42
Queen's Jubilee Scholarship Trust	2,641	563	(590)	–	87	2,701
The Michael Neale Scholarship Fund	1,237	34	–	–	–	1,271
Trust Funds	727	43	(56)	–	23	737
	5,394	997	(1,007)	–	110	5,494

Into Civil Engineering

The purpose of the Into Civil Engineering fund is to award scholarships to young people living in Scotland studying civil engineering. The scheme is in the process of being wound up, and applications for new scholarships are no longer being accepted. Final payments to the last remaining scholars are expected to be made in late 2025.

Research and Development Enabling

The Research and Development Enabling fund was formed to support research and development by engineers and organisations outside the research field, to enable them to obtain funds from other sources.

Innovation and Research Focus

Contributions to Innovation and Research Focus had been obtained from various organisations and used to produce a quarterly research newsletter which is distributed to all corporate members. No activity took place in 2024, and there are plans to review the contingents in 2025.

Infrastructure Client Group

The Infrastructure Client Group (ICG) is a group made up of experts from a range of sectors which was formed to help support the implementation of the UK Government's Infrastructure Cost Review Report 2010. The ICE's support to this group was formalised during 2018. The fund represents monies received from members of the ICG as a contribution towards the activities coordinated by the institution.

Notes to the financial statements

For the year ended 31 December 2024

David Butler Education & Inspiration Fund

The David Butler Education & Inspiration Fund represents monies received to be used in developing interactive resources to extend the ICE's engagement with school children and young children, particularly in the 16-18 age range.

Queen's Jubilee Scholarship Trust

The purpose of the Queen's Jubilee Scholarship Trust (QUEST) is to award scholarships to civil engineering students, or travel awards to enable members to participate in voluntary work overseas or professional development grants to enable members in mid-career to acquire new skills or knowledge.

The Michael Neale Scholarship Fund

The Michael Neale Scholarship Fund relates to monies due to be received from the estate of the late Mrs Nora Neale, the wife of the also deceased Mr Michael Neale which are to be used to fund two scholarship/bursary programmes to promote and encourage qualified members of the institution to broaden their business skills, either through contributing to an MBA programme or through attendance at the ICE's Windsor Leadership programme.

Comparative information for prior year:

Group and charity	1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2023 £'000
Into Civil Engineering	89	2	(32)	–	–	59
Research and Development Enabling Fund	534	120	(167)	–	–	487
Innovation and Research Focus	24	–	–	–	–	24
Infrastructure Client Group	163	161	(147)	–	–	177
David Butler Education & Inspiration Fund	42	–	–	–	–	42
Queen's Jubilee Scholarship Trust	2,536	536	(543)	–	112	2,641
The Michael Neale Scholarship Fund	1,237	–	–	–	–	1,237
Trust Funds	689	36	(29)	–	31	727
	5,314	855	(918)	–	143	5,394

Notes to the financial statements

For the year ended 31 December 2024

28. Analysis of unrestricted funds

Group	1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2024 £'000
General fund	20,424	41,577	(40,505)	(2,087)	678	20,087
Designated funds						
Funds retained in subsidiaries	439	–	–	73	–	512
Funds retained in joint venture	88	–	(26)	–	–	62
Kenneth Watson Travel Award	438	10	(12)	–	15	451
Shaping the World	115	–	(115)	–	–	–
Fixed assets fund	37,540	–	(1,124)	4,040	–	40,456
Fixed asset commitments	508	–	–	532	–	1,040
Digital transformation fund	1,600	–	–	–	–	1,600
Estate maintenance fund	5,500	–	(2,942)	(2,558)	–	–
Revaluation reserve	5,692	–	–	–	410	6,102
Pension reserve	–	466	(820)	–	354	–
	72,344	42,053	(45,544)	–	1,457	70,310

Charity	1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2024 £'000
General fund	20,424	27,050	(26,051)	(2,014)	678	20,087
Designated funds						
Funds retained in joint venture	88	–	(26)	–	–	62
Kenneth Watson Travel Award	438	10	(12)	–	15	451
Shaping the World	115	–	(115)	–	–	–
Fixed assets fund	37,540	–	(1,124)	4,040	–	40,456
Fixed asset commitments	508	–	–	532	–	1,040
Digital transformation fund	1,600	–	–	–	–	1,600
Estate maintenance fund	5,500	–	(2,942)	(2,558)	–	–
Revaluation reserve	5,692	–	–	–	410	6,102
Pension reserve	–	466	(820)	–	354	–
	71,905	27,526	(31,090)	–	1,457	69,798

General fund

The general fund represents that element of the reserves of the Charity which have not been designated for any specific purpose.

Funds retained in subsidiaries

This fund represents the net assets of the Group which are retained within the subsidiaries and which are not available to the institution for its ongoing work.

Notes to the financial statements

For the year ended 31 December 2024

Funds retained in joint venture

This fund represents the net assets of the Group which are retained within the joint venture, Structural-Safety Limited, and which are not available to the institution for its ongoing work.

Kenneth Watson Travel Award (Quest)

The Kenneth Watson Travel Award is part of the Quest awards for young engineering scholars. At current estimation, it will be able to continue to award grants for at least another 20 years.

Shaping the World

The Shaping the World fund comprised an amount designated by the Trustees towards the Shaping the World initiative. The initiative aimed to bring together civil engineers across the globe with the purpose of helping to alleviate the effects of major future challenges such as population growth and climate change and to ensure that future infrastructure is resilient, adaptable, and available to all. The remaining balance on the fund was used to support activity in 2024 and the fund has now been closed.

Fixed assets fund

The fixed asset fund represents the net book value of the Charity's intangible fixed assets, tangible fixed assets and heritage assets, less the amount carried in the revaluation reserve. Transfers to the fund represent the cost of additions in the year. The fixed assets are essential to the ongoing work of the Charity, as without them the Charity's work would not be possible. As such their net book values should not be regarded as realisable in order to meet ongoing expenditure or contingencies.

The balance of this fund excludes the net book value of the fixed assets which are owned by subsidiary undertakings and which are included within the funds retained in subsidiaries.

Fixed asset commitments

This fixed asset commitments fund represents amounts designated towards capital commitments and which are not available to the institution for its ongoing work. The amount designated at the end of 2024 represents the amount expected to be spent in 2025 to complete the development of the new CRM system.

Digital transformation fund

This fund represents amounts designated by the Trustees for future investment in improving and transforming the institution's digital offering. The fund will be drawn on as development takes place.

Estate maintenance fund

This fund represented amounts designated by the Trustees for redevelopment and major repairs of the institution's estate. The fund was fully drawn in year.

Notes to the financial statements

For the year ended 31 December 2024

Comparative information for prior year:

Group	1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2023 £'000
General fund	15,277	41,326	(38,678)	(3,618)	6,117	20,424
Designated funds						
Funds retained in subsidiaries	405	–	–	34	–	439
Funds retained in joint venture	46	42	–	–	–	88
Kenneth Watson Travel Award	415	8	(4)	–	19	438
Shaping the World	230	–	(115)	–	–	115
Fixed assets fund	37,589	–	(1,051)	1,002	–	37,540
Fixed asset commitments	526	–	–	(18)	–	508
Digital transformation fund	1,000	–	–	600	–	1,600
Estate maintenance fund	3,500	–	–	2,000	–	5,500
Revaluation reserve	5,692	–	–	–	–	5,692
Pension reserve	–	481	(301)	–	(180)	–
	64,680	41,857	(40,149)	–	5,956	72,344

Charity	1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2023 £'000
General fund	15,277	32,734	(24,837)	(3,584)	834	20,424
Designated funds						
Funds retained in joint venture	46	42	–	–	–	88
Kenneth Watson Travel Award	415	8	(4)	–	19	438
Shaping the World	230	–	(115)	–	–	115
Fixed assets fund	37,589	–	(1,051)	1,002	–	37,540
Fixed asset commitments	526	–	–	(18)	–	508
Digital transformation fund	1,000	–	–	600	–	1,600
Estate maintenance fund	3,500	–	–	2,000	–	5,500
Revaluation reserve	5,692	–	–	–	–	5,692
Pension reserve	–	481	(301)	–	(180)	–
	64,275	33,265	(26,308)	–	673	71,905

29. Funds held on behalf of others

The institution provides administrative services to 14 Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering. The institution is a custodian trustee of funds for nine of these societies (2023: nine), which have trustees separate and are independent from the institution, but where the institution holds some of the society's funds on their behalf.

At 31 December 2024 the funds held by the institution had a combined balance of £511k (2023: £635k).

ICE Council and main committees

Members of the ICE Council at the date of the signing of this report were:

Members of Council (2024-2025 session)	
Professor Jim Hall	President
David Norman Porter	Senior vice president
Anusha Shah	Immediate past president
Stuart Allen	
John Bridgeman	ICE North West
Gillian Castka	
Chris Caves	ICE Northern Ireland
David Clegg	ICE South West
Carlos De Freitas	
Yuli (Chaido) Doulala-Rigby	
Rhiannon Evans	ICE West Midlands
Serena Gough	Graduate member
Beth Griffiths	
Tina Gunnarsson	
Benjamin Alexander Hamer	ICE Deputy Chair of council
Tim Harman	
Susan Hawkes	ICE South East England
David Hirst	ICE Yorkshire and Humber
Ken Ho	ICE Hong Kong
Dr Sabih Khisaf	ICE Middle East and Africa
Gerald Knights	
Anisa Koci	
George Lance	ICE Wales
Julian Lineham	ICE Americas
Enrique Huertas Garcia	ICE Europe and Central Asia
Eur Ing Dr Phebe Mann	ICE London
Ruth Marsden	Graduate member
Yvonne Murphy	
Gráinne Murray	ICE East Midlands
Elizabeth Orchard	ICE East of England
Antonios Palatianos	
Steven Graeme Robertson	ICE Scotland
Oana Sala	Graduate member
Lucinda Smith	
Sally Walters	
Simon Wanklyn	
Robert White	ICE Asia Pacific-non-HK
Graham Yates	ICE North East

The chairs of the principal standing and operational committees at the date of the signing of this report were:

Committee	
Nomination	Keith Howells
Membership	Julie Wood
Learning Society	Dr. Ohis Ilalokhoin
Policy and External Affairs	Jonathan Spruce
UK Regional Affairs	Richard Bayfield
International	Professor Priti Parikh
Finance, Assurance and Risk	Lucy Rew
Audit	Andrew Alder
Communications	Liz Waugh
Remuneration	Andrew Wyllie
Ethics	Paula McMahon

Notes

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Notes

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Institution of Civil Engineers

The Institution of Civil Engineers (ICE) is a 97,000-strong global membership organisation with over 200 years of history.

It is a centre of engineering excellence, qualifying engineers and helping them maintain lifelong competence, assuring society that the infrastructure they create is safe, dependable and well designed.

Its network of experts offers trusted, impartial advice to politicians and decision makers on how to build and adapt infrastructure to create a more sustainable world.

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THE INSTITUTION OF CIVIL ENGINEERS

England & Wales - Charity number 210252

Accounts



Institution of Civil Engineers Annual Report and Accounts 2023



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President's foreword

2023 was the hottest year on record, a stark reminder for all of us that our members' work is more important now than ever before.

Civil and infrastructure engineers are central to tackling the climate and nature emergencies, and we must do so amid geopolitical instability, market challenges, and unprecedented demographic change.

Having deftly navigated the challenges of Covid, the ICE entered the post-pandemic world with confidence. In 2023, we strengthened our status as a relevant (and, crucially, global) voice for positive change.

I'm proud that the institution has continued to grow across all membership grades. Our record number of graduate members and members coming for professional review and assessment is a testament to our investment in the next generation of engineers.

In addition, 2023 saw us qualify our first Chartered Infrastructure Engineer, the ICE's first new protected title in a century. I'm excited to see the ICE welcome more engineers and technicians from across the great breadth of the infrastructure and built environment professions in 2024 and beyond.

The ICE's presence on the international policy stage continues to grow. Through robust consultation and workshops with global infrastructure bodies throughout 2023, we've updated our Enabling Better Infrastructure guidance for policymakers. We joined the UN Environment Programme in delivering a symposium on how policy tools such as EBI can deliver more sustainable infrastructure. And we've continued to use our policy roundtables to support decision-makers with expert insight from across the infrastructure profession, ensuring the ICE remains a leading voice in infrastructure policy discussions.

The ICE is dedicated to ensuring the highest standards of practice and professionalism among our members. I'm delighted that the future leaders mentoring programme, now in its third year, is performing strongly, with the launch of a new mentoring platform that serves candidates both pre- and post-professional qualification. We also took forward recommendations from 2017's In Plain Sight report, consulting with members and employers to determine how the ICE can best support and accredit continuing professional development.



And our engineering knowledge team is currently strengthening ties with 15 international organisations to drive decarbonisation, climate resilience, and safety in infrastructure worldwide. We now have formal observer status, and I was honoured to be the first ICE president to speak at key events within the blue zone at COP 27, promoting the importance of nature- and people-positive solutions and PAS 2080.

My presidential address and the associated film 'Making connections for a nature- and people-positive world' received an overwhelmingly positive response, not just from our global membership, but from professionals across sectors. This has hugely helped raise the profile of the ICE, and the role of civil and infrastructure engineers in improving society and the environment.

I'd like to thank my predecessor, Keith Howells, for his leadership across 2023, the ICE Trustee Board and Council for taking the ICE from success to success, the director general and the rest of the ICE staff who make all our programmes happen and, of course, our members who give their valuable time and effort.

The ICE is a global community in which every effort, intervention, and voice matters, and I look forward to working with you in the coming year to help people, and the planet we all share, to thrive.

Prof. Anusha Shah
ICE President 2023 – 2024

Achievements and performance

2023 was an incredibly busy but fulfilling year for the institution, and my first as its director general.

What has struck me in my first year is the passion with which our members view their institution, and the incredible contribution of our dedicated volunteers across the breadth of our work.

Without our large cohort of professional reviewers, supervising civil engineers, delegated engineers and mentors, we would not be able to help members on their journey to qualification – so vital to ensuring society that the infrastructure we all use every day is safe, dependable and well designed. They enabled us to professionally qualify over 1,700 members in 2023.

Our knowledge panels, boards and committees champion innovation and industry change to make our industry more effective at tackling global challenges like climate change and migration. Their work contributed to over 10,000 downloads of crucial guidance documents and supported hundreds of knowledge events across the world. All of this was overseen by our council, the pinnacle of our learning society, who offer their valuable expertise and input on much of the ICE's programmes of work.

Our STEM Ambassadors work across the UK to encourage younger people to consider the built environment as an exciting and rewarding career, making over 250 visits in 2023 and mentoring pupils on the award-winning CityZen 16-18s education and inspiration programme. The programme saw more than 1,500 pupils participate – a record number.

The ICE Policy Fellows network and our Community Advisory Board members have gone from strength to strength in 2023, offering their specialist insight and thought leadership on issues including decarbonisation, resilience and improving infrastructure delivery to government and decision-makers. Along with other members, they have been crucial to our ability to explain many of the issues around infrastructure to the public, through their work as media spokespersons.

I am hugely grateful for the support of the ICE Trustee Board in offering their wise counsel and direction to me and the director team as we worked to deliver our ambitious plan in 2023, particularly in my first year as director general.



Our knowledge business, Thomas Telford Limited (TTL) has its own annual report, but the benefit it brings to the ICE Group cannot go unrecognised here. TTL makes a significant contribution to the ICE's finances to enable us to continue our charitable work to help improve lives around the world. The New Engineering Contract (NEC) – which this year celebrated its 30th anniversary – continued its global expansion, with successful trials in Australia and Singapore, a first region-specific version for Hong Kong, and progress with the Foreign and Commonwealth Development Office to make it the contract of choice in Peru. The funds from the sale of the ICE's publishing business will help us invest in the future of NEC, including its digital transformation and international growth, protecting this vital source of income.

As you read through this report, you will see that the institution delivered huge value for not just its members, but wider society in 2023, across a wide range of activities. This is down to the hard work and dedication of members and colleagues in the UK and around the world, working in partnership to deliver better outcomes for society.

I am immensely proud to lead a team of people who care so much about making the world a better place for future generations.

Dr Janet Young CBE
Director general

Reference and administrative details

Trustees		
President	Prof. Anusha Shah	
Senior Vice President	Prof. James Hall	
Vice President, learning society	David Porter	
Vice President, membership	Julie Wood	
Trustee, professional conduct & ethics	Richard Bayfield	
Trustee, membership engagement & relationship with council	Ed Bingham	
Trustee, international	Prof. Priti Parikh	Appointed Nov 23
Trustee, carbon and climate	Lewis Barlow	Appointed Nov 23
Trustee, UK regions	Paula McMahon	
Trustee, policy & external affairs	Jonathan Spruce	
Trustee, communications	Liz Waugh	
Trustee, finance, assurance & risk	Lucy Rew	Appointed Nov 23

The following served as Trustees until November 2023:		
Past President	Keith Howells	Retired
Trustee, membership	Matt Colton	Retired
Trustee, international	Dr Sabih Khisaf	Retired

Executive team	
Director general	Dr Janet Young
Deputy director general and director membership	Séan Harris
Managing director Thomas Telford Limited	Andrea Naylor
Chief operating officer	Gary Payne
Director of engineering knowledge	Mark Hansford
Director of policy	Chris Richards
Group finance director	Calum Mercer
Communications director	Tas Bhanji



External Auditor:
Haysmacintyre LLP
 10 Queen Street Place
 London
 EC4R 1AG

Internal Auditor:
Crowe LLP
 55 Ludgate Hill
 London
 EC4M 7JW

Banker:
HSBC UK Bank plc
 2-4 St Ann's Square
 Manchester
 M2 7HD

Investment Manager:
Mazars Financial Planning Ltd
 30 Old Bailey
 London
 EC4M 7AU

Solicitors:
Bristows LLP
 100 Victoria Embankment
 London
 EC4Y 0DH

Weightmans LLP
 100 Old Hall Street
 Liverpool
 EC4Y L3 9QJ

Principal Office:
 1 Great George Street
 Westminster
 London
 SW1P 3AA

Telephone:
 +44 (0)20 7222 7722

Registered charity number:
 210252

Charity registered in Scotland number:
 SC038629

Trustees' Report



Objectives and activities

Background and Mission

As defined by our Royal Charter, the overriding objective of the Institution of Civil Engineers (the institution, the ICE, or the Charity) is to foster and promote the art and science of civil engineering. In practice, the ICE is a 97,000-strong global membership organisation that shares learning and experience through original research, engaging events, professional development, partnerships and mentoring. We qualify engineers working in infrastructure in order to create safer and more sustainable infrastructure for society.

As a voice for civil and infrastructure engineers, we promote the importance of the work they do for society and offer trusted, impartial advice to politicians and decision-makers on how to build and adapt infrastructure to create a more sustainable world.

Vision, Strategy and Business Planning

The ICE exists to improve lives by ensuring that the world has the engineering capacity and infrastructure systems to allow our planet, and those who live on it, to thrive.

Society is facing unprecedented challenges from climate change to rapid urbanisation and biodiversity loss. The infrastructure sector has a critical role to play in addressing these challenges and in creating a better future, using the United Nations Sustainable Development Goals (UN SDGs) as guiding principles.

Our commitment to helping deliver the UN SDGs means that we place a great emphasis on ensuring every part of the institution aligns with these goals. As an independent charity with global membership, the ICE can leverage expertise from all parts of the world and convene forums to share experiences. We do this as a trusted partner and a commitment to work together with national and

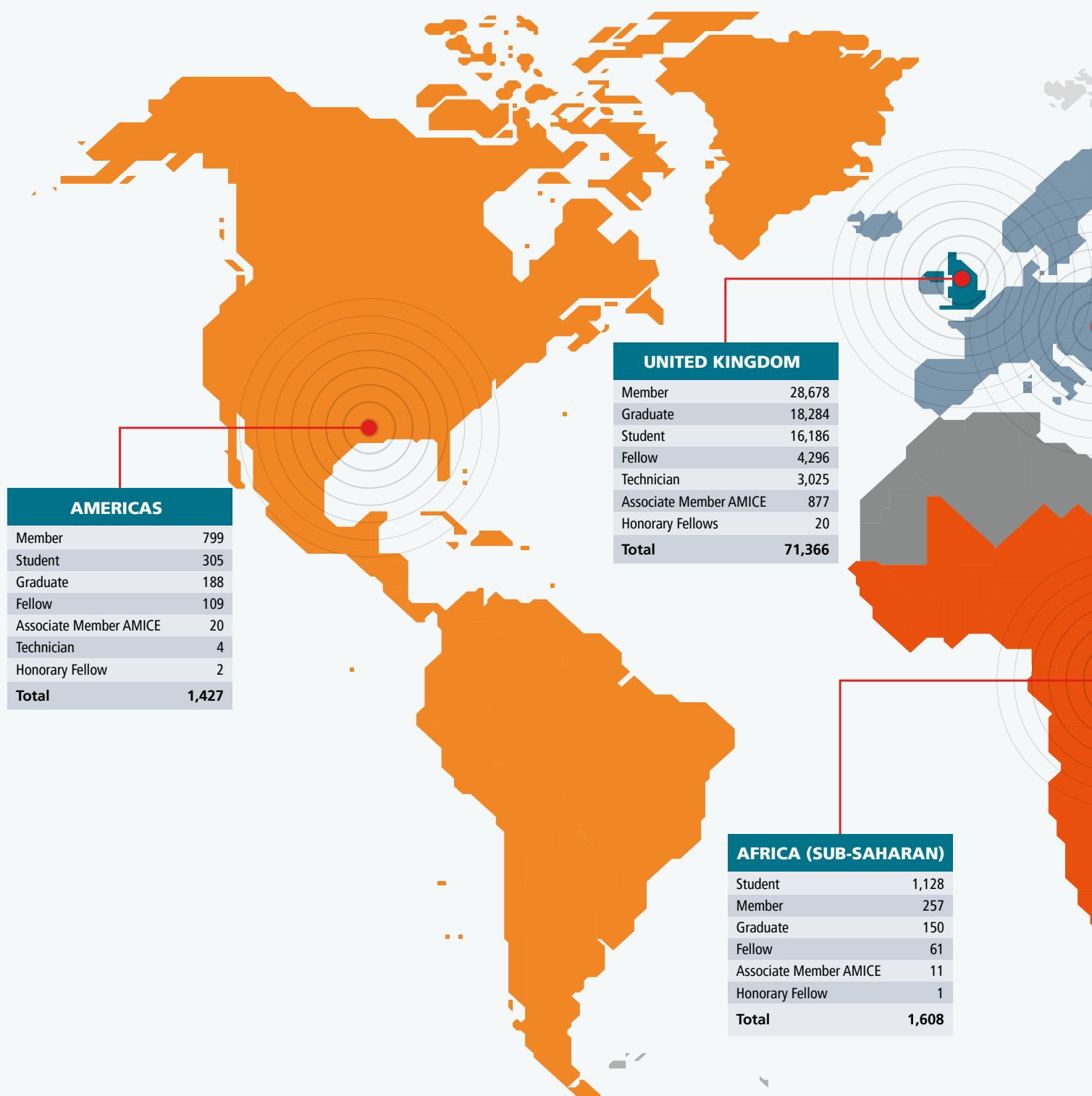
international organisations where our aims are aligned. We are ready to take responsibility for leadership, for example, in the Enabling Better Infrastructure programme.

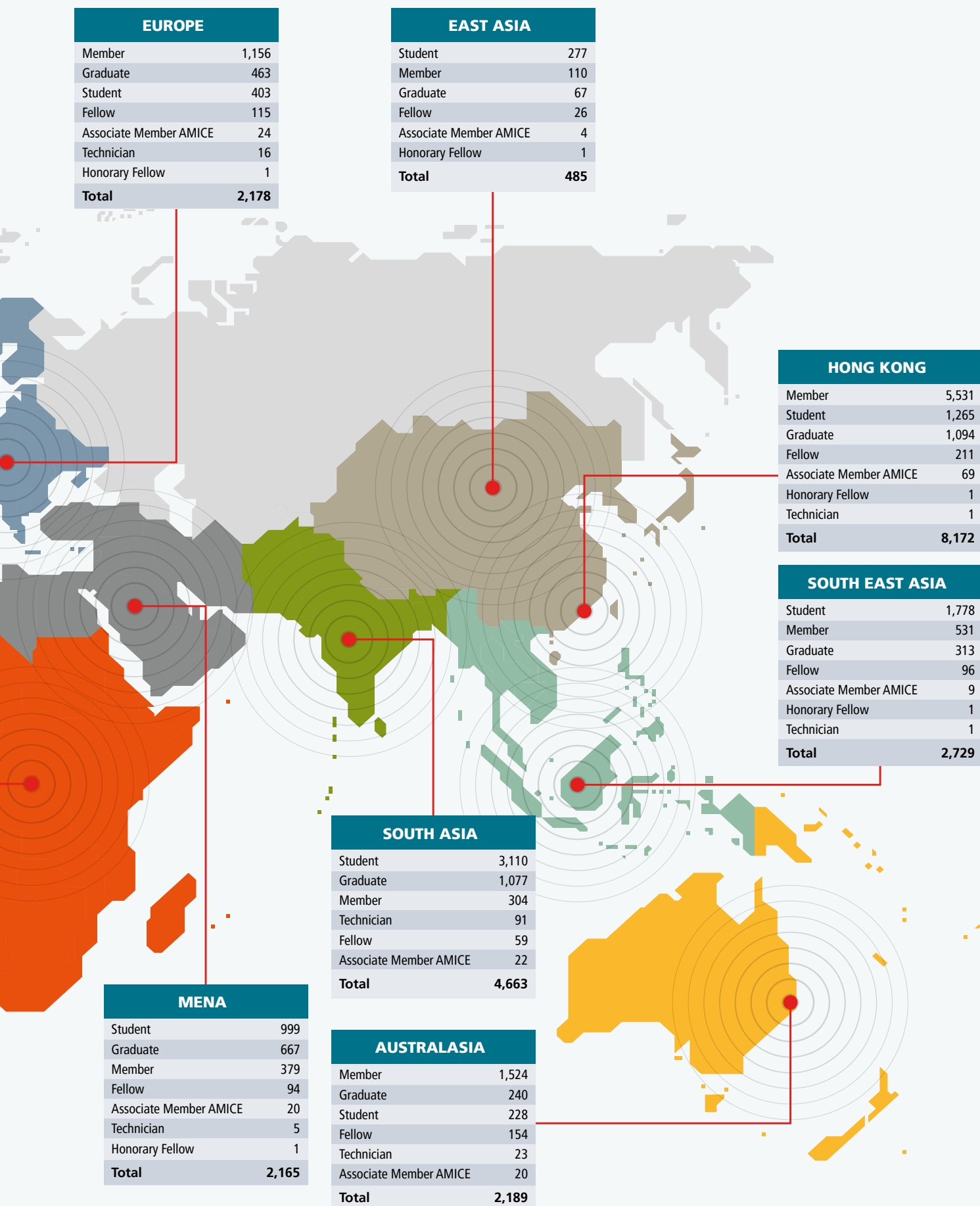
The ICE exists to improve lives by ensuring that the world has the engineering capacity and infrastructure systems to allow our planet and those who live on it to thrive.

We plan our programmes of work on a five-year rolling cycle and test them against the strategic outcomes of decarbonisation, building resilience and mitigation against the effects of climate change, transforming productivity and embedding the engineering fundamentals of knowledge, insight and ethical understanding.

For 2023, Trustees recognised the interlinking effects of water, transport and energy in achieving many of the UNSDGs and placed a focus on transforming the availability of potable water and sanitation across the world, working with others to deliver affordable and clean energy, and building a technology-focused mobility and transportation programme.

A global membership organisation





A year in numbers

97,000 
MEMBERS



4,251
PAS2080 GUIDANCE
DOWNLOADS



1,727
MEMBERS WHO
PROFESSIONALLY QUALIFIED

801 
REGIONAL EVENTS
HELD



622,000
SOCIAL MEDIA FOLLOWERS

1,473 
MENTIONS IN THE MEDIA

14m 
WEBSITE PAGE VIEWS

31 
ROUNDTABLES
HELD

12.3 TONNES OF CO₂ SAVED ON
PRINTING NCE259 STEM AMBASSADOR
VISITS TO SCHOOLS

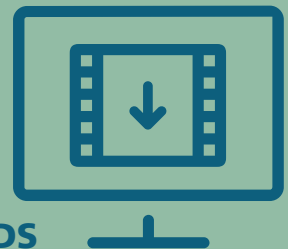
23

POLICY REPORTS
AND CONSULTATION
RESPONSES

55,000

EVENT DELEGATES

4,000

PRESIDENTIAL INAUGURATION
ADDRESS AND FILM DOWNLOADS

1,515

CityZen
PARTICIPANTS

40

MEETINGS WITH
PARLIAMENTARIANS
AND KEY DECISION-
MAKERS

10,964

KNOWLEDGE GUIDANCE
DOCUMENTS DOWNLOADED

Professional practice

A cornerstone of the ICE's purpose is to improve the professionalism of those working in the infrastructure sector, so that society can be assured that the infrastructure we all use on a daily basis is safe, well-designed, reliable, sustainable, resilient and inclusive.

Professional qualifications

The qualifications journey is the gateway to membership of the institution for the vast majority of members. The institution has continued to support the aspirations of those looking to professionally qualify or advance through their qualifications journey. However, this has been challenged throughout 2023 due to increased member demand and reduced reviewer availability. Despite this, we have increased registrant numbers across all grades and have a very healthy pipeline, with significant student, graduate and apprentice

numbers. Work continues on facilitating a single review for those seeking Chartered Engineer (CEng) and Chartered Environmentalist (CEnv) qualifications simultaneously. The initiative aims to significantly increase the number of candidates who sit a professional review in pursuit of environmental qualifications, supporting the ICE's focus of putting nature and people at the heart of infrastructure decision-making.



"It is heartening to see the commitment of ICE volunteers to give back, reassuring to see the resilience of ICE professional standards as new issues and tools emerge, and a real pleasure to see the next generation develop and join our professional community."

"All this matters because professional qualifications provide the benchmark through which the public, employers and their clients can have confidence and trust that registered engineers and technicians have met globally recognised professional standards – and are ready to do their part to make a better world."

Veronica Flint Williams, chair, ICE Qualifications Panel

Professional registers

The ICE maintains professional registers that demonstrate members' expertise in a particular area of civil engineering such as reservoirs, building conservation and dispute resolution. Many are semi-autonomous with the ICE acting as secretariat and convening power. In 2023 the ICE became a registering body for ICE members in Queensland and Victoria (Australia) and is working up to establishing

a similar register in Western Australia state. Additionally, the ICE has collaborated with the Institution of Structural Engineers (IStructE) in launching and managing a higher-risk buildings register for those with responsibility for working on buildings above 18 metres. The creation of the register is just one important demonstration of the ICE's commitment to improving building safety.

Membership growth

The ICE's growing membership across all grades continues to be a source of great pride for the institution. At the end of 2023 we had approximately 97,000 members, an increase of around 1,500 on December 2022. Importantly, we are the only UK professional engineering institution to have increased the number of professionally qualified members registered with the Engineering Council for eight successive years.

We are the only UK professional engineering institution to have increased the number of professionally qualified members registered with the Engineering Council for eight successive years.



2023 saw record numbers of graduate members and those applying for professional review and assessment. While this is an endorsement of our strategy to professionalise more of the infrastructure workforce, these increases have outpaced our ability to assess these graduates and apprentices, particularly in light of a reduction in the number of reviewers coming forward to undertake these assessments.

To that end, we have introduced a campaign to recruit new reviewers and introduced the concept of allowing all qualified members to be available for reviewer's duties. We are optimistic that the reviewer-reviewee demand will be balanced by mid-2024.

Infrastructure Engineers

In 2023 we qualified Chris Landsburgh as the first Chartered Infrastructure Engineer in the history of the ICE.

The introduction of the title acknowledges the changing needs of our industry, which is being shaped by new technologies and a desire to build a more inclusive and sustainable world, working with people across multiple disciplines and systems.

Following approval by the Engineering Council and HM Privy Council, the ICE is now promoting qualifications for infrastructure engineers at all levels, including incorporated engineers and engineering technicians.



"The ICE has been one of my professional homes for several years, and becoming the first Chartered Infrastructure Engineer is an honour.

"I'm glad that this new scheme fosters a culture of inclusivity and collaboration, positioning us well to navigate the demands of civil engineering, such as climate change and decarbonisation."

Chris Landsburgh,
decarbonisation director, AECOM and Chartered Infrastructure Engineer

Developing our members' skills



Continuing professional development (CPD)

The ICE has always supported its members' professional development throughout their careers. In 2017, the ICE published the *In Plain Sight* report which set out recommendations aimed at mitigating the risk of infrastructure failure in the built environment. Three of these recommendations related to CPD, and based on this, we have since provided a greater steer on the key technical and soft engineering skills required to demonstrate competence.

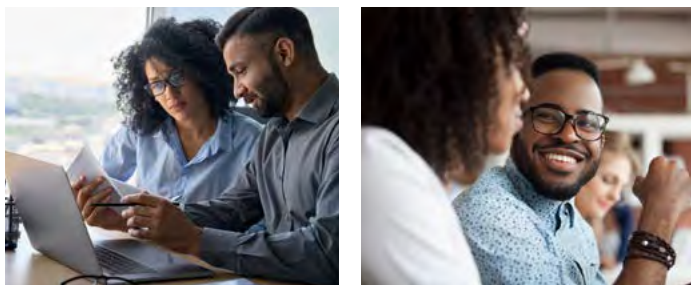
The ICE's Professionalism Panel now articulates the learning requirements on an annual basis. In 2023, a member consultation was begun to identify what employers and individuals provide for themselves and what role the ICE might play. The outcome of the consultation, which is due in 2024, will shape the ICE's approach to CPD in the future.

Knowledge Hub

The ICE's Knowledge Hub provides original CPD content in a range of different formats such as podcasts, videos, 'Tech Talks' and explainers for members at all career stages. As set out in the CPD framework, content covers a wide range of topics including structures, water, sustainable and resilient infrastructure, and transport. In 2023, the ICE moved to a new platform designed to create a richer member experience.



Mentoring



Building on the success of the future leader mentoring programme, which is now in its third year, in 2023, the ICE launched a new mentoring platform. The platform matches graduates on training agreements with company or ICE mentors to support them during the initial professional development (IPD) stage of their membership journey. It also provides access to professionally qualified members who can mentor and coach those seeking middle-to-senior positions in industry.

Queen's Jubilee Scholarship Trust

Established in 1977, the Queen's Jubilee Scholarship Trust (QUEST) is the ICE's longest running programme. With a focus on encouraging younger people into careers in civil engineering, the programme offers a range of support and development opportunities for members. Successful undergraduate scholars receive £8,000 over the course of their study and paid work placements every summer, offering a good platform for a full-time job with a leading civil engineering or construction company.



Policy Fellows network

The ICE Policy Fellows network offers experienced members an opportunity to drive the institution's policy programme. Policy Fellows act as the face of the institution when engaging with policy and decision-makers, helping us to develop effective infrastructure policy.

Most recently Policy Fellows have represented the ICE at the UK Transport Select Committee, with international delegations, and at party conferences. They continue to contribute to thought leadership articles, policy research, and roundtables, and they lead steering groups.



The ICE Policy Fellows network offers experienced members an opportunity to drive the institution's policy programme.



"It is vital that civil and infrastructure engineers constantly maintain and develop their skills in an industry which embraces innovation and looks to continually improve the way it delivers infrastructure. The ICE has supported its members throughout 2023 by selecting new and relevant topics for the CPD framework and has delivered engaging learning modules in support of it. Over 1,200 members responded to the CPD consultation in 2023, demonstrating that they also understand the importance of committing to their own professional development."

Chris Burton, chair, ICE Professionalism Panel

Decarbonisation

Achieving net zero will require a major retooling of our infrastructure systems. Infrastructure is responsible for around 70% of the world's carbon emissions, either because of the processes that create it or the behaviours it enables.

In 2023, the UK's independent review of net zero led by Chris Skidmore MP called infrastructure 'the key that will unlock net zero'. The ICE's members have the responsibility and the expertise to play a leadership role in this net zero transition.

The ICE has long been making the case to global decision-makers that high-level targets urgently need to be translated into stable policy frameworks and detailed delivery plans, supported by long-term funding certainty, to achieve the scale and pace of change required.

In 2023, we published an insights paper on pathways to decarbonisation, outlining key actions required across the infrastructure sector to meet net zero. We also held policy roundtables with senior stakeholders on Australia's net zero target and the challenges governments globally are facing on grid decarbonisation.

"(Infrastructure) is the key that will unlock net zero." Chris Skidmore MP



PAS 2080:2023 Carbon Management in Infrastructure

PAS 2080 is a globally applicable standard for managing carbon in buildings and infrastructure. It looks at the whole value chain and aims to reduce carbon and cost through intelligent design, construction and use. It sets out a strategic approach to empower countries, cities and communities to reduce carbon emissions and reach net zero. In 2023, the ICE partnered with the Green Construction Board and sponsoring standards body BSI to publish a revised PAS 2080 standard. The support enabled the documents to be made available free of charge, in

order to inspire behavioural change and encourage wider industry adoption of this critical standard. We also released a guidance document offering practical actions and examples to accelerate the decarbonisation of buildings and infrastructure.

Since its launch, the number of downloads of PAS 2080:2023 has already exceeded the previous version, approaching just over 6,000. The ICE will continue to promote the adoption of PAS 2080:2023 around the world.

Carbon Champions initiative

The ICE Carbon Champions initiative recognises and shares real-life examples of projects that have achieved – or are projected to achieve – quantifiable carbon savings.

The scheme expanded in 2023, covering 17 projects and 63 named Carbon Champions. The ICE's Carbon Champions LinkedIn community was created to allow those interested in carbon reduction, whether members or not, to share best practice and ideas. There are over 2,000 community members across the UK and overseas.



The ICE's carbon footprint

From October 2023, 100% of the electricity used at the ICE's HQ, One Great George Street (OGGS), and satellite office 8 Storey's Gate, was from renewable sources. Throughout the year, the ICE has continued to take measures to reduce energy consumption. These include continuing the programme of replacing fluorescent light fittings in office areas with LED fittings and reducing the hot water temperature from 60°C to 40°C. Additionally, an Energy Savings Opportunity Scheme (ESOS) Phase 3 audit was completed, and energy efficiency improvements will be made in the planned 2024 refurbishment.

Over the last two and a half years, we have made a concerted effort to encourage our members to switch their New Civil Engineer subscription from print to digital. So far, over half of those who originally received their subscription in print, some 21,000 members, have made the switch, saving an estimated 200,000 kg of the CO₂ emissions associated with print and distribution. In 2023, approximately 12,300kg of CO₂ emissions were saved.



"The 2023 update to the PAS 2080 standard reflects the need for accelerated progress in decarbonisation, addressing both buildings and infrastructure not just as individual assets but part of the complex and interconnected built environment system. The revised standard requires the integration of the carbon management framework in delivery of every project or programme of works."

"The ICE's support for this update is an important move that will make it freely available, greatly reducing barriers to its adoption. The associated guidance document, curated by the ICE and a technical author team, elaborates on the principles outlined in PAS 2080 and includes practical examples and case studies that bring these to life."

Heleni Pantelidou, associate director at Arup and ICE Decarbonisation CAB member

Climate resilience and mitigation



Without adaptation and improved emergency response to build in greater resilience, our infrastructure will lose its value, repairs will be costly and increasingly frequent, and society will face high levels of disruption.

In 2023, the ICE published a policy paper on how the UK's infrastructure system can be made more climate resilient. We fed the recommendations, including our call for a national review of the economics of adaptation, into government departments, consultations and select committee inquiries.

Nature and people positive

In 2023, we began discussing in earnest the urgent need for those in the infrastructure sector to understand how the climate change and biodiversity crises are interlinked and the need for them to be addressed in tandem. October's Knowledge Café event heard perspectives on the rapidly evolving policy framework for nature- and people-positive solutions that would drive public sector organisations as well as private sector investment and businesses.

Building on this, the president's 2023/24 theme aims to shift focus to ensure that the civil and infrastructure engineering community work collaboratively across sectors, geographies, and generations to deliver sustainable, resilient solutions that create net positive outcomes for people and the planet.

Breakwaters conference

In 2023, the ICE's Coasts, Marine Structures and Breakwaters event was held in Portsmouth, focusing on how resilience and adaptability are being addressed by the maritime sector. It brought together almost 400 industry representatives

from across the world, including clients, contractors and consultants, plus leading academics and government and public sector organisations.



106
sessions



375
delegates



5
days



32 countries
represented

78 peer reviewed
papers



Brunel International Lecture Series

Curated and produced with support from the International Coalition for Sustainable Infrastructure (ICSI), the Brunel International Lecture Series focuses on resilience and sustainability in infrastructure development with mayors from the Global Covenant of Mayors as keynote speakers.



"ICSI was created to bring the practical, science-based and solution-oriented perspective for which engineers are known, to help solve the systems-level problems surrounding infrastructure underinvestment, climate change, and resilience.

"Tackling these issues requires joined-up thinking and a systemic approach. As a founder of ICSI, the ICE has been a key supporter of its work, and 2023's Brunel lecture series is an example of how we are collaborating to shine a spotlight on equitable, sustainable, and resilient infrastructure challenges, showcasing what engineers globally are doing to help address those challenges."

Savina Carluccio, executive director,
International Coalition for
Sustainable Infrastructure

Resilience Champions initiative

Building on the success of Carbon Champions, we launched the Resilience Champions programme in late 2023 which seeks to share best practice examples of projects that have integrated resilience considerations along with sustainability and inclusivity through a number of means, including a database of best practice examples and speaking opportunities at ICE events.



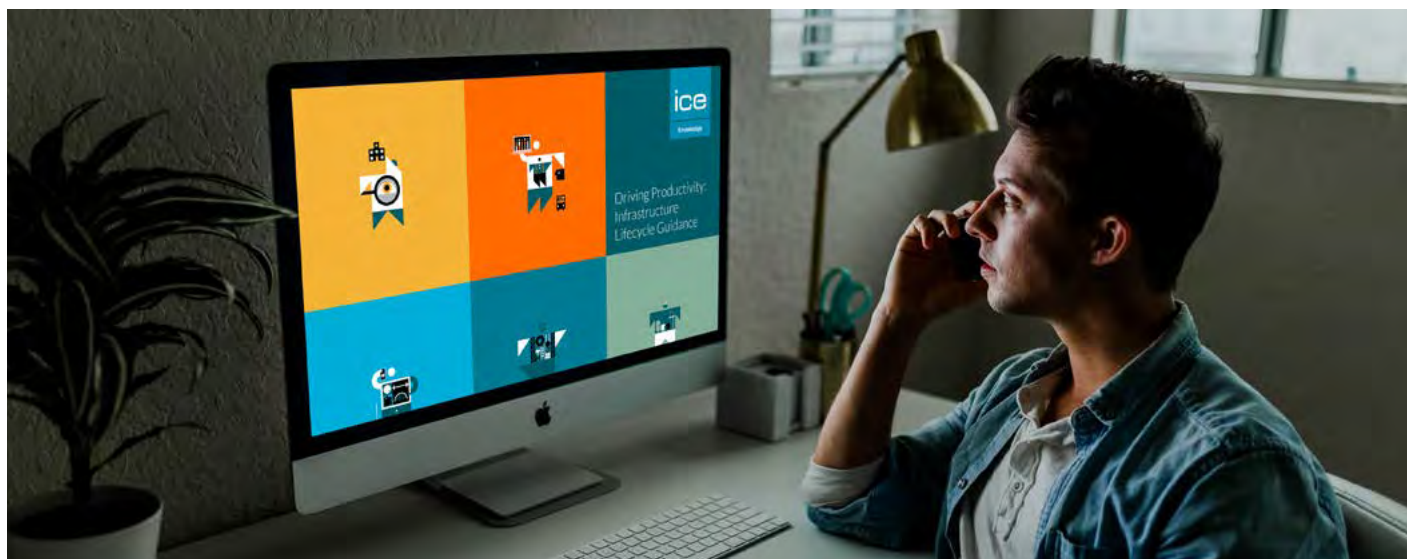


Productivity

In 2023, a challenging global economic picture pushed governments to reprioritise investment. Efforts were made to improve strategic planning, productivity and delivery to minimise the impact on infrastructure pipelines.

The ICE was at the forefront of this debate, bringing together policymakers and senior stakeholders to discuss topics such as digitalisation and increasing flows of private finance into infrastructure. We also kicked off a policy programme on how the productivity of infrastructure delivery in Australia, which is facing particularly acute delivery challenges, can be improved.

Infrastructure lifecycle guidance



In November 2023, the ICE unveiled a new reference guide *Driving Productivity: Infrastructure Lifecycle* providing practical advice for boosting productivity across the infrastructure lifecycle. The online guide builds on the *State*

of the Nation 2022: Improving Infrastructure Productivity report which explored interventions that can be made at each stage of the infrastructure lifecycle to increase the efficiency and performance of assets.

Design champions

In November 2020, the UK's first 30-year National Infrastructure Strategy included the requirement that all projects were to have a board-level design champion in place by the end of 2021.

The purpose of the design champion role is to enable application of the National Infrastructure Commission's (NIC) design principles. This aims to secure higher quality infrastructure for end users, and deliver wider public benefits for climate, communities, and places.

To help develop further insight on the role of design champions, and how they should be integrated, the ICE commissioned research by Birdi & Partners, supported by Frame Projects.

The research team interviewed a diverse and balanced spread of 27 individuals operating across the design, construction, and infrastructure sectors. The ICE's work to further define the role of the board-level design champion, was applauded in the NIC's Second National Infrastructure Assessment published in October 2023.

"The Institution of Civil Engineers is working to further define and develop the scope of the design champion role, and the experience and qualifications required."

National Infrastructure Commission –
Second National Infrastructure Assessment



"Productivity is often thought of in simple economic terms, but this does not tell the whole story. The infrastructure on which society depends for the basics of life, such as clean water, sanitation and energy is at grave threat from the effects of the climate crisis. In that context, maximising the effectiveness and efficiency of projects at every stage of the infrastructure cycle is essential, particularly in a world of dwindling natural resources. Working with its members, the ICE has been at the forefront of, and continues to strive for a step change in, identifying the obstacles to improving productivity, and offering guidance on driving down waste and increasing efficiency."

Darren James, co-chair, ICE Productivity CAB

Informing decision-making



Enabling Better Infrastructure

The Enabling Better Infrastructure (EBI) programme is the ICE's main focus for international policy engagement.

Following extensive consultation and workshops with key global infrastructure bodies, the EBI guidance on best practice was updated in 2023 and promulgated in 11 countries. Discussions are also well advanced to have Indonesia and Colombia on board in 2024 as countries that are willing to upgrade their strategic infrastructure planning process, to then serve as exemplars for other countries

in the years ahead. We also held a joint strategy webinar with the UN Environment Programme which explored the use of policy tools, such as EBI, to deliver more sustainable infrastructure around the world.

The Enabling Better Infrastructure programme is the ICE's main focus for international policy engagement.

All-Party Parliamentary Group on Infrastructure

The APPGI continued to be the focal point for debate and discussion on infrastructure in the UK Parliament.

The ICE provides the secretariat and alongside chair, Andrew Jones MP, organised events on the NIC's 2023 Infrastructure Progress Review, the Skidmore Review of net zero, an annual reception with the UK Chancellor of the Exchequer on the year ahead for infrastructure, and a private briefing on the NIC's second National Infrastructure Assessment.

Attendance remained strong, with APPGI members also using ICE briefings to inform other members of Parliament about the critical issues facing the development of the UK's infrastructure system.



31

Roundtables held



375

policy reports and consultation responses



40

meetings with parliamentarians and key decision-makers

Policy roundtable

Policy roundtables, chaired by the ICE's president, continue to play a pivotal role in shaping infrastructure policy discussions with insight from a wide variety of stakeholders.

In 2023 we held discussions on topics such as - what needs to happen next after the second National Infrastructure Strategy, a national transport strategy, a UK water strategy, the progress Australia is making on achieving net zero and the lessons for the profession and policymakers following the cancellation of the second phase of High Speed 2.



"To address the climate crisis, we need to change how we think about infrastructure in the long term. Sustainability and resiliency concerns need to be embedded in our planning and delivery processes at the outset, at both a regional and national level. Many countries face the same challenges across the infrastructure lifecycle: the need to unlock better procurement processes, value, social and economic outcomes, and to address shared global challenges in a sustainable way.

"Throughout 2023 the ICE's Enabling Better Infrastructure programme has supported national policymakers by offering guidance and shared insight through a series of events, reports, blogs and case studies, to enable better long-term prioritisation and planning of infrastructure."

Prof. Jim Hall, professor of Climate and Environmental Risks at the University of Oxford and chair of the Enabling Better Infrastructure programme

Equity, diversity, and inclusion

Throughout 2023, the ICE remained steadfast in its commitment to equity, diversity, and inclusion (EDI), actively participating in key campaigns and initiatives. Notably, the ICE lent its support to LGBTQ+ History Month, the International Day of People with Disability (IDPWD) and International Women in Engineering Day (INWED).



Empowering our people to be ambassadors for change

The ICE expanded its horizons by inviting external voices to deliver impactful Breakfast Briefings to ICE colleagues. This included notable figures such as Adrian Ward, head of disability partnerships at Business Disability Forum. Anjela Maharajah, corporate partnerships lead at the Association for Black and Minority Ethnic Engineers (AFBE-UK), provided insights during Black History Month, exploring AFBE-UK's collaboration with the ICE. Our popular community blog also hosted a series of features to shine a light on the lived experiences of people in our industry.

During November, Dr Mark McBride-Wright, founder of EqualEngineers shared insights on 'Engineering Inclusive Cultures: Masculinity, Mental Health and a New Model of Safety in STEM.' His forward-thinking approach provided a roadmap for mainstreaming EDI efforts in the engineering sector.

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Practical support from anti-racism to neurodiversity

In 2023, the ICE also presented a second version of its Anti-Racism Toolkit, produced in collaboration with AFBE-UK. ICE President Anusha Shah emphasised its practicality for creating fair and inclusive workplaces.

Originating from a 2020 survey identifying workplace racism experiences, the toolkit addresses systemic issues. The next iteration of this valuable resource offered practical advice tailored for SMEs, offering action plans, guides to allyship,

and tackles micro-aggressions as well as featuring impactful case studies and a comprehensive glossary. The toolkit illustrates the ICE's effort to collaborate with others to deliver positive change, aligning with our 45-point EDI action plan.

In addition, the ICE organised events addressing topics such as 'Increasing Inclusion from University to the Workplace: Reasonable Adjustments and Neurodiversity' and 'Black History Month Saluting Our Sisters'.



"Building a diverse and inclusive workplace requires everyone to play their part. The AFBE-UK is delighted to have worked with the ICE in delivering its anti-racism toolkit, helping organisations with training and development materials as well as offering practical steps and guidance, enabling them to be better allies to Black and minority ethnic people working in the industry.

"We are proud to see the ICE committing to support its members, the wider engineering community and Black and minority ethnic members to meaningfully engage and drive change. We look forward to continuing our relationship with the ICE so that we can drive the meaningful and sustained systemic change necessary to tackle racism in our industry."

Anjela Maharajah, corporate partnerships lead, AFBE-UK

Partnerships and collaboration



The ICE works with employers and universities in the UK and around the world to deliver its work to qualify and professionalise the infrastructure workforce. The institution also partners with organisations seeking to deliver on common goals such as climate change, resilience, mitigation.

Working with employers

We work with more than 480 approved employers who are committed to professional development, and offer support to staff working to achieve qualification with the ICE. We have developed deeper relationships with 15 corporate partners who have demonstrate a commitment to the highest standards of employee development and equity, diversity and inclusion (EDI).



480
approved
employers



2,000
employer visits
and membership
surgeries



15
corporate
partners



Working with universities

The ICE, through the Joint Board of Moderators (JBM) accredits more than 67 university courses in the UK and a further 14 internationally. We also run an academic partners scheme for the highly committed universities. This scheme

provides 26 accredited civil engineering courses and offers a bridge to industry, helping to prepare students for their working lives. Our student ambassadors are appointed to help improve on-campus engagement.



67

university
courses
accredited
in UK



14

university
courses
accredited
internationally



28

academic
partner
universities



Collaborating to further industry knowledge and excellence

The ICE has continued to enhance relationships with 15 international organisations with the aim of driving decarbonisation, supporting the spread and adoption of PAS 2080:2023, ensuring resilience by producing guidance tools and ultimately helping to keep infrastructure safe around the world.

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National Engineering Policy Centre

The ICE is a partner in the National Engineering Policy Centre (NEPC), a coalition of 42 professional engineering organisations led by the Royal Academy of Engineering to help governments navigate increasingly complex systems-wide challenges. In 2023, the ICE worked with NEPC partners on a series of roundtables on decarbonising the UK's electricity system.



"The ICE's support of the Civil Engineering Employers' Training Group (CEETG) is invaluable as we, representatives from consultants, contractors and clients, collaborate on a regular basis not only to identify the current challenges faced by those seeking to progress in the industry and provide input into the ICE strategy, but also to discuss how these can be addressed as well as to share best practice for professional development. Looking to the future, we also seek to spot emerging industry trends and explore ways that these can be addressed."

Helen Davis, chair, Civil Engineers Employers Training Group

Public awareness



A key part of the ICE's charitable remit is to demonstrate the benefits that civil and infrastructure engineers bring to society.

Time Is Running Out exhibition

Run by our regional teams throughout 2023, this travelling exhibition explores the future of infrastructure and the role of civil engineers in helping society respond to the challenges of climate change and meet net zero. It features original hand-drawn illustrations, animations and a short film in which six children talk to TV presenter and engineer Rob Bell about a wide range of global problems including energy, living with flooding and smarter cities.

The exhibition has already visited Bristol, London, Wales, Rotherham and Newcastle and will continue into 2024 engaging up to 2.5m people.

This travelling exhibition explores the future of infrastructure and the role of civil engineers in helping society respond to the challenges of climate change and meet net zero.



Showcasing our profession and its people

The infrastructure sector is home to a wide variety of roles and disciplines, and the 'What is Civil Engineering?' section of the ICE website showcases the profiles of over 180 of people working in our industry. It tells the stories of those who work, or have worked, as civil and infrastructure engineers, exploring what inspired them to go into the industry, the projects they're most proud of and what a typical working day is like. Notable profiles include the ICE's 151st President Sir John Armitt, Isambard Kingdom Brunel, one of the most celebrated civil engineers of all time, and Dorothy Buchanan, the first ever female member of the ICE.

The site also contains 280 case studies covering projects from around the world, including London's sewer systems, the Sydney Opera House and a historic look at water infrastructure in the Middle East.

In 2023, our audiences viewed over half a million web pages in this section and over 50 new profiles were added.



529,879
profiles and projects viewed



341,454
viewers



50
new profiles added



280
case studies

Demonstrating the value of our industry to the public

Civil and infrastructure engineers plan, design, construct, maintain, and operate the critical infrastructure we all rely on. To help our people explain the critical role our sector plays in society we have provided them with key messaging and communications tools. In 2023 colleagues across all parts of the ICE participated in workshops to help them understand our key messages and articulate our work consistently.

The ICE also works with its expert members to respond to press and media enquiries related to infrastructure. Through proactive and reactive engagement with the media, we are able to demonstrate our members' expertise on a range of topics including flooding, the effects of climate change, transport and low-carbon energy. Notable appearances and media coverage for the ICE in 2023 include ITV, BBC, The Guardian, The Times, LBC News, and The Independent.



"If civil engineering wants to attract the brightest minds, the most innovative approaches and uniquely creative solutions, then above all else, it must shout about what it does! Bringing more young people, more women, more diversity into the sector is essential to not just survive, but thrive. To do that effectively it's got to represent the communities it serves - so if you don't recognise and identify with the work being done and the people doing it, then how do you expect people to join you in this wonderful industry? Through our members, we need to let the public in on our work - and explain why civil engineering matters to everyone, every day."

Liz Waugh, Trustee, communications

Inspiring and educating younger people

The ICE works hard to encourage younger people, especially from underrepresented backgrounds, to choose a career in the infrastructure industry. As well as our own campaigns, we work with the not-for-profit organisation Engineering UK (EUK), to support activities such as Tomorrow's Engineers Week and the development of careers resources.



CityZen and ICE Inspire platform

The ICE CityZen is a digital game aimed at school children (16-18). It promotes civil engineering careers and a clean planet and can be found on the ICE's Inspire platform. It is focused on pollution control, sustainability, protected species and environments, water quality and ethics. In 2023, more than 3,000 school children used the platform, and we are seeking through UCAS to map CityZen to university applications. Importantly, this is the single (purist) civil engineering engagement we have with school children as most of the EUK engagement is generic engineering. We were delighted that CityZen won the Gold Award for the best learning game at the Learning Technology Awards 2023.



259

STEM Ambassador visits to schools



1,515

CityZen participants



Girlguiding partnership

The ICE and three Girlguiding regions have set up a new partnership to inspire guides and rangers to explore the world of civil engineering and STEM. The collaboration started in late-September 2023 and spans Northern Ireland, Wales Cymru and London and South East England. We have designed a new civil engineering badge which will be awarded to those demonstrating the skills and knowledge needed to pursue a career in our sector. The scheme is aimed at increasing female engagement and reducing the gender disparity in STEM fields, especially engineering. Ultimately, the aim is to encourage female leadership, fostering their skills, confidence and passion for positively impacting society through engineering solutions.



"We've worked hard to provide an extensive wider curriculum that provides opportunities for all pupils to engage in valuable experiences and the ICE CityZen project complemented this perfectly.

"The online tasks provided problem-solving scenarios for the pupils to analyse, encouraging them to consider a number of different variables. It also complemented the higher physics course and the wider themes of learning for sustainability.

"Pupils also learned about the different career paths involved in engineering and provided a fantastic platform for inter-disciplinary learning which we're passionate about. They used numeracy and literacy skills to develop their ideas and articulate them. It also developed communication, teamwork and leadership skills in the pupils."

Lynsey Robinson, chemistry and physics teacher at Hillhead High School



Our UK regional network

The ICE's regional teams cover 12 UK and eight international regions. Working with a network of dedicated volunteers, the ICE delivered over 800 regional events to more than 44,000 members. These events covered knowledge sharing, offered professional development and provided networking opportunities which contributed significantly to maintaining member engagement. Formats vary from in-person, online and hybrid technical talks to bite-sized knowledge webinars. ICE presidential visits, awards and gala dinners allowed members across the UK and overseas to celebrate local civil engineering projects and teams.



In Scotland, Wales and Northern Ireland, the teams continued to provide insights and influence at devolved government level. The nine English regions have worked across the year to support our work to offer guidance to decision-makers by engaging members in national consultations. The Southwest Infrastructure Partnership (SWIP) and the East Midlands Infrastructure Partnership (EMIP) brought key stakeholders together to collaborate on region-specific infrastructure challenges.

Regions have also continued their own key initiatives, and these included the successful ICE Connects: Women in Fellowship programme which this year held several high-profile events resulting in a 13% increase in female Fellows, adding to the already 33% increase since the

initiative began in 2021. Fellowship is the highest grade of membership and provides recognition for those who have made outstanding contributions to civil engineering and society. The ICE is committed to encouraging more women to join this group of senior industry leaders and this campaign is a key part of this effort.

The eight regional support teams also worked on over 250 fellowship applications: the highest recorded to date.

Working with a network of dedicated volunteers, the ICE delivered over 800 regional events to more than 44,000 members.



12
UK
regions



8
international
regions



801
regional
events



44,476
regional event
attendees



"The vibrant regional volunteer network, working closely with the ICE's regional support teams do a great deal to engage with the wider membership and work tirelessly to raise the profile of the profession."

"Together they have ensured a great number of varied events were on offer to members throughout the year, raising the profile of civil engineering and the institution at schools and careers fairs, as well as engaging with key stakeholders to influence regional decision making."

Paula McMahon, chair, ICE UK Regional Affairs Committee

Our global reach

The ICE has over 25,000 members spread across 163 countries. With such a diverse range of perspectives and country-specific needs, our international offer cannot be a one-size-fits-all approach. Our International Committee advocates a targeted approach based on the ICE's organisation-wide priorities and opportunities.



Trustees have recently pivoted away from seeing membership growth as being the sole driver of activity outside UK. With focus instead shifting to furthering the ICE's policy influence and knowledge programmes in key markets.

In 2023 we reviewed our global footprint, and the significance of different countries to the ICE's mission was decided by aggregating the importance placed on each across all areas of work. This included the level of membership support needed, our ability to offer and gather meaningful knowledge and political insight, and our commercial interests. The exercise enabled us to identify a number of countries which we refer to as our international target markets.

Completing this process on an annual basis allows us to be agile in reinforcing success and mitigating failure or changes to regional circumstances.

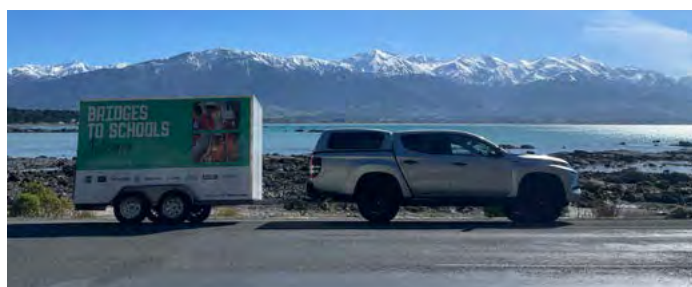
The 14 international target markets in 2023 account for a significant proportion of our membership numbers, knowledge generation and income, accounting for 77% of the international membership numbers, 82% of the international paying membership and 67% of the international student numbers on accredited programmes.



The ICE's commitment to the UN SDGs requires us to draw on expertise from all corners of the globe and convene cross-border forums to share experiences.

Targeting specific international markets allows the ICE to prioritise presidential visits outside the UK. These visits are an opportunity for the ICE to leverage the president's presence in a country, offering opportunities for networking, attending global events, advocacy, public and member engagement. In 2023, the president met with members and stakeholders in Dubai, China, Hong Kong, Australia, New Zealand and Ireland.

The ICE's commitment to the UN SDGs requires us to draw on expertise from all corners of the globe and convene cross-border forums to share experiences. We do this as a trusted partner to organisations around the world and a commitment to working together for shared outcomes when our aims are aligned. Our international volunteer network is critical in delivering the ICE Plan and our international members are at the forefront of this engagement, working alongside the ICE's executive team to deliver its strategic goals outside the UK.



25,616
international members



8,172
Hong Kong members



163
countries



"The ICE's international members offer a multitude of advantages that directly contribute to the ICE's ability to achieve its strategic aims by providing access to resources, networks, information, and influence on a global scale. Our global influence is enhanced through our members and brings people together through their shared interests in engineering and the built environment and a commitment to the SDGs."

Priti Parikh, Trustee, international

Sector focus



Transport and mobility

Better transport connectivity is key to driving economic growth and improving people's lives. However, surface transport is also the largest source of greenhouse gas emissions in the UK. Governments around the world face difficult policy choices on how to bring down emissions, without disadvantaging certain regions, industries or populations.



"The key challenge facing engineers in the transport sector over the coming years is delivering the infrastructure that supports the nation's race towards net zero.

"The window of opportunity for large scale infrastructure solutions to deliver on decarbonisation at the pace required is rapidly closing. Increased emphasis will soon need to be placed on deploying sustainable transport interventions such as supporting active travel through improved walking and cycling infrastructure and making bus services more accessible, reliable and affordable.

"The ICE is drawing on the expertise of its members to encourage collaboration between decision-makers and industry so that a holistic approach to transport planning is adopted."

Mark Frost, ICE Transport and Mobility CAB

Low-carbon energy

A key focus of the ICE's work in 2023 was to maintain focus on low-carbon energy solutions – electricity generated from energy sources that emit significantly less greenhouse gases – in the midst of an economic slowdown and explore strategies to transition away from fossil fuels.



"The goal of a society which is much-less reliant on fossil fuels for its energy requirements will not be achievable without a successful transition; getting this wrong will make it extremely difficult to reduce our carbon emissions

and thus reach our net-zero ambitions. The most important role that the ICE and its members can play is one of active advocacy for a managed, planned, and successful expedited transition.

"The ICE is showing leadership by providing guidance to the industry and decision-makers, shaping the national agenda to ensure that the right thing is done at the right time by the right people."

Ian Parke, co-chair, Low-Carbon Energy CAB

Water and sanitation

Topics around water and sanitation have been at the forefront of the ICE's work for many years and 2023 saw a renewed focus on the institution's work to transform the availability of potable water and sanitation across the world.



"Civil and infrastructure engineers have a vital role to play in meeting the UN SDGs and can directly address some of the biggest challenges facing the water sector.

"But to do this, we must look beyond familiar networks and collaborate with architects, town planners, municipal engineers and others to think more broadly about challenges. We need to take a systems-led approach that takes the whole water cycle into account: capturing it, using it intelligently, treating it and recycling it.

The ICE's convening power is essential in bringing those working in the built environment together to deliver the solutions that society needs."

Jo Parker, co-chair, Water and Sanitation CAB



Our people

The ICE is proud to boast an energised, enthusiastic and engaged workforce of around 350 people who are all dedicated to delivering our vision and purpose and offering support to our members at every stage of their career.

Supporting the wellbeing of our people

In 2023, we introduced mandatory training for all line managers to provide them with the knowledge and tools to identify early signs of mental illness among their teams and enable them to provide adequate support. Refresher courses must be taken every two years. Each year, UN World Mental Health Day raises awareness of mental health issues around the world. The focus for 2023 was the importance of looking after our physical and mental health, and to support the theme we launched a programme of combined online guided meditation sessions and online restorative yoga sessions, to help staff to build healthy habits.

We also introduced new stress management training to equip employees with practical strategies to prevent and manage stress, as well as a confidence building course designed to help equip colleagues with techniques to control their nerves, boost self-confidence levels and help begin a journey to become more confident.

At the beginning of the year, we launched a new online training course on wellbeing and remote working, available for all staff. The course is designed to help colleagues understand how to take care of their physical, mental, and emotional health and wellbeing when working remotely.



People development and workforce planning

Ensuring our people have the skills required to do their jobs effectively is an important part of our people strategy. We offer colleagues a range of development opportunities in key skills including IT, interpersonal skills, and leadership.

We also regularly check the 'pulse' of our people by undertaking surveys to gain insight into how they are feeling about various aspects of their job and the organisation. It allows us to tailor our people strategy to ensure a satisfied and positive workforce. In 2023 we brought in an external provider, Culture Amp, to support us in further understanding how we can engage, retain and develop our people.

Making sure we have the right skills in place to enable delivery of our 2023-27 plan was an important part of the work of our people team in 2023.

Ensuring our people have the skills required to do their jobs effectively is an important part of our people strategy.

Engaging our people with our vision and purpose

In order to deliver our plan, and to realise our vision and purpose, it is important that our people understand what we are trying to achieve, and the role they play in meeting our goals. Over the past few years, this has proved challenging as we navigate our way around the new world of hybrid working. In 2023 we brought people together through a range of internal communications interventions including breakfast briefings, leadership town halls, an in-person all-staff conference, key-messaging workshops and staff newsletters.



Future plans



The ICE, through its 97,000 members, has committed to transforming how infrastructure is provided for society through decarbonisation, climate resilience, putting nature and people at the heart of the solutions, and improved productivity.

Strategic priorities for 2024

Maintaining and supporting our member base

The ICE will maintain its strong, global membership base through sustained growth of professionally qualified members and maximise the potential of the new Infrastructure Engineer qualification, while reinforcing our commitment to the high standards and continuing professional development of the Chartered Civil Engineer. We aim to expand our corporate partners scheme to include 20 companies and our academic partners scheme to include 30 universities. We will continue our CPD consultation and communicate the outcomes to members towards the end of the year.



Offering lifelong learning to our members

We will continue to ensure our knowledge offer is world-leading, current and relevant to the transition to sustainable infrastructure. A key part of our work to help drive decarbonisation will be to globally disseminate and actively support adoption of PAS 2080 across the industry. We will also work to transform the productivity of our industry by driving adoption of modern methods of construction, faster digital design and a greater use of data through provision of rules, tools and learning programmes.





Offering advice and insight to decision-makers

Decision-makers around the world look to the ICE for impartial advice on how to maximise the use of infrastructure systems to deliver a more sustainable world. We will advise policymakers at the highest level on the practical steps required for sustainable transition and leverage our considerable communications capabilities by sharing knowledge globally.



Leading by example on decarbonisation

The core of the ICE strategy focuses on the UN Sustainable Development Goals. While the ICE's own carbon footprint is small compared to global infrastructure, it is essential that the institution shows leadership by measuring its own impact across its operations (energy, travel and use of resources.) In 2024 the ICE will roll out a new Carbon Management Plan to explore all aspects of managing our own carbon emissions and consider ways it can be quantified, develop reduction and disclosure targets, and set out an overall plan towards net zero.



Improving our members' digital experience

A satisfying digital experience is key to ensuring increased engagement with our members. We aim to provide members and other stakeholders with a joined-up, intuitive and engaging experience across all ICE platforms. The new Connect membership database will provide the opportunity for greater personalisation linked to members' stated interests and will provide the analytics to ensure continued improvements in all stakeholder engagement.



Our people

We will continually invest in our people, both ICE colleagues and the strong volunteer network who deliver much of the institution's work, particularly in the field of professional accreditation. We will refocus our internal communications to foster better colleague engagement and champion diversity so that our organisation, its people and our members reflect the society we serve.



Key focuses for 2024:



Supporting our members



Lifelong learning



Advice and insight



Digital experience

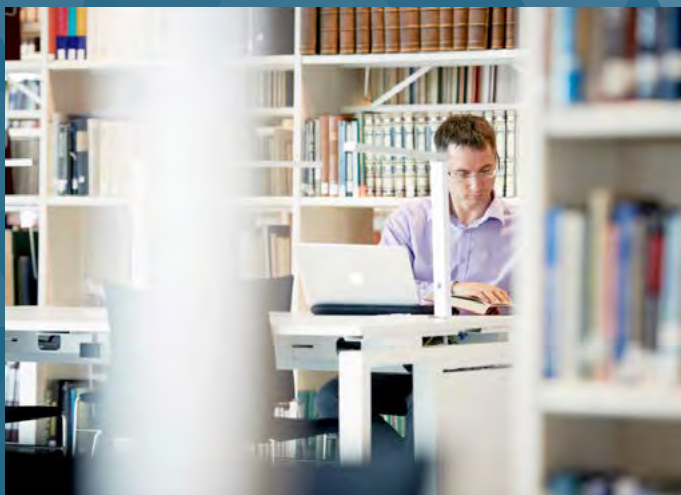


Investing in our people



Decarbonising by example

Financial review



The financial statements for the year ended 31 December 2023 are set out on pages 60 to 96.

The charity only financial results incorporate the results of the UK charity and its branch in the United Arab Emirates.

The consolidated financial results also include the results of the institution's UK trading subsidiary, Thomas Telford Limited (TTL) and its branch in Hong Kong, and the institution's overseas subsidiary, The Institution of Civil Engineers (Hong Kong) Limited (together, the Group).

Group results

Total Group income increased by £2,309k, or 6%, to £42,712k (2022: £40,403k), while total Group expenditure increased by £3,681k, or 9%, to £41,067k (2022: £37,386k), giving a net income before investment and other gains and losses of £1,645k (2022: £3,017k).

After accounting for net investment gains of £1,045k (2022: losses of £2,936k) and the one-off gain arising from the disposal of the ICE Publishing book and journal catalogue in TTL of £5,283k (2022: £nil), net income before the recognised gains and losses was £7,973k (2022: £81k).

The Group's main sources of ongoing income are membership subscriptions and the turnover generated by Thomas Telford Limited. Income from membership subscriptions increased by £581k, or 4%, from £14,604k to £15,185k, reflecting rising membership numbers and an increase in subscription fee rates. While some of the impact of inflation has been mitigated through the increasing contribution from TTL, and careful cost management, an increase to fees was required to ensure the long-term financial stability of the institution. However, the below inflation increase in subscription fee rates was the first increase since 2020, with cumulative increases in recent years remaining well below inflation.

Income from professional development and admission increased by £381k, from £1,634k to £2,015k, as the number of graduates on training agreements rose and the number of those coming through for professional review increased.

While the institution directly carries out some primary purpose trading, the increase in income from trading activities is attributable to Thomas Telford Limited, whose turnover increased by approximately 6%. Further details are provided on page 45. Rental income, included within other trading activity, increased as two floors of the institution's building at 8 Storey's Gate was let to external tenants.

Income from donations and legacies has fallen, as the prior year included a large one-off legacy, while investment income increased following a rise in interest rates, coupled with the increased return generated from making additional short-term investments during in the year.

The overall increase in expenditure is attributable to an increase in the underlying cost base due to a period of high inflation, the continued growth in the amount of business travel and face-to-face activity taking place as we move

further past the pandemic, continued investment in our digital offering, and an increase in activity within Thomas Telford Limited.

Membership and qualification related expenditure, which covers the cost of admissions and transfers, professional reviews, and professional learning and development, accounted for £11,534k (2022: £10,081k) of expenditure.

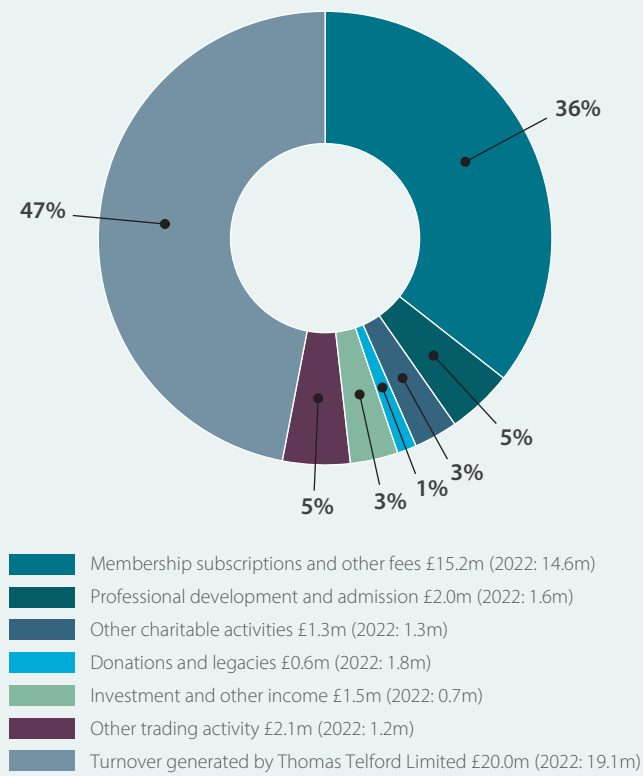
Knowledge related expenditure of £5,579k (2022: £5,207k) includes costs related to nurturing and sharing civil engineering knowledge and producing CPD content for members, while policy and public affairs expenditure totalled £3,046k (2022: £2,697k).

An amount of £5,442k (2022: £4,516k) was spent on the institution's regional activities, which includes the costs of the UK regions, overseas offices, and of supporting the ICE's Local Associations across the world.

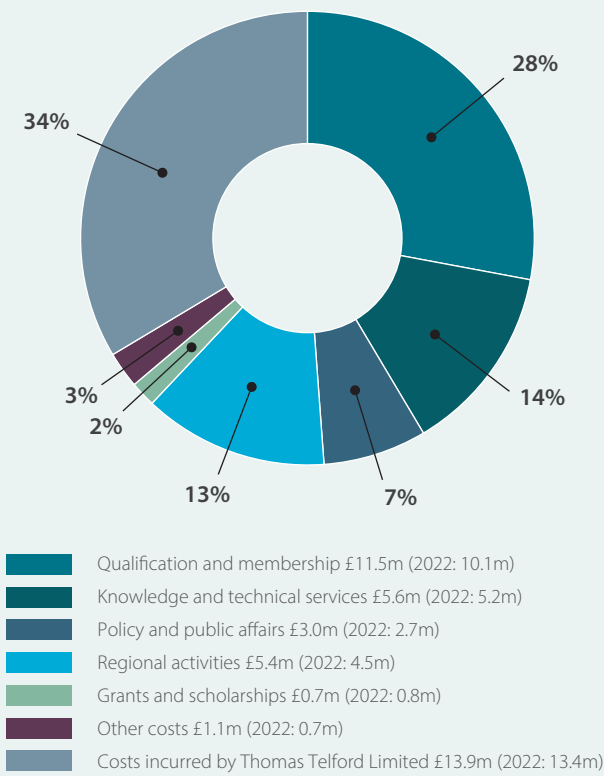
Trading activities accounted for £14,583k, or 36% of total expenditure (2022: £13,958k, 37%). The Group's trading activities are primarily carried out through the ICE's trading subsidiary, Thomas Telford Limited, whose principal activities include the publication of contracts, books and quality journals, the provision of training and consultancy, and the provision of meeting and hospitality facilities. While expenditure varies in relation to the volume of trading activity, the key measure of effectiveness is the profit generated, which is used to support charitable activities and mitigate increases to membership subscription tariffs. Including the profits generated from the sale of the book and journal catalogue, TTL's result for the year was a net profit, including the gain on disposal of the publishing assets, of £11,026k (2022: £4,975k). Further details are provided on page 45.

Included within charitable and trading expenditure are support costs totalling £10,874k which represent 26% of total expenditure (2022: £8,799k, 24%). Support costs include expenditure incurred on information technology, people, premises, finance, and governance. Expenditure on information technology increased as further investment was made in IT systems and infrastructure, in part to facilitate improved digital delivery of services, while design and procurement costs in relation to the major works programme planned at the Westminster estate in 2024 caused an increase in premises expenses.

Total Group Income



Total Group Expenditure



Restricted funds

The total movement on restricted funds during the year was an increase of £80k (2022: £605k). The majority of the restricted funds are held for the long term and managed sustainably to ensure they remain available to provide support in the long term.

The QUEST fund enjoyed another successful year. Incoming donations totalled £463k (2022: £463k) and scholarships of £460k (2022: £470k) were awarded to 351 recipients (2022: 356). The Into Civil Engineering Fund continued to award

scholarships, and payments totalling £32k (2022: £61k) were made to seven students (2022: 14). The Research and Development Enabling Fund awarded seven new grants in 2023 (2022: six) with an average grant per recipient of £24k (2022: £21k).

We are continually grateful to the generosity of our members and other donors who donate to the QUEST and Research and Development Enabling Funds.

Thomas Telford Limited

The whole of the TTL profit, the ICE's wholly owned UK trading subsidiary, is gift aided to the ICE under a Deed of Charitable Covenant. The payment due for the year was £11,026k (2022: £4,975k).

The principal reason for the increase in profit is the sale of the ICE Publishing book catalogue and journal titles in May 2023, which generated a gain on disposal of £5,283k (2022: £nil). Following a review of the long-term viability of the publishing business, which operated in a highly competitive and relatively mature market, a decision was taken to sell the portfolio to a suitable third-party publisher, eventually identified as Emerald Publishing, who would be better placed to ensure the long-term success of the publications.

In addition to the sale of the catalogue itself, the ICE has also granted Emerald Publishing a licence to use the ICE Publishing brand and ICE name in respect of those titles, as we embark on a mutually beneficial collaboration to ensure the long-term success of the the publications and maximise the benefits they bring to our members and wider engineering community.

TTL also saw improvement in performance across all of its other divisions, with operating profit increasing by 18% to £5,883k (2022: £4,973k). NEC and Training operations enjoyed a year of growth, and despite challenges in the sector, the events venue in Westminster also continues to make a strong recovery post pandemic.

Balance sheet and cash flow

The ICE's Group reserves and net assets, including restricted and endowment funds, increased in the year by £7,793k (2022: £2,382k decrease), summarised as follows:

	2023 £'000	2022 £'000
Net income before investment gains and losses	1,645	3,017
Net investment gains (losses)	1,045	(2,936)
Gain on the disposal of publishing assets	5,283	–
Actuarial loss on defined benefit pension scheme	(180)	(354)
Loss on revaluation of heritage assets	–	(2,109)
Net movement in funds	7,793	(2,382)

Listed investments increased to £31,682k (2022: £20,699k) principally due to the purchase of short-dated UK government gilts using cash previously held in short-term deposits to obtain improved yields, further supplemented by underlying investment gains. This followed the losses made in the previous year which had themselves followed strong gains in both 2021 and 2020.

Intangible assets increased to £4,311k (2022: £3,665k), primarily due to continued investment in the new membership management system. Tangible fixed assets decreased to £26,588k (2022: £27,378k). Investment in Westminster estate was low during 2023, in advance of a major works programme scheduled in the summer of 2024.

The Group's operating activities generated a net cash inflow of £1,104k (2022: £2,581k), while the Group's investment activities generated a net cash outflow of £4,496k (2022: £2,299k net outflow). The net outflow generated by the investment activities in the year ended 31 December 2023 reflects the investment of surplus funds in the year, with a net cash outflow of £9,756k in respect to the purchase and sale of investments (2022: net inflow £1k), partially offset by the net proceeds received from the disposal of the publishing assets of £5,283k (2022: £nil). After bank loan repayments in the year of £nil (2022: £212k), the Group's total net cash outflow was £3,392k (2022: £70k net inflow).

Reserves policy

A healthy level of free reserves is essential to ensuring that the institution can sustainably continue to deliver its aims and objectives and is an important part of how the ICE is financially resilient.

The ICE maintains reserves for the following reasons:

- The trading activities of TTL are cyclical and difficult to predict in the medium- to long-term. The institution remains aware of the need to diversify its income streams and to minimise the extent to which TTL profits fund the core cost base of the institution.
- The ICE is exposed to several risks, which may interrupt income streams or require additional investment. Reserves are held for contingency purposes.
- Investment balances are subject to potentially adverse change should market conditions deteriorate.
- Pension liabilities could increase as they are dependent on scheme investment performance, long-term gilt rates, investment returns and mortality assumptions.
- Major long-term investments are expected to be necessary in the coming years to ensure the ICE responds to changes in its operating environment and remains relevant to the needs of society and of its members. Reserves are required for 'step change' investments, where funding is expected to be in excess of cash generated through annual operations.

The institution's methodology for assessing the desired level of reserves seeks to align the reserves target with the risk assessment process and the specific risks faced by the institution. The specific risks and the desired levels of reserves associated with them are reviewed annually.

The methodology allows the Trustees to ensure that the institution is not accumulating funds unnecessarily so that they are used to enable the aims and objectives instead. Reviewing the risk register, there are a number of specific risks that may impact income or expenditure that have the potential to significantly impact the institution and its ability to be business resilient.

The reserves policy is renewed annually by the Finance, Assurance, and Risk Committee and the Trustees. During the year, the Trustees have assessed each of these material risks and identified the potential financial impact and likelihood of occurrence of each. While the free reserves target could be set as the sum of the total financial impact of all these risks, it is highly unlikely that all would crystallise in the same year. Trustees also recognise that action can be taken in year to reduce expenditure and protect income if a material risk does crystallise.

Based on this analysis, the Trustees approved a new target for free unallocated reserves of £12.0m to £15.0m in November 2023, where free unallocated reserves consist of free reserves, in accordance with Charity Commission definitions, adjusted to include the balance of current and non-current assets and liabilities retained in subsidiaries.

Funds of the Group

The total funds of the Group at 31 December 2023 amounted to £78,888k (2022: £71,095k). Of these funds, unrestricted funds amounted to £72,334k (2022: £64,680k).

In the year ended 31 December 2023, the institution's General Fund increased by £5,147k to £20,424k (2022: £15,277k). The General Fund excludes all funds which are not available for the Charity's free use, including the Charity's tangible and intangible fixed assets, all funds retained in subsidiaries and joint ventures, and other designated and restricted funds. Under Charity Commission definitions the General Fund represent the ICE's free reserves.

Total funds retained in subsidiaries at 31 December 2023 were £439k (2022: £405k). Within this amount were £803k (2022: £896k) of tangible and intangible fixed assets and net current and non-current liabilities of £364k (2022: £491k). While these net liabilities do not form part of the free reserves under Charity Commission definitions, the free reserves target is set after making allowance for them and therefore these net liabilities are added to free reserves when comparing the actual reserves to the target.

At 31 December 2023, the free unallocated reserves of the Group stood at £20,060k (2022: £14,786k), an amount in excess of the target range of £12.0m to £15.0m. Free reserves remain subject to any movement in investment markets, which have seen significant volatility in recent years.

The key reason for the increase in the ICE's free reserves group during the year is the sale of the ICE Publishing portfolio within TTL. The profit from the sale has been gift aided to the institution in year, however, TTL is expected to reinvest significant profits over the near future to develop new products, transform digitally, and continue its international expansion. It is anticipated that the reinvestment will lead to a temporary reduction in profits across one or more years, and that the ICE will draw from the "advance TTL profits" included within reserves at 31 December 2023 to cover this short-term reduction in profits, thereby enabling the ICE to maintain delivery of charitable activities.

During the year ended 31 December 2023 the Trustee Board approved the designation of further amounts to the Estate Maintenance and Digital Transformation funds. At 31 December 2023, amounts of £5,500k and £1,600k were held in each fund respectively.

A major programme of works is planned at One Great George Street for the year ending 31 December 2024. The Estate Maintenance Fund is expected to be released in the year ending 31 December 2024. The Digital Transformation fund was established to ensure funds are available to support major future IT projects and is expected to be drawn on in the medium term.

The institution is mindful of the necessity of maintaining adequate liquidity and therefore maintains a liquidity policy of ensuring freely available cash and investment balances do not fall below £6.0m. At 31 December 2023 they stood at £27,198k (2022: £27,120k). Excluding long-term investments, the freely available cash balance at 31 December 2023 was £7,690k (2022: £11,120k).

Pensions

Pension funds are valued in different ways by the actuaries to suit different purposes. A triennial valuation establishes an appropriate funding level and uses set financial assumptions that differ from those used for in valuations used for including the pension scheme in the financial statements of the sponsoring employer. These accounting disclosure requirements are governed by the Financial Reporting Standard, FRS 102.

The most recent triennial valuation as at 31 December 2022 showed the pension scheme surplus was £6.9m, a funding level of 120%. This is based on estimating the long-term liabilities over the remaining lives of scheme members. However, the FRS 102 valuation assumes higher interest and discount rates than the triennial valuation, leading to a lower calculation of pension liabilities. Consequently, the value as per the FRS 102 valuation at the same date was a surplus of £10.3m, a funding level of 133%. The updated FRS 102 valuation at 31 December 2023 was a surplus of £10.9m, a funding level of 127%.

The ongoing valuation basis, as used for the triennial valuation, is used to agree contribution levels. The institution voluntarily paid £nil (2022: £125k) to the scheme during the year ended 31 December, having previously agreed with the scheme trustees to cease making deficit recovery contributions to the scheme in March 2022. Furthermore, the scheme trustees had agreed that the scheme would begin to pay its own expenses from January 2023 onwards. During the year ended 31 December 2023, expenses totalling £301k (2022: £nil) were paid from the scheme.

Furthermore, the 31 December 2022 triennial valuation of the scheme estimated if it were to wind up at that date and secure benefits with an insurance company (i.e. buy-out the scheme), the pension surplus was £3.0m, with a funding level of 108%. At 31 December 2022 the difference between the FRS 102 valuation and the wind-up valuation was £7.3m. Furthermore, in the event of a winding up there could be a requirement to value certain salary linked benefits which would further increase this difference.

The Trustees have reassessed the estimate of the pension scheme asset included in the accounts, and for the year ended 31 December 2023 the surplus on the FRS 102 basis has not been recognised in the accounts. There is no certainty that, if it were to crystallise, any sum would be refundable from the pension scheme. Settling pension liabilities takes a long time, with costs spread over many years. The funding level is also volatile, and valuations are sensitive to changes in the financial market.

The Trustees remain mindful of the long-term nature of the defined benefit pension scheme liabilities, and the impact that any movements in the liabilities of the scheme may have on the free reserves and the resources available for general application. The scheme was previously closed to future service accrual to mitigate some of the risk, and the Trustees continue to work closely with the scheme trustees to manage scheme-related risks, including the de-risking of scheme assets. Furthermore, the aim of the scheme trustees and the institution is to transfer the total risk to an acceptable financial vehicle, such as an insurance company, for which consultations have begun with staff.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment policy of the institution is to seek the maximum return over the medium term having due regard to risk. The institution is active in ensuring that a socially responsible and ethical approach is followed by the investment management funds through which monies are invested, either requiring managers to be signatories to the UN's Principles for Responsible Investment (UNPRI) or by ensuring their approach is consistent and compatible with the UNPRI. The Trustees have also agreed that, wherever possible, preference should be given to funds which support the UNSDGs.

The objective for each of the Main, Quest, and Trust Fund, investment portfolios is to generate a return in excess of inflation over the long term, while generating an income to support the ongoing activities of the institution or the relevant specific restricted fund. Investments for each specific fund are managed within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks.

The Trustees have delegated the responsibility for investment activities to the Finance, Assurance, and Risk Committee. A Statement of Investment Principle (SIP) for each fund is reviewed annually by the Finance, Assurance, and Risk Committee and recommended to the Trustees for approval.

The Finance, Assurance and Risk Committee takes professional investment advice in developing the SIPs and the underlying investment strategy, to ensure that the investments are managed on behalf of the Trustees in accordance with legislation and good practice. The investment strategy, including strategic asset allocations and investment management approach, is developed with our investment advisors, Mazars Financial Planning Limited, who also manage the funds on a discretionary basis.

Investment risk is managed at an overall level by diversifying the investment portfolio between different asset classes and geographic markets together with maximum ranges for these allocations. Liquidity risk is managed by periodic forecasts of the ICE's reserve and cashflow requirements to determine tolerance to illiquid asset classes.

Cash balances arising from the results of operational and investment activities above that which is required for investing in ongoing operations may be invested into the investment portfolio. During the year an investment of £14m was made into short-dated UK government gilts in order to maximise returns. Of this balance, £4m of the initial investment matured during the year and the money was returned as cash. As at 31 December 2023, the balance of the initial investment of £10m remained. These gilts are expected to return.

Money in the form of cash balances not required for use in ongoing operations will normally be placed on overnight or short-to-medium-term cash deposits with a UK bank with an appropriately low credit risk. Except for the principal banker, there is a maximum limit for the ICE Group of up to £5m deposit with any one bank. Where overnight deposit accounts, which are maintained with the ICE's principal banker, temporarily exceed the amount required for ongoing operations, the ICE seeks to identify suitable deposit accounts with alternative providers as quickly as possible.

The Trustees have considered in detail the requirements of the Charity Commission's guidance note "Charities and investment matters: a guide for trustees" (CC14).

Grant making policy

The institution does not generally make grants from its unrestricted funds. Grants are generally made to individuals in the form of scholarships or awards from the QUEST, Into Civil Engineering, and Trust funds. All grants are made in accordance with the objectives and restrictions of the relevant fund.

The Research and Development Enabling Fund is administered by the Research, Development and Innovation towards Engineering Excellence Panel. Grants from this fund are made to support research in civil engineering and are given to recipients in both industry and academia.

Streamlined Energy and Carbon Reporting (SECR)

We recognise that climate change is one of the most important issues facing every one of us today. As civil engineers, our members play a crucial role in the reduction of carbon emissions and the ICE aims to help the profession contribute towards the net zero carbon target and mitigate climate change.

In light of this, we believe it is important that the ICE is transparent about its own carbon emissions. While not legally required to do so, we are voluntarily reporting

our energy and carbon emissions in compliance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. This requires an annual report on greenhouse gas emissions from UK energy use and business vehicles travel.

The table below summarises emissions in the year. The carbon footprint for the year ended 31 December 2023 was 546 tonnes CO₂e, which represents a carbon intensity of 1.64 tCO₂e per full time equivalent employee (2022: 1.70 tCO₂e).

Group	Unit	Quantity 2023	Carbon Footprint (tCO ₂ e) 2023	Quantity 2022	Carbon Footprint (tCO ₂ e) 2022	Scope
Electricity, One Great George Street	KWh	1,181,591	245	1,172,070	227	2
Gas, One Great George Street	KWh	1,192,774	218	1,247,636	228	1
Electricity, 8 Storey's Gate	KWh	166,542	34	168,827	33	2
Gas, 8 Storey's Gate	KWh	143,674	26	205,082	37	1
Business vehicle travel	vkm	141,003	23	103,706	18	3
			546		543	

Total emissions remained at a similar level to the prior year. Emissions from the consumption of gas decreased following the reduction of the boiler flow temperature in our buildings. However, the reduction in emissions achieved from lowering gas use was offset by an increase in emissions from the consumption of electricity. While there was a small increase in the amount of electricity consumed, the increase in emissions is primarily attributable to a change in the conversion factor used to convert KWh to tCO₂e.

Methodology

Our reporting methodology is based on the UK Government's 2019 Environmental Reporting Guidelines and these carbon footprints have been calculated using the UK government GHG Conversion Factors for Company Reporting for 2023. Energy use data was collected from energy bills. We have excluded all managed offices where we do not receive a separate charge for energy (which includes the Group's overseas offices).

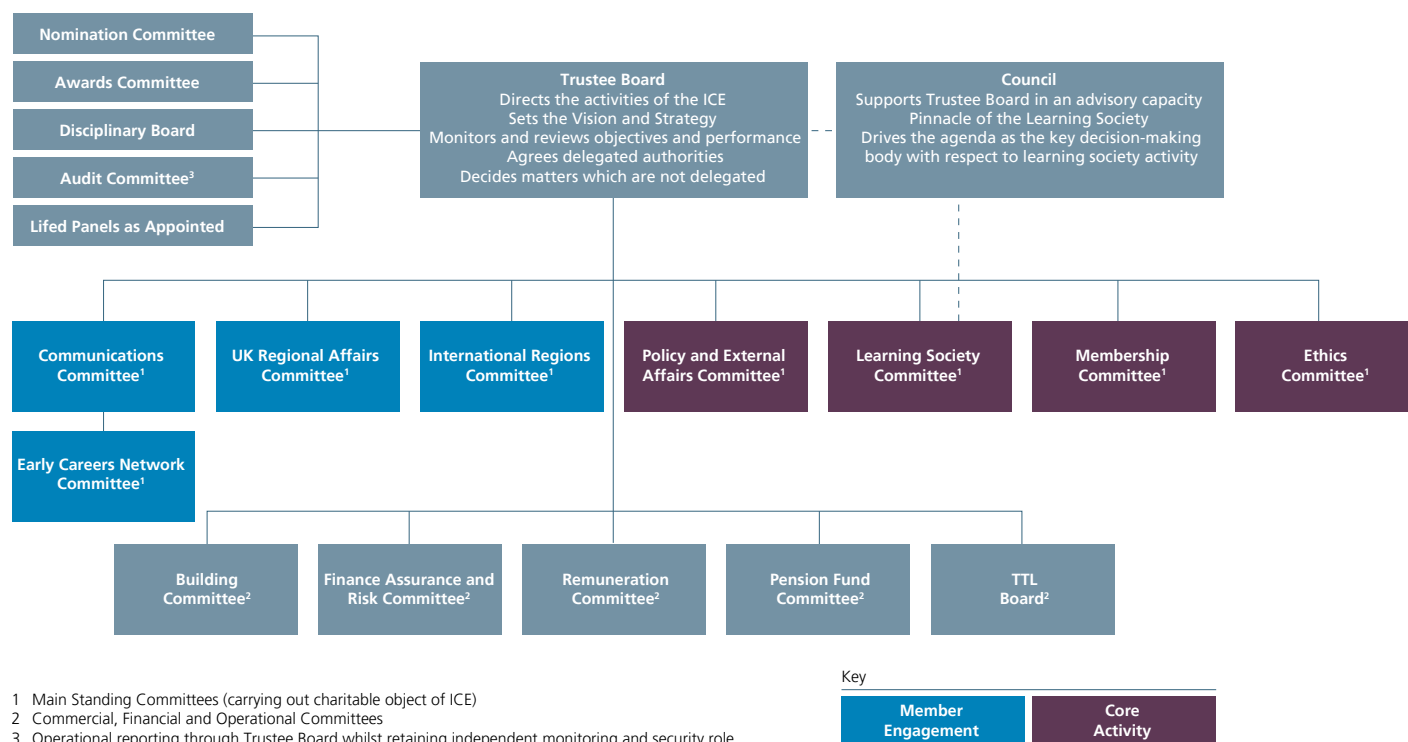
While the institution does not own any vehicles and thus does not purchase any vehicle fuel directly, UK staff and volunteers do sometimes use their own cars for the institution's business. This has been voluntarily disclosed in the information above and is estimated based on submitted mileage claims. Business travel has been calculated using the factor for "Average car, unknown fuel".

Energy efficient actions

We switched to a new electricity supplier in October 2023 and 100% of the electricity at One Great George Street and 8 Storey's Gate is now supplied from renewable sources. Prior to this date approximately 75% of the of the electricity supplied during 2023 was from renewable sources (2022: 32%). However, in compliance with reporting standards, the carbon saving this creates is not included in the standardised carbon footprint reported above. Additionally, as noted above, we reduced the boiler flow temperature in our buildings to reduce gas consumption.

In 2024, we aim to implement many of the recommendations included in the recently completed Energy Savings Opportunity Scheme (ESOS) Phase 3 audit.

Structure, governance and management



The ICE is governed by a Trustee Board which is legally responsible for the institution. It is chaired by the president and meets regularly to discuss progress on all of the ICE's programmes of work, as well as shaping the direction of a range of corporate governance matters. The board delegates responsibility for certain areas of work to a number of key committees. Trustees oversee creation of the ICE Plan which is implemented by the ICE's executive team under the guidance of the director general, who is also responsible for the day-to-day management of the institution's affairs.

Trustees are supported by a 38-strong advisory council, who offer assistance, insight and advice on the ICE's strategy and plan. The council is chaired by the president, while council members are directly elected by ICE members worldwide.

Council members are drawn from the breadth of the ICE's membership in the UK and overseas and the structure of council is designed to represent a good cross section of

members. As the pinnacle of the learning society, it has a particular role in helping shape the knowledge programme, offering valuable insight into the topics and subjects that affect civil and infrastructure engineers in their working lives.

As part of their induction, new Trustee Board and council members are given a grounding in how the institution is governed including the Royal Charter and By-laws, an outline of their respective roles, and the terms of reference of the Trustee Board, council and other main standing committees. To reflect the important position they hold and to ensure that they fully understand their responsibilities as trustees, a trustee induction day is held annually offering an introduction to the ICE and its programmes of work alongside guidance, advice and access to reading materials.

Further detail on the board's responsibilities, duties and composition is set out in the Trustee Board terms of reference, available on the ICE website.

Standing and Operational Committees

A brief description of the role of each of the principal committees, and the key commercial, financial, and operational committees, is detailed below. The chair of each committee is listed on page 98.

- **Nomination Committee:** the role of the ICE Nomination Committee is to make recommendations to the Trustee Board for the appointment of candidates for senior positions in the institution.
- **Membership Committee:** the Membership Committee is responsible to the Trustee Board for the role of the institution as a qualifying body and for maintaining the professionalism element of membership. The committee admits persons to the membership roll at all grades in accordance with the Royal Charter and By-laws.
- **UK Regional Affairs Committee:** the UK Regional Affairs Committee advises the Trustee Board on the ICE's UK regional strategy. The committee is made up of the regional committee chairs from each of the individual 12 UK region committees, and the regional council members.
- **International Regions Committee:** the International Committee oversees ICE's strategy across the eight ICE international regions.
- **Learning Society Committee:** the Learning Society Committee supports the ICE in delivering the institution's knowledge programme.
- **Policy and External Affairs Committee:** the Policy and External Affairs Committee provides strategic direction in matters of government relations and policy.
- **Finance, Assurance and Risk Committee:** the Finance, Assurance and Risk Committee monitors the financial performance and prospects of the Group, helping to ensure the institution can meet its ongoing financial and non-financial commitments. The committee scrutinises the annual budgets, reviews management accounts, and monitors performance against the business plan and budgets. The committee also has responsibility for oversight of the institution's investment arrangements.
- **Remuneration Committee:** the Remuneration Committee reviews and approves the remuneration of staff at director level and above on an annual basis. Further details on how pay for these staff is set is detailed on page 54.
- **Audit Committee:** the Audit Committee ensures that effective audit functions are in place, oversees the management of risk, and assesses the overall risk profile of the institution. Based on this, the committee undertakes a regular cycle of reviews and receives reports on selected internal control processes. The committee reviews the Annual Report and Accounts of the institution and the annual financial statements of TTL, before recommending their approval to the Trustee Board and TTL Board respectively.

Risk management

The ICE must protect against a range of risks and the Trustee Board have embedded risk management within the Group. Strategic and operational risk registers are regularly updated and reviewed by the management team, and further reviewed by the Audit Committee and the Trustee Board. Action plans identified through the risk register are included in the institution's annual business planning and budgeting cycle and in the individual objectives for managers and staff.

We track and consider both short and long-term risks. The latter are, almost inevitably, creeping risks, initially they seem small or avoidable, but cumulatively over several years they manifest themselves as significant or even severe. As a result, the risk register is based around the following key strategic risks:

- Risks to income
- Risks relating to cyber security
- Member and volunteer engagement
- Risks to delivering the new CRM system, ICE Connect
- Failure to attract and retain the best staff
- Long-term risks to TTL income and or products

The institution is heavily reliant on two main sources of funding, membership subscriptions and profit from TTL's commercial operations.

As a membership-based institution, it is imperative that we maintain our membership income streams and levels of membership engagement. We have a number of programmes for engaging with universities, sixth forms, and employers which have been hugely successful, and we are in a strong position as membership numbers have grown steadily over the last eight years.

Whilst the institution's IT services have been shown to be resilient in recent years, there is always a risk that key IT infrastructure fails or that we fail to deliver a strategic IT solution that meets the needs of our members, clients, or staff. As a membership organisation, we are particularly sensitive to the requirements of data protection legislation and the need to protect our systems. The ICE is Cyber Essentials accredited, and we continually review our systems, receiving assistance from specialist third parties where necessary, to ensure we are well placed to protect the data we hold.

The role played by our members, who so generously volunteer their time to serve the institution, cannot be overestimated. Their expertise is vital to enable us to deliver across a number of charitable activities, including:

- The professional review process by which individuals are assessed for qualification to membership
- Acting as STEM (science, technology, engineering, and mathematics) ambassadors to schools
- Committees
- Knowledge and insights

We have various programmes in place to engage, attract and support members volunteering in the above areas. We have appointed a firm of accountants to deliver an internal audit function to provide additional assurance starting in 2024.

While accepting that absolute assurance cannot be achieved, the Trustees are satisfied overall that the major risks have been reviewed and systems or procedures have been established to manage those risks.

Pay policy for senior staff

Members of the Trustee Board and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 10 and 11 to the accounts.

The remuneration of senior management at director level and above is reviewed and approved annually by the ICE Group Remuneration Committee. This committee is chaired by a recent past president. The committee ensures arrangements are affordable and fair, and designed to motivate and reward performance in the interest of the ICE Group. Remuneration is benchmarked periodically using external surveys and data which include both commercial and not-for-profit organisations.

Related parties and connected organisations

The ICE has two wholly owned subsidiary undertakings: Thomas Telford Limited, a company registered in England and Wales which operates on a commercial basis and donates its profits to the ICE, and The Institution of Civil Engineers (Hong Kong) Limited, a company registered in Hong Kong.

The institution is also an equal guarantor to Structural-Safety Limited (SSL), a company registered in England and Wales, with the Institution of Structural Engineers.

The ICE works with a number of charitable organisations in pursuit of its charitable objectives, including 14 Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering.

The institution also works closely with the ICE Benevolent Fund, a charity registered in England and Wales, who provide benevolent services to ICE members and staff.

Public benefit statement

The ICE achieves its public benefit purpose by encouraging the next generation of engineers, disseminating and exchanging technical knowledge, enhancing capability, professionalism and innovation, together with an improved understanding of how civil engineering can provide solutions to meet society's needs.

The Trustee Board confirms it has complied with the duty outlined in Part 2 of the Charities Act 2011 to have regard to guidance on public benefit published by the Charity Commission when exercising any powers or duties to which the guidance is relevant.

Fundraising

Section 162a of the Charities Act 2011 requires charities of a certain size to make a statement regarding fundraising activities in their Annual Report. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes".

The institution's fundraising activities focus on generating income to support civil engineering scholarships through the QUEST fund, and research grants through the Research and Development Enabling fund. All solicitations are managed internally, without involvement of professional fundraisers or commercial participators. The day-to-day management of all income generation is delegated to the management team, who are accountable to the Trustee Board.

Fundraising income is presented in our accounts within income from donations and legacies and includes grants.

The ICE is registered with the UK Fundraising Regulator and complies with all the relevant standards set out in the Code of Fundraising Practice. We have received no complaints in relation to fundraising activities during the year.

Professional conduct matters

The Professional Conduct Panel (PCP) considers complaints against ICE members, and the Disciplinary Board adjudicates on cases referred to it by the PCP. The Disciplinary Board has powers to make orders against members found guilty of improper conduct, which in the most serious cases may be expulsion from ICE membership.

Professional Conduct Panel

A Disciplinary Board was convened on two occasions and heard six cases referred to it by the Professional Conduct Panel.

Dispute Services

ICE provides both early intervention conflict avoidance for engineering and construction projects as well as a leading dispute resolution service.

It is a multi-disciplinary service with 51 registered adjudicators, arbitrators, and mediators.

In 2023 the dispute resolution service nominated 99 dispute resolvers across industry.

Disciplinary Board

The Disciplinary Board heard six cases in 2023. In one case the charges were not found proved and the matter was concluded. One case resulted in an admonishment of the member, one member was reprimanded, two members were suspended, and one member was referred back to the PCP.

Appeals

No appeals were lodged in 2023.

Reservoir safety - Reservoirs Committee

During 2023, the ICE Reservoirs Committee dealt with 41 applications from civil engineers seeking appointment or reappointment to panels of engineers under the relevant United Kingdom legislation for the construction, inspection and supervision of large, raised reservoirs. The committee found that 32 of the applicants qualified for appointment and nine were not qualified.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Charity and of the income and application of resources, including the income and expenditure, of the Group and Charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Provision of information to the auditor

Each of the persons who are Trustees at the time when the Trustees' Report is approved has confirmed that:

- so far as the Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Signed on behalf of the Trustee Board:

Anusha Shah

Professor Anusha Shah CEng, FICE, Hon DEng, Hon. Prof
President
19 March 2024

Independent auditor's report to the Trustees of the Institution of Civil Engineers

Opinion

We have audited the financial statements of the Institution of Civil Engineers for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Charity 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 2023 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and President's Foreword. 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 Statement of Trustees' Responsibilities set out on page 56, 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), and determined that the principal risks were related to income recognition. 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;
- 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;
- Challenging assumptions and judgements made by management in their critical accounting estimates, in particular the valuation of heritage and intangible assets and stock provisions; and
- 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.

Haysmacintyre LLP

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

Date: **22/04/2024**

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

Consolidated Statement of Financial Activities

For the year ended 31 December 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Income from:									
Donations and legacies	1	22	562	–	584	37	1,800	–	1,837
Charitable activities									
Membership and qualification	2	17,863	22	–	17,885	16,711	–	–	16,711
Knowledge		487	–	–	487	642	30	–	672
Policy and public affairs		–	161	–	161	–	149	–	149
Other trading activities	3	22,099	–	–	22,099	20,356	–	–	20,356
Investments	4	863	110	–	973	384	65	–	449
Joint venture	16	42	–	–	42	–	–	–	–
Other	5	481	–	–	481	229	–	–	229
Total		41,857	855	–	42,712	38,359	2,044	–	40,403
Expenditure on:									
Raising funds									
Trading activities	6	14,583	–	–	14,583	13,958	–	–	13,958
Investment managers fees	6	111	23	–	134	91	23	–	114
Joint venture	6, 16	–	–	–	–	42	–	–	42
Charitable activities									
Membership and qualification	6	11,534	–	–	11,534	10,076	5	–	10,081
Knowledge	6	5,579	–	–	5,579	5,140	67	–	5,207
Policy and public affairs	6	2,899	147	–	3,046	2,561	136	–	2,697
Regional activities	6	5,442	–	–	5,442	4,516	–	–	4,516
Grants and scholarships	6	1	748	–	749	–	771	–	771
Total expenditure		40,149	918	–	41,067	36,384	1,002	–	37,386
Net gains (losses) on investments		853	143	49	1,045	(2,333)	(447)	(156)	(2,936)
Gain on disposal of publishing assets		5,283	–	–	5,283	–	–	–	–
Net income (expenditure)		7,844	80	49	7,973	(358)	595	(156)	81
Transfers between funds		–	–	–	–	(10)	10	–	–
Other recognised gains									
Actuarial losses on defined benefit pension scheme	24	(180)	–	–	(180)	(354)	–	–	(354)
Loss on revaluation of heritage assets	15	–	–	–	–	(2,109)	–	–	(2,109)
Net movement in funds		7,664	80	49	7,793	(2,831)	605	(156)	(2,382)
Reconciliation of funds:									
Total funds brought forward		64,680	5,314	1,101	71,095	67,511	4,709	1,257	73,477
Total funds carried forward		72,344	5,394	1,150	78,888	64,680	5,314	1,101	71,095

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 64 to 96 form an integral part of these financial statements.

Charity Statement of Financial Activities

For the year ended 31 December 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Income from:									
Donations and legacies	1	11,048	562	–	11,610	4,994	1,800	–	6,794
Charitable activities									
Membership and qualification	2	17,863	22	–	17,885	16,711	–	–	16,711
Knowledge		487	–	–	487	642	30	–	672
Policy and public affairs		–	161	–	161	–	149	–	149
Other trading activities	3	2,489	–	–	2,489	1,874	–	–	1,874
Investments	4	855	110	–	965	384	65	–	449
Joint venture	16	42	–	–	42	–	–	–	–
Other	5	481	–	–	481	229	–	–	229
Total		33,265	855	–	34,120	24,834	2,044	–	26,878
Expenditure on:									
Raising funds									
Trading activities	6	1,136	–	–	1,136	665	–	–	665
Investment managers fees	6	111	23	–	134	91	23	–	114
Joint venture	6, 16	–	–	–	–	42	–	–	42
Charitable activities									
Membership and qualification	6	11,538	–	–	11,538	10,078	5	–	10,083
Knowledge	6	5,579	–	–	5,579	5,140	67	–	5,207
Policy and public affairs	6	2,899	147	–	3,046	2,561	136	–	2,697
Regional activities	6	5,044	–	–	5,044	4,370	–	–	4,370
Grants and scholarships	6	1	748	–	749	–	771	–	771
Total expenditure		26,308	918	–	27,226	22,947	1,002	–	23,949
Net gains (losses) on investments		853	143	49	1,045	(2,333)	(447)	(156)	(2,936)
Net income (expenditure)		7,810	80	49	7,939	(446)	595	(156)	(7)
Transfers between funds		–	–	–	–	(10)	10	–	–
Other recognised gains									
Actuarial losses on defined benefit pension scheme	24	(180)	–	–	(180)	(354)	–	–	(354)
Loss on revaluation of heritage assets	15	–	–	–	–	(2,109)	–	–	(2,109)
Net movement in funds		7,630	80	49	7,759	(2,919)	605	(156)	(2,470)
Reconciliation of funds:									
Total funds brought forward		64,275	5,314	1,101	70,690	67,194	4,709	1,257	73,160
Total funds carried forward		71,905	5,394	1,150	78,449	64,275	5,314	1,101	70,690

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 64 to 96 form an integral part of these financial statements.

Balance Sheets

at 31 December 2023

	Note	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Fixed assets					
Intangible assets	13	4,311	3,665	3,659	2,907
Tangible assets	14	26,588	27,378	26,437	27,240
Heritage assets	15	13,136	13,134	13,136	13,134
Investments	16	31,724	20,745	32,025	21,046
		75,759	64,922	75,257	64,327
Current assets					
Stocks	17	137	334	–	–
Debtors	18	6,831	6,029	6,121	3,240
Cash at bank and in hand		8,627	12,155	4,828	11,248
		15,595	18,518	10,949	14,488
Creditors: amounts falling due within one year	19	(11,834)	(11,846)	(7,757)	(8,125)
Net current assets		3,761	6,672	3,192	6,363
Creditors: amounts falling due after one year	20	(632)	(499)	–	–
Total net assets before pension scheme asset		78,888	71,095	78,449	70,690
Defined benefit pension scheme asset	24	–	–	–	–
Total net assets		78,888	71,095	78,449	70,690
Funds					
Endowment funds	26	1,150	1,101	1,150	1,101
Restricted funds	27	5,394	5,314	5,394	5,314
Unrestricted income funds	28	66,652	58,988	66,213	58,583
Revaluation reserve	28	5,692	5,692	5,692	5,692
Total funds		78,888	71,095	78,449	70,690

The financial statements were approved by the trustees on 19 March 2024 and signed on their behalf by:

Anusha Shah

Anusha Shah
President

Janet Young

Janet Young
Director general and secretary

J. W. Hall

James Hall
Senior Vice President

The accounting policies and notes on pages 64 to 96 form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	2023 £'000	2022 £'000
Cash flows from operating activities		
Net income for the year (as per the statement of financial activities)	7,973	81
Adjusted for:		
Investment income	(973)	(449)
Joint venture (income) loss	(42)	42
Net investment (gains) losses	(1,045)	2,936
Depreciation	1,067	1,039
Amortisation	293	359
Loss on disposal of tangible fixed assets	14	47
Loss on disposal of intangible assets	–	312
Gain on disposal of publishing assets	(5,283)	–
Donated heritage assets	(2)	(2)
Net interest on defined benefit pension scheme	(481)	(229)
Defined benefit pension scheme administration expenses	301	–
Defined benefit pension scheme deficit reduction payments	–	(125)
(Increase) decrease in stocks	197	33
(Increase) decrease in debtors	(802)	(1,550)
Increase (decrease) in creditors	(113)	87
Net cash provided by operating activities	1,104	2,581
Cash flows from investing activities		
Investment income	973	449
Proceeds from the sale of investments	17,097	6,747
Purchase of investments	(26,853)	(6,746)
Purchase of tangible fixed assets	(291)	(1,149)
Purchase of intangible fixed assets	(705)	(1,600)
Net proceeds from the sale of publishing assets	5,283	–
Net cash used in investing activities	(4,496)	(2,299)
Cash flows from financing activities		
Repayment of borrowing	–	(212)
Net cash used in financing activities	–	(212)
Change in cash and cash equivalents in the reporting period	(3,392)	70
Cash and cash equivalents at 1 January	12,273	12,203
Cash and cash equivalents at 31 December	8,881	12,273

	At 1 January 2023 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 December 2023 £'000
Analysis of changes in net debt				
Cash and cash equivalents				
Cash in hand	1,912	292	–	2,204
Short term deposits	10,243	(3,820)	–	6,423
Cash held by investment manager for reinvestment	118	136	–	254
	12,273	(3,392)	–	8,881

The accounting policies and notes on pages 64 to 96 form an integral part of these financial statements.

Principal accounting policies

For the year ended 31 December 2023

The principal accounting policies adopted by the Charity and Group are set out below.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The statements have been prepared under the historical cost convention as modified by the revaluation of investments at market value.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Basis of consolidation

The consolidated financial statements incorporate the results of The Institution of Civil Engineers (the Charity) and its subsidiary undertakings, Thomas Telford Limited (TTL) and The Institution of Civil Engineers (Hong Kong) Limited, on a line-by-line basis, after the elimination of intra-group transactions.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no statement of cash flows is presented for the Charity; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent Charity as their remuneration is included in the totals for the Group as a whole.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees have considered the key risks and uncertainties facing the Charity and regularly review budgets and forecasts, including cash flows, and other key performance indicators. Budgets and forecasts consider the mitigating actions the Charity can deploy and consider immediate liquidity and longer-term solvency, together with the impact on reserves.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

With regard to the next accounting period, the year ending 31 December 2024, the most significant areas that are likely to affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets.

Principal accounting policies

For the year ended 31 December 2023

Fund accounting

Unrestricted funds are reserves which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for specific purposes. In accordance with FRS 102 – Retirement Benefits, a pension reserve is included within unrestricted funds representing the value of the defined benefit pension scheme asset as recognised in the accounts.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted reserves are funds which are allocated by the donor for specific purposes.

Endowment funds are assets which must be held permanently by the Charity but income arising from the assets may be expended.

A description of the funds in existence during the year is included in notes 26 to 28 of the accounts.

Income

Income is recognised in the period in which entitlement is established, when economic benefit is probable, and the value can be measured reliably.

Donations

Income from donations is included when the conditions for receipt have been met and there is a probable assurance of receipt. When donors specify that donations are for a particular restricted purpose which do not amount to preconditions regarding entitlement, this income is included in income of restricted funds when receivable.

Legacies

Recognition of legacy income is dependent on the type of legacy. Pecuniary legacies are recognised when notification is received, and probate is granted. Residuary legacies are recognised when entitlement is established, and the value can be measured reliably, which is typically on grant of probate.

Member subscriptions

Income from member subscriptions is allocated to the year to which it relates, with payments received in advance held as deferred income.

Investment income and interest

Investment income and interest are recognised when receivable.

Trading activities

Turnover arises 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. It excludes value added tax and trade discounts. Income from journal subscriptions and event bookings is allocated to the year to which it relates, with payments received in advance held as deferred income.

Principal accounting policies

For the year ended 31 December 2023

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is allocated on the bases indicated below.

Cost of raising funds

Cost of raising funds comprises the costs of fundraising activities, commercial trading activities and investment management fees. Expenditure on other trading activities includes all the costs of Thomas Telford Limited, including the costs of goods sold.

Charitable activities

Expenditure on charitable activities is reflected in these accounts under five main headings:

- Membership and qualification
- Knowledge
- Policy and public affairs
- Regional activities
- Grants and scholarships

Expenditure on charitable activities includes direct costs and support costs. Support costs include property costs, HR, finance, IT, and other administrative and governance costs associated with supporting the charitable activities. They have been allocated to the cost of charitable activities on a basis consistent with the use of resources using appropriate measures such as headcount and floor area. The basis of the cost allocation has been explained in the note 8 to the accounts.

Grants payable

Grants payable, including scholarships, are 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.

Employee benefits

Defined contribution pension plan

Employer contributions to defined contribution pension plans are recognised as an expense when these are due. Amounts not paid are shown in other creditors in the balance sheet.

Defined benefit pension plan

The Institution of Civil Engineers Staff Retirement Benefits & Life Assurance Scheme (the Scheme), a defined benefit pension scheme closed to future accrual in November 2010. The Scheme is being accounted for under Section 28 of FRS 102, with the annually calculated surplus or deficit on the funding of the Scheme shown in the financial statements as an unrestricted fund, which is added to or deducted from unrestricted funds in the balance sheet. The trustees of the Scheme believe that the Scheme currently meets the minimum funding requirements. The assets of the Scheme are held completely independently from the Charity.

Net interest on the net defined benefit pension scheme asset is recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the Scheme assets, calculated by multiplying the fair value of the Scheme assets at the beginning of the year by the discount rate. The difference between the interest income on the Scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The asset, to the extent it is considered to be recoverable, and expense related to the Scheme are allocated entirely to the unrestricted ongoing activities of the Group.

Principal accounting policies

For the year ended 31 December 2023

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

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.

Taxation

The Institution of Civil Engineers is a registered charity and accordingly is exempt from taxation on its charitable activities which fall within the scope of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992. No tax liability, current or deferred, arose in respect of the Charity during the year.

Leases

Payments made under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Any gain/(loss) on revaluation is credited/(charged) to the statement of financial activities. Investments in subsidiary companies are included at cost less any provision for impairment. Investments in non-charitable companies under a joint venture arrangement are included at fair value, which is the Group's and/or Charity's share of the net assets of the commercial company as at the balance sheet date.

Tangible fixed assets

Freehold properties are capitalised at historical cost. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. The values of the buildings are informally monitored by the trustees on a regular basis in order to identify any permanent diminution in value which, where applicable, is charged to the statement of financial activities. Depreciation is charged on freehold refurbishment costs to write off the cost over the anticipated economic life.

No depreciation is charged on the assets under construction until they are brought into service. The annual rates of depreciation used to write off the cost of tangible fixed assets in equal instalments over their expected useful lives are as follows:

Freehold property	2% per annum
Improvements to freehold property	2.5% to 10% per annum
Furniture, fixtures and equipment	5% to 20% per annum

Principal accounting policies

For the year ended 31 December 2023

Intangible assets

Software acquired from third parties is capitalised when it is probable that the expected future economic benefits that are attributable will flow to the Group and their costs can be reliably measured. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. Amortisation is charged to write off the cost over the anticipated economic life.

No amortisation is charged on the software until the asset is brought into service. The annual rate of depreciation used to write off the cost of intangible assets in equal instalments over their expected useful lives is 14% to 20% per annum.

Heritage assets

The institution holds a collection of heritage assets relating to the history of the institution itself and the wider history of civil engineering. The collection is in three main categories: printed works, pictures, and other artefacts. An overview of the collections is set out in Note 15.

The printed works were valued for insurance purposes by item by L&J Gull in November 2017 and the pictures and other artefacts were valued for insurance purposes by Bonhams in December 2022. All assets are included on the balance sheet, at the values shown in Note 15. Trustees consider that the above methods of valuation constitute appropriate and relevant bases for valuation.

Acquisitions to all these collections are made by purchase or donation. Purchases are recorded at cost and donations are recorded at an appropriate current value where available at the time of acquisition. The cost of obtaining an annual valuation outweighs the value of any resultant benefit. The institution holds and retains these assets as a long-term policy for use for its charitable purposes and does not therefore intend to dispose of such assets.

Any changes in value of the heritage assets capitalised are (charged)/credited to the recognised gains and losses (as appropriate) within the statement of financial activities. Such assets are not depreciated as they are deemed to have indeterminate lives. Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the statement of financial activities when it is incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Provision is made for obsolete, slow-moving, or defective items where appropriate.

Principal accounting policies

For the year ended 31 December 2023

Financial instruments

Financial instruments are recognised in the Group's balance sheet when it becomes party to the contractual provisions of the instrument. Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and liability simultaneously.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except that investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade payables and obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are classified as current liabilities if payment is due within one year or less. If not, these are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost.

Principal accounting policies

For the year ended 31 December 2023

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 as detailed below:

Useful economic lives of tangible and intangible fixed 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.

Valuation of heritage assets

The valuation of heritage assets is based on estimates provided by external professional valuers based on their experience and judgement. Further detail on heritage assets is provided with the heritage assets accounting policy above and within note 15.

Defined benefit pension scheme asset

The determination of the assumptions used in calculating the defined benefit pension scheme asset is the responsibility of the Trustees. The assumptions are set with regard to advice given by the scheme actuary. 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 2022 has been used by the actuary in valuing the pension asset at 31 December 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset.

The scheme rules include instructions for dealing with any residual surplus in the scheme at the point of wind up and these make provision, in certain circumstances, for the return of a surplus to the Charity. Given there is a degree of uncertainty within the rules, significant accounting judgement is exercised in determining whether to recognise the pension scheme asset on the balance sheet, and, if applicable, in determining the value of the asset that is recognised.

The Trustees have reassessed the position of the scheme as at 31 December 2023, and have taken the decision to continue to derecognise the pension scheme asset on the basis that the amount of any residual surplus that may be returned to the Charity cannot be measured reliably, nor can the timing of the return of any residual surplus be estimated reliably given the potential remaining life of the scheme. Further details of this are set out in note 24.

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 8.

Notes to the financial statements

For the year ended 31 December 2023

1. Critical accounting judgements and estimation uncertainty

Group	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
R&D Enabling Fund	–	99	99	–	100	100
Quest	–	463	463	–	463	463
Other donations	2	–	2	2	–	2
Overseas Government Grants	–	–	–	18	–	18
Legacies	20	–	20	17	1,237	1,254
	22	562	584	37	1,800	1,837

Charity	Unrestricted Funds £'000	Restricted funds £'000	Total 2023 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
R&D Enabling Fund	–	99	99	–	100	100
Quest	–	463	463	–	463	463
Other donations	2	–	2	2	–	2
Legacies	20	–	20	17	1,237	1,254
Gift aid donation from TTL	11,026	–	11,026	4,975	–	4,975
	11,048	562	11,610	4,994	1,800	6,794

2. Income from membership and qualification

Group and charity	2023 £'000	2022 £'000
Annual subscriptions	15,185	14,604
Professional development and admission	2,015	1,634
Other fees and service income	685	473
	17,885	16,711

3. Income from trading activities

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Events and sponsorship	1,453	973	1,130	853
Rental income	383	136	1,225	975
Turnover generated by Thomas Telford Limited	20,043	19,118	–	–
Interest receivable	–	–	18	18
Other charges	220	129	116	28
	22,099	20,356	2,489	1,874

All income from trading activities was unrestricted in both 2023 and 2022.

Notes to the financial statements

For the year ended 31 December 2023

4. Income from investments

Group and charity	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Dividends from investments	485	87	572	209	55	264
Interest income	378	23	401	175	10	185
	863	110	973	384	65	449

5. Other income

Group and charity	Total 2023 £'000	Total 2022 £'000
Net interest on defined benefit pension scheme asset	481	229

6. Expenditure

Group	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2023 £'000	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2022 £'000
Raising Funds								
Trading activities	14,213	–	370	14,583	13,681	–	277	13,958
Investment managers fees	134	–	–	134	114	–	–	114
Joint venture	–	–	–	–	42	–	–	42
	14,347	–	370	14,717	13,837	–	277	14,114
Charitable activities								
Membership and qualification	5,473	–	6,061	11,534	5,227	–	4,854	10,081
Knowledge	3,121	–	2,458	5,579	3,381	–	1,826	5,207
Policy and public affairs	2,397	–	649	3,046	1,852	–	845	2,697
Regional activities	4,107	–	1,335	5,442	3,519	–	997	4,516
Grants and scholarships	72	677	–	749	91	680	–	771
	15,170	677	10,503	26,350	14,070	680	8,522	23,272
	29,517	677	10,873	41,067	27,907	680	8,799	37,386

Notes to the financial statements

For the year ended 31 December 2023

Charity	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2023 £'000	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2022 £'000
Trading activities	766	–	370	1,136	388	–	277	665
Investment managers fees	134	–	–	134	114	–	–	114
Joint Venture	–	–	–	–	42	–	–	42
	900	–	370	1,270	544	–	277	821
Charitable activities								
Membership and qualification	5,478	–	6,060	11,538	5,229	–	4,854	10,083
Knowledge	3,120	–	2,459	5,579	3,381	–	1,826	5,207
Policy and public affairs	2,397	–	649	3,046	1,852	–	845	2,697
Regional activities	3,709	–	1,335	5,044	3,373	–	997	4,370
Grants and scholarships	72	677	–	749	91	680	–	771
	14,776	677	10,503	25,956	13,926	680	8,522	23,128
	15,676	677	10,873	27,226	14,470	680	8,799	23,949

7. Awards & grants

Group and charity	2023 £'000	2022 £'000
Research and Development grants	167	118
Into Civil Engineering scholarships	32	61
Queen's Jubilee Scholarship Trust	460	470
Trust Fund awards and prizes	18	31
	677	680

The number of individuals and organisations who received awards, prizes and scholarships is as follows:

Group and charity	2023 No	2022 No
Research and Development grants – organisations	7	6
Into Civil Engineering scholarships – individuals	7	14
Queen's Jubilee Scholarship Trust – individuals	351	356
Trust Fund awards and prizes - individuals	76	79
	441	455

Notes to the financial statements

For the year ended 31 December 2023

The number of individuals and organisations who received awards, prizes and scholarships is as follows:

Organisation	Purpose	2023 £'000	2022 £'000
Bristol University	Papers and Letters (incomplete project)	–	(10)
Engineers Against Poverty	Building resilience through participation – Mapping interdependencies and climate-related risks of infrastructure systems in Uganda	–	3
Expedition Engineering	Embodied biodiversity: impact of production, supply and end of life of construction materials	25	–
Expedition Engineering	Insights into the carbon impacts of enabling infrastructure in large-scale development and regeneration projects	25	–
Imperial College London	Beneficial use of scrap tyre rubber in UK road embankments: feasibility study	–	25
Imperial College London	First sustainable and resilient high-strength permeable pavement towards a net-zero future	35	–
Imperial College London	Next generation of tall buildings with large-own mass dampers for efficient and resilient design	19	–
Strathclyde University	Concrete dams and sea walls assessment using two new Geophysical monitoring systems	3	25
University of Leeds	Concrete mix design for improved thermal conductivity in thermal energy piles	25	–
University of Oxford	Developing digital eyes and ears to monitor historic fibrous plaster ceilings	–	25
University of Sheffield	The Design and Construction of a Hole Erosion Test (HET) apparatus for UK soils	35	–
University of Southampton	Stainless steel hydrogen storage for net zero maritime transportation	–	25
University of Southampton	Hydrogen fuel as net zero route to future sustainable transportation	–	25
		167	118

8. Support costs

Group and charity	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2023 £'000	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2022 £'000
Membership and qualification	1,874	1,810	2,377	6,061	1,158	1,568	2,128	4,854
Knowledge	760	734	964	2,458	436	590	800	1,826
Policy and public affairs	201	194	254	649	202	273	370	845
Regional activities	69	630	636	1,335	32	479	486	997
	2,904	3,368	4,231	10,503	1,828	2,910	3,784	8,522
Trading activities	114	111	145	370	66	89	122	277
	3,018	3,479	4,376	10,873	1,894	2,999	3,906	8,799

Notes to the financial statements

For the year ended 31 December 2023

Charity management costs		2023 £'000	2022 £'000
Finance	Headcount	1,236	1,065
DB Pension Scheme expenses	Headcount	482	221
Human Resources	Headcount	674	752
Governance	Headcount	961	819
Depreciation and repairs	Estimated usage	1,023	1,049
		4,376	3,906
Premises costs	Headcount	3,018	1,894
IT costs	Headcount	3,479	2,999
		10,873	8,799

9. Net income

This is stated after charging:

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Depreciation of tangible fixed assets	1,067	1,039	995	962
Amortisation of intangible assets	293	357	56	118
Loss on disposal of tangible fixed assets	14	47	15	45
Loss on disposal of intangible assets	–	312	–	4
Auditors' remuneration				
Audit services	40	36	24	21
Non-audit services	28	6	2	–
Investment management fees	134	114	134	114
Amounts payable under operating leases				
Equipment	17	15	15	13
Property	204	185	136	121

Notes to the financial statements

For the year ended 31 December 2023

10. Staff costs

	Group 2023 £'000	Group 2022 £'000
Wages and salaries	17,527	16,031
Social security costs	1,770	1,693
Pension costs	1,373	939
Temporary staff	813	559
	21,483	19,222

Included in wages and salaries above is an amount of £101k (2022: £nil) paid out as redundancy payments and an amount of £84k paid out as termination payments (2022: £60k).

The average number of UK employees of the Group during the year was as follows:

	Group 2023 No	Group 2022 No
Charitable activities	243	229
Trading activities	105	105
	348	334

The number of employees whose emoluments, including taxable benefits in kind and bonuses paid, but excluding pension costs and accrued bonuses, exceeded £60,000, were within the following bands:

	Group 2023 £'000	Group 2022 £'000	Charity 2023 No	Charity 2022 No
£60,000 - £69,999	24	22	18	15
£70,000 - £79,999	18	12	13	9
£80,000 - £89,999	8	6	6	5
£90,000 - £99,999	5	3	5	3
£100,000 - £109,999	6	4	4	1
£110,000 - £119,999	2	2	–	–
£120,000 - £129,999	3	1	1	–
£130,000 - £139,999	2	2	1	1
£140,000 - £149,999	2	1	1	–
£150,000 - £159,999	–	–	–	–
£160,000 - £169,999	–	2	–	2
£170,000 - £179,999	2	–	1	–
£180,000 - £189,999	1	1	–	–
£190,000 - £199,999	–	–	–	–
£200,000 - £209,999	2	–	1	–
£210,000 - £219,999	–	2	–	–
£220,000 - £229,999	1	–	–	–
£230,000 - £239,999	–	1	–	1

Notes to the financial statements

For the year ended 31 December 2023

For the Group, pension benefits are accruing for 19 employees as a result of the salary link in the defined benefit scheme for those in the bandings above £60k (2022: 12). For the Charity, pension benefits are accruing for 12 employees as a result of the salary link in the defined benefit scheme for those in the bandings above £60k (2022: eight). The scheme closed to future accrual on 30 November 2010.

For the Group, pension payments to the defined contribution scheme for those in bandings above £60k totalled £499k (2022: £251k). For the Charity, pension payments to the defined contribution scheme for those in bandings above £60k totalled £333k (2022: £208k).

The ICE considers the key management personnel of the Group to comprise the members of the Trustee Board, together with the director general and secretary and other members of the executive team.

Key management personnel of 13 staff, three of whom were appointed and five of whom resigned during the year (2022: 11, two of whom were appointed and one of whom resigned during the year) received remuneration and benefits during the year as summarised below:

	Group 2023 No	Group 2022 No
Wages and salaries	1,554	1,554
Social security costs	180	180
Pension costs	114	114
Benefits in kind	13	13
	1,861	1,861

11. Trustee remuneration

None of the Trustees receive any remuneration for their services as a trustee.

Details of travel and subsistence expenses reimbursed to or paid on behalf of Trustees, including overseas presidential tours and participation in membership and learned society activity are summarised below.

	2023 £'000	2022 £'000	2023 No	2022 No
Expenses reimbursed to or paid on behalf of Trustees	106	38	13	9

Notes to the financial statements

For the year ended 31 December 2023

12. Related parties

In addition to the transactions below, Trustees use facilities of the Group on the same terms as other members or external customers. This includes access to events, and the purchase of goods or services from the institution's trading subsidiary, Thomas Telford Limited. For the year ended 31 December 2023 and the year ended 31 December 2022 all such transactions with related parties are considered within the normal scope of transactions.

The following payments, which have been made in accordance with Charity Commission guidance (CC11), have been made to Trustees or parties related to them in respect of services to ICE. There were no related party transactions in which the individual had direct influence over.

Ed McCann was a trustee of the institution until November 2022, and a director of Useful Simple Limited. During the previous year the institution made a payment of £1,360 to Useful Simple Group Limited, a subsidiary of Useful Simple Limited, for the design and production of advertising materials.

Liz Waugh is a trustee of the institution and a director of Coast Communications & Marketing Limited. During the year the institution made a payment of £65 (2022: £340) to Coast Communications & Marketing Limited for costs incurred on the institution's behalf related to the renewal of internet domain names. The expenses incurred were recharged to the institution at cost.

The Trustees donated in aggregate £87 (2022: £147) to the Charity during the year. Of these amounts, £60 (2022: £100) was donated towards the Queen's Jubilee Scholarship Trust fund and £27 (2022: £47) was donated towards the Research and Development Enabling Fund.

13. Intangible assets

Group	Total 2023 £'000
Cost	
At 1 January 2023	7,672
Additions	939
Disposals	(614)
At 31 December 2023	7,997
Amortisation	
At 1 January 2023	4,007
Charge for the year	293
On disposals	(614)
At 31 December 2023	3,686
Net book value at 31 December 2023	4,311
Net book value at 31 December 2022	3,665

All intangible assets relate to computer software and licensed products.

Notes to the financial statements

For the year ended 31 December 2023

	Total 2023 £'000
Charity	
Cost	
At 1 January 2023	5,150
Additions	808
Disposals	—
At 31 December 2023	5,958
Amortisation	
At 1 January 2023	2,243
Charge for the year	56
On disposals	—
At 31 December 2023	2,299
Net book value at 31 December 2023	3,659
Net book value at 31 December 2022	2,907

14. Tangible fixed assets

Group	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2023 £'000
Cost/valuation			
At 1 January 2023	38,043	5,484	43,527
Additions	14	277	291
Disposals	(5)	(85)	(90)
At 31 December 2023	38,052	5,676	43,728
Depreciation			
At 1 January 2023	12,424	3,725	16,149
Charge for the year	735	332	1,067
On disposals	(1)	(75)	(76)
At 31 December 2023	13,158	3,982	17,140
Net book value at 31 December 2023	24,894	1,694	26,588
Net book value at 31 December 2022	25,619	1,759	27,378

All Group assets are used in support of charitable or trading activities. Freehold property includes two assets. The institution's headquarters, One Great George Street, and 8 Storey's Gate. There is no reasonable likelihood that either property will be considered for sale in the foreseeable future.

The Trustees consider that the market values of the respective properties are not less than the carrying values included above.

Notes to the financial statements

For the year ended 31 December 2023

Charity	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2023 £'000
Cost/valuation			
At 1 January 2023	38,043	4,733	42,776
Additions	14	193	207
Disposals	(5)	(38)	(43)
At 31 December 2023	38,052	4,888	42,940
Depreciation			
At 1 January 2023	12,424	3,112	15,536
Charge for the year	735	260	996
On disposals	(1)	(27)	(29)
At 31 December 2023	13,158	3,345	16,503
Net book value at 31 December 2023	24,894	1,543	26,437
Net book value at 31 December 2022	25,619	1,621	27,240

15. Heritage assets

Group and charity	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Valuation at 1 January	13,134	15,241	15,240	15,204	15,200
Additions	–	–	–	–	4
Donations	2	2	1	4	–
Revaluation	–	(2,109)	–	32	–
Valuation at 31 December	13,136	13,134	15,241	15,240	15,204
Printed works	6,947	6,947	6,947	6,947	6,947
Pictures and other artefacts	6,189	6,187	8,294	8,293	8,257
	13,136	13,134	15,241	15,240	15,204

The Trustees consider there to be no material impairment on the present market values/replacement values compared to those stated. Approximately £17k per annum is spent on conservation of the Heritage Assets.

Other than those movements shown above, there have been no other additions or disposals.

Notes to the financial statements

For the year ended 31 December 2023

Description of the collection

The institution holds a collection of heritage assets relating to the history of the institution itself and the wider history of civil engineering. The collection is in three main categories:

- Printed works: the library contains over 140,000 titles. In addition, the collection includes manuscripts, original drawings, engravings and photographs of or by eminent civil engineers. This collection was designated as being of 'national significance' by the MLA (now Arts Council England) in 2009.
- Pictures: the institution displays a collection of over 250 paintings, including engineering portraits and those of other engineering related subjects.
- Other artefacts: this collection of approximately 200 items includes fine furniture, decorative art, and silver, mostly donated by distinguished past members, and with a civil engineering association. We also act as custodians for the Smeatonian Society of Civil Engineers' small collection.

The collection is accessible to the public on request with most of the pictures on display throughout the building.

The printed works were last valued in November 2017 by L&J Gull and the pictures and other artefacts were revalued in November 2022 by Bonhams.

Preservation and management

Those assets stored in the institution's archive or in display cabinets comply with BS 5454, "Recommendations for the storage and exhibition of archival documents". Among other things, it specifies temperature and humidity ranges for document storage, shelving schemes, and materials for document containers. The archive is protected by a gas fire suppression system.

Collections are managed and recorded in discrete databases and to the prevailing standard (UDC system for cataloguing of books and ISAD for the archive items).

Notes to the financial statements

For the year ended 31 December 2023

16. Fixed asset investments

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Listed investments	31,636	20,699	31,636	20,699
Investments in subsidiaries	–	–	301	301
Joint venture	88	46	88	46
	31,724	20,745	32,025	21,046

Listed investments

Group and charity	2023 £'000	2022 £'000
Listed investments		
Market value at 1 January	20,581	23,518
Acquisitions at cost	26,853	6,746
Disposals at book value (proceeds: £17,097k, realised gains: £138k)	(16,959)	(7,440)
Net unrealised investment gains (losses)	907	(2,243)
Market value at 31 December	31,382	20,581
Cash held by investment managers for reinvestment	254	118
	31,636	20,699
Historical cost at 31 December	31,969	21,709
Cumulative unrealised investment losses	(587)	(1,128)

An analysis of the market value of quoted investments at 31 December 2023 is as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Mutual Funds	16,021	3,136	1,080	20,237
UK Government Bonds	10,018	–	–	10,018
Exchange Traded Funds	893	174	60	1,127
Cash	203	41	10	254
	27,135	3,351	1,150	31,636

Notes to the financial statements

For the year ended 31 December 2023

An analysis of the market value of quoted investments at 31 December 2022 is as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Mutual Funds	14,519	1,615	2,601	18,735
Exchange Traded Funds	1,423	163	260	1,846
Cash	58	7	53	118
	16,000	1,785	2,914	20,699

Investments in subsidiaries

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Investments at cost	–	–	1	1
Long term loans	–	–	300	300
	–	–	301	301

Thomas Telford Limited

Thomas Telford Limited, a company incorporated in England and Wales (company registration number 02556636), is a wholly owned trading subsidiary of the Charity whose net profits are donated to the Charity under a Deed of Covenant. The principal activities of TTL are the publication of learned society books and quality journals, the organisation of courses, provision of contracts and ancillary services, provision of meeting facilities and ancillary services, and the operation of a job board.

At 31 December 2023 the Charity owned the entire issued share capital of 502 ordinary shares of £1 each in TTL. A summary of the results and the financial position of the company at 31 December 2023 is shown below.

Summary statement of income:	2023 £'000	2022 £'000
Turnover	22,126	20,865
Cost of sales	(4,277)	(3,979)
Gross profit	17,849	16,886
Administration expenses	(12,127)	(11,913)
Operating profit	5,722	4,973
Gain on disposal of publishing assets	5,283	–
Interest receivable	39	20
Interest payable	(18)	(18)
Net result	11,026	4,975
Gift Aid distribution to the charity	(11,026)	(4,975)
Profit for the year	–	–

Notes to the financial statements

For the year ended 31 December 2023

	2023 £'000	2022 £'000
Summary statement of financial position and retained earnings:		
Fixed assets	795	887
Current assets	7,250	5,115
Current and non-current liabilities	(8,029)	(5,986)
Total net assets	16	16
Called up share capital	1	1
Retained earnings	15	15
	16	16

Included with non-current liabilities above is a long-term loan of £300k from the Charity to TTL. The loan is repayable on one year's notice and is secured by debenture over the assets of the subsidiary. The interest payable to the Charity is calculated quarterly at the daily bank rate ruling during the quarter or 6% whichever is greater.

[The Institution of Civil Engineers \(Hong Kong\) Limited](#)

At 31 December 2022 the Charity owned the entire share capital of two ordinary shares of HKD\$1 each in The Institution of Civil Engineers (Hong Kong) Limited. A summary of the results and the financial position of the company at 31 December 2023 is shown below.

	2023 £'000	2022 £'000
Summary statement of income:		
Income	1,058	598
Expenditure	(1,014)	(504)
Profit on ordinary activities before taxation	44	94
Income tax (charge) credit	(10)	5
Profit for the year	34	89

	2023 £'000	2022 £'000
Summary statement of financial position and retained earnings:		
Fixed assets	8	9
Current assets	427	387
Current liabilities	(11)	(6)
Total net assets	424	390
Retained earnings	424	390

Notes to the financial statements

For the year ended 31 December 2023

Joint venture

The investment in the joint venture represents the Charity's investment in Structural-Safety Limited (SSL), a company incorporated in England and Wales (company registration number 11750936) on 4 January 2019. SSL is a company limited by guarantee and it has two members, the Institution of Civil Engineers and the Institution of Structural Engineers (IStructE). In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

A summary of the results and the financial position of the company at 31 December 2023 is shown below.

	2023 £'000	2022 £'000
Summary statement of income:		
Income	592	184
Cost of sales	(317)	(107)
Gross profit	275	77
Other operating charges	(190)	(161)
Profit on ordinary activities before taxation	85	(84)
Tax charge	–	–
Profit for the year after taxation	85	(84)

	2023 £'000	2022 £'000
Summary statement of financial position and retained earnings:		
Fixed assets	177	214
Current assets	278	210
Current liabilities	(278)	(332)
Total net assets	177	92

The total net assets are represented by retained net profits. The retained net profits are shared equally by the two partners. As such, the investment by the Charity as at 31 December 2023 comprises:

	2023 £'000	2022 £'000
Group and charity		
Investment at 1 January	46	88
Share of (losses) profits in the year	42	(42)
Investment at 31 December	88	46

Notes to the financial statements

For the year ended 31 December 2023

17. Stocks

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Raw materials and consumables	34	32	–	–
Finished goods and good for resale	103	302	–	–
	137	334	–	–

18. Debtors

Amounts falling due within one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade debtors	3,904	3,064	825	567
Amount owed by subsidiary undertakings	–	–	2,704	–
Other debtors	353	355	265	281
Prepayments and accrued income	2,574	2,610	2,327	2,392
	6,831	6,029	6,121	3,240

Included within the amount owed by subsidiary undertakings is a loan of £300k (2022: £300k) to Thomas Telford Limited. Interest is payable on the loan and is calculated quarterly at the bank base rates ruling during the quarter or 6%, whichever is the greater.

19. Creditors: amounts falling due within one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade creditors	1,133	973	643	725
Amount owed to subsidiary undertakings	–	–	291	1,233
Taxation and social security	705	684	704	611
Other creditors	557	586	551	537
Accruals	2,320	2,193	1,285	1,032
Deferred income	7,119	7,410	4,283	3,987
	11,834	11,846	7,757	8,125

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Deferred Income				
Balance at 1 January	7,410	7,732	3,987	4,589
Amounts released from previous years	(7,410)	(7,300)	(3,987)	(4,589)
Resources deferred in the year	7,133	6,978	4,283	3,987
Balance at 31 December	7,133	7,410	4,283	3,987

Notes to the financial statements
For the year ended 31 December 2023

20. Creditors: amounts falling due after one year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Deferred income	632	499	–	–

21. Operating lease commitments

Minimum lease payments under non-cancellable operating leases for photocopiers and office rental which expire:

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Land and buildings				
Within one year	148	154	80	82
Between one and two years	37	76	18	4
Between two and five years	–	20	–	–
	185	250	98	86

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Equipment				
Within one year	12	8	12	7
Between one and two years	12	–	12	–
Between two and five years	32	–	32	–
	56	8	56	7

At 31 December 2023 the Group had total commitments under operating leases of £241k (2022: £258k).

22. Contingent liabilities

The Group and Charity had no contingent liabilities at 31 December 2023 or 31 December 2022.

Notes to the financial statements

For the year ended 31 December 2023

23. Capital commitments

At 31 December 2023 the Group and Charity had the following capital commitments in respect to the development of computer software:

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Contracted for, but not provided in the financial statements	508	526	508	526

24. Pension Schemes

Defined benefit pension schemes

Benefits under the defined benefit pension scheme (the Scheme), which closed to new members in February 2002, are based on employees' final remuneration and length of service. The Scheme closed to future service accrual on 30 November 2010.

The pension expense charged to the statement of financial activities makes no allowance for actuarial gains and losses during the year. Actuarial gains and losses are recognised separately in the statement of financial activities in the year in which they occur.

Analysis of amounts charged to the statement of financial activities

	2023 £'000	2022 £'000
Components of pension cost		
Net interest income	(481)	(229)
Administration expenses	301	—
Total pension income recognised in the statement of financial activities	(180)	(229)
Components of losses recognised in year		
Actuarial (gains) losses immediately recognised	(438)	2,747
Change in effect of net pension scheme asset ceiling	618	(2,393)
Total recognised actuarial losses	180	354

Notes to the financial statements

For the year ended 31 December 2023

Reconciliation of the fair value of the Pension Fund assets and liabilities

	2023 £'000	2022 £'000
Amounts recognised in the balance sheet		
Present value of funded obligation	(29,937)	(30,850)
Fair value of plan assets	40,817	41,112
Derecognition of net pension scheme asset	(10,880)	(10,262)
	—	—
Change in benefit obligation		
Benefit obligation at 1 January	30,850	47,315
Interest cost	1,425	838
Benefits paid	(1,717)	(1,563)
Actuarial losses (gains)	942	(16,797)
Experience (gains) losses on liabilities	(367)	1,887
Changes to demographic assumptions	(1,196)	(830)
Benefit obligation at 31 December	29,937	30,850
Change in plan assets		
Fair value of plan assets at 1 January	41,112	59,970
Interest on assets	1,906	1,067
Actuarial losses	(183)	(18,487)
Employer contributions	—	125
Administration expenses	(301)	—
Benefits paid	(1,717)	(1,563)
Fair value of plan assets at 31 December	40,817	41,112
Actual return on plan assets	1,723	(17,420)
Funded status and net amount not recognised	10,880	10,262

The most recent triennial actuarial valuation as at 31 December 2022 showed a surplus of £3,023k.

Fund assets

The weighted average asset allocation at the year-end was as follows:

	2023 £'000	2022 £'000
Corporate bonds	53.8%	48.5%
Liability-driven investment	35.1%	26.5%
Cash	11.0%	25.0%
	100.0%	100.0%

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For the year ended 31 December 2023

Principal actuarial assumptions

	2023 £'000	2022 £'000
Discount rate	4.45%	4.75%
Inflation (RPI)	3.30%	3.40%
Inflation (CPI)	2.60%	2.70%
Salary increases	3.60%	3.20%
Pension increases (RPI capped at 5%)	3.10%	3.30%
Pension increases (RPI capped at 5% with 3% floor)	3.75%	3.60%
Commutation	20% of total pension	
Life expectancy at age 65 of male aged 45	22.4	23.0
Life expectancy at age 65 of male aged 65	21.1	21.7
Life expectancy at age 65 of female aged 45	25.6	26.1
Life expectancy at age 65 of female aged 65	24.2	24.7

Mortality assumptions used in 2023 and 2022 are based upon 108% of the S3PMA tables for male members and 99% of the S3PFA series tables for female members. Future improvements are assumed to be in line with the CMI projection model, assuming improvements have peaked. The long-term improvement is assumed to be 1.25% per annum (2022: 1.25% per annum), with a default smoothing parameter reflecting a decline at older ages, a 0.25% (2022: 0.25%) initial addition, and weight parameter of 25%.

Five-year history

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Benefit obligation at 31 December	(29,937)	(30,850)	(47,315)	(49,778)	(46,616)
Fair value of plan assets at 31 December	40,817	41,112	59,970	58,270	52,607
Surplus for FRS 102 purposes	10,880	10,262	12,655	8,492	5,991
Derecognition of surplus	(10,880)	(10,262)	(12,655)	—	—
Net pension asset	—	—	—	8,492	5,991

Contributions

The Charity did not make any contributions to the scheme in the year ended 31 December 2023 (2022: £125k paid). Contributions to be paid to the scheme during the annual period beginning after the reporting period are expected to be £nil.

Group personal pension

The GPP was introduced for employees on 1 October 2010 with members of the defined contribution scheme joining on this date and members of the defined benefit scheme joining on 1 December following closure to future accrual of that scheme. The pension cost for this scheme for 2022 was £1,050k (2022: £918k).

Notes to the financial statements
For the year ended 31 December 2023

25. Analysis of net assets between funds

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Fixed assets	–	44,035	–	–	44,035
Investments	19,596	7,626	3,352	1,150	31,724
Current assets	8,206	4,969	2,420	–	15,595
Creditors: amounts falling due within one year	(7,378)	(4,078)	(378)	–	(11,834)
Creditors: amounts falling due after one year	–	(632)	–	–	(632)
	20,424	51,920	5,394	1,150	78,888

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Fixed assets	–	43,232	–	–	43,232
Investments	19,897	7,626	3,352	1,150	32,025
Current assets	7,906	623	2,420	–	10,949
Creditors: amounts falling due within one year	(7,379)	–	(378)	–	(7,757)
	20,424	51,481	5,394	1,150	78,449

Comparative information for prior year:

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Fixed assets	–	44,177	–	–	44,177
Investments	16,000	461	3,183	1,101	20,745
Current assets	7,260	8,986	2,272	–	18,518
Creditors: amounts falling due within one year	(7,983)	(3,722)	(141)	–	(11,846)
Creditors: amounts falling due after one year	–	(499)	–	–	(499)
	15,277	49,403	5,314	1,101	71,095

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Fixed assets	–	43,281	–	–	43,281
Investments	16,301	461	3,183	1,101	21,046
Current assets	6,960	5,256	2,272	–	14,488
Creditors: amounts falling due within one year	(7,984)	–	(141)	–	(8,125)
	15,277	48,998	5,314	1,101	70,690

Notes to the financial statements

For the year ended 31 December 2023

26. Analysis of endowment funds

	2023 £'000	2022 £'000
Opening balance at 1 January	1,101	1,257
Net investment (losses) gains	49	(156)
Closing balance at 31 December	1,150	1,101

Endowment funds comprise 41 separate Trust Funds created by trust deed at various times and their capital is permanent endowment. Prizes and awards for achievement in civil engineering are made from the investment income in accordance with the terms of each Trust Fund and accounted for within restricted funds.

27. Analysis of restricted funds

Group and charity	1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2023 £'000
Into Civil Engineering	89	2	(32)	—	—	59
Research and Development Enabling Fund	534	120	(167)	—	—	487
Innovation and Research Focus	24	—	—	—	—	24
Infrastructure Client Group	163	161	(147)	—	—	177
David Butler Education & Inspiration Fund	42	—	—	—	—	42
Queen's Jubilee Scholarship Trust	2,536	536	(543)	—	112	2,641
The Michael Neale Scholarship Fund	1,237	—	—	—	—	1,237
Trust Funds	689	36	(29)	—	31	727
	5,314	855	(918)	—	143	5,394

Shaping the World

The Shaping the World initiative aims to bring together civil engineers across the globe with the aim of helping to alleviate the effects of major future challenges such as population growth and climate change and to ensure that future infrastructure is resilient, adaptable, and available to all. The restricted element of the money raised has now been fully expended.

Into Civil Engineering

The purpose of the Into Civil Engineering fund is to award scholarships to young people living in Scotland studying civil engineering.

Research and Development Enabling

The Research and Development Enabling fund was formed to support research and development by engineers and organisations outside the research field, to enable them to obtain funds from other sources.

Innovation and Research Focus

Contributions to Innovation and Research Focus had been obtained from various organisations and used to produce a quarterly research newsletter which is distributed to all corporate members. No activity took place in 2022, and there are plans to review the contingents in 2023.

Notes to the financial statements

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Infrastructure Client Group

The Infrastructure Client Group ("ICG") is a group made up of experts from a range of sectors which was formed to help support the implementation of the UK Government's Infrastructure Cost Review Report 2010. The ICE's support to this group was formalised during 2018. The fund represents monies received from members of the ICG as a contribution towards the activities coordinated by the institution.

PAS 2080

The PAS 2080 fund represents grant funding received from the Infrastructure and Projects Authority to be used towards the development of a guidance document for the updated PAS 2080: Carbon Management in Infrastructure.

David Butler Education & Inspiration Fund

The David Butler Education & Inspiration Fund represents monies received to be used in developing interactive resources to extend the ICE's engagement with schoolchildren and young children, particularly in the 16-18 age range.

Queen's Jubilee Scholarship Trust

The purpose of the Queen's Jubilee Scholarship Trust ("QUEST") is to award scholarships to civil engineering students, or travel awards to enable members to participate in voluntary work overseas or professional development grants to enable members in mid-career to acquire new skills or knowledge.

The Michael Neale Scholarship Fund

The Michael Neale Scholarship Fund relates to monies due to be received from the estate of the late Mrs Nora Neale, the wife of the also deceased Mr Michael Neale. It is the deceased express wish that the funds will be used to promote or encourage members of the institution to attend business courses at renowned British business schools which will lead to the awarding of MBA or other similar degrees, through the establishment of the "Michael Neale Scholarship".

Group and charity	1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2021 £'000
Shaping the World	27	—	(37)	10	—	—
Into Civil Engineering	148	2	(61)	—	—	89
Research and Development Enabling Fund	544	108	(118)	—	—	534
Innovation and Research Focus	24	—	—	—	—	24
Infrastructure Client Group	150	149	(136)	—	—	163
PAS 2080	—	30	(30)	—	—	—
David Butler Education & Inspiration Fund	48	—	(6)	—	—	42
Queen's Jubilee Scholarship Trust	2,958	495	(568)	—	(349)	2,536
The Michael Neale Scholarship Fund	—	1,237	—	—	—	1,237
Trust Funds	810	23	(46)	—	(98)	689
	4,709	2,044	(1,002)	10	(447)	5,314

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For the year ended 31 December 2023

28. Analysis of unrestricted funds

Group	1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2023 £'000
General fund	15,277	41,326	(38,678)	(3,618)	6,117	20,424
Designated funds						
Funds retained in subsidiaries	405	–	–	34	–	439
Funds retained in joint venture	46	42	–	–	–	88
Kenneth Watson Travel Award	415	8	(4)	–	19	438
Shaping the World	230	–	(115)	–	–	115
Fixed assets fund	37,589	–	(1,051)	1,002	–	37,540
Fixed asset commitments	526	–	–	(18)	–	508
Digital transformation fund	1,000	–	–	600	–	1,600
Estate maintenance fund	3,500	–	–	2,000	–	5,500
Revaluation reserve	5,692	–	–	–	–	5,692
Pension reserve	–	481	(301)	–	(180)	–
	64,680	41,857	(40,149)	–	5,956	72,344

Charity	1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2023 £'000
General fund	15,277	32,734	(24,837)	(3,584)	834	20,424
Designated funds						
Funds retained in joint venture	46	42	–	–	–	88
Kenneth Watson Travel Award	415	8	(4)	–	19	438
Shaping the World	230	–	(115)	–	–	115
Fixed assets fund	37,589	–	(1,051)	1,002	–	37,540
Fixed asset commitments	526	–	–	(18)	–	508
Digital transformation fund	1,000	–	–	600	–	1,600
Estate maintenance fund	3,500	–	–	2,000	–	5,500
Revaluation reserve	5,692	–	–	–	–	5,692
Pension reserve	–	481	(301)	–	(180)	–
	64,275	33,265	(26,308)	–	673	71,905

General fund

The general fund represents that element of the reserves of the Charity which have not been designated for any specific purpose.

Funds retained in subsidiaries

This fund represents the net assets of the Group which are retained within the subsidiaries and which are not available to the institution for its ongoing work.

Notes to the financial statements

For the year ended 31 December 2023

Funds retained in joint venture

This fund represents the net assets of the Group which are retained within the joint venture, Structural-Safety Limited, and which are not available to the Institution for its ongoing work.

Kenneth Watson Travel Award (QUEST)

The Kenneth Watson Travel Award is part of the Quest awards for young engineering scholars. At current estimation, it will be able to continue to award grants for at least another 20 years.

Shaping the World

The Shaping the World fund comprises an amount designated by the Trustees towards the Shaping the World initiative. The initiative aims to bring together civil engineers across the globe with the aim of helping to alleviate the effects of major future challenges such as population growth and climate change and to ensure that future infrastructure is resilient, adaptable, and available to all. Funds are expected to be drawn on in future years to support work with the institution's international partners.

Fixed assets fund

The fixed asset fund represents the net book value of the Charity's intangible fixed assets, tangible fixed assets and heritage assets, less the amount carried in the revaluation reserve. Transfers to the fund represent the cost of additions in the year. The fixed assets are essential to the ongoing work of the Charity, as without them the Charity's work would not be possible. As such their net book values should not be regarded as realisable in order to meet ongoing expenditure or contingencies.

The balance of this fund excludes the net book value of the fixed assets which are owned by subsidiary undertakings and which are included within the funds retained in subsidiaries.

Fixed asset commitments

This fixed asset commitments fund represents amounts designated towards capital commitments and which are not available to the institution for its ongoing work.

Digital transformation fund

This fund represents amounts designated by the Trustees for future investment in improving and transforming the institution's digital offering. An amount of £600k was designated to the fund during the year ended 31 December 2023. The fund will be drawn on as development takes place.

Estate maintenance fund

This fund represents amounts designated by the Trustees for redevelopment and major repairs of the institution's estate. An amount of £2,000k was designated to the fund during the year ended 31 December 2023. The fund will be drawn on as the expenditure takes place.

Notes to the financial statements

For the year ended 31 December 2023

Comparative information for prior year:

Group	1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2022 £'000
General fund	20,490	38,125	(35,258)	(5,805)	(2,275)	15,277
Designated funds						
Funds retained in subsidiaries	317	—	—	88	—	405
Funds retained in joint venture	88	—	(42)	—	—	46
Kenneth Watson Travel Award	472	5	(4)	—	(58)	415
Shaping the World	240	—	—	(10)	—	230
Fixed assets fund	36,376	—	(1,080)	2,293	—	37,589
Fixed asset commitments	727	—	—	(201)	—	526
Digital transformation fund	500	—	—	500	—	1,000
Estate maintenance fund	500	—	—	3,000	—	3,500
Revaluation reserve	7,801	—	—	—	(2,109)	5,692
Pension reserve	—	229	—	125	(354)	—
	67,511	38,359	(36,384)	(10)	(4,796)	64,680

Charity	1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2022 £'000
General fund	20,490	24,600	(21,821)	(5,717)	(2,275)	15,277
Designated funds						
Funds retained in joint venture	88	—	(42)	—	—	46
Kenneth Watson Travel Award	472	5	(4)	—	(58)	415
Shaping the World	240	—	—	(10)	—	230
Fixed assets fund	36,376	—	(1,080)	2,293	—	37,589
Fixed asset commitments	727	—	—	(201)	—	526
Digital transformation fund	500	—	—	500	—	1,000
Estate maintenance fund	500	—	—	3,000	—	3,500
Revaluation reserve	7,801	—	—	—	(2,109)	5,692
Pension reserve	—	229	—	125	(354)	—
	67,194	24,834	(22,947)	(10)	(4,796)	64,275

29. Funds held on behalf of others

The institution provides administrative services to 14 Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering. The institution is a custodian trustee of funds for nine of these societies (2022: nine), which have trustees separate and independent from the institution, but where the institution holds the society's funds on their behalf.

At 31 December 2023 the funds held by the institution had a combined balance of £635k (2022: £668k).

ICE Council and main committees

Members of Council (2023-2024 session)

Anusha Shah	President
Professor Jim Hall	Senior Vice President
Keith Howells	Immediate Past President
Jeffrey Ashurst	ICE North West
Yvonne Aust	ICE West Midlands
Rebecca Barkham	Graduate member
Edward Bingham	ICE East Midlands
Philip Brown	ICE Northern Ireland
Gillian Castka	
David Coles	
Yuli Doulala-Rigby	
Serena Gough	Graduate member
Beth Griffiths	
Tina Gunnarsson	
Benjamin Hamer	
Tim Harman	
Susan Hawkes	
David Hirst	ICE Yorkshire and Humber
Ken Ho	ICE Hong Kong
Dr Sabih Khisaf	Middle East and Africa
Gerald Knights	
George Lance	ICE Wales
Julian Lineham	Americas
Jose Lores	Europe and Central Asia
Dr Phebe Mann	ICE London
Jim Martin	
Yvonne Murphy	
Elizabeth Orchard	ICE East of England
Professor Priti Parikh	
Lucy Rew	
Steven Robertson	ICE Scotland
Oana Sala	Graduate member
Lucinda Smith	
Ivor Thomas	
Katy Toms	ICE South West England - (Resigned November 2023)
Sally Walters	
Robert White	Asia Pacific – non-Hong Kong
Graham Yates	ICE North East

The chairs of the principal standing and operational committees at the date of the signing of this report were:

Committee	
Nominations	Paul Sheffield
Membership	Julie Wood
Learning Society	David Porter
Policy and External Affairs	Jonathan Spruce
UK Regional Affairs	Paula McMahon
International	Priti Parikh
Finance, Assurance and Risk	Lucy Rew
Audit	Andrew Alder
Remuneration	Andrew Wyllie



Institution of Civil Engineers

The Institution of Civil Engineers (ICE) is a 97,000-strong global membership organisation with over 200 years of history.

It is a centre of engineering excellence, qualifying engineers and helping them maintain lifelong competence, assuring society that the infrastructure they create is safe, dependable and well designed.

Its network of experts offers trusted, impartial advice to politicians and decision makers on how to build and adapt infrastructure to create a more sustainable world.

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THE INSTITUTION OF CIVIL ENGINEERS

England & Wales - Charity number 210252

Accounts

Annual Report and Accounts 2022

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President's Foreword

2020 and 2021 were two of the more challenging years our Institution has faced and which could have had a significant impact on our ability to deliver our charitable aims.

Through careful handling of the pandemic, we entered 2022 with a renewed sense of purpose. But a new year also brought a new dilemma: how do we best operate in the 'new normal' world of remote working and virtual meetings?

I am pleased to report that the Institution rose to the challenge. We continued to grow membership numbers across all grades, eventually surpassing pre-pandemic levels. Importantly, in the last year we grew the number of professionally qualified members by around 2,000, assuring society that its critical infrastructure is in safe hands.

One of our aims is to encourage more of the infrastructure workforce to recognise the value of a professional qualification. The introduction of 'Chartered Infrastructure Engineer' – our first new protected title in nearly 100 years – is a clear opportunity to provide a professional home for more people engaged in delivering infrastructure around the world. This is a significant milestone as we seek to broaden our approach to tackling the climate emergency and delivering on the UN Sustainable Development Goals.

Indeed, the UN SDGs are a key underpin of our current strategy to demonstrate the role civil engineers and technicians can play in creating a more resilient world. Our work continues to position infrastructure at the forefront of national and international policy agendas, helping decision makers around the world make better choices throughout the infrastructure lifecycle. Through the Enabling Better Infrastructure programme, we are building a collaborative network of experts to transform how governments plan and prioritise infrastructure development. We are growing our reputation for credible, informed advice and are increasingly the go-to organisation for those who lead on infrastructure policy and strategy.

Our support business, Thomas Telford Limited, built on its notable successes in 2021 with its highest financial contribution to the Institution to date. The New Engineering Contract was again a primary driver. Global users of the contract have welcomed the introduction of secondary Option X29, which will help reduce the climate impact of infrastructure at every stage of the asset lifecycle.

Our support of member competence went from strength to strength in 2022 with the launch of the ICE's new Knowledge Hub, 50 new knowledge networks, and industry-leading guidance and standards on low-carbon infrastructure.

Through collaboration with other global engineering bodies, we have grown the reach of our networks. I am pleased to see the ICE continuing to build our international links and facilitate conversations about how the industry worldwide can be more efficient, resilient, and forward-thinking.

Last year, my predecessor Ed McCann suggested that rather than a return to normal, 2022 should herald a 'new normal' of greater collaboration with members around the world. I believe we are making great strides towards this, and I am confident we will continue to build on these successes in 2023 and beyond.

I would like to take this opportunity to thank Ed, the Trustee Board, Council, and, most importantly, our members, for all their hard work over the past 12 months. I hope every member can take enormous pride in our achievements, and I look forward to working with you in the coming year to build on them. Together we can deliver the engineering knowledge, capacity, and infrastructure systems that will enable both people and planet to thrive.



Keith Howells
ICE President 2022 – 2023

Reference and administrative details

Trustees

<i>President</i>	Keith Howells
<i>Senior Vice President</i>	Anusha Shah
<i>Vice President, Carbon & Climate</i>	Prof James Hall
<i>Vice President, Learning Society</i>	David Porter *
<i>Trustee, Professional Conduct & Ethics</i>	Richard Bayfield
<i>Trustee, Membership Engagement & Relationship with Council</i>	Ed Bingham *
<i>Trustee, Membership</i>	Matt Colton *
<i>Trustee, International</i>	Dr Sabih Khisaf
<i>Trustee, UK Regions</i>	Paula McMahon
<i>Trustee, Policy & External Affairs</i>	Jonathan Spruce
<i>Trustee, Communications</i>	Liz Waugh
<i>Trustee, Finance, Assurance & Risk</i>	Julie Wood *

* Appointed November 2022

The following served as Trustees until their retirement in November 2022:

<i>Past President</i>	Edward McCann
<i>Vice President, Learning Society</i>	Richard Threlfall
<i>Trustee, Finance, Assurance & Risk</i>	Andrew Alder
<i>Trustee, Membership Engagement & Relationship with Council</i>	Julia Bregulla

Management team

<i>Director General and Secretary</i>	Dr Janet Young (from 24 January 2023) Nick Baveystock (until 24 January 2023)
<i>Deputy Director General and Managing Director Thomas Telford Limited</i>	Chris Gibson
<i>Director Membership</i>	Séan Harris
<i>Director of Engineering Knowledge</i>	Mark Hansford
<i>Director of Policy</i>	Chris Richards
<i>Interim Finance Director</i>	Simon Leicester
<i>Chief Information Officer</i>	Aaron Woods
<i>Communications Director</i>	Tas Bhanji

Auditor Haysmacintyre LLP
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London
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Banker HSBC UK Bank plc
2-4 St Ann's Square
Manchester
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Investment Manager Mazars Financial Planning Ltd
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Charity registered in Scotland number SC038629

Trustees' Report

Objectives and activities

Background and Mission

The Institution of Civil Engineers ("the Institution", "the ICE", or "the Charity") is a registered charity and is incorporated by Royal Charter. The Institution's overriding object is to foster and promote the art and science of Civil Engineering.

The ICE aims to support the profession by offering professional qualifications, promoting education, maintaining professional ethics, and liaising with industry, academia and government.

The Institution provides professional advice in transport, water supply and treatment, flood management, waste and energy. Established in 1818 the ICE has over 95,000 members, with over a quarter living outside the United Kingdom. The ICE has long provided independent professional advice to politicians operating in local, regional, and national government and to their supporting government departments. We provide impartial, authoritative and respected advice as part of our charitable purpose. We work with all parts of the profession to ensure that civil engineering remains a major contributor to economic and social wellbeing.

Vision, Strategy and Business Planning

The Trustees have the vision that "the ICE will transform lives by helping build a sustainable world". The Trustees believe that the most effective way for the Institution to deliver this is by supporting the delivery of the UN Sustainable Delivery Goals and especially by:

- Building a network of highly trained and competent civil engineers in which society has confidence to deliver the infrastructure people need to live their lives. We do this by providing an internationally recognised set of qualifications by which our members can demonstrate their competence.
- Ensuring that infrastructure professionals have access to the very best insight, knowledge and professional development so that society can trust the opinion and expertise of our members. We deliver this through a range of programmes, events, education and training projects, and publications. We have a very strong focus on the decarbonisation of the global construction industry, and in enhancing the productivity of the industry thereby affording the public greater value for the money expended on infrastructure.
- The Trustees believe that the Institution has a core responsibility to shape the sustainable development of our world and, in so doing, to take a long-term perspective. They believe that supporting decision makers in reaching informed decisions to enable the most effective procurement, construction, operation, maintenance and ultimate disposal of infrastructure is a core part of that responsibility.

The Trustees carried out an in-depth review of strategy during 2021 which, after discussion with the ICE Council, culminated in the ICE Plan covering the period 2022-2025. The tenets of the strategy stood the Institution in exceptionally good stead throughout a challenging period. A revised version of the Plan, to cover 2023-2027, was approved during 2022.

Public benefit

ICE is a charitable body and exists to deliver benefits to the public. The benefits arising from the Institution's activity are widespread.

- The general public benefits from safe and well-designed infrastructure which is delivered through the expertise of ICE members. This expertise is in turn developed and recognised through our membership qualification process. The general public also benefits from the generation and dissemination of knowledge, educating the public and ensuring best practice is available to members.
- Government in the UK (national, devolved and local) benefits from our expert evidence to public consultations and from our published policy reports. Both public and private sector employers, and through them the wider economy, benefit commercially from employing Institution members who have a globally recognised professional engineering qualification.
- Young people can realise their potential from our efforts to raise interest in science, maths and technology in schools and colleges and to encourage and support the young civil engineers of tomorrow.

- Finally, ICE members benefit (i) from having a highly respected qualification that is recognised around the world, and from on-going career support from the Institution, (ii) through the extensive knowledge programmes, publishing activity comprising peer-reviewed technical journals, books, access to ICE's historic library and archive, and other professional development material, and (iii) through a professional network that makes them more valuable both to society and to their employers. The Institution has made significant strides to ensure that these services are now delivered digitally.

Many of the infrastructure activities in which our members are engaged involve, of necessity, the evaluation of public good against the risk, cost or other impact of alternative options. The Institution, through its activities promotes best practice and the rigorous assessment of sustainability and health and safety considerations. These activities all seek to reduce any detriment involved in activities managed or designed by our members. The Institution's own activities as a professional body are not considered to generate any detriment or harm.

Charity Commission Guidance

The Trustee Board confirms it has complied with the duty outlined in Part 2 of the Charities Act 2011 to have regard to guidance on public benefit published by the Charity Commission when exercising any powers or duties to which the guidance is relevant.

Membership

The Institution as a membership organisation has members rather than beneficiaries. Members' annual subscriptions form a significant part of our income, which is used to fund activities for public benefit. Members themselves receive benefits through the dissemination of knowledge and best practice, and from the esteem and recognition resulting from their membership of a profession with high standards both of entry and for continuing membership. However, without its members the Institution could not continue to pursue its charitable purpose. Membership is open to anyone who can meet our professional standards.

Financial barriers to entry are kept as low as possible. Student membership is free, and, through the Queen's Jubilee Scholarship Trust ("QUEST") and Into Civil Engineering restricted funds, bursaries are available to attract able candidates at graduate entry level, and also for aspiring technicians. For existing members, a concessionary rate is available for those who are unemployed, taking a career break, on low income, or retired. The Institution also refers members to its Benevolent Fund, a separate charity for supporting members and their families in need. The fund can, when appropriate, ensure all membership fees are paid for beneficiaries.

Achievements and performance

The Institution's activity in the year was planned against five key themes which were identified by the Trustees, and which formed the basis of the 2022-2025 ICE Plan. The five key themes were designed to realise achievement of the UNSDGs, and were to:

- Place the decarbonisation of our industry at the heart of our agenda (UNSDG 9.4 and 13.2).
- Working with others, both in the UK and overseas, to build resilience and mitigate the significant effects of climate change (UNSDG 13).
- Transform the availability of potable water and sanitation across the world (UNSDG 6 and 7).
- Transform the productivity of our industry by driving modern methods of procurement and manufacture (UNSDG 8 and 9).
- Enhance the knowledge, insight, and ethical understanding of engineers wherever they work across the world.

Overall, 2022 was a year in which the Institution made good progress against the plan, and made demonstrable progress across with our activities, as highlighted below.

Membership and qualification

We were able to consolidate the recovery of membership numbers following a slight dip during the pandemic. The Institution's total membership numbers increased by 0.4% in 2022, against a target of 1%, with increases in the number of Graduate, Student, and Technician members. The professionally qualified membership, excluding retired members, decreased by 0.2%, however this is in part due to a phasing issue as 239 eligible members could not be registered with the Engineering Council until February 2023, after the year end. Had we been able to register all passes which occurred in 2022, the professionally qualified membership would have grown by 0.5%.

In another encouraging sign, female membership increased by a further 3.4% to 15,427, representing 16.2% of the total membership (2021: 14,924, 15.7%). Geographically, membership numbers grew slightly in the UK, but fell internationally except for an increase of 6.8% in the Middle East and North Africa.

	2022	2021	2020	2019	2018
Membership by location					
United Kingdom	70,010	69,669	68,561	70,041	69,620
Europe (excluding UK)	2,158	2,177	2,080	2,004	1,940
Americas	1,404	1,462	1,404	1,449	1,404
Middle East & Africa	3,737	3,499	3,185	3,395	3,233
Asia Pacific	18,151	18,284	17,599	18,219	17,171
Total	95,460	95,091	92,829	95,108	93,368
Membership by grade					
Fellow	5,191	5,249	5,229	5,245	5,237
Member	39,507	40,018	39,925	40,235	40,084
Graduate	21,562	21,032	20,377	20,643	20,163
Student	24,930	24,615	23,418	25,308	24,563
Technician	3,150	3,031	2,806	2,644	2,402
Associate	1,092	1,118	1,033	992	876
Other	28	28	41	41	43
Total	95,460	95,091	92,829	95,108	93,368

We have stabilised our professional review process which will now be centred around six bi-monthly review sessions, delivering approximately 2,000 professionally qualified candidates each year. We have adopted a hybrid model which will move forward into 2023 with reviews defaulting to being carried out online, although some opportunity for face-to-face reviews will exist where candidates request that facility, or where reviewers require onboarding or access to the sharing of best practice.

As schools and universities re-opened, we worked hard to secure the qualifications' pipeline. Our programme for 16–18-year-olds saw the successful delivery of the 360-degree Inspire platform, a digital environment which encourages school children to consider civil engineering outcomes and relevance to society, in addition to fostering closer practical engagement. We also upgraded our *CityZen* programme, a digital urban planning exercise seeking to engage Sixth Form students; and saw participation increase significantly from 50 participating schools in 2021 to 150 in 2022. We also worked hard to re-engage the student population at universities, and saw this effort reflected in a net increase of 800 students. We also increased the number of academic partners to 30, and corporate partners to 15, up from 25 and 13 respectively.

Our regional members also continued to engage in the schools' space, visiting 390 schools and connecting with around 6,300 pupils during the year. A further 1,545 pupils were engaged with as part of our activities to mark International Women in Engineering Day, Tomorrow's Engineer Week, and Apprenticeship Week.

Across our regional programmes we delivered around 460 knowledge and networking events which attracted around 26,000 members and non-members as attendees. Importantly, Presidential and Director General visits to the regions continued unabated, and all UK and international regions received direct engagement by way of a visit or regional strategy meeting.

A seminal moment in 2022 saw the introduction of the first new protected title since 1927. Following two-thirds support at a member ballot in February 2022, the Privy Council granted the Institution the right to award the Chartered Infrastructure Engineer title in September 2022. This followed three years of product development and discussion with the Privy Council Governance Panel and the Department for Business, Energy and Industrial Strategy. The award of the title is an important juncture in our broadening campaign, and a recognition that successful infrastructure can only be delivered through collaboration and the sharing of engineering knowledge across the infrastructure sector.

Knowledge

During the year we launched a new framework of key continuing professional development ("CPD") topics that professionally qualified members are strongly recommended to undertake as appropriate, in addition to their personal learning as part of their ongoing development.

The catalyst for the new framework was the ICE's 2018 post-Grenfell *In Plain Sight* report, which recommended topics covering risk management and public safety, areas in which all civil engineers should continue to demonstrate competency if they are to play their key role in improving society. However, safety is only one of the challenges that civil engineers face, and the framework has been broadened to include topics that cover contemporary themes such as digital transformation, decarbonisation, and productivity.

Developed by the Professionalism Panel in consultation with ICE's knowledge networks, a principal priority during 2022 was to develop and release CPD activities that align the topics in the framework. These activities are a core part of the ICE member benefit and are made available to all members worldwide via ICE's online Knowledge Hub. The Hub was relaunched in February and throughout the course the year more than 80 modules have been created and released in a multi-media format including 40 written Knowledge Packs, Explainers, Infographics & Case studies, 13 Tech Talk videos and 28 Podcasts.

We set an ambitious target of having 5% of professionally qualified members, approximately 2,400 members, engage in at least one module on the Knowledge Hub in the first year. Whilst we did not quite reach the target by the end of the year, 1,760 members had started 5,435 modules, with uptake continuing to build in early 2023. The reach of the Knowledge Hub has also proved to be truly global, with 21% of the modules started by our overseas members. Promisingly, member feedback on the quality of the content has overwhelmingly positive.

59% of the started modules have been completed, which is significantly ahead of industry averages for e-learning. The most popular modules have been those that are risk-based, providing encouragement that the recommendations from ICE's *In Plain Sight* report remain valid, and anecdotal feedback has also been very positive.

With the support of the Health & Safety Executive, we also launched the *Inspiring Engineering Excellence* event, implementing one of the key *In Plain Sight* recommendations to share lessons around safety and risk. The event was live streamed and featured an immersive workshop session on safety and risk, and insightful discussion with industry leaders from the Rail Accident Investigation Board and UK Government Infrastructure & Projects Authority on how we can learn from incidents and improve approaches to risk.

Carbon reduction remained a principal theme in our Knowledge activities in 2022 and we have continued to deliver a number of tools in order to support the decarbonisation of the industry. This will directly support the achievement of UNSDG 9.4, which aims, by 2030, to have upgraded infrastructure and retrofitted industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.

We continued our work with the Green Construction Board to update the global standard PAS 2080, Carbon Management in Infrastructure. The update, and guidance, will be published and made freely available in early 2023.

We produced and launched the *Low Carbon Concrete Routemap* on behalf of industry, and we have agreed to act as the lead in establishing a taskforce to drive delivery of the programmes identified in the routemap. The use of concrete as a construction material is a significant contributor to carbon emissions across the world, and the routemap sets out a pathway to making concrete a net zero construction material by 2050. The Institution is also continuing to collaborate with RICS and other Professional Engineering Institutions on the establishment of a common carbon dataset that will be made freely available to assist in the creation of benchmarks for carbon calculations.

To drive adoption of these tools we also launched a Carbon Literacy programme, hosted in the Knowledge Hub, and we are continuing to develop the pan-industry *Carbon Champions* programme, which is designed to build a global cohort of “Carbon Champions” who can share best practice and exploit emergent tools and techniques to drive ever greater carbon reduction.

We deepened our relationship with the International Coalition for Sustainable Infrastructure (“ICSI”), alongside the American Society of Civil Engineers and the Global Covenant of Mayors for Climate & Energy. ICSI, a partner organisation of the UN’s Race to Resilience programme (“R2R”), has made the commitment that its members, through use of its tools and guidance, will have influenced and/or delivered 12,600 projects in 2,000 cities to improve the climate resilience of one billion people by 2030. The initiative is developing well, with the metrics featured in an R2R report showcasing resilience attributes of partner initiatives and is one of two partner initiatives featured as producing the best results. We have also transitioned the Brunel Lecture Series into a major climate resilience programme, which will support ICSI and explore the differing climate resilience challenges in regions around the world.

ICSI’s R2R work has also featured in the Sharm El-Sheikh Adaptation Agenda published by UNFCCC and the Marrakesh Partnership and at COP 27, ICSI hosted a Marrakech Partnership Implementation Lab on the theme of resilient transport infrastructure which featured contributions from senior ICE leadership. We will now support ICSI in its work to lead the development of a target for the resilience adaptation outcome, that: ‘Transport infrastructure be resilient to climate hazards through adoption of new technology, design and materials’.

The ICE also supported ICSI in carrying out a global consultation to provide input to the Sendai Framework Mid-term Review. Findings from over 200 survey responses from 50 countries and 30 one-to-one interviews with global experts were analysed and a paper was submitted to the United Nations Office for Disaster Risk Reduction. This was the only contribution from the global engineering community and a formal thank you letter was received from the UN for the contribution. The research will be used to develop a thought leadership paper on the role of engineers in accelerating implementation of the 2030 Sustainable Development agenda and advocacy positions.

Through the *State of the Nation* vehicle, we also produced and launched key guidance with an online “toolkit” that provides practical tools on how all infrastructure professionals can advance productivity at all stages of the infrastructure lifecycle. We will continue to develop the toolkit throughout 2023 and this will guide the Infrastructure Client Group’s Productivity programme. We also published a “*Guide to Procuring Construction Productivity*”, and work is underway on a “*Good Governance Guide*” through the Project 13 Network (“P13”).

To further support the productivity agenda, we launched Transforming Infrastructure Performance Live, a biannual series of events that will serve as a critical support vehicle to the UK Government’s Transforming Infrastructure Performance agenda. ICE also continued to support the growth of P13 which had over 3,000 members at year end. We consistently received over 100 new monthly registrations and are therefore confident that our target of 4,000 members will be reached during 2023.

We also continued to support leaders of major projects and programmes to improve industry performance through the development of the *Systems Approach to Infrastructure Delivery* programme. Engagement with the programme was strong, and we launched the second report in the Spring, which focussed on putting the principles into practice.

Policy and Public Affairs

The Institution’s work to influence infrastructure policy, both practice and thinking, continued throughout the year, and in 2022 we broadened our reach to provide policy insight outside the UK, leveraging the global analysis and networks of our members, infrastructure professionals and other experts.

We convened Presidential roundtables and meetings of the All-Party Parliamentary Group on Infrastructure. Policy and decision-makers at these events included the CEO of Infrastructure Australia, the Chair of the Environmental Audit Select Committee, the Chancellor of the Exchequer, the Secretary-General of the International Transport Forum, the Transport Minister, the Shadow Levelling Up Minister, Chair of the Transport Select Committee and the CEO of the New Zealand Infrastructure Commission. Non-UK attendance and contributions at these events continued to grow over the course of the year with contributions from across ICE’s Countries of Interest.

We contributed to debates through Green Paper programmes that utilised evidence and views from ICE members. We made the case for change on the topics of defining the outcomes for levelling-up and accelerating the delivery of the Integrated Rail Plan. We also ran the two new ‘Next Steps’ programmes exploring the issues holding back policy progress on the topics of public transport funding post-Covid-19 and financing the infrastructure net-zero transition, with international perspectives featured in both programmes.

Throughout the year we also responded to several consultations and inquiries, drawing on our regional and knowledge networks. ICE experts provided oral evidence to the Lords Built Environment Committee, while ICE evidence and views were frequently mentioned in Select Committee reports, international papers, and parliamentary debates on infrastructure. Teams in Scotland and Northern Ireland also delivered important reports on infrastructure planning to the respective devolved governments.

Future plans

The ICE's business plan for 2023-2027 continues to support our strategy to improve lives by ensuring the world has the engineering capacity and infrastructure systems it needs to allow our planet, and those who live on it, to thrive. In support of this purpose, the Institution's activity continues to be planned against key themes to help realise the achievement of the UNSDGs. These themes are to:

- Place the decarbonisation of our industry at the heart of our agenda (UNSDG 9.4 and 13.2).
- Working with others, both in the UK and overseas, to build resilience and mitigate the significant effects of climate change (UNSDG 13).
- Transform the productivity of our industry by driving modern methods of procurement and manufacture, establishing data and digital technology at the heart of global infrastructure (UNSDG 8 and 9).

The Trustees have also recognised the interlinking effects of water, transport, and energy in achieving these aims, and additionally we will:

- Transform the availability of potable water and sanitation across the world (UNSDG 6).
- Work with others to deliver affordable and clean energy (UNSDG 7).
- Build a technology-focused mobility and transportation programme (UNSDG 11).
- Work collaboratively with others to enhance the knowledge, insight and ethical understanding of engineers wherever they work across the world. (UNSDG 17.9).

The ICE has a unique position in the professional qualification and professional development of civil engineers: by helping to develop standards and advance best practice. Accordingly, the greatest contribution that the Institution can make to achieving Net Zero is through the professional work of our members worldwide and through our even wider influence on policy and civil engineering practice.

Some highlights of what we aim to deliver specifically within our net zero carbon work programme in 2023 include:

- Developing our UNSDG position to inform the UN's mid-term review and developing the ICE Plan with tangible success metrics.
- Continuing to build member engagement with the Knowledge Hub and in particular the Carbon and Climate modules, growing the global reach of our knowledge networks through more collaboration with global engineering bodies worldwide.
- Developing a renewed ICE Carbon strategy that engages members with aspirational and achievable targets and delivering the PAS 2080 update and working to drive engagement and adoption by industry.
- Running our first major international knowledge conference since the Covid pandemic on the theme of climate resilience and continuing with our work with ICSI, including a significant presence at COP28.
- Developing and launching a productivity maturity toolkit and developing actionable case studies for our members that support delivery of UNSDGs.
- Delivering and running the International Federation of Municipal Engineers' Global Congress to convene global expertise in the delivery of safe and affordable transport.
- Establishing and expanding a Policy Fellows Network, facilitating meetings with industry and decision makers to discuss how best to identify and deliver the infrastructure that countries need.

Additionally, we will:

- Qualify the Institution's first Chartered Infrastructure Engineer, and we will aim to increase professional registrations for the seventh consecutive year, in contrast to the wider-PEI trend of declining applications.
- Continue our work to increase the proportion of female members and those from ethnic minorities.
- Complete the development, testing and embedding of a replacement for the membership management system. The launch of the new system, which began development in October 2020, is expected later in 2023.

Financial review

Net income before investment gains and losses was £3,017k (2021: £5,246k), however due to other gains and losses the Group's total net movement in funds saw a decrease in reserves of £2,382k, summarised as follows:

	2022 £'000	2021 £'000
Net income before investment gains and losses	3,017	5,246
Net investment (losses) gains	(2,936)	1,995
Actuarial (loss) gain on defined benefit pension scheme	(354)	(9,102)
Loss on revaluation of heritage assets	(2,109)	–
Net movement in funds	(2,382)	(1,861)

Total group income increased by £5,360k, or 15%, to £40,403k (2021: £35,043k). The table below provides a high-level breakdown of income, as shown in the consolidated statement of financial activities.

Where the money comes from:	2022 £'000	%	2021 £'000	%
Membership subscriptions	14,604	36	14,505	41
Professional development and admission	1,634	4	1,761	5
Other charitable income	1,294	3	1,893	6
Trading activities	20,356	50	15,553	44
Donations and legacies	1,837	5	974	3
Investment and other income	678	2	357	1
	40,403	100	35,043	100

The increase in income was largely attributable to the Institution's trading activities which increased as Thomas Telford Limited recovered from the pandemic, whilst investment income also increased as UK interest rates rose throughout the year.

Additionally, a generous legacy of £1,238k (2021: £nil) was received from the estate of the deceased Mrs Nora J Neale in memory of her late husband, Mr Michael Neale, a former member of the Institution. At the date of the signing of this report no distributions have been from the estate. In accordance with the late Mrs Neale's wishes, the funds will be used will be used to setup and fund a new scholarship programme.

Total group expenditure increased by £7,589k, or 25%, to £37,386k (2021: £29,797k). The table below provides a high-level breakdown of expenditure, as shown in the consolidated statement of financial activities.

Where the money is spent:	2022 £'000	%	2021 £'000	%
Membership and qualification	10,081	27	8,378	28
Knowledge	5,207	14	4,192	14
Policy and public affairs	2,697	7	1,726	6
Regional activities	4,516	12	3,665	12
Grants and scholarships	771	2	755	3
Trading activities	13,958	37	10,965	36
Investment costs	156	1	116	1
	37,386	100	29,797	100

The majority of ongoing expenditure continued to be incurred directly on charitable activities with £23,308k or 62% (2021: £18,716k, 63%) of total expenditure allocated to activities in pursuance of the charitable object set out in the Royal Charter. The increase is attributable to the reopening of our offices and an increase in business travel and face-to-face activity following the pandemic, and continued investment in our digital offering.

Membership and qualification related expenditure, which covers the cost of admissions and transfers, professional reviews, and professional learning and development, accounted for £10,081k (2021: £8,378k) of expenditure on charitable activities. Knowledge related expenditure of £5,207k (2021: £4,192k) includes costs related to nurturing and sharing civil engineering knowledge, whilst policy and public affairs expenditure totalled £2,697k (2021: £1,726k). An amount of £4,516k (2021: £3,665k) was spent on the Institution's regional activities, which includes the costs of the UK Regions, overseas offices, and of supporting the ICE's Local Associations across the world.

Trading activities accounted for £20,356k (50%) (2021: £15,553k, 44%) of total income and £13,958k (37%) of total expenditure (2021: £10,965k, 36%). The Group's trading activities are primarily carried out through ICE's trading subsidiary, Thomas Telford Limited ("TTL"), whose principal activities include the publication of contracts, books and quality journals, the provision of training and consultancy, and the provision of meeting and hospitality facilities.

While expenditure varies in relation to the volume of trading activity, the key measure of effectiveness is the profit generated, which is used to support charitable activities and mitigate increases to membership subscription tariffs. TTL's result for the year was a net profit of £4,975k (2021: £3,844k).

TTL's publishing and training operations both enjoyed another successful year, whilst the events venue in Westminster has now fully reopened following the pandemic. The business worked closely with clients throughout the prolonged period of disruption and has benefited from strong orders as confidence has returned to the events sector. The whole of the TTL profit is gift aided to the ICE under a Deed of Charitable Covenant. ICE also runs some conferences and seminars directly, in pursuance of its charitable purpose to promote civil engineering rather than for commercial return.

The remaining 1% (2021: 1%) of expenditure was spent on management costs of the Charity's investment portfolio.

Included within charitable and trading expenditure are support costs totalling £8,799k which represent 24% of total expenditure (2021: £7,149k, 24%). Support costs include expenditure incurred on information technology, human resources, premises, finance, management, and governance.

The QUEST fund enjoyed another successful year. Incoming donations totalled £463k (2021: £568k) and scholarships of £470k (2021: £506k) were awarded to 356 recipients (2021: 339). The Into Civil Engineering Fund continued to award scholarships, and payments totalling £61k (2021: £71k) were made to 14 students (2021: 16). The Research and Development Enabling Fund awarded six new grants in 2022 (2021: three) with an average grant per recipient of £21k (2021: £23k).

Balance sheet

Listed investments decreased to £20,699k (2021: £23,720k) due to underlying investment losses, however, this followed two years of strong gains. Intangible assets increased to £3,665k (2021: £2,658k), primarily due to the continued investment in the new membership management system and TTL systems to support product and market development. Tangible fixed assets decreased by £42k to £27,378k (2021: £27,420k) as the cost of additions was broadly in line with the depreciation charged in year.

The Group's operating and investment activities generated a net cash inflow of £2,675k (2021: £6,550k) and net cash outflow of £2,393k (2021: £2,038k) respectively. After bank loan repayments in the year of £212k (2021: 423k), the Group generated a net cash inflow of £70k (2021: £4,089k net inflow).

Reserves policy

A healthy level of free reserves is essential to ensuring that the Institution can sustainably continue to deliver its aims and objectives and is an important part of how the ICE is financially resilient.

The ICE maintains reserves for the following reasons:

- The trading activities of TTL are cyclical and difficult to predict in the medium to long term. The Institution remains aware of the need to diversify its income streams and to minimise the extent to which TTL profits fund the core cost base of the Institution.
- ICE is exposed to several risks, which may interrupt income streams or require additional investment. Reserves are held for contingency purposes.
- Investment balances are subject to potentially adverse change should market conditions deteriorate.
- Pension liabilities could increase as they are dependent on scheme investment performance, long term gilt rates, investment returns and mortality assumptions.
- Major long-term investments are expected to be necessary in the coming years to ensure ICE responds to changes in its operating environment and remains relevant to the needs of society and of its members. Reserves are required for "step change" investments, where funding is expected to be in excess of cash generated through annual operations.

The Institution's methodology for assessing the desired level of reserves seeks to align the reserves target with the risk assessment process and the specific risks faced by the Institution. The specific risks and the desired levels of reserves associated with them are reviewed annually.

The methodology allows the Trustees to ensure that the Institution is not accumulating funds unnecessarily so that they are used to enable the aims and objectives instead. Reviewing the risk register, there are a number of specific risks, that may impact income or expenditure, that have the potential to significantly impact the Institution and its ability to be business resilient.

During the year the Trustees have assessed each of these material risks and identified the potential financial impact and likelihood of occurrence of each. Whilst the free reserves target could be set as the sum of the total financial impact of all these risks it is highly unlikely that all would crystallise in the same year. Similarly, as we saw in 2020, action can, and would, be taken to reduce expenditure and protect income if a material risk did crystallise.

Based on this analysis, the Trustees approved the new reserves target for free unallocated reserves of £11.5m to £14.5m, where free unallocated reserves consist of free reserves, in accordance with Charity Commission definitions, adjusted to include the balance of current and non-current assets and liabilities retained in subsidiaries.

Funds of the Group

The total funds of the Group at 31 December 2022 amounted to £71,095k (2021: £73,477k). Of these funds, unrestricted funds amounted to £64,680k (2021: £67,511k).

In the year ended 31 December 2022 the Institution's General Fund decreased by £5,213k to £15,277k (2021: £20,490k). The General Fund excludes all funds which are not available for the Charity's free use, including the Charity's tangible and intangible fixed assets, all funds retained in subsidiaries and joint ventures, and other designated and restricted funds. Under Charity Commission definitions the General Fund represent the ICE's free reserves.

Total funds retained in subsidiaries at 31 December 2022 were £405k (2021: £317k). Within this amount was £896k (2021: £1,142k) of tangible and intangible fixed assets and a net balance of £491k (2021: £825k) of current and non-current liabilities. Whilst these liabilities do not form part of the free reserves under Charity Commission definitions, the free reserves target is set after making allowance for them and therefore these net liabilities are added to free reserves when comparing the actual reserves to the target.

At 31 December 2022 the free unallocated reserves of the Group stood at £14,786k (2021: £19,665k), an amount slightly in excess of the target range of £11.5m to £14.5m. Free reserves remain subject to any movement in investment markets, which have seen significant volatility in recent years, in particular at the start of pandemic in early 2020. Other factors ultimately impacting free reserves levels include innovation investments and rapid rises in inflation during 2022, influenced by recent events in Eastern Europe, and the tight UK labour market.

Significant expenditure is expected over the coming years, including further investment in the digital delivery of services and the cost of maintenance of the Institution's estate. During the year ended 31 December 2021 the Trustees agreed the creation of two new designated reserves to meet the cost of these items, and as at 31 December 2022 a total of £1,000k was held in the digital transformation fund and £3,500k was held in the estate maintenance fund. The estate maintenance fund is expected to reduce the need for either borrowings or to draw on free reserves to cover the cost of major estate works, whether planned or emergency, in the coming years.

The Institution is mindful of the necessity of maintaining adequate liquidity and therefore maintains a liquidity policy of ensuring freely available cash and investment balances do not fall below £6.0m. At 31 December 2022 they stood at £27,120k (2021: £29,186k). Excluding long-term investments, the freely available cash balance at 31 December 2022 was £11,120k (2021: £10,818k). The Institution put in place a £3m overdraft facility in October 2020 to provide additional protection against the possible negative impact of the Covid-19 pandemic on working capital cash flow. The facility was not used and was closed in April 2022.

Pensions

Pension funds are valued in different ways by the actuaries to suit different purposes. A triennial valuation establishes an appropriate funding level and uses set financial assumptions that differ from those used for including pensions in the financial statements of the sponsoring employer. These accounting disclosure requirements are governed by the Financial Reporting Standard, FRS 102.

At the 31 December 2019 triennial valuation the pension surplus was £2.0m, at a funding level of 104%. This is based on estimating the long-term liabilities over the remaining lives of scheme members. The latest valuation available calculated on the same basis was as at 31 December 2021 which indicated the surplus was £4.2m, at a funding level of 108%. However, the value as per the FRS 102 valuation at the same date was a surplus of £12.7m, a funding level of 127%.

The value as per the FRS 102 valuation at 31 December 2022 was a surplus of £10.2m, a funding level of 133%. The triennial valuation at the 31 December 2022 was not available at the date of signing this report but is expected to show a similar position to the prior year, with a funding level significantly below that shown in the FRS 102 valuation.

The FRS 102 valuation assumes higher interest and discount rates than the triennial valuation which leads to a lower calculation of pension liabilities. The ongoing valuation basis, as used for the triennial valuation, is used to agree contribution levels. The Institution voluntarily paid £125k (2021: £500k) during the year ended 31 December 2022 and continued to pay the scheme's expenses throughout the year. After reviewing the current funding position of the pension scheme the Institution and pension scheme trustees ceased making voluntary deficit recovery contributions in March 2022 and agreed that the scheme's expenses will begin to be paid from the scheme from January 2023 onwards.

Furthermore, at the 31 December 2019 triennial valuation the position of the scheme as estimated if it were to wind-up at that date and secure benefits with an insurance company (i.e. buy-out the scheme) showed a pension deficit of £11.2m, with a funding level of 82%. The deficit on 31 December 2021, calculated on the same basis was £2.7m, at a funding level of 96%. At 31 December 2021 the difference between the FRS 102 valuation and the wind-up valuation was therefore £10.0m. Furthermore, in the event of a winding up there could be a requirement to value certain salary linked benefits which would further increase this difference.

The Trustees have reassessed the estimate of the pension scheme asset included in the accounts, and for the year ended 31 December 2022 the surplus on the FRS 102 basis has not been recognised in the accounts. There is no certainty that, if it were to crystallise, any sum would be refundable from the pension scheme. Settling pension liabilities takes a long time, with costs spread over many years. The funding level is also volatile, and valuations are sensitive to changes in the financial market.

Despite the FRS 102 valuation, the Trustees remain mindful of the long-term nature of the defined benefit pension scheme liabilities, and the impact that any movements in the liabilities of the scheme may have on the free reserves and the resources available for general application. The scheme was previously closed to future service accrual to mitigate some of the risk, and the Trustees continue to work closely with the scheme trustees to manage scheme-related risks.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment policy of the Institution is to seek the maximum return over the medium term having due regard to risk. The Institution is active in ensuring that a socially responsible and ethical approach is followed by the investment management funds through which monies are invested, either requiring managers to be signatories to the UN's Principles for Responsible Investment ("UNPRI") or by ensuring their approach is consistent and compatible with the UNPRI. The Trustees have also agreed that, wherever possible, preference should be given to funds which support the UNSDGs.

The objective for each of the three investment portfolios is to generate a return in excess of inflation over the long term, while generating an income to support the ongoing activities of the Institution or the relevant specific restricted fund. Investments for each specific fund are managed within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks.

Grant making policy

The Institution does not generally make grants from its unrestricted funds. Grants are generally made to individuals in the form of scholarships or awards from the QUEST, Into Civil Engineering, and Trust funds. All grants are made in accordance with the objectives and restrictions of the relevant fund.

The Research and Development Enabling Fund is administered by the Research, Development and Innovation towards Engineering Excellence Panel. Grants from this fund are made to support research in civil engineering and are given to recipients in both industry and academia.

Streamlined Energy and Carbon Reporting (SECR)

We recognise that climate change is one of the most important issues facing every one of us today. As civil engineers, our members play a crucial role in the reduction of carbon emissions and the ICE aims to help the profession contribute towards the net zero carbon target and mitigate climate change.

In light of this we believe it is important that the ICE is transparent about its own carbon emissions. Whilst not legally required to do so, we are voluntarily reporting our energy and carbon emissions in compliance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. This requires an annual report on greenhouse gas emissions from UK energy use and business vehicles travel.

The table below summarises emissions in the year. The carbon footprint for the year ended 31 December 2022 was 543 tonnes CO₂e, which represents a carbon intensity of 1.70 tCO₂e per full time equivalent employee (2021: 1.56 tCO₂e).

	Unit	Quantity 2022	Carbon Footprint (tCO ₂ e) 2022	Quantity 2021	Carbon Footprint (tCO ₂ e) 2021	Scope
Electricity, One Great George Street	KWh	1,172,070	227	865,688	184	2
Gas, One Great George Street	KWh	1,247,636	228	1,198,431	220	1
Electricity, 8 Storey's Gate	KWh	168,827	33	146,523	31	2
Gas, 8 Storey's Gate	KWh	205,082	37	124,317	23	1
Business vehicle travel	vkm	103,706	18	20,400	3	3
			543		461	

We acknowledge that the carbon footprint for the year ended 31 December 2022 remains lower than what might usually be expected because of the Covid-19 pandemic. Gas and electricity usage throughout both the current and prior year was below the usual pre-pandemic levels as the Institution's offices were closed, or partially closed, from March 2020 until March 2022 (with most staff continuing to work from home full time throughout this period), whilst TTL's events and hospitality business was unable to operate for a part of the prior year due to lockdowns. Furthermore, business travel decreased as face-to-face activity ceased and moved online.

As our offices and hospitality business should remain open for a full year in 2023, for the first time since 2019, a further increase to our carbon footprint is expected next year. Nonetheless, we expect this to stabilise at level lower than before the pandemic due to positive changes we have made to our service delivery over the past few years, such as the move to conducting Professional Reviews online, offering stronger knowledge content in a more accessible digital format.

Methodology

Our reporting methodology is based on the UK Government's 2019 Environmental Reporting Guidelines and these carbon footprints have been calculated using the UK Government GHG Conversion Factors for Company Reporting for 2022. Energy use data was collected from energy bills. We have excluded all managed offices where we do not receive a separate charge for energy (which includes the Group's overseas offices).

Approximately 32% (2021: 32%) of the electricity at One Great George Street and 8 Storey's Gate is from renewable sources. However, in compliance with reporting standards, the carbon saving this creates is not included in the standardised carbon footprint reported above. We have entered into an agreement with a new electricity supplier and from late 2023 100% of our electricity will be supplied from renewable sources.

Whilst the Institution does not own any vehicles and thus does not purchase any vehicle fuel directly, UK staff and volunteers do sometimes use their own cars for the Institution's business. This has been voluntarily disclosed in the information above and is estimated based on submitted mileage claims. Business travel has been calculated using the factor for "Average car, unknown fuel".

Energy efficient action taken

The ICE is committed to the improvement of its environmental performance; however, the management of resources is an important issue for the Charity and it is operating within the constraint that both One Great George Street and 8 Storey's Gate have listed status. Despite this, however, we were still able to implement some energy reduction measures. We have made improvements to the water system at One Great George Street which allow us to control the risk from legionella in a more energy efficient way, which we envisage will lead to a reduction in our gas consumption during 2023.

Structure, governance and management

The ICE is governed by a Trustee Board which is responsible for the Institution's strategic decision making. The Trustee Board is chaired by the President and comprises three Vice Presidents, three trustees elected by the Council, four trustees elected by the membership, and one trustee appointed by the Nomination Committee. All trustees are approved annually by the ICE Council.

The Trustee Board meets no fewer than five times a year to carry out its corporate governance responsibilities. Specific responsibilities of the Trustee Board are delegated to key standing committees: Membership, Learning Society, Regional Affairs, International, Policy & External Affairs, Communications, and Finance Assurance & Risk. The implementation of the ICE Plan set by the Trustee Board, as well as the day-to-day management of the affairs of the Institution, is the responsibility of the Director General & Secretary.

Trustees are supported by a 38-strong advisory Council, who offer assistance, insight and advice on the derivation of the ICE's strategy and plan. The Council is chaired by the President, while Council members are directly elected by ICE members worldwide. To maintain continuity, a third of Council seats come up for election each year when Council members finish their three-year terms.

There are regional Council members for each of the 12 UK regions and Hong Kong, International Council members for ICE's four International areas, and three Graduate Council members to represent the views of aspiring members. Issues of particular concern to members who are working towards a professional qualification or further professional qualification under an apprenticeship are the focus of the Early Careers Network (ECNet), and there is a standing invitation for their Chair to attend ICE Trustee Board and Council meetings.

As part of their induction, new Trustee Board and Council members are given the Governance Handbook. This contains the Royal Charter and By-laws, an outline of their respective roles, all ICE governance procedures and the terms of reference of the Trustee Board, Council and other main standing committees. Trustee Board members are also directed towards guidance and information about trusteeship which is available through the charity regulatory bodies (i.e. the Charity Commission and Office of the Scottish Charity Regulator). Trustee Board members must ensure that they fully understand their responsibilities as trustees, and a trustee induction day is held annually to reinforce this.

As recommended by an earlier governance review carried out during 2020, a further review into the current effectiveness of the Nominations Committee was carried out during 2022. The review identified a number of process improvements for the Nominations Committee which were considered by Council, and their implementation was recommended to the Trustee Board. The Trustee Board subsequently accepted these recommendations.

Standing and Operational Committees

A brief description of the role of each of the standing committees, and the key commercial, financial, and operational committees, is detailed below. The current chair of each committee is listed on page 52.

- **Nominations Committee:** The role of the ICE Nomination Committee is to make recommendations to the Trustee Board for the appointment of candidates for senior positions in the Institution.
- **Membership Committee:** The Membership Committee is responsible to the Trustee Board for the role of the Institution as a qualifying body and for maintaining the professionalism element of membership. The Committee admits, on the Trustee Board's behalf, persons to the Membership Roll at all grades in accordance with the Royal Charter and By-laws.
- **UK Regional Affairs Committee:** The UK Regional Affairs Committee advises the Trustee Board on the ICE's UK regional strategy. The Committee is made up of the Regional Committee chairs from each of the individual 12 UK Region Committees, and the Regional Council members.
- **International Regions Committee:** The International Committee oversees ICE's strategy across the eight ICE international regions and reports to the Trustee Board.
- **Learning Society Committee:** The Learning Society Committee supports the ICE Council in delivering the Institution's knowledge programme.
- **Policy and External Affairs Committee:** The Policy and External Affairs Committee provides strategic direction in matters of government relations and policy.

- Finance, Assurance and Risk Committee: The Finance, Assurance and Risk Committee monitors the financial performance and prospects of the Group, helping to ensure the Institution can meet its ongoing financial and non-financial commitments. The Committee scrutinises the annual budgets and plans and reviews management accounts, monitoring performance against the business plan and budgets.
- Remuneration Committee: The Remuneration Committee reviews and approves the remuneration of staff at Director level and above on an annual basis. Further details on how pay for these staff is set is detailed on page 18.
- Audit Committee: The Audit Committee ensures that effective audit functions are in place, oversees the management of risk, and assesses the overall risk profile of the Institution. Based on this the Committee undertakes a regular cycle of reviews and receives reports on selected internal control processes. The Committee reviews the Annual Report and Accounts of the Institution and the annual financial statements of TTL, before recommending their approval to the Trustee Board and TTL Board respectively.

Risk management

The ICE must protect against a range of risks and the Trustees have embedded risk management within the Group. Strategic and operational risk registers are regularly updated and reviewed by the management team, and further reviewed by the Audit Committee and the Trustee Board. Action plans identified through the risk register are included in the Institution's annual business planning and budgeting cycle and in the individual objectives for managers and staff.

We track and consider both short and long-term risks. The latter are, almost inevitably, creeping risks, initially they seem small or avoidable, but cumulatively over several years they manifest themselves as significant or even severe. As a result, the risk register is based around the following key strategic risks:

- Risks to income;
- Risks to delivering the five strategic strands;
- Changes to international and national qualification models;
- Risks to delivering the new CRM system, ICE Connect;
- Failure to attract and retain the best staff; and
- Long term risks to TTL income and or products.

The Institution is heavily reliant on two main sources of funding, membership subscriptions and profit from the TTL's commercial operations.

As a membership-based Institution it is imperative that we maintain our membership income streams and levels of membership engagement. Whilst our membership numbers had exceeded pre-pandemic levels by the end of 2022, we continually face challenges from changes to qualification models and other Professional Engineering Institutions. It is therefore vital that we attract new members and convert graduate members to chartered engineers. We have a number of programmes for engaging with universities, sixth forms, and employers which have been hugely successful. Furthermore, the ICE Exam in 2022 now offers a new route to Chartered Professional Review for BEng graduate members, and the introduction of the Chartered Infrastructure Engineer title offers us the opportunity to welcome more qualified members.

Whilst income from membership subscriptions proved to be robust, revenues from commercial activities were affected by government restrictions during the pandemic and have been somewhat affected by industrial action in the transport sector during 2022.

Historically the ICE prepared its budgets on the assumption that TTL would always meet the profit target set for the same financial year. However, the pandemic and the result for the 2020 demonstrated that the ICE should not always rely on that assumption. The ICE carefully managed costs throughout the pandemic and as a result the Group achieved strong surpluses in both 2020 and 2021. These surpluses have allowed the Institution to move to a reserves model where activity is supported by TTL's prior year profit, rather than in year profit. This change reduces the risk that a sudden economic downturn reduces TTL's profit causing the Institution to have to unexpectedly curtail its charitable activities. This positions the ICE well to navigate the current period of economic uncertainty.

Whilst the Institution's IT services have been resilient in recent years, there is a risk that key IT infrastructure fails or that we fail to deliver a strategic IT solution that meets the needs of our members, clients, or staff. As a membership organisation we are particularly sensitive to the requirements of data protection legislation and the need to protect our systems. The ICE is Cyber Essentials accredited, and we continually review our systems, receiving assistance from specialist third parties where necessary, to ensure we are well placed to protect the data we hold.

Whilst accepting that absolute assurance cannot be achieved, the Trustees are satisfied overall that the major risks have been reviewed and systems or procedures have been established to manage those risks.

Pay Policy for Senior Staff

Members of the Trustee Board and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 10 and 11 to the accounts.

The remuneration of senior management at director level and above is reviewed and approved annually by the ICE Group Remuneration Committee. This Committee is chaired by a recent Past President. The Committee ensures arrangements are affordable and fair, and designed to motivate and reward performance in the interest of the ICE Group. Remuneration is benchmarked periodically using external surveys and data which include both commercial and not for profit organisations.

Related parties and connected organisations

The ICE has two wholly owned subsidiary undertakings: Thomas Telford Limited, a company registered in England and Wales, operates on a commercial basis and donates its profits to the ICE, and The Institution of Civil Engineers (Hong Kong) Limited, a company registered in Hong Kong.

The Institution is also an equal guarantor to Structural-Safety Limited ("SSL"), a company registered in England and Wales, with the Institution of Structural Engineers.

The ICE works with a number of charitable organisations in pursuit of its charitable objectives, including fourteen Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering. The ICE also acts as a custodian trustee for funds for several of these Societies. At 31 December 2022 the assets of these funds, which are held in cash separately from the assets of the ICE, were valued at £668k (2021: £674k).

The Institution also works closely with the ICE Benevolent Fund, a charity registered in England and Wales, who provide benevolent services to ICE members and staff.

Fundraising

Section 162a of the Charities Act 2011 requires charities of a certain size to make a statement regarding fundraising activities in their Annual Report. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes".

The Institution's fundraising activities focus on generating income to support civil engineering scholarships through the QUEST fund, and research grants through the Research and Development Enabling fund. All solicitations are managed internally, without involvement of professional fundraisers or commercial participants. The day-to-day management of all income generation is delegated to the management team, who are accountable to the Trustee Board.

Fundraising income is presented in our accounts within income from donations and legacies and includes grants.

The ICE is registered with the UK Fundraising Regulator and complies with all the relevant standards set out in the Code of Fundraising Practice. We have received no complaints in relation to fundraising activities during the year.

Professional conduct matters

The Professional Conduct Panel ("PCP") considers complaints against ICE members, and the Disciplinary Board adjudicates on cases referred to it by the PCP. The Disciplinary Board has powers to make orders against members found guilty of improper conduct, which in the most serious cases may be expulsion from ICE membership.

Professional Conduct Panel

In 2022 the PCP considered 26 complaints against members regarding their professional conduct. In nine cases the PCP determined that there was no case to answer and the complaint was dismissed. In three cases the PCP issued advice to the member but did not take the view that a referral to the Disciplinary Board was merited. Six cases have been carried forward to 2023. Eight new referrals to the Disciplinary Board were made and are due to be heard in 2023.

Disciplinary Board

The Disciplinary Board did not hear any cases in 2022. Two cases that were referred to the Disciplinary Board by the PCP in 2021, and the appeal of a case previously heard by the Disciplinary Board in 2021, will all be heard in 2023.

Reservoir Safety - Reservoirs Committee

During 2022, the ICE Reservoirs Committee dealt with 46 applications from civil engineers seeking appointment or reappointment to panels of engineers under the relevant United Kingdom legislation for the construction, inspection and supervision of large, raised reservoirs. The committee found that 41 of the applicants qualified for appointment and five were not qualified.

Members

The role played by our members, who so generously volunteer their time to serve the Institution, cannot be overestimated. It is estimated that over 10,000 members volunteer their time each year. Their expertise is vital across a number of charitable activities, including:

- Undertaking professional reviews, the process by which individuals are assessed for qualification to membership.
- Acting as STEM (Science, Technology, Engineering, and Mathematics) ambassadors to schools and universities.
- The awarding of scholarships from the Queen's Jubilee Scholarship Trust fund.
- Working within the governance of the Institution.
- Advising the Institution on policy and responses to government consultations.

The Trustee Board are grateful for the contributions of members and recognises that without their efforts there could be no Institution.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Charity and of the income and application of resources, including the income and expenditure, of the Group and Charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Provision of information to the auditor

Each of the persons who are Trustees at the time when the Trustees' Report is approved has confirmed that:

- so far as the Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Signed on behalf of the Trustee Board:

K. J. Howells

Keith Howells BSc MBA CEng FICE FCIWEM FREng
President

28 March 2023

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

Opinion

We have audited the financial statements of the Institution of Civil Engineers for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the charity 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 2022 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 related 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and the President's Foreword. 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 20, 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 heritage and intangible assets and stock 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.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory auditor
10 Queen Street Place
London
EC4R 1AG

Date: 24/04/23

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

Consolidated Statement of Financial Activities

For the year ended 31 December 2022

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Income from:									
Donations and legacies	1	37	1,800	–	1,837	268	706	–	974
Charitable activities									
Membership and qualification	2	16,711	–	–	16,711	16,707	–	–	16,707
Knowledge		642	30	–	672	1,294	–	–	1,294
Policy and public affairs		–	149	–	149	–	158	–	158
Other trading activities	3	20,356	–	–	20,356	15,553	–	–	15,553
Investments	4	384	65	–	449	191	49	–	240
Joint venture	16	–	–	–	–	7	–	–	7
Other	5	229	–	–	229	110	–	–	110
Total		38,359	2,044	–	40,403	34,130	913	–	35,043
Expenditure on:									
Raising funds									
Trading activities	6	13,958	–	–	13,958	10,965	–	–	10,965
Investment managers fees	6	91	23	–	114	93	23	–	116
Joint venture	6,16	42	–	–	42	–	–	–	–
Charitable activities									
Membership and qualification	6	10,076	5	–	10,081	8,282	96	–	8,378
Knowledge	6	5,140	67	–	5,207	4,192	–	–	4,192
Policy and public affairs	6	2,561	136	–	2,697	1,601	125	–	1,726
Regional activities	6	4,516	–	–	4,516	3,665	–	–	3,665
Grants and scholarships	6	–	771	–	771	–	755	–	755
Total expenditure		36,384	1,002	–	37,386	28,798	999	–	29,797
Net (losses) gains on investments		(2,333)	(447)	(156)	(2,936)	1,590	300	105	1,995
Net income (expenditure)		(358)	595	(156)	81	6,922	214	105	7,241
Transfers between funds		(10)	10	–	–	–	–	–	–
Other recognised gains									
Actuarial losses on defined benefit pension scheme	24	(354)	–	–	(354)	(9,102)	–	–	(9,102)
Gain on revaluation of heritage assets	15	(2,109)	–	–	(2,109)	–	–	–	–
Net movement in funds		(2,831)	605	(156)	(2,382)	(2,180)	214	105	(1,861)
Reconciliation of funds:									
Total funds brought forward		67,511	4,709	1,257	73,477	69,691	4,495	1,152	75,338
Total funds carried forward		64,680	5,314	1,101	71,095	67,511	4,709	1,257	73,477

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 28 to 51 form an integral part of these financial statements.

Charity Statement of Financial Activities

For the year ended 31 December 2022

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Income from:									
Donations and legacies	1	4,994	1,800	–	6,794	3,891	706	–	4,597
Charitable activities									
Membership and qualification	2	16,711	–	–	16,711	16,707	–	–	16,707
Knowledge		642	30	–	672	1,294	–	–	1,294
Policy and public affairs		–	149	–	149	–	158	–	158
Other trading activities	3	1,874	–	–	1,874	1,445	–	–	1,445
Investments	4	384	65	–	449	191	49	–	240
Joint venture	16	–	–	–	–	7	–	–	7
Other	5	229	–	–	229	110	–	–	110
Total		24,834	2,044	–	26,878	23,645	913	–	24,558
Expenditure on:									
Raising funds									
Trading activities	6	665	–	–	665	625	–	–	625
Investment managers fees	6	91	23	–	114	93	23	–	116
Joint venture	6, 16	42	–	–	42	–	–	–	–
Charitable activities									
Membership and qualification	6	10,078	5	–	10,083	8,282	96	–	8,378
Knowledge	6	5,140	67	–	5,207	4,192	–	–	4,192
Policy and public affairs	6	2,561	136	–	2,697	1,601	125	–	1,726
Regional activities	6	4,370	–	–	4,370	3,564	–	–	3,564
Grants and scholarships	6	–	771	–	771	–	755	–	755
Total expenditure		22,947	1,002	–	23,949	18,357	999	–	19,356
Net (losses) gains on investments		(2,333)	(447)	(156)	(2,936)	1,590	300	105	1,995
Net income (expenditure)		(446)	595	(156)	(7)	6,878	214	105	7,197
Transfers between funds		(10)	10	–	–	–	–	–	–
Other recognised gains									
Actuarial losses on defined benefit pension scheme	24	(354)	–	–	(354)	(9,102)	–	–	(9,102)
Gain on revaluation of heritage assets	15	(2,109)	–	–	(2,109)	–	–	–	–
Net movement in funds		(2,919)	605	(156)	(2,470)	(2,224)	214	105	(1,905)
Reconciliation of funds:									
Total funds brought forward		67,194	4,709	1,257	73,160	69,418	4,495	1,152	75,065
Total funds carried forward		64,275	5,314	1,101	70,690	67,194	4,709	1,257	73,160

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 28 to 51 form an integral part of these financial statements.

Balance Sheets

at 31 December 2022

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Fixed Assets					
Intangible assets	13	3,665	2,658	2,907	1,710
Tangible assets	14	27,378	27,420	27,240	27,226
Heritage assets	15	13,134	15,241	13,134	15,241
Investments	16	20,745	23,808	21,046	24,109
		64,922	69,127	64,327	68,286
Current Assets					
Stocks	17	334	367	–	–
Debtors	18	6,029	4,479	3,240	1,973
Cash at bank and in hand		12,155	12,001	11,248	10,722
		18,518	16,847	14,488	12,695
Creditors: amounts falling due within one year	19	(11,846)	(12,065)	(8,125)	(7,821)
Net current assets		6,672	4,782	6,363	4,874
Creditors: amounts falling due after one year	20	(499)	(432)	–	–
Total net assets before pension scheme asset		71,095	73,477	70,690	73,160
Defined benefit pension scheme asset	24	–	–	–	–
Total net assets		71,095	73,477	70,690	73,160
Funds					
Endowment funds	26	1,101	1,257	1,101	1,257
Restricted funds	27	5,314	4,709	5,314	4,709
Unrestricted income funds	28	58,988	59,710	58,583	59,393
Revaluation reserve	28	5,692	7,801	5,692	7,801
Total funds		71,095	73,477	70,690	73,160

The financial statements were approved by the trustees on 28 March 2023 and signed on their behalf by:

K. J. Howells

Janet Young

Anusha Shah

Keith Howells
President

Janet Young
Director General and Secretary

Anusha Shah
Senior Vice President

The accounting policies and notes on pages 28 to 51 form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2022

	2022 £'000	2021 £'000
Cash flows from operating activities		
Net income for the year (as per the statement of financial activities)	81	7,241
Adjusted for:		
Investment income	(449)	(240)
Joint venture loss (income)	42	(7)
Net investment losses (gains)	2,936	(1,995)
Depreciation	1,039	792
Amortisation	359	380
Loss on disposal of tangible fixed assets	47	3
Loss on disposal of intangible assets	312	5
Donated heritage assets	(2)	(1)
Net interest on defined benefit pension scheme	(229)	(110)
Defined benefit pension scheme deficit reduction payments	(125)	(500)
(Increase) decrease in stocks	33	(51)
(Increase) decrease in debtors	(1,550)	(268)
Increase in creditors	87	1,301
Net cash provided by operating activities	2,581	6,550
Cash flows from investing activities		
Investment income	449	240
Distribution from joint venture	—	37
Proceeds from the sale of investments	6,747	17,708
Purchase of investments	(6,746)	(17,433)
Purchase of tangible fixed assets	(1,149)	(928)
Purchase of intangible fixed assets	(1,600)	(1,662)
Net cash used in investing activities	(2,299)	(2,038)
Cash flows from financing activities		
Repayment of borrowing	(212)	(423)
Net cash used in financing activities	(212)	(423)
Change in cash and cash equivalents in the reporting period	70	4,089
Cash and cash equivalents at 1 January	12,203	8,114
Cash and cash equivalents at 31 December	12,273	12,203

	At 1 January 2022 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 December 2022 £'000
Analysis of changes in net debt				
Cash and cash equivalents				
Cash in hand	2,758	(846)	—	1,912
Short term deposits	9,243	1,000	—	10,243
Cash held by investment manager for reinvestment	202	(84)	—	118
	12,203	70	—	12,273
Borrowings				
Debt due within one year	(212)	212	—	—
	(212)	212	—	—
Total	11,991	282	—	12,273

The accounting policies and notes on pages 28 to 51 form an integral part of these financial statements.

Principal accounting policies

For the year ended 31 December 2022

The principal accounting policies adopted by the Charity and Group are set out below.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The statements have been prepared under the historical cost convention as modified by the revaluation of investments at market value.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Basis of consolidation

The consolidated financial statements incorporate the results of The Institution of Civil Engineers ('the Charity') and its subsidiary undertakings, Thomas Telford Limited ("TTL") and The Institution of Civil Engineers (Hong Kong) Limited, on a line by line basis, after the elimination of intra-group transactions.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no statement of cash flows is presented for the Charity; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent Charity as their remuneration is included in the totals for the Group as a whole.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees have considered the key risks and uncertainties facing the Charity and regularly review budgets and forecasts, including cash flows, and other key performance indicators. Budgets and forecasts consider the mitigating actions the Charity can deploy and consider both immediate liquidity and longer term solvency, together with the impact on reserves.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

With regard to the next accounting period, the year ending 31 December 2023, the most significant areas that are likely to affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets.

Fund accounting

Unrestricted funds are reserves which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for specific purposes. In accordance with FRS 102 – Retirement Benefits, a pension reserve is included within unrestricted funds representing the value of the defined benefit pension scheme asset as recognised in the accounts.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted reserves are funds which are allocated by the donor for specific purposes.

Endowment funds are assets which must be held permanently by the Charity but income arising from the assets may be expended.

A description of the funds in existence during the year is included in notes 26 to 28 of the accounts.

Income

Income is recognised in the period in which entitlement is established, when economic benefit is probable, and the value can be measured reliably.

Donations

Income from donations is included when the conditions for receipt have been met and there is a probable assurance of receipt. When donors specify that donations are for a particular restricted purpose which do not amount to preconditions regarding entitlement, this income is included in income of restricted funds when receivable. Government grant income for amounts claimed from HMRC under the Coronavirus Job Retention Scheme is accounted for in the period in which the associated salary payments are made to furloughed staff.

Legacies

Recognition of legacy income is dependent on the type of legacy. Pecuniary legacies are recognised when notification is received, and probate is granted. Residuary legacies are recognised when entitlement is established, and the value can be measured reliably, which is typically on grant of probate.

Member subscriptions

Income from member subscriptions is allocated to the year to which it relates, with payments received in advance held as deferred income.

Investment income and interest

Investment income and interest are recognised when receivable.

Trading activities

Turnover arises 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. It excludes value added tax and trade discounts. Income from journal subscriptions and event bookings is allocated to the year to which it relates, with payments received in advance held as deferred income.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is allocated on the bases indicated below.

Cost of raising funds

Cost of raising funds comprises the costs of fundraising activities, commercial trading activities and investment management fees. Expenditure on other trading activities includes all the costs of Thomas Telford Limited, including the costs of goods sold.

Charitable activities

Expenditure on charitable activities is reflected in these accounts under five main headings:

- Membership and qualification
- Knowledge
- Policy and public affairs
- Regional activities
- Grants and scholarships

Expenditure on charitable activities includes both direct costs and support costs. Support costs include property costs, HR, finance, IT, and other administrative and governance costs associated with supporting the charitable activities. They have been allocated to the cost of charitable activities on a basis consistent with the use of resources using appropriate measures such as headcount and floor area. The basis of the cost allocation has been explained in the note 8 to the accounts.

Grants payable

Grants payable, including scholarships, are 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.

Employee benefits

Defined contribution pension plan

Employer contributions to defined contribution pension plans are recognised as an expense when these are due. Amounts not paid are shown in other creditors in the balance sheet.

Defined benefit pension plan

The Institution of the Civil Engineers Staff Retirement Benefits & Life Assurance Scheme ("the Scheme"), a defined benefit pension scheme closed to future accrual in November 2010. The Scheme is being accounted for under Section 28 of FRS 102, with the annually calculated surplus or deficit on the funding of the Scheme shown in the financial statements as an unrestricted fund, which is added to or deducted from unrestricted funds in the balance sheet. The trustees of the Scheme believe that the Scheme currently meets the minimum funding requirements. The assets of the Scheme are held completely independently from the Charity.

Net interest on the net defined benefit pension scheme asset is recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the Scheme assets, calculated by multiplying the fair value of the Scheme assets at the beginning of the year by the discount rate. The difference between the interest income on the Scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The asset, to the extent it is considered to be recoverable, and expense related to the Scheme are allocated entirely to the unrestricted ongoing activities of the Group.

Holiday Pay Accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

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.

Taxation

The Institution of Civil Engineers is a registered charity and accordingly is exempt from taxation on its charitable activities which fall within the scope of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992. No tax liability, current or deferred, arose in respect of the Charity during the year.

Leases

Payments made under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Any gain/(loss) on revaluation is credited/(charged) to the statement of financial activities. Investments in subsidiary companies are included at cost less any provision for impairment. Investments in non-charitable companies under a joint venture arrangement are included at fair value, which is the Group's and/or Charity's share of the net assets of the commercial company as at the balance sheet date.

Tangible fixed assets

Freehold properties are capitalised at historical cost. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. The values of the buildings are informally monitored by the trustees on a regular basis in order to identify any permanent diminution in value which, where applicable, is charged to the statement of financial activities. Depreciation is charged on freehold refurbishment costs to write off the cost over the anticipated economic life.

No depreciation is charged on the assets under construction until they are brought into service. The annual rates of depreciation used to write off the cost of tangible fixed assets in equal instalments over their expected useful lives are as follows:

Freehold property	2% per annum
Improvements to freehold property	2.5% to 10% per annum
Furniture, fixtures and equipment	5% to 20% per annum

Intangible assets

Software acquired from third parties is capitalised when it is probable that the expected future economic benefits that are attributable will flow to the Group and their costs can be reliably measured. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. Amortisation is charged to write off the cost over the anticipated economic life.

No amortisation is charged on the software until the asset is brought into service. The annual rate of depreciation used to write off the cost of intangible assets in equal instalments over their expected useful lives is 14% to 20% per annum.

Heritage assets

The Institution holds a collection of heritage assets relating to the history of the Institution itself and the wider history of civil engineering. The collection is in three main categories: Printed works; Pictures; and Other artefacts. An overview of the collections is set out in Note 15.

The printed works were valued for insurance purposes by item by L&J Gull in November 2017 and the pictures and other artefacts were valued for insurance purposes by Bonhams in December 2022. All assets are included on the balance sheet, at the values shown in Note 15. Trustees consider that the above methods of valuation constitute appropriate and relevant bases for valuation.

Acquisitions to all these collections are made by purchase or donation. Purchases are recorded at cost and donations are recorded at an appropriate current value where available at the time of acquisition. The cost of obtaining an annual valuation outweighs the value of any resultant benefit. The Institution holds and retains these assets as a long-term policy for use for its charitable purposes and does not therefore intend to dispose of such assets.

Any changes in value of the heritage assets capitalised are (charged)/credited to the recognised gains and losses (as appropriate) within the statement of financial activities. Such assets are not depreciated as they are deemed to have indeterminate lives. Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the statement of financial activities when it is incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Provision is made for obsolete, slow-moving, or defective items where appropriate.

Financial instruments

Financial instruments are recognised in the Group's balance sheet when it becomes party to the contractual provisions of the instrument. Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and liability simultaneously.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except that investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade payables and obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are classified as current liabilities if payment is due within one year or less. If not, these are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost.

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 as detailed below:

Useful economic lives of tangible and intangible fixed 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.

Valuation of heritage assets

The valuation of heritage assets is based on estimates provided by external professional valuers based on their experience and judgement. Further detail on heritage assets is provided with the heritage assets accounting policy above and within note 15.

Defined benefit pension scheme asset

The determination of the assumptions used in calculating the defined benefit pension scheme asset is the responsibility of the Trustees. The assumptions are set with regard to advice given by the scheme actuary. 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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset.

The scheme rules include instructions for dealing with any residual surplus in the scheme at the point of wind up and these make provision, in certain circumstances, for the return of a surplus to the Charity. Given there is a degree of uncertainty within the rules, significant accounting judgement is exercised in determining whether to recognise the pension scheme asset on the balance sheet, and, if applicable, in determining the value of the asset that is recognised.

The Trustees have reassessed the position of the scheme as at 31 December 2022, and have taken the decision to continue to derecognise the pension scheme asset on the basis that the amount of any residual surplus that may be returned to the Charity cannot be measured reliably, nor can the timing of the return of any residual surplus be estimated reliably given the potential remaining life of the scheme. Further details of this are set out in note 24.

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 8.

Notes to the financial statements

For the year ended 31 December 2022

1. Income from donations and legacies

Group	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
R&D Enabling Fund	–	100	100	–	106	106
Quest	–	463	463	–	548	548
Other donations	2	–	2	1	32	33
Government Grants	–	–	–	221	–	221
Overseas Government Grants	18	–	18	–	–	–
Legacies	17	1,237	1,254	46	20	66
	37	1,800	1,837	268	706	974

Charity	Unrestricted Funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
R&D Enabling Fund	–	100	100	–	106	106
Quest	–	463	463	–	548	548
Other donations	2	–	2	1	32	33
Legacies	17	1,237	1,254	46	20	66
Gift aid donation from subsidiary undertaking	4,975	–	4,975	3,844	–	3,844
	4,994	1,800	6,794	3,891	706	4,597

2. Income from membership and qualification

Group and charity	2022 £'000	2021 £'000
Annual subscriptions	14,604	14,505
Professional development and admission	1,634	1,761
Other fees and service income	473	441
	16,711	16,707

All income from membership and qualification activities was unrestricted in both 2022 and 2021.

3. Income from trading activities

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Events and sponsorship	973	480	853	335
Rental income	136	136	975	1,092
Turnover generated by Thomas Telford Limited	19,118	14,937	–	–
Interest receivable	–	–	18	18
Other charges	129	–	28	–
	20,356	15,553	1,874	1,445

All income from trading activities was unrestricted in both 2022 and 2021.

4. Income from investments

Group and charity	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Dividends from investments	209	55	264	187	49	236
Interest income	175	10	185	4	—	4
	384	65	449	191	49	240

5. Other income

Group and charity	Total 2022 £'000	Total 2021 £'000
Net interest on defined benefit pension scheme asset	229	110
	229	110

All other income was unrestricted in both 2022 and 2021.

6. Expenditure

Group	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2022 £'000	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2021 £'000
Raising Funds								
Trading activities	13,681	—	277	13,958	10,699	—	266	10,965
Investment managers fees	114	—	—	114	116	—	—	116
Joint venture	42	—	—	42	—	—	—	—
	13,837	—	277	14,114	10,815	—	266	11,081
Charitable Activities								
Membership and qualification	5,227	—	4,854	10,081	4,351	—	4,027	8,378
Knowledge	3,381	—	1,826	5,207	2,958	—	1,234	4,192
Policy and public affairs	1,852	—	845	2,697	1,188	—	538	1,726
Regional activities	3,519	—	997	4,516	2,581	—	1,084	3,665
Grants and scholarships	91	680	—	771	76	679	—	755
	14,070	680	8,522	23,272	11,154	679	6,883	18,716
	27,907	680	8,799	37,386	21,969	679	7,149	29,797

Charity	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2022 £'000	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2021 £'000
Raising Funds								
Trading activities	388	—	277	665	359	—	266	625
Investment managers fees	114	—	—	114	116	—	—	116
Joint Venture	42	—	—	42	—	—	—	—
	546	—	277	821	475	—	266	741
Charitable Activities								
Membership and qualification	5,229	—	4,854	10,083	4,351	—	4,027	8,378
Knowledge	3,381	—	1,826	5,207	2,958	—	1,234	4,192
Policy and public affairs	1,852	—	845	2,697	1,188	—	538	1,726
Regional activities	3,373	—	997	4,370	2,480	—	1,084	3,564
Grants and scholarships	91	680	—	771	76	679	—	755
	13,926	680	8,522	23,128	11,053	679	6,883	18,615
	14,470	680	8,799	23,949	11,528	679	7,149	19,356

7. Awards & grants

Group and charity	2022 £'000	2021 £'000
Research and Development grants	118	69
Into Civil Engineering scholarships	61	71
Queen's Jubilee Scholarship Trust	470	506
Trust Fund awards and prizes	31	33
	680	679

The number of individuals and organisations who received awards, prizes and scholarships is as follows:

Group and charity	2022 No	2021 No
Research and Development grants – organisations	6	3
Into Civil Engineering scholarships – individuals	14	16
Queen's Jubilee Scholarship Trust – individuals	356	339
Trust Fund awards and prizes - individuals	79	85
	455	443

Grants made to organisations from the Research and Development Enabling Fund are as follows:

Organisation	Purpose	2022 £'000	2021 £'000
Bristol University	Papers and Letters (incomplete project)	(10)	–
Brunel University	Stainless steel reinforced concrete in fire – is spalling important?	–	20
Engineers Against Poverty	Building resilience through participation – Mapping interdependencies and climate-related risks of infrastructure systems in Uganda	3	–
Imperial College London	Beneficial use of scrap tyre rubber in UK road embankments: feasibility study	25	–
Liverpool John Moores University	Durability analysis of a cement free breakwaters developed using waste based geopolymers and recycled aggregate – an approach to decarbonise shore protection globally.	–	24
Strathclyde University	Concrete dams and sea walls assessment using two new Geophysical monitoring systems	25	–
University College London	SeeCarbon: Revealing and reducing infrastructure's carbon footprint in a digitally open, socio-technical way.	–	25
University of Oxford	Developing digital eyes and ears to monitor historic fibrous plaster ceilings	25	–
University of Southampton	Stainless steel hydrogen storage for net zero maritime transportation	25	–
University of Southampton	Hydrogen fuel as net zero route to future sustainable transportation	25	–
		118	69

8. Support costs

Group and charity	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2022 £'000	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2021 £'000
Membership and qualification	1,158	1,568	2,128	4,854	991	1,393	1,644	4,028
Knowledge	436	590	800	1,826	303	427	504	1,234
Policy and public affairs	202	273	370	845	132	186	219	537
Regional activities	32	479	486	997	35	558	491	1,084
	1,828	2,910	3,784	8,522	1,461	2,564	2,858	6,883
Trading activities	66	89	122	277	65	92	109	266
	1,894	2,999	3,906	8,799	1,526	2,656	2,967	7,149

The methods used to apportion overheads are as follows:

		2022 £'000	2021 £'000
Charity management costs			
Finance	Headcount	1,065	1,006
DB Pension Scheme expenses	Headcount	221	187
Human Resources	Headcount	752	446
Governance	Headcount	819	511
Depreciation and repairs	Estimated usage	1,049	817
		3,906	2,967
Premises costs	Headcount	1,894	1,526
IT costs	Headcount	2,999	2,656
		8,799	7,149

9. Net income

This is stated after charging:

	Group 2022 £'000	Group 2021 £'000
Depreciation of tangible fixed assets	1,039	1,017
Amortisation of intangible assets	357	380
Loss on disposal of tangible fixed assets	47	4
Loss on disposal of intangible assets	312	5
Auditors' remuneration		
Audit services	36	34
Non-audit services	6	20
Investment management fees	114	116
Amounts payable under operating leases		
Equipment	15	18
Property	185	184

10. Staff costs

	Group 2022 £'000	Group 2021 £'000
Wages and salaries	16,031	14,079
Social security costs	1,693	1,388
Pension costs	939	861
Temporary staff	559	153
	19,222	16,481

An amount of £60k (2021: £116k) paid out as redundancy or termination payments is included in wages and salaries above.

The average number of UK employees of the Group during the year was as follows:

	Group 2022 No	Group 2021 No
Charitable activities	229	214
Trading activities	105	98
	334	312

The number of employees paid by the Group whose emoluments, excluding employer's pension contributions, exceeded £60,000 are analysed as follows:

	Group 2022 No	Group 2021 No
£60,000 - £70,000	22	15
£70,001 - £80,000	12	11
£80,001 - £90,000	6	4
£90,001 - £100,000	3	4
£100,001 - £110,000	4	4
£110,001 - £120,000	2	1
£120,001 - £130,000	1	1
£130,001 - £140,000	2	1
£140,001 - £150,000	1	4
£160,001 - £170,000	2	—
£180,001 - £190,000	1	1
£190,001 - £200,000	—	1
£200,001 - £210,000	—	—
£210,001 - £220,000	2	—
£220,001 - £230,000	—	1
£230,001 - £240,000	1	—

Pension benefits are accruing for 12 employees as a result of the salary link in the defined benefit scheme for those in the bandings above £60k (2021: 12). The scheme closed to future accrual on 30 November 2010. Pension payments to the defined contribution scheme for those in bandings above £60k totalled £251k (2021: £269k).

Key management personnel of 10 staff, two of whom were appointed and one of whom resigned during the year (2021: nine, one of whom was appointed and one of whom resigned during the year) received remuneration, including benefits and employer pension contributions, of £1,318k in the year (2021: £1,216k).

11. Trustee remuneration

None of the Trustees receive any remuneration for their services as a trustee.

Details of travel and subsistence expenses reimbursed to or paid on behalf of Trustees, including overseas Presidential tours and participation in membership and learned society activity are summarised below.

	2022 £'000	2021 £'000	2022 No	2021 No
Expenses reimbursed to or paid on behalf of Trustees	38	2	9	4

Directors' and Officers' Liability insurance has been purchased by the Group at a cost of £4k (2021: £12k).

12. Related parties

In addition to the transactions below, Trustees and Council Members use facilities of the Group on the same terms as other Members or external customers. This includes access to events, the purchase of goods or services, including the use of catering facilities. For the year ended 31 December 2022 and 31 December 2021 all such transactions with related parties are considered within the normal scope of transactions.

The following payments, which have been made in accordance with Charity Commission guidance (CC11), have been made to Trustees or parties related to them in respect of services to ICE. There were no related party transactions in which the individual had direct influence over.

Ed McCann was a trustee of the Institution until November 2022, and a Director of Useful Simple Limited. During the year, the Institution made a payment of £1,360 to Useful Simple Group Limited, a subsidiary of Useful Simple Limited, for the design and production of advertising materials (2021: £10,000 for the provision of research).

Liz Waugh is a trustee of the Institution and a director of Coast Communications & Marketing Limited. During the year the Institution made a payment of £283 (2021: £nil) to Coast Communications & Marketing Limited for costs incurred on the Institution's behalf related to website hosting. The expenses incurred were recharged to the Institution at cost.

The Trustees donated in aggregate £147 (2021: £95) to the Charity during the year. Of these amounts, £100 (2021: £60) was donated towards the Queen's Jubilee Scholarship Trust fund and £47 (2021: £35) was donated towards the Research and Development Enabling Fund.

13. Intangible assets

Group	Total 2022 £'000
Cost	
At 1 January 2021	6,680
Additions	1,678
Disposals	(686)
At 31 December 2021	7,672
Amortisation	
At 1 January 2021	4,022
Charge for the year	359
On disposals	(374)
At 31 December 2021	4,007
Net book value at 31 December 2022	3,665
Net book value at 31 December 2021	2,658

All intangible assets relate to computer software and licensed products.

Charity	Total 2022 £'000
Cost	
At 1 January 2021	4,121
Additions	1,319
Disposals	(290)
At 31 December 2021	5,150
Amortisation	
At 1 January 2021	2,411
Charge for the year	118
On disposals	(286)
At 31 December 2021	2,243
Net book value at 31 December 2022	2,907
Net book value at 31 December 2021	1,710

14. Tangible fixed assets

Group	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2022 £'000
Cost/valuation			
At 1 January 2021	38,187	5,351	43,538
Additions	748	296	1,044
Disposals	(892)	(163)	(1,055)
At 31 December 2021	38,043	5,484	43,527
Depreciation			
At 1 January 2021	12,579	3,539	16,118
Charge for the year	724	315	1,039
On disposals	(879)	(129)	(1,008)
At 31 December 2021	12,424	3,725	16,149
Net book value at 31 December 2022	25,619	1,759	27,378
Net book value at 31 December 2021	25,608	1,812	27,420

All Group assets are used in support of charitable or trading activities. Freehold property includes two assets. The Institution's headquarters, One Great George Street, and 8 Storey's Gate. There is no reasonable likelihood that either property will be considered for sale in the foreseeable future.

The Trustees consider that the market values of the respective properties are not less than the carrying values included above.

Charity	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2022 £'000
Cost/valuation			
At 1 January 2022	38,187	4,547	42,734
Additions	748	273	1,021
Disposals	(892)	(87)	(979)
At 31 December 2022	38,043	4,733	42,776
Depreciation			
At 1 January 2022	12,579	2,929	15,508
Charge for the year	724	238	962
On disposals	(879)	(55)	(934)
At 31 December 2022	12,424	3,112	15,536
Net book value at 31 December 2022	25,619	1,621	27,240
Net book value at 31 December 2021	25,608	1,618	27,226

15. Heritage assets

Group and charity	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Valuation at 1 January	15,241	15,240	15,204	15,200	15,193
Additions	—	—	—	4	5
Donations	2	1	4	—	2
Revaluation	(2,109)	—	32	—	—
Valuation at 31 December	13,134	15,241	15,240	15,204	15,200
Printed works	6,947	6,947	6,947	6,947	6,947
Pictures and other artefacts	6,187	8,294	8,293	8,257	8,253
	13,134	15,241	15,240	15,204	15,200

The Trustees consider there to be no material impairment on the present market values/replacement values compared to those stated. Approximately £17k per annum is spent on conservation of the Heritage Assets.

Other than those movements shown above, there have been no other additions or disposals.

Description of the collection

The Institution holds a collection of heritage assets relating to the history of the Institution itself and the wider history of civil engineering. The collection is in three main categories:

- Printed works: The Library contains over 140,000 titles. In addition, the collection includes manuscripts, original drawings, engravings and photographs of or by eminent civil engineers. This collection was designated as being of 'national significance' by the MLA (now Arts Council England) in 2009.
- Pictures: The Institution displays a collection of over 250 paintings, including engineering portraits and those of other engineering related subjects.
- Other artefacts: This collection of approximately 200 items includes fine furniture, decorative art, and silver, mostly donated by distinguished past members, and with a civil engineering association. We also act as custodians for the Smeatonian Society of Civil Engineers small collection.

The collection is accessible to the public on request with most of the pictures on display throughout the building.

The printed works were last valued in November 2017 by L&J Gull and the pictures and other artefacts were revalued in November 2022 by Bonhams.

Preservation and management

Those assets stored in the Institution's archive or in display cabinets comply with BS 5454, "Recommendations for the storage and exhibition of archival documents". Among other things, it specifies temperature and humidity ranges for document storage, shelving schemes, and materials for document containers. The archive is protected by a gas fire suppression system.

Collections are managed and recorded in discrete databases and to the prevailing standard (UDC system for cataloguing of books and ISAD for the archive items).

16. Fixed asset investments

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Listed investments	20,699	23,720	20,699	23,720
Investments in subsidiaries	—	—	301	301
Joint venture	46	88	46	88
	20,745	23,808	21,046	24,109

Listed investments

Group and charity	2022 £'000	2021 £'000
Listed investments		
Market value at 1 January	23,518	21,798
Acquisitions at cost	6,746	17,433
Disposals at book value (proceeds: £6,747k, realised losses: £693k)	(7,440)	(16,873)
Net unrealised investment (losses) gains	(2,243)	1,160
Market value at 31 December	20,581	23,518
Cash held by investment managers for reinvestment	118	202
	20,699	23,720
Historical cost at 31 December	21,709	21,765
Cumulative unrealised investment (losses) gains	(1,128)	1,753

An analysis of the market value of quoted investments at 31 December 2022 is as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Mutual Funds	14,519	1,615	2,601	18,735
Exchange Traded Funds	1,423	163	260	1,846
Cash	58	7	53	118
	16,000	1,785	2,914	20,699

Investments in subsidiaries

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Investments at cost	—	—	1	1
Long term loans	—	—	300	300
	—	—	301	301

Thomas Telford Limited

Thomas Telford Limited ("TTL"), a company incorporated in England and Wales (company registration number 02556636), is a wholly owned trading subsidiary of the Charity whose net profits are donated to the Charity under a Deed of Covenant. The principal activities of TTL are the publication of learned society books and quality journals, the organisation of courses, provision of contracts and ancillary services, provision of meeting facilities and ancillary services, and the operation of a job board.

At 31 December 2022 the Charity owned the entire issued share capital of 502 ordinary shares of £1 each in TTL. A summary of the results and the financial position of the company at 31 December 2022 is shown below.

Summary statement of income:	2022 £'000	2021 £'000
Turnover	20,865	16,369
Cost of sales	(3,979)	(3,009)
Gross profit	16,886	13,360
Other operating charges	(11,913)	(9,507)
Operating profit	4,973	3,853
Interest receivable	20	9
Interest payable	(18)	(18)
Net result	4,975	3,844
Gift Aid distribution to the charity	(4,975)	(3,844)
Profit for the year	–	–

Summary statement of financial position and retained earnings:	2022 £'000	2021 £'000
Fixed assets	887	1,136
Current assets	5,115	4,304
Current and non-current liabilities	(5,986)	(5,424)
Total net assets	16	16
Called up share capital	1	1
Retained earnings	15	15
	16	16

Included with non-current liabilities above is a long-term loan of £300k from the Charity to TTL. The loan is repayable on one year's notice and is secured by debenture over the assets of the subsidiary. The interest payable to the Charity is calculated quarterly at the daily bank rate ruling during the quarter or 6% whichever is greater.

The Institution of Civil Engineers (Hong Kong) Limited

At 31 December 2022 the Charity owned the entire share capital of 2 ordinary shares of HKD\$1 each in The Institution of Civil Engineers (Hong Kong) Limited. A summary of the results and the financial position of the company at 31 December 2022 is shown below.

Summary statement of income:	2022 £'000	2021 £'000
Income	598	532
Expenditure	(504)	(481)
Profit on ordinary activities before taxation	94	51
Income tax (charge) credit	5	(7)
Profit for the year	89	44

Summary statement of financial position and retained earnings:	2022 £'000	2021 £'000
Fixed assets	9	5
Current assets	387	310
Current liabilities	(6)	(13)
Total net assets	390	302
Retained earnings	390	302

Joint venture

The investment in the joint venture represents the Charity's investment in Structural-Safety Limited ("SSL"), a company incorporated in England and Wales (company registration number 11750936) on 4 January 2019. SSL is a company limited by guarantee and it has two members, the Institution of Civil Engineers and the Institution of Structural Engineers ("IStructE"). In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

A summary of the results and the financial position of the company at 31 December 2022 is shown below.

Summary statement of income:	2022 £'000	2021 £'000
Income	184	236
Cost of sales	(107)	(84)
Gross profit	77	152
Other operating charges	(161)	(138)
Profit on ordinary activities before taxation	(84)	14
Tax charge	–	–
Profit for the year after taxation	(84)	14

Summary statement of financial position and retained earnings:	2022 £'000	2021 £'000
Fixed assets	214	231
Current assets	210	93
Current liabilities	(332)	(148)
Total net assets	92	176

The total net assets are represented by retained net profits. The retained net profits are shared equally by the two partners. As such, the investment by the Charity as at 31 December 2022 comprises:

Group and charity	2022 £'000	2021 £'000
Investment at 1 January	88	118
Share of (losses) profits in the year	(42)	7
Gift aid distribution received	–	(37)
Investment at 31 December	46	88

17. Stocks

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Raw materials and consumables	32	31	–	–
Finished goods and good for resale	302	336	–	–
	334	367	–	–

18. Debtors

Amounts falling due within one year

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Trade debtors	3,064	3,093	567	585
Amount owed by subsidiary undertakings	—	—	—	207
Other debtors	355	208	281	191
Prepayments and accrued income	2,610	1,178	2,392	990
	6,029	4,479	3,240	1,973

Included within the amount owed by subsidiary undertakings is a loan of £300k (2021: £300k) to Thomas Telford Limited. Interest is payable on the loan and is calculated quarterly at the bank base rates ruling during the quarter or 6%, whichever is the greater.

19. Creditors: amounts falling due within one year

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Trade creditors	973	1,035	725	659
Amount owed to subsidiary undertakings	—	—	1,233	255
Taxation and social security	684	535	611	515
Other creditors	586	823	537	784
Accruals	2,193	1,728	1,032	807
Deferred income	7,410	7,732	3,987	4,589
Loan falling due within one year	—	212	—	212
	11,846	12,065	8,125	7,821

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Deferred Income				
Balance at 1 January	7,732	7,467	4,589	4,775
Amounts released from previous years	(7,300)	(7,467)	(4,589)	(4,775)
Resources deferred in the year	6,978	7,732	3,987	4,589
Balance at 31 December	7,410	7,732	3,987	4,589

Deferred income includes income from membership subscriptions, journal subscriptions, training, and catering and room hire received in advance.

20. Creditors: amounts falling due after one year

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Deferred income	499	432	—	—
	499	432	—	—

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
The loan is repayable as follows:				
Within one year	—	212	—	212
	—	212	—	212

In December 2010, the Trustees approved a loan for £4.0m with HSBC Bank plc for the refurbishment of Eight Storey's Gate. The term of the loan was eleven years which was to be repaid in equal monthly instalments until May 2022. Interest was incurred at 2.25% over the Bank of England Sterling Base Rate. The loan was secured by a first charge on the property at One Great George Street and has now been fully repaid.

21. Operating lease commitments

Minimum lease payments under non-cancellable operating leases for photocopiers and office rental which expire:

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Land and buildings				
Within one year	154	104	82	82
Between one and two years	76	21	4	21
Between two and five years	20	–	–	–
	250	125	86	103

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Equipment				
Within one year	8	8	7	7

At 31 December 2022 the Group had total commitments under operating leases of £258k (2021: £133k).

22. Contingent liabilities

The Group and Charity had no contingent liabilities at 31 December 2022 or 31 December 2021.

23. Capital commitments

At 31 December 2022 the Group and Charity had the following capital commitments in respect to the refurbishment of freehold property:

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Contracted for, but not provided in the financial statements	–	40	–	40

At 31 December 2022 the Group and Charity had the following capital commitments in respect to the development of computer software:

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Authorised, but not contracted	–	–	–	–
Contracted for, but not provided in the financial statements	526	699	526	687
	526	699	526	687

24. Pension Schemes

Defined benefit pension schemes

Benefits under the defined benefit pension scheme ("the Scheme"), which closed to new members in February 2002, are based on employees' final remuneration and length of service. The Scheme closed to future service accrual on 30 November 2010.

The pension expense charged to the statement of financial activities makes no allowance for actuarial gains and losses during the year. Actuarial gains and losses are recognised separately in the statement of financial activities in the year in which they occur.

Analysis of amounts charged to the statement of financial activities

	2022 £'000	2021 £'000
Components of pension cost		
Net interest income	(229)	(110)
Total pension income recognised in the statement of financial activities	(229)	(110)
Components of losses recognised in year		
Actuarial losses (gains) immediately recognised	2,747	(3,553)
Change in effect of net pension scheme asset ceiling	(2,393)	12,655
Total recognised actuarial losses	354	9,102

Reconciliation of the fair value of the Pension Fund assets and liabilities

	2022 £'000	2021 £'000
Amounts recognised in the balance sheet		
Present value of funded obligation	(30,850)	(47,315)
Fair value of plan assets	41,112	59,970
Derecognition of net pension scheme asset	(10,262)	(12,655)
	–	–
Change in benefit obligation		
Benefit obligation at 1 January	47,315	49,778
Interest cost	838	613
Benefits paid	(1,563)	(1,430)
Actuarial (gains) losses	(16,797)	(1,395)
Experience (gains) losses on liabilities	1,887	(184)
Changes to demographic assumptions	(830)	(67)
Benefit obligation at 31 December	30,850	47,315
Change in plan assets		
Fair value of plan assets at 1 January	59,970	58,270
Interest on assets	1,067	723
Actuarial gains (losses)	(18,487)	1,907
Employer contributions	125	500
Benefits paid	(1,563)	(1,430)
Fair value of plan assets at 31 December	41,112	59,970
Actual return on plan assets	(17,420)	2,630
Funded status and net amount recognised	10,262	12,655

The most recent triennial actuarial valuation as at 31 December 2019 showed a deficit of £2.0m.

Fund assets

The weighted average asset allocation at the year-end was as follows:

	2022 £'000	2021 £'000
Equities	–	7.6%
Corporate Bonds	48.5%	22.2%
Diversified Growth	–	7.3%
Liability-Driven Investment	26.5%	24.3%
Cash	25.0%	38.6%
	100.0%	100.0%

Principal Actuarial Assumptions

	2022	2021
Discount rate	4.75%	1.80%
Inflation (RPI)	3.40%	3.60%
Inflation (CPI)	2.70%	2.80%
Salary increases	3.20%	3.30%
Pension increases (RPI capped at 5%)	3.30%	3.40%
Pension increases (RPI capped at 5% with 3% floor)	3.60%	3.70%
Commutation	20% of total pension	
Life expectancy at age 65 of male aged 45	23.0	22.9
Life expectancy at age 65 of male aged 65	21.7	21.6
Life expectancy at age 65 of female aged 45	26.1	26.0
Life expectancy at age 65 of female aged 65	24.7	24.6

Mortality assumptions used in 2022 and 2021 are based upon 108% of the S3PMA tables for male members and 99% of the S3PFA series tables for female members. Future improvements are assumed to be in line with the CMI projection model, assuming improvements have peaked. The long-term improvement is assumed to be 1.25% per annum (2021: 1.25% per annum), with a default smoothing parameter reflecting a decline at older ages, a 0.25% (2021: 0.25%) initial addition, and weight parameter of 0%.

Five-year history

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Benefit obligation at 31 December	(30,850)	(47,315)	(49,778)	(46,616)	(43,363)
Fair value of plan assets at 31 December	41,112	59,970	58,270	52,607	47,529
Surplus for FRS 102 purposes	10,262	12,655	8,492	5,991	4,166
Derecognition of surplus	(10,262)	(12,655)	–	–	–
Net pension asset	–	–	8,492	5,991	4,166

Contributions

The Charity contributed £125k to the scheme in the year to 31 December 2022. Contributions to be paid to the scheme during the annual period beginning after the reporting period are expected to be £nil. In addition, administrative and other expenses of the Scheme and the Pension Protection Fund levy were payable separately by the Institution.

Group Personal Pension

The GPP was introduced for employees on 1 October 2010 with members of the defined contribution scheme joining on this date and members of the defined benefit scheme joining on 1 December following closure to future accrual of that scheme. The pension cost for this scheme for 2022 was £918k (2021: £844k).

25. Analysis of net assets between funds

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Fixed assets	–	44,177	–	–	44,177
Investments	16,000	461	3,183	1,101	20,745
Current assets	7,260	8,986	2,272	–	18,518
Creditors: amounts falling due within one year	(7,983)	(3,722)	(141)	–	(11,846)
Creditors: amounts falling due after one year	–	(499)	–	–	(499)
	15,277	49,403	5,314	1,101	71,095

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Fixed assets	–	43,281	–	–	43,281
Investments	16,301	461	3,183	1,101	21,046
Current assets	6,960	5,256	2,272	–	14,488
Creditors: amounts falling due within one year	(7,984)	–	(141)	–	(8,125)
	15,277	48,998	5,314	1,101	70,690

Comparative information for prior year:

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Fixed assets	–	45,319	–	–	45,319
Investments	18,368	560	3,623	1,257	23,808
Current assets	9,845	5,819	1,183	–	16,847
Creditors: amounts falling due within one year	(7,723)	(4,245)	(97)	–	(12,065)
Creditors: amounts falling due after one year	–	(432)	–	–	(432)
	20,490	47,021	4,709	1,257	73,477

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Fixed assets	–	44,177	–	–	44,177
Investments	18,669	560	3,623	1,257	24,109
Current assets	9,545	1,967	1,183	–	12,695
Creditors: amounts falling due within one year	(7,724)	–	(97)	–	(7,821)
	20,490	46,704	4,709	1,257	73,160

26. Analysis of endowment funds

Group and charity	2022 £'000	2021 £'000
Opening balance at 1 January	1,257	1,152
Net investment (losses) gains	(156)	105
Closing balance at 31 December	1,101	1,257

Endowment funds comprise 41 separate Trust Funds created by trust deed at various times and their capital is permanent endowment. Prizes and awards for achievement in civil engineering are made from the investment income in accordance with the terms of each Trust Fund and accounted for within restricted funds.

27. Analysis of restricted funds

Group and charity	1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2022 £'000
Shaping the World	27	—	(37)	10	—	—
Into Civil Engineering	148	2	(61)	—	—	89
Research and Development Enabling Fund	544	108	(118)	—	—	534
Innovation and Research Focus	24	—	—	—	—	24
Infrastructure Client Group	150	149	(136)	—	—	163
PAS 2080	—	30	(30)	—	—	—
David Butler Education & Inspiration Fund	48	—	(6)	—	—	42
Queen's Jubilee Scholarship Trust	2,958	495	(568)	—	(349)	2,536
The Michael Neale Scholarship Fund	—	1,237	—	—	—	1,237
Trust Funds	810	23	(46)	—	(98)	689
	4,709	2,044	(1,002)	10	(447)	5,314

Shaping the World

The Shaping the World initiative aims to bring together civil engineers across the globe with the aim of helping to alleviate the effects of major future challenges such as population growth and climate change and to ensure that future infrastructure is resilient, adaptable, and available to all. The restricted element of the money raised has now been fully expended.

Into Civil Engineering

The purpose of the Into Civil Engineering fund is to award scholarships to young people living in Scotland studying civil engineering.

Research and Development Enabling

The Research and Development Enabling fund was formed to support research and development by engineers and organisations outside the research field, to enable them to obtain funds from other sources.

Innovation and Research Focus

Contributions to Innovation and Research Focus had been obtained from various organisations and used to produce a quarterly research newsletter which is distributed to all corporate members. No activity took place in 2022, and there are plans to review the contingents in 2023.

Infrastructure Client Group

The Infrastructure Client Group ("ICG") is a group made up of experts from a range of sectors which was formed to help support the implementation of the UK Government's *Infrastructure Cost Review Report 2010*. The ICE's support to this group was formalised during 2018. The fund represents monies received from members of the ICG as a contribution towards the activities coordinated by the Institution.

PAS 2080

The PAS 2080 fund represents grant funding received from the Infrastructure and Projects Authority to be used towards the development of a guidance document for the updated PAS 2080, Carbon Management in Infrastructure.

David Butler Education & Inspiration Fund

The David Butler Education & Inspiration Fund represents monies received to be used in developing interactive resources to extend the ICE's engagement with school children and young children, particularly in the 16-18 age range.

Queen's Jubilee Scholarship Trust

The purpose of the Queen's Jubilee Scholarship Trust ("QUEST") is to award scholarships to civil engineering students, or travel awards to enable members to participate in voluntary work overseas or professional development grants to enable members in mid-career to acquire new skills or knowledge.

The Michael Neale Scholarship Fund

The Michael Neale Scholarship Fund relates to monies due to be received from the estate of the late Mrs Nora Neale, the wife of the also deceased Mr Michael Neale. It is the deceased express wish that the funds will be used to promote or encourage members of the Institution to attend business courses at renowned British business schools which will lead to the awarding of MBA or other similar degrees, through the establishment of the "Michael Neale Scholarship".

Comparative information for prior year:

	1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2021 £'000
Group and charity						
Shaping the World	27	—	—	—	—	27
Into Civil Engineering	219	—	(71)	—	—	148
Research and Development Enabling Fund	507	106	(69)	—	—	544
Innovation and Research Focus	24	—	—	—	—	24
Infrastructure Client Group	117	158	(125)	—	—	150
David Butler Education & Inspiration Fund	112	32	(96)	—	—	48
Queen's Jubilee Scholarship Trust	2,721	597	(593)	—	233	2,958
Trust Funds	768	20	(45)	—	67	810
	4,495	913	(999)	—	300	4,709

28. Analysis of unrestricted funds

Group	1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2022 £'000
General fund	20,490	38,125	(35,258)	(5,805)	(2,275)	15,277
Designated funds						
Funds retained in subsidiaries	317	—	—	88	—	405
Funds retained in joint venture	88	—	(42)	—	—	46
Kenneth Watson Travel Award	472	5	(4)	—	(58)	415
Shaping the World	240	—	—	(10)	—	230
Fixed assets fund	36,376	—	(1,080)	2,293	—	37,589
Fixed asset commitments	727	—	—	(201)	—	526
Digital transformation fund	500	—	—	500	—	1,000
Estate maintenance fund	500	—	—	3,000	—	3,500
Revaluation reserve	7,801	—	—	—	(2,109)	5,692
Pension reserve	—	229	—	125	(354)	—
	67,511	38,359	(36,384)	(10)	(4,796)	64,680

Charity	1 January 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / (losses) £'000	31 December 2022 £'000
General fund	20,490	24,600	(21,821)	(5,717)	(2,275)	15,277
Designated funds						
Funds retained in joint venture	88	—	(42)	—	—	46
Kenneth Watson Travel Award	472	5	(4)	—	(58)	415
Shaping the World	240	—	—	(10)	—	230
Fixed assets fund	36,376	—	(1,080)	2,293	—	37,589
Fixed asset commitments	727	—	—	(201)	—	526
Digital transformation fund	500	—	—	500	—	1,000
Estate maintenance fund	500	—	—	3,000	—	3,500
Revaluation reserve	7,801	—	—	—	(2,109)	5,692
Pension reserve	—	229	—	125	(354)	—
	67,194	24,834	(22,947)	(10)	(4,796)	64,275

General fund

The general fund totalling £15,277k (2021: £20,490k) represents that element of the reserves of the Charity which have not been designated for any specific purpose. Transfers from the general fund into the pension reserve during the year reflect employer contributions to the defined benefit pension scheme of £125k (2021: £500k).

Funds retained in subsidiaries

This fund represents the net assets of the Group which are retained within the subsidiaries and which are not available to the Institution for its ongoing work.

Funds retained in joint venture

This fund represents the net assets of the Group which are retained within the joint venture, Structural-Safety Limited, and which are not available to the Institution for its ongoing work.

Kenneth Watson Travel Award (Quest)

The Kenneth Watson Travel Award is part of the Quest awards for young engineering scholars. At current estimation, it will be able to continue to award grants for at least another 20 years.

Shaping the World

The Shaping the World fund comprises an amount designated by the Trustees towards the Shaping the World initiative. The initiative aims to bring together civil engineers across the globe with the aim of helping to alleviate the effects of major future challenges such as population growth and climate change and to ensure that future infrastructure is resilient, adaptable, and available to all. Funds are expected to be drawn on in future years to support work with the Institution's international partners.

Fixed assets fund

The fixed asset fund represents the net book value of the Charity's intangible fixed assets, tangible fixed assets and heritage assets, less the amount carried in the revaluation reserve. Transfers to the fund represent the cost of additions in the year. The fixed assets are essential to the ongoing work of the Charity, as without them the Charity's work would not be possible. As such their net book values should not be regarded as realisable in order to meet ongoing expenditure or contingencies.

The balance of this fund excludes the net book value of the fixed assets which are owned by subsidiary undertakings and which are included within the funds retained in subsidiaries.

Fixed asset commitments

This fixed asset commitments fund represents amounts designated towards capital commitments and which are not available to the Institution for its ongoing work.

Digital transformation fund

This fund represents amounts designated by the Trustees for future investment in improving and transforming the Institution's digital offering. An amount of £500k was designated to the fund during the year ended 31 December 2022. The fund will be drawn on as development takes place.

Estate maintenance fund

This fund represents amounts designated by the Trustees for redevelopment and major repairs of the Institution's estate. An amount of £3,500k was designated to the fund during the year ended 31 December 2022. The fund will be drawn on as the expenditure takes place.

Comparative information for prior year:

Group	1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2021 £'000
General fund	16,034	34,009	(27,949)	(3,155)	1,551	20,490
Designated funds						
Funds retained in subsidiaries	273	—	—	44	—	317
Funds retained in joint venture	118	7	—	(37)	—	88
Kenneth Watson Travel Award	432	4	(3)	—	39	472
Shaping the World	240	—	—	—	—	240
Fixed assets fund	34,878	—	(846)	2,344	—	36,376
Fixed asset commitments	1,423	—	—	(696)	—	727
Digital transformation fund	—	—	—	500	—	500
Estate maintenance fund	—	—	—	500	—	500
Revaluation reserve	7,801	—	—	—	—	7,801
Pension reserve	8,492	110	—	500	(9,102)	—
	69,691	34,130	(28,798)	—	(7,512)	67,511

Charity	1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / (losses) £'000	31 December 2021 £'000
General fund	16,034	23,524	(17,508)	(3,111)	1,551	20,490
Designated funds						
Funds retained in joint venture	118	7	—	(37)	—	88
Kenneth Watson Travel Award	432	4	(3)	—	—	472
Shaping the World	240	—	—	—	39	240
Fixed assets fund	34,878	—	(846)	2,344	—	36,376
Fixed asset commitments	1,423	—	—	(696)	—	727
Digital transformation fund	—	—	—	500	—	500
Estate maintenance fund	—	—	—	500	—	500
Revaluation reserve	7,801	—	—	—	—	7,801
Pension reserve	8,492	110	—	500	(9,102)	—
	69,418	23,645	(18,357)	—	(7,512)	67,194

29. Funds held on behalf of others

The Institution provides administrative services to fourteen Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering. The Institution is a custodian trustee of funds for nine of these Societies (2021: nine), which have trustees separate and independent from the Institution, but where the Institution holds the Society's funds on their behalf.

At 31 December 2022 the funds held by the Institution had a combined balance of £668k (2021: £674k).

Council and main committees

Members of Council at the date of the signing of this report were:

Members of Council	Keith Howells (President)	Ken Ho (Hong Kong)
(2022-2023 session)	Anusha Shah (Senior Vice President)	Mark Jamieson (Middle East and Africa)
	Edward McCann (Immediate Past President)	Sarah Jones (Wales)
	Jeffrey Ashurst (North West)	Julian Lineham (Americas)
	Yvonne Aust (West Midlands)	Jose Lores (Europe and Central Asia)
	Rebecca Barkham	Phebe Mann (London)
	Edward Bingham (East Midlands)	Jim Martin
	Phillip Brown (Northern Ireland)	Elizabeth Orchard (East of England)
	Gillian Castka	Dr Priti Parikh
	David Coles	Lucy Rew
	Matthew Colton (Asia Pacific excl Hong Kong)	Steven Robertson (Scotland)
	Yuli Doulala-Rigby	Oana Sala
	Njemile Faustin	Daaoud Shafi
	Beth Griffiths	Ivor Thomas
	Tina Gunnarsson	Katy Toms (South West)
	Benjamin Hamer	Sally Walters
	Susan Hawkes (South East England)	Robert White
	David Hirst (Yorkshire and Humber)	Julie Wood
	Tim Harman	Graham Yates (North East)

The Chairs of the main standing and operational committees at the date of the signing of this report were:

Committee	
<i>Nominations</i>	Paul Sheffield
<i>Membership Committee</i>	Matt Colton
<i>Learning Society</i>	David Porter
<i>Policy and External Affairs</i>	Jonathan Spruce
<i>UK Regional Affairs</i>	Paula McMahon
<i>International</i>	Dr Sabih Khisaf
<i>Finance, Assurance and Risk</i>	Julie Wood
<i>Group Remuneration</i>	Professor Tim Broyd
<i>Audit</i>	Stephen Dellow (acting)

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Institution of Civil Engineers is a Registered
Charity in England & Wales (no 210252) and
Scotland (SC038629).



THE INSTITUTION OF CIVIL ENGINEERS

England & Wales - Charity number 210252

Accounts

Annual Report and Accounts 2021

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President's Foreword

The last two years have shown us how resilient we are, not just as an Institution, but as a community. Throughout the pandemic, the ICE has continued to bring together like-minded people with a passion for tackling the tough questions and ensure that we are creating a better, more sustainable future for the next generation. Despite of the numerous ups and downs of 2021, I am proud to say that the institution has continued to thrive and has come out of the year in a better financial position than at any time in recent memory.

The Institution's global membership base has continued to grow, and we were delighted to finalise an agreement to continue our partnership with Hong Kong Institution of Engineers into the future. The shift to hybrid or online events for most of the year meant that members from around the world engaged with the Institution like never before. Our second online President's Address in November saw almost two thousand live viewers from 45 different countries, a theme replicated across many other events over the year.



Our knowledge business, Thomas Telford Limited, has done particularly well, with trade making a strong recovery towards pre-pandemic levels, thanks in large part to NEC. Our events business also did well despite the impact of restrictions, staff shortages and inflationary pressure, with business pre-Omicron showing strong demand.

I would like to take the opportunity to thank my predecessor Rachel Skinner for her tenure during a very challenging year. We set out a bold vision in our 2022-2025 plan to deliver against the UN Sustainable Development Goals and demonstrate the important role that civil engineers will play in creating a stronger, more resilient, and sustainable world. Rachel's tireless work on climate change has had an impact around the globe, and I am delighted to be continuing in that vein in the coming year with a focus on productivity and how we can increase efficiency and effectiveness whilst reducing waste.

I would also like to thank the Trustee Board, Council, and, most importantly, our members, for their hard work throughout 2021 and I look forward to working with them in the coming year on an equally ambitious programme of activities to help improve lives by ensuring the world has the engineering capacity and infrastructure systems it needs to allow our planet and those who live on it, to thrive.

Every member should take pride in the accomplishments of the organisation, and our plans for the future. In 2022, rather than hoping for a return to 'normal', I hope we can embrace a new normal of greater collaboration with members around the world.

A handwritten signature in black ink, reading 'Edward McCann'.

Edward McCann
ICE President 2021 – 2022

Reference and administrative details

Trustees

<i>President</i>	Edward McCann
<i>Senior Vice President</i>	Keith Howells
<i>Vice Presidents</i>	Prof James Hall
	Anusha Shah
	Richard Threlfall
<i>Other</i>	Andrew Alder
	Richard Bayfield *
	Julia Bregulla *
	Dr Sabih Khisaf
	Paula McMahon *
	Jonathan Spruce *
	Liz Waugh

* Appointed November 2021

The following served as Trustees until their retirement in November 2021

<i>Past President</i>	Rachel Skinner
<i>Vice Presidents</i>	Emer Murnaghan OBE
<i>Other</i>	John Beck
	Gary Cutts

Management team

<i>Director General and Secretary</i>	Nick Baveystock
<i>Deputy Director General and Managing Director Thomas Telford Limited</i>	Chris Gibson
<i>Director Membership</i>	Séan Harris
<i>Director of Engineering Knowledge</i>	Mark Hansford
<i>Group Finance Director</i>	Susan Bailey
<i>Director Group Support Services</i>	David Tullett
<i>Communications Director</i>	Tas Bhanji
<i>Director of Policy</i>	Chris Richards

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Trustees' Report

Objectives and activities

Background and Mission

The Institution of Civil Engineers ("the Institution", "the ICE", or "the Charity") is a registered charity and is incorporated by Royal Charter. The Institution's overriding object is to foster and promote the art and science of Civil Engineering.

The ICE aims to support the profession by offering professional qualifications, promoting education, maintaining professional ethics, and liaising with industry, academia and government.

The Institution provides professional advice in transport, water supply and treatment, flood management, waste and energy. Established in 1818 the ICE has over 96,000 members, with over a quarter living outside the United Kingdom. The ICE has long provided independent professional advice to politicians operating in local, regional, and national government and to their supporting government departments. We provide impartial, authoritative and respected advice as part of our charitable purpose. We work with all parts of the profession to ensure that civil engineering remains a major contributor to economic and social wellbeing.

Vision, Strategy and Business Planning

The Trustees have the vision that "the ICE will transform lives by helping build a sustainable world". The Trustees believe that the most effective way for the Institution to deliver this is by supporting the delivery of the UN Sustainable Delivery Goals and especially by:

- Building a network of highly trained and competent civil engineers in which society has confidence to deliver the infrastructure people need to live their lives. We do this by providing an internationally recognised set of qualifications by which our members can demonstrate their competence.
- Ensuring that infrastructure professionals have access to the very best insight, knowledge and professional development so that society can trust the opinion and expertise of our members. We deliver this through a range of programmes, events, education and training projects, and publications. We have a very strong focus on the decarbonisation of the global construction industry, and in enhancing the productivity of the industry thereby affording the public greater value for the money expended on infrastructure.
- The Trustees believe that the Institution has a core responsibility to shape the sustainable development of our world and, in so doing, to take a long-term perspective. They believe that supporting decision makers in reaching informed decisions to enable the most effective procurement, construction, operation, maintenance and ultimate disposal of infrastructure is a core part of that responsibility.

The Trustees carried out an in-depth review of strategy in February 2020 which, after discussion with the ICE Council, culminated in the ICE Business Plan covering the period 2021-2024. The tenets of the strategy stood the Institution in exceptionally good stead as it reacted to the ever-changing situation throughout the year.

Public benefit

ICE is a charitable body and exists to deliver benefits to the public. The benefits arising from the Institution's activity are widespread.

- The general public benefits from safe and well-designed infrastructure which is delivered through the expertise of ICE members. This expertise is in turn developed and recognised through our membership qualification process. The general public also benefits from the generation and dissemination of knowledge, educating the public and ensuring best practice is available to members.
- Government in the UK (national, devolved and local) benefits from our expert evidence to public consultations and from our published policy reports. Both public and private sector employers, and through them the wider economy, benefit commercially from employing Institution members who have a globally recognised professional engineering qualification.
- Young people can realise their potential from our efforts to raise interest in science, maths and technology in schools and colleges and to encourage and support the young civil engineers of tomorrow.
- Finally, ICE members benefit (i) from having a highly respected qualification that is recognised around the world, and from on-going career support from the Institution, (ii) through the extensive knowledge programmes, publishing activity comprising peer-reviewed technical journals, books, access to ICE's historic library and archive, and much other professional development material, and (iii) through a professional network that makes them more valuable both to society and to their employers. The Institution has made significant strides to ensure that these services are now delivered digitally.

Many of the infrastructure activities in which our members are engaged involve, of necessity, the evaluation of public good against the risk, cost or other impact of alternative options. The Institution, through its activities promotes best practice and the rigorous assessment of sustainability and health and safety considerations. These activities all seek to reduce any detriment involved in activities managed or designed by our members. The Institution's own activities as a professional body are not considered to generate any detriment or harm.

Charity Commission Guidance

The Trustee Board confirms it has complied with the duty outlined in Part 2 of the Charities Act 2011 to have regard to guidance on public benefit published by the Charity Commission when exercising any powers or duties to which the guidance is relevant.

Membership

The Institution as a membership organisation has members rather than beneficiaries. Members' annual subscriptions form a significant part of our income, which is used to fund activities for public benefit. Members themselves receive benefits through the dissemination of knowledge and best practice, and from the esteem and recognition resulting from their membership of a profession with high standards both of entry and for continuing membership. However, without its members the Institution could not continue to pursue its charitable purpose. Membership is open to anyone who can meet our professional standards.

Financial barriers to entry are relatively small. Student membership is free, and, through the Queen's Jubilee Scholarship Trust ("QUEST") and Into Civil Engineering restricted funds, bursaries are available to attract able candidates at graduate entry level and also for aspiring technicians. For existing members, a concessionary rate is available for those who are unemployed, taking a career break, on low income, or retired. The Institution also refers members to its Benevolent Fund, a separate charity for supporting members and their families in need. The fund can, when appropriate, ensure all membership fees are paid for beneficiaries.

Achievements and performance

Despite the obvious and enduring challenges faced by the Institution throughout the year the Institution achieved the targets set out in last year's Annual Report. Thomas Telford Limited ("TTL") had a difficult year as national lockdowns opened and closed. The events business in particular suffered extensively from the UK lockdowns. But, while the TTL profit was less than had been planned, this shortfall was offset by savings made across the ICE Group in ceasing face-to-face activities and almost all travel.

Additionally, the Institution finalised the restructuring process that began in 2020 to ensure it was best placed to deliver its charitable objects on the face of prolonged global economic uncertainty.

The Institution's activity in the year was planned against five key themes which were identified by the Trustees, and which form the basis of the 2021-2024 business plan. The five key themes are designed to realise achievement of the UNSDGs, and are to:

- Place the decarbonisation of our industry at the heart of our agenda (UNSDG 9.4).
- Working with others, both in the UK and overseas, to build resilience and mitigate the significant effects of climate change (UNSDG 13).
- Transform the availability of potable water and sanitation across the world (UNSDG 6 and 7).
- Transform the productivity of our industry by driving modern methods of procurement and manufacture (UNSDG 8 and 9).
- Enhance the knowledge, insight, and ethical understanding of engineers wherever they work across the world.

Membership and qualification

Total membership numbers grew by 2.4%, reflecting an increase in all grades but particularly Students, where numbers recovered following the initial impact of the ongoing pandemic. The professionally qualified membership, excluding retired members, grew by 1.6%. Female membership grew by 7.0% to 14,924 (2020: 13,950) and now represents 15.7% of total membership (2020: 15.0%). Geographically, membership numbers grew both in the UK and internationally with a notable increase of 9.9% in Middle East and North Africa.

	2021	2020	2019	2018	2017
Membership by location					
United Kingdom	69,669	68,561	70,041	69,620	68,518
Europe (excluding UK)	2,177	2,080	2,004	1,940	1,922
Americas	1,462	1,404	1,449	1,404	1,400
Middle East & Africa	3,499	3,185	3,395	3,233	3,113
Asia Pacific	18,284	17,599	18,219	17,171	17,204
Total	95,091	92,829	95,108	93,368	92,157
Membership by grade					
Fellow	5,249	5,229	5,245	5,237	5,174
Member	40,018	39,925	40,235	40,084	39,875
Graduate	21,032	20,377	20,643	20,163	20,058
Student	24,615	23,418	25,308	24,563	24,283
Technician	3,031	2,806	2,644	2,402	2,023
Associate	1,118	1,033	992	876	701
Other	28	41	41	43	43
Total	95,091	92,829	95,108	93,368	92,157

Throughout 2021, we remained focused on recovering membership numbers and securing the qualifications' pipeline. With most campuses and schools remaining closed, the pandemic continued to present significant challenges to accessing students. The 16-18 programme saw the successful delivery of both the 360-degree platform, a digital environment which encourages school children to consider civil engineering outcomes and relevance to society, as well as fostering closer practical engagement. The team also delivered *CityZen*, a digital urban planning exercise seeking to engage Sixth Form students, and over 500 students took part. Significant energy was invested in re-engaging the university student population and approximately 2,500 net students brought onto our books between October 2020 and December 2021 (approximately 1,700 net in 2019). Finally, ICE delivered a summer assurance programme to graduate members – this saw an increase in participation from 2020 where 48 graduates engaged to 258 in 2021. The summer programme allowed those graduates, unable to secure site experience, to undertake an online project supported by our ICE Award winners, President's Future Leaders, and SCE cohort.

Professional reviews continued to be delivered remotely with six bi-monthly sessions delivering 2,100 professionally qualified candidates to the Register and seeing ICE lead the UK Professional Engineering Institutions in qualifying members. The Trustee Board agreed a hybrid model moving forward into 2022 with reviews defaulting to remote with some opportunity for face-to-face where candidates request that facility or where reviewers require onboarding or access to the sharing of best practice.

ICE Regions performed strongly both in UK and internationally. Some 280 knowledge/networking events were delivered which in turn attracted 26,000 members and non-members. Regions continued aligning knowledge delivery with the ICE knowledge streams; Scotland and Northern Ireland teams also delivered seminal reports on infrastructure planning to both devolved governments. Presidential and Director General visits to the regions continued unabated, albeit in virtual format in most cases. All 12 UK and 8 international regions received engagement via either a visit or regional strategy meeting. We increased the number of prescribed international areas of interest from 11 to 16 countries, which will see greater resource and engagement follow in the future.

The Institution secured the reaccreditation of both the Joint Board of Moderators and the Institution's Engineering Council licence for a further five years. Both licences were secured with no non-conformities listed, a particularly notable result. The Engineering Council took particular interest in the Institution's work in the CPD space and the Professionalism Panel, recently formed in December 2020, articulated the learning outcomes that members will be expected to focus on as part of their CPD programme. CPD product, delivered through the ICE Virtual Learning Environment, will meet the prescribed standards that we expect of competent civil engineers; and 2022 will see the regular release of such product. Additionally, the Institution became a registering body in both Victoria and Queensland Australia, an important development which will ensure the continued professional status of our members in those locations.

Trustees believe that the Institution should build on the long debate over many years to broaden the ICE's membership. As a consequence, the Institution has debated the introduction of a new protected title, the Chartered Infrastructure Engineer qualification. It offers aligned engineers an opportunity to both qualify and secure membership with ICE and further meets sector and government demands for greater assurance and competence within the sector. Throughout the year a series of member events were staged to allow broad discussion of the topic. The question was put to a member ballot in February 2022.

Encouragingly, we closed 2021 having recovered to pre-pandemic membership numbers, with new business structures in place and good cause for optimism looking forward. There was a notable increase in female membership, the result of targeted interventions at school level with the *CityZen* programme attracting equal numbers of males and females. For the fourth consecutive year applications to read civil engineering at Higher Education level increased, which is encouraging as it bucks the wider Professional Engineering Institution trend of declining applications.

The Institution carried out its biennial survey of the membership in 2021 and it was pleasing to record members reported exceptionally high levels of pride in the Institution. Professional qualifications and international recognition, support to the graduate programme, and our regional knowledge delivery were all being cited as excellent. That said, it should be noted that we, along with our competitors, saw an overall decrease in member satisfaction, with a particularly sharp fall amongst our MICE and FICE members. The survey findings and associated report provides way points for the 2022 ICE Plan as we seek to improve the membership offer and further develop our global reputation. Nonetheless, the ICE remained in pole position for performance and preference across all competitors.

Knowledge

Carbon reduction was the principal theme of the year, and the Institution has, and continues to deliver, a number of key tools supporting the decarbonisation of the industry and that will directly support the achievement of UNSDG 9.4, which aims, by 2030, to have upgraded infrastructure and retrofitted industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.

Data underpinning the 2010 Infrastructure Carbon Review has been updated to incorporate the latest data (2017) with funding from the Research and Development Enabling Fund. This data has been made open source and will be updated biannually, providing a valuable source for carbon reduction strategies. This data informed ICE's annual State of the Nation report: *Six Ways to Act on Climate Change* that led to a workshop with Northern Ireland's Department for Infrastructure

The Institution worked with the Green Construction Board to begin the update to PAS2080, *Carbon Management in Infrastructure*, the global standard for managing infrastructure carbon which will be a key enabling tool for carbon reduction. We have led an industry fund-raise and are acting as technical author on the update which will be published, and made freely available for use, in 2022.

The Institution is also collaborating with RICS and other Professional Engineering Institutions on the establishment of a common carbon dataset that will be made freely available to assist in the creation of benchmarkable carbon calculations. We are also supporting production and adoption of the Green Construction Board's Low Carbon Concrete

Group's Routemap to Net Zero Concrete, as the first stage of reducing the embedded carbon in infrastructure projects. The Routemap will be published in 2022.

To drive adoption of all of these tools the Institution also launched a pan-industry *Carbon Champions* programme, designed to build a global cohort of "Carbon Champions" who can share best practice and exploit emergent tools and techniques to drive ever greater carbon reduction.

The Institution has also collaborated globally to create tools and guidance for cities and regions striving to create sustainable, resilient infrastructure, by deepening its relationship with the International Coalition for Sustainable Infrastructure ("ICSI") alongside the American Society of Civil Engineers and the Global Covenant of Mayors for Climate & Energy. The ICSI has become a partner organisation of the UN's Race to Resilience programme and has made the commitment that its members, through use of its tools and guidance, will have influenced and/or delivered 12,600 projects in 2,000 cities to improve the climate resilience of 1bn people by 2030.

ICE delivered its Brunel International Lecture series digitally in 2021 to a combined global audience of more than 3,000 people. We used the 2021 series as a test-bed for a new approach to connecting engineers with city and regional leaders facing resilience challenges and the success of the 2021 series has emboldened us to fully transition the series into a direct support vehicle for ICSI in 2022.

The Institution has also supported leaders of major projects and programmes to improve industry performance in line with UNSDG 8.2 which seeks to achieve higher levels of economic productivity through diversification, technological upgrading and innovation. Through a series of round tables with industry leadership, we have worked to embed new thinking on improving infrastructure delivery contained within the Systems Approach to Infrastructure Delivery model. A second phase of work is underway where the model is being tested with several current and recent projects and a final report will be published in 2022.

Our members have also continued to provide direct independent advice to a number of major infrastructure clients in the UK, providing direct support that will improve infrastructure delivery and provide better project outcomes.

Policy and Public Affairs

The Institution continued to influence infrastructure policy, both practice and thinking, to deliver an infrastructure system that underpins the creation of a more sustainable world.

In 2022 we began building the foundations for harnessing and delivering multinational policy insight, leveraging the global analysis in our fortnightly Infrastructure Policy Watch roundups to build relationships with policymakers and arms-length bodies multi-nationally as well as global bodies such as the Global Infrastructure Hub and the Global Infrastructure Investment Association.

We convened roundtables and meetings of the All-Party Parliamentary Group on Infrastructure. Policy and decision-makers at these events included the Exchequer Secretary to the Treasury, Financial Secretary to the Treasury, two Ministers from the Department for Transport, the CEO of the Infrastructure and Projects Authority, the Chair and the CEO of the National Infrastructure Commission, the Chair of the UK Infrastructure Bank, the Chair of the Conservative Policy Forum, the Shadow Energy Minister, and the Chair of the Union Connectivity Review. Non-UK attendance and contributions at these events continued to grow over the course of the year.

We contributed to debates through Green Paper programmes that utilised evidence and views from ICE members. We made the case for change on topics such as how the UK's strategic infrastructure planning regime should evolve, what the second National Infrastructure Assessment should contain, and how public transport can be sustainably funded in the wake of the impact from the Covid-19 pandemic. Insight papers were also produced assessing UK cycling and walking strategies and exploring the role of subnational leadership in achieving net-zero. These programmes took advantage of our burgeoning international network to identify best practice, including insight from Infrastructure Australia on lessons for strategic infrastructure planning.

Across the year, we responded to several consultations and inquiries drawing on our regional and knowledge networks, including on meeting the UK's housing demand, smart motorways, the transition to net-zero infrastructure, road pricing, HM Treasury's net-zero review, appraisal and delivery of major projects, Energy National Policy Statements, the National Resilience Strategy, and submission to the 2021 Spending Review.

ICE experts provided oral evidence to the Transport Select Committee, the Business, Energy and Industrial Strategy Select Committee, and the Lords Built Environment Committee, while ICE evidence and views were frequently mentioned in Select Committee reports and parliamentary debates on infrastructure.

Staff welfare and engagement

As the Covid-19 pandemic has developed we have continued to adjust our working practices to ensure all staff with roles able to be performed safely and securely could do so. Whilst many of our IT resources are cloud based and all systems are capable of being securely accessed remotely, we have introduced further software and tools to help facilitate the change in working practices and enhance productivity during this period for those continuing to work from home. Support has been provided for those staff working and continuing to work from home to ensure their health and wellbeing.

Guidance issued at the start of the pandemic has been adjusted as required with specific initiatives for staff with caring commitments, supporting changes to working patterns and practices as far as possible to accommodate, for example, closures to schools and early years care providers. We have also changed our working practices where feasible to accommodate both the shielding and isolating requirements of our staff.

Given the uncertainty and challenges of the pandemic, the Institution has continued to invest in wider wellbeing initiatives to support staff. These include support videos, online classes, including meditation, and the launch of an app available to all staff covering fitness challenges, mindfulness webinars, nutrition, and wellbeing advice, and a selection of articles around mental health week.

Plans for future periods

Our business plan for 2022-2025 continues to support our strategy to transform lives by helping build a sustainable world, and therefore Institutional activity continues to be planned against five key themes to help us realise achievement of the UNSDGs. These themes are to:

- Place the decarbonisation of our industry at the heart of our agenda (UNSDG 9.4).
- Working with others, both in the UK and overseas, to build resilience and mitigate the significant effects of climate change (UNSDG 13).
- Transform the availability of potable water and sanitation across the world (UNSDG 6 and 7).
- Transform the productivity of our industry by driving modern methods of procurement and manufacture (UNSDG 8 and 9).
- Enhance the knowledge, insight, and ethical understanding of engineers wherever they work across the world.

Whilst there are signs that the United Kingdom is emerging the side of the Covid-19 pandemic, this is not the case everywhere. Different countries are in different stages and the ongoing pandemic will inevitably impact on our ability to deliver against some objectives. However, we are confident that the ICE's strong digital offering and ability of staff to work remotely, if required, will minimise the operational impact as far as is possible.

Some specific highlights of our what we aim to achieve in 2022 include:

- We will deliver the PAS2080 update and establish a dissemination and engagement to drive its adoption by industry clients and the industry value chain.
- We will publish and launch the Green Construction Board's Low Carbon Concrete Group's *Routemap to Net Zero Concrete by 2050* and establish a Task Force to develop a strategy that will significantly accelerate its implementation.
- We will continue to build our community of "Carbon Champions" that will actively work to bring others to their level and explore and exploit emerging methods for greater carbon reduction that develop out of ICE's Carbon Project.
- We will transition the Brunel Lecture Series into a major climate resilience programme exploring the differing climate resilience challenges in regions around the world to support ICSI in achieving its goals.
- We will launch a new-look Knowledge Hub that supports the roll-out of mandated CPD topics to our membership. We will support the roll-out of mandated CPD topics and learning outcomes with vibrant, engaging, technically robust and easy to access CPD knowledge content.
- We will work with the UK Infrastructure Client Group to explore the key blockers in the project lifecycle in order to identify productivity improvements. Through member-led workshops we will research solutions to these blockers and use the annual *State of the Nation* report to disseminate the findings with impact.
- We will cultivate and curate member expertise by establishing and expanding a Policy Fellows Network, facilitating meetings with industry and decision makers to discuss how best to identify and deliver the infrastructure that countries need.
- We will complete the development, testing and embedding of a replacement for the membership management system. Development, which began in October 2020, is expected to complete in late 2022 for launch in 2023.

We will also carry out a governance review, with the aim to confirm whether the ICE's governance arrangements continue to operate in accordance with best practices. The review will be led by Senior Vice President Keith Howells. Views will be sought from ICE members with governance knowledge and experience, including committee chairs, past presidents, and regional representatives, whilst other members who wish to offer their views will be given the opportunity to do so.

Financial review

The Group's overall financial position strengthened in 2021. Net income before investment gains and losses was £5,247k (2020: £2,387k), whilst the Group's total net movement in funds saw a decrease in reserves of £1,861k, summarised as follows:

	2021 £'000	2020 £'000
Net income before investment gains and losses	5,246	2,387
Net investment gains	1,995	1,085
Actuarial (loss) gain on defined benefit pension scheme	(9,102)	1,876
Gain on revaluation of heritage assets	–	32
Net movement in funds	(1,861)	5,380

Income increased by £1,977k, or 6%, to £35,043k (2020: £33,066k) following a decrease of 11% in 2020. The table below provides a high-level breakdown of income, as shown in the consolidated statement of financial activities.

	2021 £'000	%	2020 £'000	%
Where the money comes from:				
Membership subscriptions	14,505	41	14,505	44
Professional development and admission	1,761	5	1,387	4
Other charitable income	1,893	6	1,999	6
Trading activities	15,553	44	13,232	40
Donations and legacies	974	3	1,426	4
Investment and other income	357	1	517	2
	35,043	100	33,066	100

Subscriptions received from our members were flat compared to the prior year, however, income from professional development and admission increased as we saw large numbers coming forward for professional review.

Included within donations and legacies is an amount of £221k (2020: £503k) received from the UK Coronavirus Job Retention Scheme and an amount of £nil (2020: £43k) received from the Hong Kong Employment Support Scheme. All these funds were received in respect of employees in the Institution's subsidiaries, Thomas Telford Limited and the Institution of Civil Engineers (Hong Kong) Limited.

Operating expenditure fell by £882k, or 3%, to £29,797k (2020: £30,679k) following a decrease of 16% in 2020. The table below provides a high-level breakdown of expenditure, as shown in the consolidated statement of financial activities.

	2021 £'000	%	2020 £'000	%
Where the money is spent:				
Membership and qualification	8,378	28	7,783	25
Knowledge	4,192	14	4,385	14
Policy and public affairs	1,726	6	2,100	7
Regional activities	3,665	12	4,557	15
Grants and scholarships	755	3	843	3
Trading activities	10,965	36	10,901	36
Investment managers fees	116	1	110	1
	29,797	100	30,679	100

The majority of ongoing expenditure continued to be incurred directly on charitable activities with £18,716k or 63% (2020: £19,668k, 64%) of total expenditure allocated to activities in pursuance of the charitable object set out in the Royal Charter. The decrease is attributable to a fall in expenditure on regional activities following the restructure of the English Regions and the centralisation of parts of our knowledge and policy and public affairs activities.

Membership and qualification related expenditure, which covers the cost of admissions and transfers, professional reviews, and professional learning and development, accounted for £8,378k (2020: £7,783k) of expenditure on charitable activities. Knowledge related expenditure of £4,192k (2020: £4,385k) includes costs related to nurturing and sharing civil engineering knowledge, whilst policy and public affairs expenditure totalled £1,726k (2020: £2,100k). An amount of £3,665k (2020: £4,557k) was spent on the Institution's regional activities, which includes the costs of the UK Regions, overseas offices, and of supporting the ICE's Local Associations across the world.

Much of the Institution's face-to-face activity ceased in March 2020 due to the pandemic, and some had not resumed by the end of 2021. The move towards providing services digitally, the temporary closure of our offices, and the almost total cessation of business travel continued to lead to cost savings across the Group. Whilst we do not expect to return

to a pre-pandemic “normal”, we know that these savings will not be permanent. Face-to-face activity is resuming and since the year end our offices have reopened to staff. We also expect to invest significantly into our digital offering in the coming year which will lead to increases in expenditure.

Trading activities accounted for £15,553k (44%) (2020: £13,232k, 40%) of total income and £10,965k (37%) of total expenditure (2020: £10,901k, 36%). The Group's trading activities are primarily carried out through ICE's trading subsidiary, Thomas Telford Limited (“TTL”), whose principal activities include the publication of contracts, books and quality journals, the provision of training and consultancy, and the provision of meeting and hospitality facilities.

While expenditure varies in relation to the volume of trading activity, the key measure of effectiveness is the profit generated, which is used to support charitable activities and mitigate increases to membership subscription tariffs. TTL's result for the year was a net profit of £3,844k (2020: £1,922k).

Whilst TTL's publishing and training operations both enjoyed another successful year, the events venue in Westminster continued to be severely impacted by the pandemic as the venue suffered from being closed for parts of the year in accordance with government restrictions to limit the spread of Covid-19, and from a lack of consumer confidence in holding events when it was able to open. However, early signs in 2022 are encouraging, and it is hoped this will continue. The whole of the TTL profit is gift aided to the ICE under a Deed of Charitable Covenant. ICE also runs some conferences and seminars directly, in pursuance of its charitable purpose to promote civil engineering rather than for commercial return.

The remaining 1% (2020: 1%) of expenditure was spent on management costs of the Charity's investment portfolio.

Included within charitable and trading expenditure are support costs totalling £7,149k which represent 24% of total expenditure (2020: £7,494k, 24%). Support costs include expenditure incurred on information technology, human resources, premises, finance, management, and governance.

Restricted funds

The QUEST fund enjoyed another successful year. Incoming donations totalled £568k (2020: £638k), including legacies of £20k (2020: £nil). Scholarships of £506k (2020: £550k) were awarded to 339 recipients (2020: 362). The Institution has adjusted the way in which QUEST scholarships are funded in recent years so that the fund is more sustainable and as a result it is now better placed to remain in place and continue to support as many undergraduate and technician scholars over the long-term as possible. The Into Civil Engineering Fund continued to award scholarships, and payments totalling £71k (2020: £60k) were made to 16 students (2020: 14).

The Research and Development Enabling Fund awarded three new grants in 2021 (2020: six) with an average grant per recipient of £23k (2020: £20k). During the year the ICE also received a further donation of £32k (2020: £32k) towards the Education and Inspiration Learning Fund. During the year this fund was used to invest in the development of the *CityZen* game used to engage with Sixth Form students.

Balance sheet

Investments increased to £23,720k (2020: £21,819k) due to underlying investment gains. Intangible assets increased to £2,658k (2020: £1,548k), primarily due to the continued investment in the new membership management system. Tangible fixed assets increased by £238k to £27,420k (2020: £27,182k) as the cost of additions was greater than the depreciation charged in year, which itself was in part due to carrying out works which were deferred from the prior year.

The Group's operating and investment activities generated a net cash inflow of £6,550k (2020: £3,000k net inflow) and net cash outflow £2,038k (2019: £461k net outflow) respectively. After bank loan repayments in the year of £423k (2020: 432k), the Group generated a net cash inflow of £4,089k (2020: £2,107k net inflow).

Reserves policy

A healthy level of free reserves is essential to ensuring that the Institution can sustainably continue to deliver its aims and objectives and is an important part of how the ICE is financially resilient.

The ICE maintains reserves for the following reasons:

- The trading activities of TTL are cyclical and difficult to predict in the medium to long term. The Institution remains aware of the need to diversify its income streams and to minimise the extent to which TTL profits fund the core cost base of the Institution.
- ICE is exposed to several risks, which may interrupt income streams or require additional investment. Reserves are held for contingency purposes.
- Investment balances are subject to potentially adverse change should market conditions deteriorate.
- Pension liabilities could increase as they are dependent on scheme investment performance, long term gilt rates, investment returns and mortality assumptions.

- Major long-term investments are expected to be necessary in the coming years to ensure ICE responds to changes in its operating environment and remains relevant to the needs of society and of its members. Reserves are required for “step change” investments, where funding is expected to be in excess of cash generated through annual operations.

In 2021 the Trustees reviewed the free reserves policy and implemented a new methodology for assessing the desired level of reserves. Previously the Institution’s reserves policy set a target based on a fixed number of months of operating expenditure. However, the Trustees wanted to be more specific about the level of reserves required and the new approach aligns the reserves target with the risk assessment process and the specific risks faced by the Institution. The specific risks and the desired levels of reserves associated with them will be reviewed annually.

The new methodology allows the Trustees to ensure that the Institution is not accumulating funds unnecessarily so that they are used to enable the aims and objectives instead. Reviewing the risk register, there are a number of specific risks, that may impact income or expenditure, that have the potential to severely impact the Institution and its ability to be resilient.

The Trustees have assessed each of these material risks and identified the potential financial impact and likelihood of occurrence of each. Whilst the free reserves target could be set as the sum of the total financial impact of all these risks it is highly unlikely that all would crystallise in the same year. Similarly, as the Trustees saw in 2020, management action can, and would, be taken to reduce expenditure and protect income if a material risk did crystallise.

Based on this analysis, the Trustees approved the new reserves target for free unallocated reserves of £11.5m to £14.5m, where free unallocated reserves consist of free reserves, in accordance with Charity Commission definitions, adjusted to include the balance of current and non-current assets and liabilities retained in subsidiaries.

Funds of the Group

The total funds of the Group at 31 December 2021 amounted to £73,477k (2020: £75,338k). Of these funds, unrestricted funds amounted to £67,511k (2020: £69,691k).

In the year ended 31 December 2021 the Institution’s General Fund increased by £4,456k to £20,490k (2020: £16,034k). The General Fund excludes all funds which are not available for the Charity’s own use, including the Charity’s tangible and intangible fixed assets, the defined benefit pension scheme asset, all funds retained in subsidiaries and joint ventures, and other designated and restricted funds. Under Charity Commission definitions these funds represent the ICE’s free reserves.

Total funds retained in subsidiaries at 31 December 2021 were £317k (2020: £273k). Within this amount was £1,142k (2020: £1,291k) of tangible and intangible fixed assets and a net balance of £825k (2020: £1,018k) of current and non-current liabilities. Whilst these liabilities do not form part of the free reserves under Charity Commission definitions, the free reserves target is set after making allowance for them and therefore these net liabilities are added to free reserves when comparing the actual reserves to the target. At 31 December 2021 the free unallocated reserves of the Group stood at £19,665k (2020: £15,016k), an amount in excess of the target range of £11.5m to £14.5m.

Whilst free reserves as at 31 December 2021 were above the target, significant expenditure is expected over the coming years, including further investment in the digital delivery of services and the cost of maintenance of the Institution’s estate. During the year the Trustees agreed the creation of two new designated reserves to meet the cost of these items, and an amount of £500k was put aside into each fund. Going forward similar designations will be made each year and these funds will be drawn upon as needed. This will reduce the need to draw on free reserves to cover the cost of major estate works, whether planned or emergency, and major digital investment. Free reserves also remain subject to any movement in investment markets, which have seen significant volatility in recent years, in particular at the start of pandemic in early 2020 and during ongoing events in Eastern Europe post-year end in 2022.

The Institution is mindful of the necessity of maintaining adequate liquidity and therefore maintains a liquidity policy of ensuring freely available cash and investment balances do not fall below £6.0m. At 31 December 2021 they stood at £29,194k (2020: £23,731k). The Institution put in place a £3m overdraft facility in October 2020 to provide additional protection against the possible negative impact of the Covid-19 pandemic on the Institution’s working capital cash flow. The facility is uncommitted and is reviewed at least annually by the bank. The facility was renewed following the first review in April 2021. However, it had not been used by the year end, nor is it expected to be used in the year ending 31 December 2022 and therefore it is expected to be closed at the next review in April 2022.

Pensions

Pension funds are valued in different ways by the actuaries to suit different purposes. A triennial valuation establishes an appropriate funding level and uses set financial assumptions that differ from those used for including pensions in the financial statements of the sponsoring employer. These accounting disclosure requirements are governed by the Financial Reporting Standard, FRS 102.

At the 31 December 2019 triennial valuation, the pension surplus was £2.0m, which is a funding level of 104%. This is based on estimating the long-term liabilities over the remaining lives of members. The surplus on 31 December 2021, calculated on the same basis, was £4.2m, at a funding level of 108%. However, the value as per the FRS 102 valuation is a surplus of £12.7m, a funding level of 127%.

The FRS 102 valuation assumes lower inflation and higher interest and discount rates than the triennial valuation which leads to a lower calculation of pension liabilities. The ongoing valuation basis, as used for the triennial valuation, is used to agree contribution levels. The Institution is not currently required to make pension deficit recovery payments but paid £0.5m voluntarily during the year ended 31 December 2021 and also continues to pay the scheme's expenses.

Furthermore, at the 31 December 2019 triennial valuation the position of the scheme as estimated if it were to wind-up at that date and secure benefits with an insurance company (i.e. buy-out the scheme) showed a pension deficit of £11.2m, with a funding level of 82%. The deficit on 31 December 2021, calculated on the same basis was £2.7m, at a funding level of 96%. At 31 December 2021 the difference between the FRS 102 valuation and the wind-up valuation was therefore £10.0m. Furthermore, in the event of a winding up there could be a requirement to value certain salary linked benefits which would further increase this difference.

The Trustees have reassessed the estimate of the pension scheme asset included in the accounts, and for the year ended 31 December 2021 the surplus on the FRS 102 basis has not been recognised in the accounts. There is no certainty that, if it were to crystallise, any sum would be refundable from the pension scheme. Settling pension liabilities takes a long time, with costs spread over many years. The funding level is also volatile, and valuations are sensitive to changes in the financial market.

Despite the FRS 102 valuation, the Trustees remain mindful of the long-term nature of the defined benefit pension scheme liabilities, and the impact that any movements in the liabilities of the scheme may have on the free reserves and the resources available for general application. The scheme was previously closed to future service accrual to mitigate some of the risk, and the Trustees continue to work closely with the scheme trustees to manage scheme-related risks.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment policy of the Institution is to seek the maximum return over the medium term having due regard to risk. The Institution is active in ensuring that a socially responsible and ethical approach is followed by the investment management funds through which monies are invested, either requiring managers to be signatories to the UN's Principles for Responsible Investment ("UNPRI") or by ensuring their approach is consistent and compatible with the UNPRI. The Trustees have also agreed that, wherever possible, preference should be given to funds which support the UNSDGs.

The objective for each of the three investment portfolios is to generate a return in excess of inflation over the long term, while generating an income to support the ongoing activities of the Institution or the relevant specific restricted fund. Investments for each specific fund are managed within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks.

Grant making policy

The Institution does not generally make grants from its unrestricted funds. Grants are generally made to individuals in the form of scholarships or awards from the QUEST, Into Civil Engineering, and Trust funds. All grants are made in accordance with the objectives and restrictions of the relevant fund.

The Research and Development Enabling Fund is administered by the Research, Development and Innovation towards Engineering Excellence Panel. Grants from this fund are made to support research in civil engineering and are given to recipients in both industry and academia.

Streamlined Energy and Carbon Reporting (SECR)

We recognise that climate change is one of the most important issues facing every one of us today. As civil engineers, our members play a crucial role in the reduction of carbon emissions and the ICE aims to help the profession contribute towards the net zero carbon target and mitigate climate change.

In light of this we believe it is important that the ICE is transparent about its own carbon emissions. Whilst not legally required to do so, we are voluntarily reporting our energy and carbon emissions in compliance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. This requires an annual report on greenhouse gas emissions from UK energy use and business vehicles travel.

The table below summarises emissions in the year. The carbon footprint for the year ended 31 December 2021 was 461 tonnes CO₂e, which represents a carbon intensity of 1.56 tCO₂e per full time equivalent employee (2020: 1.38 tCO₂e).

	Unit	Quantity 2021	Carbon Footprint (tCO ₂ e) 2021	Quantity 2020	Carbon Footprint (tCO ₂ e) 2020	Scope
Electricity, One Great George Street	KWh	865,688	184	813,540	190	2
Gas, One Great George Street	KWh	1,198,431	220	998,113	184	1
Electricity, 8 Storey's Gate	KWh	146,523	31	176,261	41	2
Gas, 8 Storey's Gate	KWh	124,317	23	93,940	17	1
Business vehicle travel	vkm	20,400	3	69,359	8	3
			461		440	

We acknowledge that the carbon footprint for the years ended 31 December 2021 and 31 December 2020 is significantly lower than what might usually be expected because of the Covid-19 pandemic. Gas and electricity usage remain below their pre-pandemic levels as the Institution's offices have been closed, or partially closed, since March 2020 (with most staff continuing to work from home), whilst TTL's events and hospitality business was unable to operate for large parts of the past two years due to lockdowns. Furthermore, business travel has decreased as face-to-face activity ceased and moved online.

Whilst we expect the carbon footprint reported in future years to increase as we re-open our offices and resume face-to-face activity, we expect it to remain lower than the pre-pandemic levels due to positive changes we have made, such as the move to conducting Professional Reviews remotely, offering stronger digital knowledge content, and delivering more TTL activity online.

Methodology

Our reporting methodology is based on the UK Government's 2019 Environmental Reporting Guidelines and these carbon footprints have been calculated using the UK Government GHG Conversion Factors for Company Reporting for 2021. Energy use data was collected from energy bills. We have excluded all managed offices where we do not receive a separate charge for energy (which includes the Group's overseas offices).

Approximately 32% (2020: 63%) of the electricity at One Great George Street and 8 Storey's Gate is from renewable sources. However, in compliance with reporting standards, the carbon saving this creates is not included in the standardised carbon footprint reported above.

Whilst the Institution does not own any vehicles and thus does not purchase any vehicle fuel directly, UK staff and volunteers do sometimes use their own cars for the Institution's business. This has been voluntarily disclosed in the information above and is estimated based on mileage claims in the finance system. Business travel has been calculated using the factor for "Average car, unknown fuel".

Energy efficient action taken

The ICE is committed to the improvement of its environmental performance; however, the management of resources is an important issue for the Charity and it is operating within the constraint that both One Great George Street and 8 Storey's Gate have listed status. Despite this, however, we were still able to implement some energy reduction measures. In the year ended 31 December 2021, the following actions were undertaken to improve energy efficiency:

- We have continued our programme to replace halogen/incandescent bulbs with LED's; and
- We have had an independent specialist review the recommendations from the recent ESOS phase 2 report. The Building Committee are due to review the recommendations during the year ending 31 December 2022.

Structure, governance and management

The ICE is governed by a Trustee Board which is responsible for the Institution's strategic decision making. Last year's Annual Report set out how the Institution had embedded the governance review changes recommended by "The Orr Commission" and thereby completed the transition to a new governance structure. We plan to review the effectiveness of the new structure once it has had time to bed in.

The Trustee Board is chaired by the President and comprises three Vice Presidents, three trustees elected by the Council, four trustees elected by the membership and one trustee appointed by the Nomination Committee. All trustees are approved annually by the ICE Council.

In 2021, two trustees were elected for the first time by the membership. Because of the continuing transitional phase the Trustee Board consisted of the President, three Vice Presidents who, subject to annual agreement by Council, will succeed to the Presidency, one trustee appointed by the Nomination Committee, one Vice President selected under the previous governance structure (who will not succeed to the Presidency), one trustee selected under the previous governance structure, and three members elected by Council.

The Trustee Board meets no fewer than five times a year to carry out its corporate governance responsibilities. Specific responsibilities of the Trustee Board are delegated to key standing committees: Membership, Learning Society, Regional Affairs, International, Public Voice and Finance, Assurance and Risk. The implementation of the business plan set by the Trustee Board, as well as the day-to-day management of the affairs of the Institution, is the responsibility of the Director General & Secretary.

Trustees are supported by a 38-strong advisory Council, who offer assistance, insight and advice on the derivation of the ICE's strategy and plan. The Council is chaired by the President, while Council members are directly elected by ICE members worldwide. To maintain continuity, a third of Council seats come up for election each year when Council members finish their three-year terms.

There are regional Council members for each of the 12 UK regions and Hong Kong, International Council members for ICE's four international areas and three Graduate Council members to represent the views of aspiring members. Issues of particular concern to Graduate and Student members are the focus of the Graduate and Students' network (GSNet), and there is a standing invitation for their Chair to attend ICE Council meetings.

As part of their induction, new Trustee Board and Council members are given the Governance Handbook. This contains the Royal Charter and By-laws, an outline of their respective role, all ICE governance procedures and the terms of reference of the Trustee Board, Council and other main standing committees. Trustee Board members are also directed towards guidance and information about trusteeship which is available through the charity regulatory bodies (i.e. the Charity Commission and Office of the Scottish Charity Regulator). Trustee Board members must ensure that they fully understand their responsibilities as trustees, and a trustee induction day is held annually to reinforce this.

Standing and Operational Committees

A brief description of the role of each of the standing committees, and the key commercial, financial, and operational committees, is detailed below. The current chair of each committee is listed on page 52.

- **Nomination Committee:** The role of the ICE Nomination Committee is to make recommendations to the Trustee Board for the appointment of candidates for senior positions in the Institution.
- **Membership Committee:** The Membership Committee is responsible to the Trustee Board for the role of the Institution as a qualifying body and for maintaining the professionalism element of membership. The Committee admits, on the Trustee Board's behalf, persons to the Membership Roll at all grades in accordance with the Royal Charter and By-laws.
- **UK Regional Affairs Committee:** The UK Regional Affairs Committee advises the Trustee Board on the ICE's UK regional strategy. The Committee is made up of the Regional Committee chairs from each of the individual 12 UK Region Committees, and the Regional Council members.
- **International Regions Committee:** The International Committee oversees ICE's strategy across the eight ICE international regions and reports to the Trustee Board.
- **Learning Society Committee:** The Learning Society Committee supports the ICE Council in delivering the Institution's knowledge programme.
- **Policy and External Affairs Committee:** The Policy and External Affairs Committee provides strategic direction in matters of government relations and policy.

- Finance, Assurance and Risk Committee: The Finance, Assurance and Risk Committee monitors the financial performance and prospects of the Group, helping to ensure the Institution can meet its ongoing financial and non-financial commitments. The Committee scrutinises the annual budgets and plans and reviews management accounts, monitoring performance against the business plan and budgets.
- Remuneration Committee: The Remuneration Committee reviews and approves the remuneration of staff at Director level and above on an annual basis. Further details on how pay for these staff is set is detailed on page 15.
- Audit Committee: The Audit Committee oversees the management of risk and assesses the overall risk profile of the Institution. Based on this the Committee undertakes a regular cycle of reviews and receives reports on selected internal control processes. The Committee reports to the Trustee Board with a summary of its work, which also highlights the major risks and how their potential impact is mitigated.

Risk management

The ICE must protect against a range of risks and the Trustees have embedded risk management within the Group. Strategic and operational risk registers are regularly updated by the management team and reviewed by the executive, the Audit Committee and the Trustee Board. Action plans identified through the risk register are included in the Institution's annual business planning and budgeting cycle and in the individual objectives for managers and staff.

At the macro level we track long term risks. These are, almost inevitably, creeping risks: initially they seem small or avoidable, but cumulatively over several years they manifest themselves as significant or even severe. As a result, the risk register is based around the following key strategic risks:

- Risks to income;
- Risks to delivering the five strategic strands;
- Changes to international and national qualification models;
- Changes to the Professional Engineering Institution landscape;
- Future legislation as it effects professional qualification, membership or charitable structures;
- Changes in the valuation of the DB Pension Scheme; and
- Long term risks to TTL income and or products.

The Institution is heavily reliant on two main sources of funding, membership subscriptions and profit from the TTL's commercial operations. At the date of this report all Covid-19 restrictions have been removed in the United Kingdom, but the Trustees acknowledge that this is not the case in all countries where the ICE and its members operate. Whilst income from membership subscriptions has proved to be robust, revenues from commercial activities have been affected by government restrictions put in place during the pandemic and will take some time to fully recover.

As a membership-based Institution it is imperative that we maintain our membership income streams and membership engagement. Although our membership numbers had reached pre-pandemic levels by the end of 2021, we face challenges from changes to qualification models and other Professional Engineering Institutions. It is therefore vital that we continue to attract new members and convert graduate members to chartered engineers. We have number of programmes for engaging with universities, sixth forms, and employers which have been hugely successful, and the introduction of the ICE Exam in 2022 will offer a new route to Chartered Professional Review for BEng graduate members.

The ICE has come to rely on TTL's surplus and historically budgets have been prepared on the assumption that TTL will always meet the profit target set. The pandemic, and the result for 2020, demonstrated that the ICE should not, and going forward, must not, rely on that assumption. The Group surpluses achieved in the years ended 31 December 2020 and 31 December 2021 have allowed the Institution to move to a budgetary and reserves model where in year activity is supported by TTL's prior year profit, rather than in year profit. This change reduces the risk that a sudden economic downturn reduces TTL's profit causing the Institution to have to unexpectedly curtail its charitable activities.

Whilst the Institution's IT services have been resilient throughout the pandemic and staff have been able to work effectively from home, there is a risk that IT infrastructure fails or that we fail to deliver a strategic IT solution that meets the needs of our members or staff. As a membership organisation we are particularly sensitive to the requirements of data protection legislation and the need to protect our systems. The ICE is Cyber Essentials accredited, and we continually review our systems, receiving assistance from specialist third parties where necessary, to ensure we are well placed to protect the data we hold.

Whilst accepting that absolute assurance cannot be achieved, the Trustees are satisfied overall that the major risks have been reviewed and systems or procedures have been established to manage those risks.

Pay Policy for Senior Staff

Members of the Trustee Board and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Group on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 10 and 11 to the accounts.

The remuneration of senior management at director level and above is reviewed and approved annually by the ICE Group Remuneration Committee. This Committee is chaired by a recent Past President. The Committee ensures arrangements are affordable and fair, and designed to motivate and reward performance in the interest of the ICE Group. Remuneration is benchmarked periodically using external surveys and data which include both commercial and not for profit organisations.

Related parties and connected organisations

The ICE has two wholly owned subsidiary undertakings: Thomas Telford Limited, a company registered in England and Wales, operates on a commercial basis and donates its profits to the ICE, and The Institution of Civil Engineers (Hong Kong) Limited, a company registered in Hong Kong.

The Institution is also an equal guarantor to Structural-Safety Limited ("SSL"), a company registered in England and Wales, with the Institution of Structural Engineers.

The ICE works with a number of charitable organisations in pursuit of its charitable objectives, including fourteen Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering. The ICE also acts as a custodian trustee for funds for several of these Societies. At 31 December 2021 the assets of these funds, which are held in cash separately from the assets of the ICE, were valued at £674k (2020: £695k).

The Institution also works closely with the ICE Benevolent Fund, a charity registered in England and Wales, who provide benevolent services to ICE members and staff.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes".

ICE's fundraising activities focus on generating income to support civil engineering scholarships through the QUEST fund, and research grants through the Research and Development Enabling fund. All solicitations are managed internally, without involvement of commercial participators, professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Trustee Board.

Fundraising income is presented in our accounts within income from donations and legacies and includes grants.

ICE is aware of the UK Fundraising Regulator's guidance and is confident in its ability to comply. No complaints have been received in the year.

Professional conduct matters

The Professional Conduct Panel ("PCP") considers complaints against ICE members, and the Disciplinary Board adjudicates on cases referred to it by the PCP. The Disciplinary Board has powers to make orders against members found guilty of improper conduct, which in the most serious cases may be expulsion from ICE membership.

Professional Conduct Panel

In 2021 the PCP considered 16 complaints against members regarding their professional conduct. In three cases the PCP determined that there was no case to answer and the complaint was dismissed. In one case the complaint was withdrawn partway through the process. In one case, although the PCP determined that there may be a case to answer, it did not take the view that a referral to the Disciplinary Board was merited. Ten cases have been carried forward to 2022. Two new referrals to the Disciplinary Board were made and both are due to be heard in 2022.

Disciplinary Board

The Disciplinary Board heard two cases in 2021 that were referred by the PCP in 2020. In both cases the members were found guilty of improper conduct. One of the members was Admonished and one received a sanction of Suspension.

One of the cases heard by the Disciplinary Board in 2021 has been appealed.

Reservoir Safety - Reservoirs Committee

During 2021, the ICE Reservoirs Committee dealt with 45 applications from civil engineers seeking appointment or reappointment to panels of engineers under the relevant United Kingdom legislation for the construction, inspection and supervision of large, raised reservoirs. The committee found that 40 of the applicants qualified for appointment and five were not qualified.

Members

The role played by our members, who so generously volunteer their time to serve the Institution, cannot be overestimated. It is estimated that over 10,000 members volunteer their time each year. Their expertise is vital across a number of charitable activities, including

- The professional review process by which individuals are assessed for qualification to membership.
- Acting as STEM (Science, Technology, Engineering, and Mathematics) ambassadors to schools.
- The awarding of scholarships from the Queen's Jubilee Scholarship Trust fund.

The Trustee Board are grateful for the contributions of members and recognises that without their efforts there could be no Institution.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Charity and of the income and application of resources, including the income and expenditure, of the Group and Charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Provision of information to the auditor

Each of the persons who are Trustees at the time when the Trustees' Report is approved has confirmed that:

- so far as the Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Signed on behalf of the Trustee Board:



Edward McCann BEng(Hons) MSc CEng FICE FRSA
President

29 March 2022

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

Opinion

We have audited the financial statements of the Institution of Civil Engineers for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the charity 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 2021 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 related 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and the President's Foreword. 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 21, 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 heritage and intangible assets and stock provisions.
- Reviewing the assumptions and judgements used by the professional actuary in relation to the charity's pension scheme.

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.



Haysmacintyre LLP
Statutory auditor
10 Queen Street Place
London
EC4R 1AG

Date:

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

Consolidated Statement of Financial Activities

For the year ended 31 December 2021

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Income from:									
Donations and legacies	1	268	706	–	974	592	834	–	1,426
Charitable activities									
Membership and qualification	2	16,707	–	–	16,707	16,290	–	–	16,290
Knowledge		1,294	–	–	1,294	1,473	–	–	1,473
Policy and public affairs		–	158	–	158	–	128	–	128
Other trading activities	3	15,553	–	–	15,553	13,232	–	–	13,232
Investments	4	191	49	–	240	201	52	–	253
Joint venture	16	7	–	–	7	128	–	–	128
Other	5	110	–	–	110	136	–	–	136
Total		34,130	913	–	35,043	32,052	1,014	–	33,066
Expenditure on:									
Raising funds									
Trading activities	6	10,965	–	–	10,965	10,901	–	–	10,901
Investment managers fees	6	93	23	–	116	87	23	–	110
Charitable activities									
Membership and qualification	6	8,282	96	–	8,378	7,783	–	–	7,783
Knowledge	6	4,192	–	–	4,191	4,385	–	–	4,385
Policy and public affairs	6	1,601	125	–	1,727	2,007	93	–	2,100
Regional activities	6	3,665	–	–	3,665	4,557	–	–	4,557
Grants and scholarships	6	–	755	–	755	–	843	–	843
Total expenditure		28,798	999	–	29,797	29,720	959	–	30,679
Net gains on investments		1,590	300	105	1,995	884	142	59	1,085
Net income		6,922	214	105	7,241	3,216	197	59	3,472
Transfers between funds		–	–	–	–	40	(40)	–	–
Other recognised gains									
Actuarial (losses) gains on defined benefit pension scheme	24	(9,102)	–	–	(9,102)	1,876	–	–	1,876
Gain on revaluation of heritage assets	15	–	–	–	–	32	–	–	32
Net movement in funds		(2,180)	214	105	(1,861)	5,164	157	59	5,380
Reconciliation of funds:									
Total funds brought forward		69,691	4,495	1,152	75,338	64,527	4,338	1,093	69,958
Total funds carried forward		67,511	4,709	1,257	73,477	69,691	4,495	1,152	75,338

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 29 to 51 form an integral part of these financial statements.

Charity Statement of Financial Activities

For the year ended 31 December 2021

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Income from:									
Donations and legacies	1	3,891	706	–	4,597	1,968	834	–	2,802
Charitable activities									
Membership and qualification	2	16,707	–	–	16,707	16,290	–	–	16,290
Knowledge		1,294	–	–	1,294	1,473	–	–	1,473
Policy and public affairs		–	158	–	158	–	128	–	128
Other trading activities	3	1,445	–	–	1,445	1,366	–	–	1,366
Investments	4	191	49	–	240	201	52	–	253
Joint venture	16	7	–	–	7	128	–	–	128
Other	5	110	–	–	110	136	–	–	136
Total		23,645	913	–	24,558	21,562	1,014	–	22,576
Expenditure on:									
Raising funds									
Trading activities	6	625	–	–	625	600	–	–	600
Investment managers fees	6	93	23	–	116	87	23	–	110
Charitable activities									
Membership and qualification	6	8,282	96	–	8,378	7,783	–	–	7,783
Knowledge	6	4,192	–	–	4,192	4,385	–	–	4,385
Policy and public affairs	6	1,601	125	–	1,726	2,007	93	–	2,100
Regional activities	6	3,564	–	–	3,564	4,401	–	–	4,401
Grants and scholarships	6	–	755	–	755	–	843	–	843
Total expenditure		18,357	999	–	19,356	19,263	959	–	20,222
Net gains on investments		1,590	300	105	1,995	884	142	59	1,085
Net income		6,878	214	105	7,197	3,183	197	59	3,439
Transfers between funds		–	–	–	–	40	(40)	–	–
Other recognised gains									
Actuarial (losses) gains on defined benefit pension scheme	24	(9,102)	–	–	(9,102)	1,876	–	–	1,876
Gain on revaluation of heritage assets	15	–	–	–	–	32	–	–	32
Net movement in funds		(2,224)	214	105	(1,905)	5,131	157	59	5,347
Reconciliation of funds:									
Total funds brought forward		69,418	4,495	1,152	75,065	64,287	4,338	1,093	69,718
Total funds carried forward		67,194	4,709	1,257	73,160	69,418	4,495	1,152	75,065

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 29 to 51 form an integral part of these financial statements.

Balance Sheets

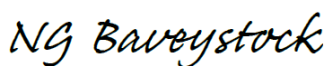
at 31 December 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed Assets					
Intangible assets	13	2,658	1,548	1,710	539
Tangible assets	14	27,420	27,182	27,226	26,900
Heritage assets	15	15,241	15,240	15,241	15,240
Investments	16	23,808	21,937	24,109	22,238
		69,127	65,907	68,286	64,917
Current Assets					
Stocks	17	367	316	–	–
Debtors	18	4,479	4,211	1,973	2,559
Cash at bank and in hand		12,001	8,093	10,722	6,935
		16,847	12,620	12,695	9,494
Creditors: amounts falling due within one year	19	(12,065)	(11,207)	(7,821)	(7,632)
Net current assets		4,782	1,413	4,874	1,862
Creditors: amounts falling due after one year	20	(432)	(474)	–	(206)
Total net assets before pension scheme asset		73,477	66,846	73,160	66,573
Defined benefit pension scheme asset	24	–	8,492	–	8,492
Total net assets		73,477	75,338	73,160	75,065
Funds					
Endowment funds	26	1,257	1,152	1,257	1,152
Restricted funds	27	4,709	4,495	4,709	4,495
Unrestricted income funds	28	59,710	53,398	59,393	53,125
Pension reserve	28	–	8,492	–	8,492
Revaluation reserve	28	7,801	7,801	7,801	7,801
Total funds		73,477	75,338	73,160	75,065

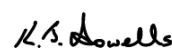
The financial statements were approved by the trustees on 29 March 2022 and signed on their behalf by:



Edward McCann
President



Nick Baveystock
Director General and Secretary



Keith Howells
Senior Vice President

The accounting policies and notes on pages 29 to 51 form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2021

	2021 £'000	2020 £'000
Cash flows from operating activities		
Net income for the year (as per the statement of financial activities)	7,241	3,472
Adjusted for:		
Investment income	(240)	(253)
Joint venture income	(7)	(128)
Net investment gains	(1,995)	(1,085)
Depreciation	792	995
Amortisation	380	344
Loss on disposal of tangible fixed assets	3	4
Loss on disposal of intangible assets	5	–
Donated heritage assets	(1)	(4)
Net interest on defined benefit pension scheme	(110)	(125)
Defined benefit pension scheme deficit reduction payments	(500)	(500)
(Increase) decrease in stocks	(51)	89
(Increase) decrease in debtors	(268)	125
Increase in creditors	1,301	66
Net cash provided by operating activities	6,550	3,000
Cash flows from investing activities		
Investment income	240	253
Distribution from joint venture	37	10
Proceeds from the sale of investments	17,708	5,842
Purchase of investments	(17,433)	(5,873)
Purchase of tangible fixed assets	(928)	(383)
Purchase of intangible fixed assets	(1,662)	(310)
Net cash used in investing activities	(2,038)	(461)
Cash flows from financing activities		
Repayment of borrowing	(423)	(432)
Net cash used in financing activities	(423)	(432)
Change in cash and cash equivalents in the reporting period	4,089	2,107
Cash and cash equivalents at 1 January	8,114	6,007
Cash and cash equivalents at 31 December	12,203	8,114

	At 1 January 2021 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 December 2021 £'000
Analysis of changes in net debt				
Cash and cash equivalents				
Cash in hand	2,409	349	–	2,758
Short term deposits	5,684	3,559	–	9,243
Cash held by investment manager for reinvestment	21	181	–	202
	8,114	4,089	–	12,203
Borrowings				
Debt due within one year	(429)	423	(206)	(212)
Debt due after one year	(206)	–	206	–
	(635)	423	–	(212)
Total	7,479	4,512	–	11,991

The accounting policies and notes on pages 29 to 51 form an integral part of these financial statements.

Principal accounting policies

For the year ended 31 December 2021

The principal accounting policies adopted by the Charity and Group are set out below.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The statements have been prepared under the historical cost convention as modified by the revaluation of investments at market value.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Basis of consolidation

The consolidated financial statements incorporate the results of The Institution of Civil Engineers ('the Charity') and its subsidiary undertakings, Thomas Telford Limited ("TTL") and The Institution of Civil Engineers (Hong Kong) Limited, on a line by line basis, after the elimination of intra-group transactions.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no statement of cash flows is presented for the Charity; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent Charity as their remuneration is included in the totals for the Group as a whole.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees have made this assessment after reviewing the Charity's forecasts and projections, which are being continually updated in light of the ongoing Covid-19 pandemic. The Charity has a strong balance sheet and the Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due without seeking outside funding.

With regard to the next accounting period, the year ending 31 December 2022, the most significant areas that are likely to affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets.

Fund accounting

Unrestricted funds are reserves which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for specific purposes. In accordance with FRS 102 – Retirement Benefits, a pension reserve is included within unrestricted funds representing the value of the defined benefit pension scheme asset as recognised in the accounts.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted reserves are funds which are allocated by the donor for specific purposes.

Endowment funds are assets which must be held permanently by the Charity but income arising from the assets may be expended.

A description of the funds in existence during the year is included in notes 26 to 28 of the accounts.

Income

Income is recognised in the period in which entitlement is established, when economic benefit is probable, and the value can be measured reliably.

Donations

Income from donations is included when the conditions for receipt have been met and there is a probable assurance of receipt. When donors specify that donations are for a particular restricted purpose which do not amount to preconditions regarding entitlement, this income is included in income of restricted funds when receivable. Government grant income for amounts claimed from HMRC under the Coronavirus Job Retention Scheme is accounted for in the period in which the associated salary payments are made to furloughed staff.

Legacies

Recognition of legacy income is dependent on the type of legacy. Pecuniary legacies are recognised when notification is received, and probate is granted. Residuary legacies are recognised when entitlement is established, and the value can be measured reliably, which is typically on grant of probate.

Member subscriptions

Income from member subscriptions is allocated to the year to which it relates, with payments received in advance held as deferred income.

Investment income and interest

Investment income and interest are recognised when receivable.

Trading activities

Turnover arises 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. It excludes value added tax and trade discounts. Income from journal subscriptions and event bookings is allocated to the year to which it relates, with payments received in advance held as deferred income.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is allocated on the bases indicated below.

Cost of raising funds

Cost of raising funds comprises the costs of fundraising activities, commercial trading activities and investment management fees. Expenditure on other trading activities includes all the costs of Thomas Telford Limited, including the costs of goods sold.

Charitable activities

Expenditure on charitable activities is reflected in these accounts under five main headings:

- Membership and qualification
- Knowledge
- Policy and public affairs
- Regional activities
- Grants and scholarships

Expenditure on charitable activities includes both direct costs and support costs. Support costs include property costs, HR, finance, IT, and other administrative and governance costs associated with supporting the charitable activities. They have been allocated to the cost of charitable activities on a basis consistent with the use of resources using appropriate measures such as headcount and floor area. The basis of the cost allocation has been explained in the note 8 to the accounts.

Grants payable

Grants payable, including scholarships, are 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.

Employee benefits

Defined contribution pension plan

Employer contributions to defined contribution pension plans are recognised as an expense when these are due. Amounts not paid are shown in other creditors in the balance sheet.

Defined benefit pension plan

The Institution of the Civil Engineers Staff Retirement Benefits & Life Assurance Scheme ("the Scheme"), a defined benefit pension scheme closed to future accrual in November 2010. The Scheme is being accounted for under Section 28 of FRS 102, with the annually calculated surplus or deficit on the funding of the Scheme shown in the financial statements as an unrestricted fund, which is added to or deducted from unrestricted funds in the balance sheet. The trustees of the Scheme believe that the Scheme currently meets the minimum funding requirements. The assets of the Scheme are held completely independently from the Charity.

Net interest on the net defined benefit pension scheme asset is recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the Scheme assets, calculated by multiplying the fair value of the Scheme assets at the beginning of the year by the discount rate. The difference between the interest income on the Scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The asset considered to be recoverable and expense related to the Scheme are allocated entirely to the unrestricted ongoing activities of the Group.

Holiday Pay Accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

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.

Taxation

The Institution of Civil Engineers is a registered charity and accordingly is exempt from taxation on its charitable activities which fall within the scope of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992. No tax liability, current or deferred, arose in respect of the Charity during the year.

Leases

Payments made under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Any gain/(loss) on revaluation is credited/(charged) to the statement of financial activities. Investments in subsidiary companies are included at cost less any provision for impairment. Investments in non-charitable companies under a joint venture arrangement are included at fair value, which is the Group's and/or Charity's share of the net assets of the commercial company as at the balance sheet date.

Tangible fixed assets

Freehold properties are capitalised at historical cost. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. The values of the buildings are informally monitored by the trustees on a regular basis in order to identify any permanent diminution in value which, where applicable, is charged to the statement of financial activities. Depreciation is charged on freehold refurbishment costs to write off the cost over the anticipated economic life.

No depreciation is charged on the assets under construction until they are brought into service. The annual rates of depreciation used to write off the cost of tangible fixed assets in equal instalments over their expected useful lives are as follows:

Freehold property	2% per annum
Improvements to freehold property	2.5% to 10% per annum
Furniture, fixtures and equipment	5% to 20% per annum

Intangible assets

Software acquired from third parties is capitalised when it is probable that the expected future economic benefits that are attributable will flow to the Group and their costs can be reliably measured. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. Amortisation is charged to write off the cost over the anticipated economic life.

No amortisation is charged on the software until the asset is brought into service. The annual rate of depreciation used to write off the cost of intangible assets in equal instalments over their expected useful lives is 14% to 20% per annum.

Heritage assets

The Institution holds a collection of heritage assets relating to the history of the Institution itself and the wider history of civil engineering. The collection is in three main categories:

- Printed works: The Library contains over 140,000 titles. In addition, the collection includes manuscripts, original drawings, engravings and photographs of or by eminent civil engineers. This collection was designated as being of 'national significance' by the MLA (now Arts Council England) in 2009.
- Pictures: The Institution displays the world's finest collection of engineering portraits and other engineering related subjects, over 250 in number.
- Other artefacts: This collection of approximately 200 items includes fine furniture, decorative art and silver, mostly donated by distinguished past members, and with a civil engineering association. We also act as custodians for the Smeatonian Society of Civil Engineers small collection.

The printed works, pictures and other artefacts were valued for insurance purposes by item by L&J Gull, a respected valuer in November 2017 and are included on the balance sheet, at the values shown in Note 15. Trustees consider that the above methods of valuation constitute appropriate and relevant bases for valuation.

Acquisitions to all these collections are made by purchase or donation. Purchases are recorded at cost and donations are recorded at an appropriate current value where available at the time of acquisition. The cost of obtaining an annual valuation outweighs the value of any resultant benefit. The Institution holds and retains these assets as a long term policy for use for its charitable purposes and does not therefore intend to dispose of such assets.

Any changes in value of the heritage assets capitalised will be (charged)/credited to the recognised gains and losses (as appropriate) within the statement of financial activities. Such assets are not depreciated as they are deemed to have indeterminate lives. Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the statement of financial activities when it is incurred.

Those assets stored in the Institution's archive or in display cabinets comply with BS 5454, "Recommendations for the storage and exhibition of archival documents". Among other things, it specifies temperature and humidity ranges for document storage, shelving schemes, and materials for document containers. The archive is protected by a gas fire suppression system.

Collections are managed and recorded in discrete databases and to the prevailing standard (UDC system for cataloguing of books and ISAD for the archive items).

The collection is accessible to the public on request with most of the pictures on display throughout the building.

Stocks

Stocks are valued at the lower of cost and net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate.

Financial instruments

Financial instruments are recognised in the Group's balance sheet when it becomes party to the contractual provisions of the instrument. Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and liability simultaneously.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except that investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade payables and obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are classified as current liabilities if payment is due within one year or less. If not, these are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost.

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 as detailed below:

Useful economic lives of tangible and intangible fixed 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.

Valuation of heritage assets

The valuation of heritage assets is based on estimates provided by external professional valuers based on their experience and judgement. Further detail on heritage assets is provided with the heritage assets accounting policy above and within note 15.

Defined benefit pension scheme asset

The determination of the assumptions used in calculating the defined benefit pension scheme asset is the responsibility of the Trustees. The assumptions are set with regard to advice given by the scheme actuary. 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset.

The scheme rules include instructions for dealing with any residual surplus in the scheme at the point of wind up and these make provision, in certain circumstances, for the return of a surplus to the Charity. Given there is a degree of uncertainty within the rules, significant accounting judgement is exercised in determining whether to recognise the pension scheme asset on the balance sheet, and, if applicable, in determining the value of the asset that is recognised.

The Trustees have reassessed the position of the scheme as at 31 December 2021, and have taken the decision to derecognise the pension scheme asset on the basis that the amount of any residual surplus that may be returned to the Charity cannot be measured reliably, nor can the timing of the return of any residual surplus be estimated reliably given the potential remaining life of the scheme. Further details of this are set out in note 24.

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 8.

Notes to the financial statements

For the year ended 31 December 2021

1. Income from donations and legacies

Group	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000
R&D Enabling Fund	–	106	106	–	110	110
Quest	–	548	548	–	638	638
Shaping the World	–	–	–	–	43	43
Other donations	1	32	33	3	43	46
Government Grants	221	–	221	502	–	502
Overseas Government Grants	–	–	–	44	–	44
Legacies	46	20	66	43	–	43
	268	706	974	592	834	1,426

Charity	Unrestricted Funds £'000	Restricted funds £'000	Total 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000
R&D Enabling Fund	–	106	106	–	110	110
Quest	–	548	548	–	638	638
Shaping the World	–	–	–	–	43	43
Other donations	1	32	33	3	43	46
Legacies	46	20	66	43	–	43
Gift aid donation from subsidiary undertaking	3,844	–	3,844	1,922	–	1,922
	3,891	706	4,597	1,968	834	2,802

2. Income from membership and qualification

Group and charity	2021 £'000	2020 £'000
Annual subscriptions	14,505	14,505
Professional development and admission	1,761	1,387
Other fees and service income	441	398
	16,707	16,290

All income from membership and qualification activities was unrestricted in both 2021 and 2020.

3. Income from trading activities

Group and charity	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Events and sponsorship	480	402	335	245
Rental income	136	134	1,092	1,103
Turnover generated by Thomas Telford Limited	14,937	12,696	–	–
Interest receivable	–	–	18	18
	15,553	13,232	1,445	1,366

All income from trading activities was unrestricted in both 2021 and 2020.

4. Income from investments

Group and charity	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000
Dividends from investments	187	49	236	188	51	239
Interest income	4	—	4	13	1	14
	191	49	240	201	52	253

5. Other income

Group and charity	Total 2021 £'000	Total 2020 £'000
BRE Global Ltd collaboration agreement	—	11
Net interest on defined benefit pension scheme asset	110	125
	110	136

All other income was unrestricted in both 2021 and 2020.

6. Expenditure

Group	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2021 £'000	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2020 £'000
Raising Funds								
Trading activities	10,699	—	266	10,965	10,632	—	269	10,901
Investment managers fees	116	—	—	116	110	—	—	110
	10,815	—	266	11,081	10,742	—	269	11,011
Charitable Activities								
Membership and qualification	4,351	—	4,027	8,378	4,003	—	3,780	7,783
Knowledge	2,958	—	1,234	4,192	3,066	—	1,319	4,385
Policy and public affairs	1,188	—	538	1,726	1,284	—	816	2,100
Regional activities	2,581	—	1,084	3,665	3,247	—	1,310	4,557
Grants and scholarships	76	679	—	755	94	749	—	843
	11,154	679	6,883	18,716	11,694	749	7,225	19,668
	21,969	679	7,149	29,797	22,436	749	7,494	30,679

Charity	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2021 £'000	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2020 £'000
Raising Funds								
Trading activities	359	—	266	625	331	—	269	600
Investment managers fees	116	—	—	116	110	—	—	110
	475	—	266	741	441	—	269	710
Charitable Activities								
Membership and qualification	4,351	—	4,027	8,378	4,003	—	3,780	7,783
Knowledge	2,958	—	1,234	4,192	3,066	—	1,319	4,385
Policy and public affairs	1,188	—	538	1,726	1,284	—	816	2,100
Regional activities	2,480	—	1,084	3,564	3,091	—	1,310	4,401
Grants and scholarships	76	679	—	755	94	749	—	843
	11,053	679	6,883	18,615	11,538	749	7,225	19,512
	11,528	679	7,149	19,356	11,979	749	7,494	20,222

7. Awards & grants

Group and charity	2021 £'000	2020 £'000
Research and Development grants	69	121
Into Civil Engineering scholarships	71	60
Queen's Jubilee Scholarship Trust	506	550
Trust Fund awards and prizes	33	18
	679	749

The number of individuals and organisations who received awards, prizes and scholarships is as follows:

Group and charity	2021 No	2020 No
Research and Development grants – organisations	3	6
Into Civil Engineering scholarships – individuals	16	14
Queen's Jubilee Scholarship Trust – individuals	339	362
Trust Fund awards and prizes - individuals	85	72
	443	454

Grants made to organisations from the Research and Development Enabling Fund are as follows:

Organisation	Purpose	2021 £'000	2020 £'000
Brunel University	Stainless steel reinforced concrete in fire – is spalling important?	20	–
Brunel University	Development of resilient healthcare estate for better infection control.	–	25
Imperial College London	Ground and existing tunnel response to building demolition, excavation and new construction.	–	34
Liverpool John Moores University	Durability analysis of a cement free breakwaters developed using waste based geopolymer and recycled aggregate - an approach to decarbonise shore protection globally.	24	–
Liverpool John Moores University	Corrosion resistant bio-concrete with blended ashes whilst solving waste problems of UK biomass plants.	–	26
Strathclyde University	Concrete dams and sea walls assessment using two new Geophysical monitoring systems.	–	25
University College London	SeeCarbon: Revealing and reducing infrastructure's carbon footprint in a digitally open, socio-technical way.	25	–
James Ogden Genspira	Funding for an innovative new tidal energy mechanism.	–	5
Dr Jannik Gieseckam	Updating the Infrastructure Carbon Review emissions dataset.	–	6
		69	121

8. Support costs

Group and charity	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2021 £'000	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2020 £'000
Membership and qualification	991	1,393	1,644	4,028	922	1,341	1,517	3,780
Knowledge	303	427	504	1,234	322	468	529	1,319
Policy and public affairs	132	186	219	537	199	290	327	816
Regional activities	35	558	491	1,084	63	697	550	1,310
	1,461	2,564	2,858	6,883	1,506	2,796	2,923	7,225
Trading activities	65	92	109	266	66	95	108	269
	1,526	2,656	2,967	7,149	1,572	2,891	3,031	7,494

The methods used to apportion overheads are as follows:

		2021 £'000	2020 £'000
Charity management costs			
Finance	Headcount	1,006	980
Pension overhead	Headcount	187	163
Human Resources	Headcount	446	340
Governance	Headcount	511	534
Depreciation and repairs	Estimated usage	817	1,014
		2,967	3,031
Premises costs	Headcount	1,526	1,572
IT costs	Headcount	2,656	2,891
		7,149	7,494

9. Net income

	Group 2021 £'000	Group 2020 £'000
This is stated after charging:		
Depreciation of tangible fixed assets	1,017	995
Amortisation of intangible assets	380	344
Loss on disposal of tangible fixed assets	4	4
Loss on disposal of intangible assets	5	–
Auditors' remuneration		
Audit services	34	33
Non-audit services	20	3
Investment management fees	116	110
Amounts payable under operating leases		
Equipment	18	20
Property	184	202

10. Staff costs

	Group 2021 £'000	Group 2020 £'000
Wages and salaries	14,079	13,995
Social security costs	1,388	1,352
Pension costs	861	875
Temporary staff	153	245
	16,481	16,467

An amount of £116k (2020: £256k) paid out as redundancy or termination payments is included in wages and salaries above.

The average number of UK employees of the Group during the year was as follows:

	Group 2021 No	Group 2020 No
Charitable activities	214	221
Trading activities	98	116
	312	337

The number of employees paid by the Group whose emoluments, excluding employer's pension contributions, exceeded £60,000 are analysed as follows:

	Group 2021 No	Group 2020 No
£60,000 - £70,000	15	19
£70,001 - £80,000	11	8
£80,001 - £90,000	4	7
£90,001 - £100,000	4	3
£100,001 - £110,000	4	3
£110,001 - £120,000	1	4
£120,001 - £130,000	1	—
£130,001 - £140,000	1	—
£140,001 - £150,000	4	1
£180,001 - £190,000	1	2
£190,001 - £200,000	1	—
£200,001 - £210,000	—	1
£220,001 - £230,000	1	1

Pension benefits are accruing for 12 employees as a result of the salary link in the defined benefit scheme for those in the bandings above £60k (2020: 11). The scheme closed to future accrual on 30 November 2010. Pension payments to the defined contribution scheme for those in bandings above £60k totalled £269k (2020: £266k).

Key management personnel of nine staff, one of whom was appointed during the year and one of whom resigned (2020: eight, one of whom was appointed during the year), detailed within the Reference and Administration section on page 3, received remuneration, including benefits and employer pension contributions, of £1,216k in the year (2020: £1,159k).

11. Trustee remuneration

None of the Trustees receive any remuneration for their services as a trustee.

Details of travel and subsistence expenses reimbursed to or paid on behalf of Trustees, including overseas Presidential tours and participation in membership and learned society activity are summarised below.

	2021 £'000	2020 £'000	2021 No	2020 No
Expenses reimbursed to or paid on behalf of Trustees	2	6	4	7

Directors' and Officers' Liability insurance has been purchased by the Group at a cost of £12k (2020: £8k).

12. Related parties

In addition to the transactions below, Trustees and Council Members use facilities of the Group on the same terms as other Members or external customers. This includes access to events, the purchase of goods or services, including the use of catering facilities. For the year ended 31 December 2021 and 31 December 2020 all such transactions with related parties are considered within the normal scope of transactions.

The following payments, which have been made in accordance with Charity Commission guidance (CC11), have been made to Trustees or parties related to them in respect of services to ICE. There were no related party transactions in which the individual had direct influence over.

Ed McCann is a trustee of the Institution and a Director of Useful Simple Limited. During the year, the Institution made a payment of £10,000 (2020: £nil) to Useful Simple Group Limited, a subsidiary of Useful Simple Limited, for the provision of research.

Liz Waugh is a trustee of the Institution and a Director of Coast Communications & Marketing Limited. During the year the Institution made a payment of £nil (2020: £254) to Coast Communications & Marketing Limited for marketing services.

The Trustees donated in aggregate £95 (2020: £102) to the Charity during the year. Of these amounts, £60 (2020: £65) was donated towards the Queen's Jubilee Scholarship Trust fund, £35 (2020: £32) was donated towards the Research and Development Enabling Fund, and £nil (2020: £5) was donated towards the Shaping the World Fund.

13. Intangible assets

Group	Total 2021 £'000
Cost	
At 1 January 2021	5,190
Additions	1,495
Disposals	(5)
At 31 December 2021	6,680
Amortisation	
At 1 January 2021	3,642
Charge for the year	380
On disposals	—
At 31 December 2021	4,022
Net book value at 31 December 2021	2,658
Net book value at 31 December 2020	1,548

All intangible assets relate to computer software and licensed products.

Charity	Total 2021 £'000
Cost	
At 1 January 2021	2,808
Additions	1,313
Disposals	—
At 31 December 2021	4,121
Amortisation	
At 1 January 2021	2,269
Charge for the year	143
On disposals	—
At 31 December 2021	2,411
Net book value at 31 December 2021	1,710
Net book value at 31 December 2020	539

14. Tangible fixed assets

Group	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2020 £'000
Cost/valuation			
At 1 January 2021	37,267	5,288	42,555
Additions	920	113	1,033
Disposals	—	(50)	(50)
At 31 December 2021	38,187	5,351	43,538
Depreciation			
At 1 January 2021	12,098	3,275	15,373
Charge for the year	481	311	792
On disposals	—	(47)	(47)
At 31 December 2021	12,579	3,539	16,118
Net book value at 31 December 2021	25,608	1,812	27,420
Net book value at 31 December 2020	25,169	2,013	27,182

All Group assets are used in support of charitable or trading activities. Freehold property includes two assets. The Institution's headquarters, One Great George Street, and 8 Storey's Gate. There is no reasonable likelihood that either property will be considered for sale in the foreseeable future.

The Trustees consider that the market values of the respective properties are not less than the carrying values included above.

	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2020 £'000
Charity			
Cost/valuation			
At 1 January 2021	37,267	4,462	41,729
Additions	920	113	1,033
Disposals	—	(28)	(28)
At 31 December 2021	38,187	4,547	42,734
Depreciation			
At 1 January 2021	12,098	2,731	14,829
Charge for the year	481	223	704
On disposals	—	(25)	(25)
At 31 December 2021	12,579	2,929	15,508
Net book value at 31 December 2021	25,608	1,618	27,226
Net book value at 31 December 2020	25,169	1,731	26,900

15. Heritage assets

Group and charity	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Valuation at 1 January	15,240	15,204	15,200	15,193	7,420
Additions	—	—	4	5	—
Donations	1	4	—	2	4
Revaluation	—	32	—	—	7,769
Valuation at 31 December	15,241	15,240	15,204	15,200	15,193
Printed works	6,947	6,947	6,947	6,947	6,947
Pictures	3,927	3,927	3,927	3,927	3,927
Other artefacts	4,367	4,366	4,330	4,326	4,319
	15,241	15,240	15,204	15,200	15,193

The printed works, pictures and other artefacts were revalued in November 2017 by L&J Gull, resulting in a gain on revaluation of £7.8m. The 2017 valuation includes books and printed works dated post-1840, an element not included in prior years. The 2017 valuation for this element of the collection stands at £4.8m. One asset, a Tompion Clock, was valued by Bonhams at £1m and is included within other artefacts.

The Trustees consider there to be no material impairment on the present market values/replacement values compared to those stated. Approximately £17k per annum is spent on conservation of the Heritage Assets.

Other than those movements shown above, there have been no other additions or disposals.

16. Fixed asset investments

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Listed investments	23,720	21,819	23,720	21,819
Investments in subsidiaries	—	—	301	301
Joint venture	88	118	88	118
	23,808	21,937	24,109	22,238

Listed investments

Group and charity	2021 £'000	2020 £'000
Listed investments		
Market value at 1 January	21,798	20,682
Acquisitions at cost	17,433	5,873
Disposals at book value (proceeds: £17,708k, realised gains: £835k)	(16,873)	(5,635)
Net unrealised investment gains	1,160	878
Market value at 31 December	23,518	21,798
Cash held by investment managers for reinvestment	202	21
	23,720	21,819
Historical cost at 31 December	21,765	19,630
Cumulative unrealised investment gains	1,753	2,168

An analysis of the market value of quoted investments at 31 December 2021 is as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Mutual Funds	17,409	3,340	1,164	21,913
Exchange Traded Funds	1,276	246	83	1,605
Cash	155	37	10	202
	18,840	3,623	1,257	23,720

Investments in subsidiaries

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Investments at cost	–	–	1	1
Long term loans	–	–	300	300
	–	–	301	301

Thomas Telford Limited

Thomas Telford Limited ("TTL"), a company incorporated in England and Wales (company registration number 02556636), is a wholly owned trading subsidiary of the Charity whose net profits are donated to the Charity under a Deed of Covenant. The principal activities of TTL are the publication of learned society books and quality journals, the organisation of courses, provision of contracts and ancillary services, provision of meeting facilities and ancillary services, and the operation of a job board.

At 31 December 2021 the Charity owned the entire issued share capital of 502 ordinary shares of £1 each in TTL. A summary of the results and the financial position of the company at 31 December 2021 is shown below.

Summary statement of income:	2021 £'000	2020 £'000
Turnover	16,369	14,589
Cost of sales	(3,009)	(3,138)
Gross profit	13,360	11,451
Other operating charges	(9,507)	(9,517)
Operating profit	3,853	1,934
Interest receivable	9	6
Interest payable	(18)	(18)
Net result	3,844	1,922
Gift Aid distribution to the charity	(3,844)	(1,922)
Profit for the year	–	–

Summary statement of financial position and retained earnings:	2021 £'000	2020 £'000
Fixed assets	1,136	1,283
Current assets	4,304	3,760
Current and non-current liabilities	(5,424)	(5,027)
Total net assets	16	16
Called up share capital	1	1
Retained earnings	15	15
	16	16

Included with non-current liabilities above is a long-term loan of £300k from the Charity to TTL. The loan is repayable on one year's notice and is secured by debenture over the assets of the subsidiary. The interest payable to the Charity is calculated quarterly at the daily bank rate ruling during the quarter or 6% whichever is greater.

The Institution of Civil Engineers (Hong Kong) Limited

At 31 December 2021 the Charity owned the entire share capital of 2 ordinary shares of HKD\$1 each in The Institution of Civil Engineers (Hong Kong) Limited. A summary of the results and the financial position of the company at 31 December 2021 is shown below.

Summary statement of income:	2021 £'000	2020 £'000
Income	532	520
Expenditure	(481)	(488)
Profit on ordinary activities before taxation	51	32
Income tax (charge) credit	(7)	1
Profit for the year	44	33

Summary statement of financial position and retained earnings:	2021 £'000	2010 £'000
Fixed assets	5	8
Current assets	310	261
Current liabilities	(13)	(11)
Total net assets	302	258
Retained earnings	302	258

Joint venture

The investment in the joint venture represents the Charity's investment in Structural-Safety Limited ("SSL"), a company incorporated in England and Wales (company registration number 11750936) on 4 January 2019. SSL is a company limited by guarantee and it has two members, the Institution of Civil Engineers and the Institution of Structural Engineers ("IStructE"). In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

A summary of the results and the financial position of the company at 31 December 2021 is shown below.

Summary statement of income:	2021 £'000	2020 £'000
Income	236	402
Cost of sales	(84)	(50)
Gross profit	152	352
Other operating charges	(138)	(97)
Profit on ordinary activities before taxation	14	255
Tax charge	–	–
Profit for the year after taxation	14	255

Summary statement of financial position and retained earnings:	2021 £'000	2020 £'000
Fixed assets	231	162
Current assets	93	156
Current liabilities	(148)	(83)
Total net assets	176	235

The total net assets are represented by retained net profits. The retained net profits are shared equally by the two partners. As such, the investment by the Charity as at 31 December 2021 comprises:

Group and charity	2021 £'000	2020 £'000
Investment at 1 January	118	–
Share of profits in the year	7	128
Gift aid distribution received	(37)	(10)
Investment at 31 December	88	118

17. Stocks

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Raw materials and consumables	31	27	–	–
Finished goods and good for resale	336	289	–	–
	367	316	–	–

18. Debtors

Amounts falling due within one year

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Trade debtors	3,093	2,798	585	644
Amount owed by subsidiary undertakings	–	–	207	734
Other debtors	208	272	191	189
Prepayments and accrued income	1,178	1,063	990	914
Taxes recoverable	–	78	–	78
	4,479	4,211	1,973	2,559

Included within the amount owed by subsidiary undertakings is a loan of £300k (2020: £300k) to Thomas Telford Limited. Interest is payable on the loan and is calculated quarterly at the bank base rates ruling during the quarter or 6%, whichever is the greater.

19. Creditors: amounts falling due within one year

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Trade creditors	1,035	1,352	659	883
Amount owed to subsidiary undertakings	–	–	255	162
Taxation and social security	535	366	515	363
Other creditors	823	443	784	392
Accruals	1,728	1,150	807	628
Deferred income	7,732	7,467	4,589	4,775
Loan falling due within one year	212	429	212	429
	12,065	11,207	7,821	7,632

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Deferred Income				
Balance at 1 January	7,467	6,898	4,775	4,082
Amounts released from previous years	(7,467)	(6,898)	(4,775)	(4,082)
Resources deferred in the year	7,732	7,467	4,589	4,775
Balance at 31 December	7,732	7,467	4,589	4,775

Deferred income includes income from membership subscriptions, journal subscriptions, training, and catering and room hire received in advance.

20. Creditors: amounts falling due after one year

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Deferred income	432	268	–	–
Loan falling due after one year	–	206	–	206
	432	474	–	206

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
The loan is repayable as follows:				
Within one year	212	429	212	429
Between two and five years	–	206	–	206
	212	635	212	635

In December 2010, the Trustees approved a loan for £4.0m with HSBC Bank plc for the refurbishment of Eight Storey's Gate. The term of the loan is eleven years to be repaid in equal monthly instalments until May 2022. Interest is incurred at 2.25% over the Bank of England Sterling Base Rate. Repayments of £38k per month inclusive of interest commenced in June 2012, decreased to £37k per month from October 2020, and then to £36k from April 2021. The loan is secured by a first charge on the property at One Great George Street and is fully drawn.

21. Operating lease commitments

Minimum lease payments under non-cancellable operating leases for photocopiers and office rental which expire:

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Land and buildings				
Within one year	104	125	82	88
Between one and two years	21	49	21	28
Between two and five years	–	17	–	17
	125	191	103	133

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Equipment				
Within one year	8	10	7	9

At 31 December 2021 the Group had total commitments under operating leases of £133k (2020: £201k).

22. Contingent liabilities

The Group and Charity had no contingent liabilities at 31 December 2021 or 31 December 2020.

23. Capital commitments

At 31 December 2021 the Group and Charity had the following capital commitments in respect to the refurbishment of 8 Storey's Gate:

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Contracted for, but not provided in the financial statements	40	–	40	–

At 31 December 2021 the Group and Charity had the following capital commitments in respect to the development of computer software:

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Authorised, but not contracted	–	1,265	–	1,265
Contracted for, but not provided in the financial statements	699	157	687	–
	699	1,422	687	1,265

24. Pension Schemes

Defined benefit pension schemes

Benefits under the defined benefit pension scheme ("the Scheme"), which closed to new members in February 2002, are based on employees' final remuneration and length of service. The Scheme closed to future service accrual on 30 November 2010.

The pension expense charged to the statement of financial activities makes no allowance for actuarial gains and losses during the year. Actuarial gains and losses are recognised separately in the statement of financial activities in the year in which they occur.

Analysis of amounts charged to the statement of financial activities

	2021 £'000	2020 £'000
Components of pension cost		
Net interest income	(110)	(125)
Total pension income recognised in the statement of financial activities	(110)	(125)
Components of losses (gains) recognised in year		
Actuarial gains immediately recognised	(3,553)	(1,876)
Derecognition of net pension scheme asset	12,655	–
Total recognised actuarial losses (gains)	9,102	(1,876)

Reconciliation of the fair value of the Pension Fund assets and liabilities

	2021 £'000	2020 £'000
Amounts recognised in the balance sheet		
Present value of funded obligation	(47,315)	(49,778)
Fair value of plan assets	59,970	58,270
Derecognition of net pension scheme asset	(12,655)	–
	–	8,492
Change in benefit obligation		
Benefit obligation at 1 January	49,778	46,616
Interest cost	613	917
Benefits paid	(1,430)	(1,504)
Actuarial (gains) losses	(1,395)	5,613
Experience (gains) losses on liabilities	(184)	699
Changes to demographic assumptions	(67)	(2,563)
Benefit obligation at 31 December	47,315	49,778

	2021 £'000	2020 £'000
Change in plan assets		
Fair value of plan assets at 1 January	58,270	52,607
Interest on assets	723	1,042
Actuarial gains (losses)	1,907	5,625
Employer contributions	500	500
Administration costs	—	—
Benefits paid	(1,430)	(1,504)
Fair value of plan assets at 31 December	59,970	58,270
Actual return on plan assets	2,630	6,667
Funded status and net amount recognised	12,655	8,492

The most recent triennial actuarial valuation as at 31 December 2019 showed a deficit of £2.0m.

Fund assets

	2021 £'000	2020 £'000
The weighted average asset allocation at the year-end was as follows:		
Equities	7.6%	21.0%
Corporate Bonds	22.2%	15.0%
Diversified Growth	7.3%	22.0%
Liability-Driven Investment	24.3%	28.3%
Cash	38.6%	13.7%
	100.0%	100.0%

Principal Actuarial Assumptions

	2021	2020
Discount rate	1.80%	1.25%
Inflation (RPI)	3.60%	3.15%
Inflation (CPI)	2.80%	2.35%
Salary increases	3.30%	2.85%
Pension increases (RPI capped at 5%)	3.40%	3.00%
Pension increases (RPI capped at 5% with 3% floor)	3.7%	3.50%
Commutation	20% of total pension	
Life expectancy at age 65 of male aged 45	22.9	22.9
Life expectancy at age 65 of male aged 65	21.6	21.6
Life expectancy at age 65 of female aged 45	26.0	26.0
Life expectancy at age 65 of female aged 65	24.6	24.5

Mortality assumptions used in 2021 and 2020 are based upon 108% of the S3PMA tables for male members and 99% of the S3PFA series tables for female members. Future improvements are assumed to be in line with the CMI projection model, assuming improvements have peaked. The long-term improvement is assumed to be 1.25% per annum (2020: 1.25% per annum), with a default smoothing parameter reflecting a decline at older ages, a 0.25% (2020: 0.25%) initial addition.

Five-year history

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Benefit obligation at 31 December	(47,315)	(49,778)	(46,616)	(43,363)	(46,293)
Fair value of plan assets at 31 December	59,970	58,270	52,607	47,529	50,199
Surplus for FRS 102 purposes	12,655	8,492	5,991	4,166	3,906
Derecognition of surplus	(12,655)	—	—	—	—
Net pension asset	—	8,492	5,991	4,166	3,906

Contributions

The Charity contributed £500k to the scheme in the year to 31 December 2021. Contributions to be paid to the scheme during the annual period beginning after the reporting period are expected to be £125k. In addition, administrative and other expenses of the Scheme and the Pension Protection Fund levy are payable separately by the Institution.

Group Personal Pension

The GPP was introduced for employees on 1 October 2010 with members of the defined contribution scheme joining on this date and members of the defined benefit scheme joining on 1 December following closure to future accrual of that scheme. The pension cost for this scheme for 2021 was £844k (2020: £854k).

25. Analysis of net assets between funds

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Fixed assets	–	45,319	–	–	45,319
Investments	18,368	560	3,623	1,257	23,808
Current assets	9,845	5,819	1,183	–	16,847
Creditors: amounts falling due within one year	(7,723)	(4,245)	(97)	–	(12,065)
Creditors: amounts falling due after one year	–	(432)	–	–	(432)
	20,490	47,021	4,709	1,257	73,477

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Fixed assets	–	44,177	–	–	44,177
Investments	18,669	560	3,623	1,257	24,109
Current assets	9,545	1,967	1,183	–	12,695
Creditors: amounts falling due within one year	(7,724)	–	(97)	–	(7,821)
	20,490	46,704	4,709	1,257	73,160

Comparative information for prior year:

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Fixed assets	–	43,970	–	–	43,970
Investments	16,913	550	3,322	1,152	21,937
Current assets	6,856	4,489	1,275	–	12,620
Creditors: amounts falling due within one year	(7,529)	(3,576)	(102)	–	(11,207)
Creditors: amounts falling due after one year	(206)	(268)	–	–	(474)
Defined benefit pension scheme asset	–	8,492	–	–	8,492
	16,034	53,657	4,495	1,152	75,338

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Fixed assets	–	42,679	–	–	42,679
Investments	17,214	550	3,322	1,152	22,238
Current assets	6,556	1,663	1,275	–	9,494
Creditors: amounts falling due within one year	(7,530)	–	(102)	–	(7,632)
Creditors: amounts falling due after one year	(206)	–	–	–	(206)
Defined benefit pension scheme asset	–	8,492	–	–	8,492
	16,034	53,384	4,495	1,152	75,065

26. Analysis of endowment funds

Group and charity	2021 £'000	2020 £'000
Opening balance at 1 January	1,152	1,093
Net investment gains	105	59
Closing balance at 31 December	1,257	1,152

Endowment funds comprise 41 separate Trust Funds created by trust deed at various times and their capital is permanent endowment. Prizes and awards for achievement in civil engineering are made from the investment income in accordance with the terms of each Trust Fund and accounted for within restricted funds.

27. Analysis of restricted funds

Group and charity	1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2021 £'000
Shaping the World	27	—	—	—	—	27
Into Civil Engineering	219	—	(71)	—	—	148
Research and Development Enabling Fund	507	106	(69)	—	—	544
Innovation and Research Focus	24	—	—	—	—	24
Infrastructure Client Group	117	158	(125)	—	—	150
David Butler Education & Inspiration Fund	112	32	(96)	—	—	48
Queen's Jubilee Scholarship Trust	2,721	597	(593)	—	233	2,958
Trust Funds	768	20	(45)	—	67	810
	4,495	913	(999)	—	300	4,709

Shaping the World

Shaping the World funding consists of two elements, with both designated and restricted funding: Shaping the World and the Shaping the World Capital Appeal. The non-capital element of both the designated and restricted funding is uncommitted against future expenditure.

The capital element specifically refers to the money received towards, and costs incurred on, the Infrastructure Learning Hub as part of the major capital project conducted on One Great George Street between 2015 and 2016. The cost of the Infrastructure Learning Hub was significantly greater than the funding received. During the previous year donations of £40k were received as a contribution towards costs that were incurred in previous years. These donations have been recognised as income in restricted funds and, as the money has already been spent, subsequently transferred to unrestricted funds. No further contributions were received in the year ended 31 December 2021, nor are they expected in future years.

Into Civil Engineering

The purpose of the Into Civil Engineering fund is to award scholarships to young people living in Scotland studying civil engineering.

Research and Development Enabling

The Research and Development Enabling fund was formed to support research and development by engineers and organisations outside the research field, to enable them to obtain funds from other sources.

Innovation and Research Focus

Contributions to Innovation and Research Focus had been obtained from various organisations and used to produce a quarterly research newsletter which is distributed to all corporate members. No activity took place in 2021, and there are plans to review the contingents in 2022.

Infrastructure Client Group

The Infrastructure Client Group ("ICG") is a group made up of experts from a range of sectors which was formed to help support the implementation of the UK Government's *Infrastructure Cost Review Report 2010*. The ICE's support to this group was formalised during 2018. The fund represents monies received from members of the ICG as a contribution towards the activities coordinated by the Institution.

David Butler Education & Inspiration Fund

The David Butler Education & Inspiration Fund represents monies received to be used in developing interactive resources to extend the ICE's engagement with school children and young children, particularly in the 16-18 age range.

Queen's Jubilee Scholarship Trust

The purpose of the Queen's Jubilee Scholarship Trust ("QUEST") is to award scholarships to civil engineering students, or travel awards to enable members to participate in voluntary work overseas or professional development grants to enable members in mid-career to acquire new skills or knowledge.

Comparative information for prior year:

Group and charity	1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2020 £'000
Shaping the World	34	3	(10)	—	—	27
Shaping the World – Capital Appeal	—	40	—	(40)	—	—
Into Civil Engineering	272	7	(60)	—	—	219
Research and Development Enabling Fund	517	111	(121)	—	—	507
Innovation and Research Focus	24	—	—	—	—	24
Infrastructure Client Group	72	127	(82)	—	—	117
David Butler Education & Inspiration Fund	80	32	—	—	—	112
Queen's Jubilee Scholarship Trust	2,590	669	(642)	—	104	2,721
Trust Funds	749	25	(44)	—	38	768
	4,338	1,014	(959)	(40)	142	4,495

28. Analysis of unrestricted funds

Group	1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2021 £'000
General fund	16,034	34,009	(27,949)	(3,155)	1,551	20,490
Designated funds						
Funds retained in subsidiaries	273	—	—	44	—	317
Funds retained in joint venture	118	7	—	(37)	—	88
Kenneth Watson Travel Award	432	4	(3)	—	39	472
Shaping the World	240	—	—	—	—	240
Fixed assets fund	34,878	—	(846)	2,344	—	36,376
Fixed asset commitments	1,423	—	—	(696)	—	727
Digital transformation fund	—	—	—	500	—	500
Estate maintenance fund	—	—	—	500	—	500
Revaluation reserve	7,801	—	—	—	—	7,801
Pension reserve	8,492	110	—	500	(9,102)	—
	69,691	34,130	(28,798)	—	(7,512)	67,511

Charity	1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / (losses) £'000	31 December 2021 £'000
General fund	16,034	23,524	(17,508)	(3,111)	1,551	20,490
Designated funds						
Funds retained in joint venture	118	7	—	(37)	—	88
Kenneth Watson Travel Award	432	4	(3)	—	—	472
Shaping the World	240	—	—	—	39	240
Fixed assets fund	34,878	—	(846)	2,344	—	36,376
Fixed asset commitments	1,423	—	—	(696)	—	727
Digital transformation fund	—	—	—	500	—	500
Estate maintenance fund	—	—	—	500	—	500
Revaluation reserve	7,801	—	—	—	—	7,801
Pension reserve	8,492	110	—	500	(9,102)	—
	69,418	23,645	(18,357)	—	(7,512)	67,194

General fund

The general fund totalling £20,490k (2020: £16,034k) represents that element of the reserves of the Charity which have not been designated for any specific purpose. Transfers from the general fund into the pension reserve during the year reflect employer contributions to the defined benefit pension scheme of £500k (2020: £500k).

Funds retained in subsidiaries

This fund represents the net assets of the Group which are retained within the subsidiaries and which are not available to the Institution for its ongoing work.

Funds retained in joint venture

This fund represents the net assets of the Group which are retained within the joint venture, Structural-Safety Limited, and which are not available to the Institution for its ongoing work.

Kenneth Watson Travel Award (Quest)

The Kenneth Watson Travel Award is part of the Quest awards for young engineering scholars. At current estimation, it will be able to continue to award grants for at least another 20 years.

Shaping the World

The Shaping the World fund comprises an amount designated by the Trustees towards the Shaping the World initiative. The initiative aims to bring together civil engineers across the globe with the aim of helping to alleviate the effects of major future challenges such as population growth and climate change and to ensure that future infrastructure is resilient, adaptable, and available to all.

The funding is currently uncommitted against future expenditure, and the Trustees continue to explore ways in which the fund may be used in future years to maximum effect.

Fixed assets fund

The fixed asset fund represents the net book value of the Charity's intangible fixed assets, tangible fixed assets and heritage assets, less the amount carried in the revaluation reserve. Transfers to the fund represent the cost of additions in the year. The fixed assets are essential to the ongoing work of the Charity, as without them the Charity's work would not be possible. As such their net book values should not be regarded as realisable in order to meet ongoing expenditure or contingencies.

The balance of this fund excludes the net book value of the fixed assets which are owned by subsidiary undertakings and which are included within the funds retained in subsidiaries.

Fixed asset commitments

This fixed asset commitments fund represents amounts designated towards capital commitments and which are not available to the Institution for its ongoing work.

Digital transformation fund

This fund represents amounts designated by the Trustees for future investment in improving and transforming the Institution's digital offering. This fund was created in the year with an initial designation of £500k and further designations are expected in future years. The fund will be drawn on as development takes place.

Estate maintenance fund

This fund represents amounts designated by the Trustees for redevelopment and major repairs of the Institution's estate. This fund was created in the year with an initial designation of £500k and further designations are expected in future years. The fund will be drawn on as the expenditure takes place.

Comparative information for prior year:

Group	1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2020 £'000
General fund	14,400	31,804	(28,655)	(2,383)	868	16,034
Designated funds						
Funds retained in subsidiaries	240	—	—	33	—	273
Funds retained in joint venture	—	118	—	—	—	118
Kenneth Watson Travel Award	413	5	(2)	—	16	432
Shaping the World	240	—	—	—	—	240
Fixed Assets fund	35,474	—	(1,063)	467	—	34,878
Software development fund	—	—	—	1,423	—	1,423
Revaluation reserve	7,769	—	—	—	32	7,801
Pension reserve	5,991	125	—	500	1,876	8,492
	64,527	32,052	(29,720)	40	2,792	69,691

Charity	1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / (losses) £'000	31 December 2020 £'000
General fund	14,400	21,314	(18,198)	(2,350)	868	16,034
Designated funds						
Funds retained in joint venture	–	118	–	–	–	118
Kenneth Watson Travel Award	413	5	(2)	–	16	432
Shaping the World	240	–	–	–	–	240
Fixed Assets fund	35,474	–	(1,063)	467	–	34,878
Software development fund	–	–	–	1,423	–	1,423
Revaluation reserve	7,769	–	–	–	32	7,801
Pension reserve	5,991	125	–	500	1,876	8,492
	64,287	21,562	(19,263)	40	2,792	69,418

29. Funds held on behalf of others

The Institution provides administrative services to fourteen Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering. The Institution is a custodian trustee of funds for nine of these Societies (2020: nine), which have trustees separate and independent from the Institution, but where the Institution holds the Society's funds on their behalf.

At 31 December 2021 the funds held by the Institution had a combined balance of £674k (2020: £695k).

Boards, committees and panels

Members of Council (2021-2022 session)	Edward McCann (President)	Ken Ho (Hong Kong)
	Rachel Skinner (Immediate Past President)	Mark Jamieson (Middle East and Africa)
	Keith Howells (Senior Vice President)	Sarah Jones (Wales)
	Andrew Alder	Julian Lineham (Americas)
	Jeffrey Ashurst (North West)	Jose Lores (Europe and Central Asia)
	Yvonne Aust (West Midlands)	Jim Martin
	Rebecca Barkham	Paul Mitchelmore (East of England)
	Richard Bayfield	Dr Priti Parikh
	Edward Bingham (East Midlands)	David Porter
	Julie Bregulla	Lucy Rew
	Norman Brent (South East)	Steven Robertson (Scotland)
	Phillip Brown (Northern Ireland)	Daaoud Shafi
	Kate Cairns	Ivor Thomas
	Gillian Castka	Katy Toms (South West)
	Norman Chan	Sally Walters
	David Coles	Julie Wood
	Matthew Colton (Asia Pacific excl Hong Kong)	Ben Weller
	Njemile Faustin	Graham Yates (North East)
	David Hirst (Yorkshire and Humber)	Yan Zhou (London)

The following served as members of Council until their retirement in November 2021:

Paul Sheffield CBE (Immediate Past President)	Ryan Doolan
John Beck	Giedre Jurkonyte
Martin Crapper	Brenda O'Loan (Northern Ireland)
Gary Cutts (South West)	Neil Sandberg
Blessing Danha	

The Chairs of the main standing and operational Committees at the date of the signing of this report were:

Committee	
<i>Nominations</i>	Paul Sheffield
<i>Membership Committee</i>	Anusha Shah
<i>Learning Society</i>	Richard Threlfall
<i>Policy and External Affairs</i>	Jonathan Spruce
<i>UK Regional Affairs</i>	Paula McMahon
<i>International</i>	Dr Sabih Khisaf
<i>Finance, Assurance and Risk</i>	Andrew Alder
<i>Group Remuneration</i>	Professor Tim Broyd
<i>Audit</i>	David Porter

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Institution of Civil Engineers is a Registered
Charity in England & Wales (no 210252) and
Scotland (SC038629).



THE INSTITUTION OF CIVIL ENGINEERS

England & Wales - Charity number 210252

Accounts

Annual Report and Accounts 2020

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President's Foreword

It will not come as a surprise to read that 2020 was a year like no other for the Institution. We began with an ambitious programme in line with a long-term strategy agreed by the Trustees. This set a bold path for ICE's continued ability to deliver a high-quality knowledge programme, high-level and influential policy work, consistently improving membership services, and a clear-eyed view of our role in helping to achieve the UN Sustainable Development Goals. Then in early 2020 the world changed as the tragedy of the Covid-19 pandemic took hold.

I am proud to say that the ICE moved with incredible speed to adapt to the rapidly, and constantly, changing situation. Contingency plans were developed in February, drawing on the experiences of our staff and members in South East Asia (and Hong Kong in particular). Therefore, the lockdown in March in UK (where most of our staff are based) saw minimal disruption to services as staff migrated to remote working within 48 hours. We stopped face-to-face events, and within weeks we were able to conduct our Spring Professional Reviews digitally, introduce an ongoing series of online Global Strategy Sessions and Prestige Lectures, and migrated the broader knowledge programme so that it could be delivered completely digitally. The results speak for themselves. The Review programme continued unabated and we met all of our pre-pandemic targets for professional qualification. Our Global Strategy lectures attracted global audiences in the low thousands: a level of knowledge exchange we have never before achieved. And those audiences continued, and continue, to interact across their professional disciplines.

In November we held the President's Address, the first digital only address in the Institution's history, and which attracted a global audience of thousands. Since November a further 6,000 people and counting have chosen to view the address and the *Shaping Zero* film.

The year required precise, professional, and constant executive management. Performance forecasts were reforecast repeatedly. The Institution relies heavily on the performance of its trading subsidiary, Thomas Telford Limited ("TTL"), to fund member services and TTL found itself managing the effects of the lockdowns on its internationally renowned events business. Painful decisions were taken on staffing across the Institution. Resources were carefully husbanded, and savings made across the back office. Our priority remained the delivery of our charitable objects. I am pleased to report that those efforts have paid off and the Institution is now in a robust financial position as we continue through what we expect to be further periods of economic uncertainty.

This neatly brings me to the future of the ICE. Despite the manifest difficulties of the pandemic, we have built a comprehensive programme of activities and work streams designed to safeguard the future of populations around the world. Core to these is to help our profession achieve Carbon Net Zero and mitigate climate change. These efforts will cement ICE's place as one of the world's leading professional institutions.

Finally, I would like to particularly thank my predecessor, Paul Sheffield, who represented the Institution with calm professionalism and provided strong leadership throughout one of the most challenging years imaginable for a president. I would also like to thank both the Trustee Board and Council for their work throughout the year.

When a global crisis takes hold it is easy to lose sight of those touchstones and way markers that show us things will improve in time and that there is always light at the end of the tunnel. I am fortunate enough to count the longevity and presence of the Institution as one of the touchstones. We are more than simply a professional body, we are a group of passionate, like minded and talented engineers who are committed to making the world a better place. We emerged from 2020 more sure of that than anything else. All of us, as members of ICE, should be proud of that fact and proud of ourselves.



A handwritten signature in black ink that reads "Rachel Skinner". The signature is written in a cursive, flowing style.

Rachel Skinner
ICE President 2020-2021

Reference and administrative details

Trustees

<i>President</i>	Rachel Skinner
<i>Senior Vice President</i>	Edward McCann
<i>Vice Presidents</i>	Keith Howells
	Emer Murnaghan OBE
	Anusha Shah *
	Richard Threlfall
<i>Other</i>	Andrew Alder *
	John Beck
	Gary Cutts *
	James Hall *
	Dr Sabih Khisaf *
	Liz Waugh

* Appointed November 2020

The following served as Trustees until their retirement in November 2020:

<i>Past President</i>	Paul Sheffield CBE
<i>Vice Presidents</i>	Mak Chai-Kwong
	Dr Jane Smallman
<i>Other</i>	Karen Britton
	Emma Kent

Management team

<i>Director General and Secretary</i>	Nick Baveystock
<i>Deputy Director General and Managing Director Thomas Telford Limited</i>	Chris Gibson
<i>Director Membership</i>	Seán Harris
<i>Director of Engineering Knowledge</i>	Mark Hansford
<i>Group Finance Director</i>	Susan Bailey
<i>Director Group Support Services</i>	David Tullett
<i>Communications Director</i>	Simon Creer
<i>Director of Policy</i>	Chris Richards

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Charity registered in Scotland number SC038629

Trustees' Report

Objectives and activities

Background and Mission

The Institution of Civil Engineers ("the Institution", "the ICE", or "the Charity") is a registered charity and is incorporated by Royal Charter. The Institution's overriding object is to foster and promote the art and science of Civil Engineering.

The ICE aims to support the profession by offering professional qualification, promoting education, maintaining professional ethics, and liaising with industry, academia and government.

The Institution provides professional advice in transport, water supply and treatment, flood management, waste and energy. Established in 1818 the ICE has over 92,000 members, with over a quarter living outside the United Kingdom. The ICE has long provided independent professional advice to politicians operating in local, regional, and national government and to their supporting government departments. We provide impartial, authoritative and respected advice as part of our charitable purpose. We work with all parts of the profession to ensure that civil engineering remains a major contributor to economic and social wellbeing.

Vision, Strategy and Business Planning

The Institution's Trustees reviewed the ICE's vision during 2018 and they reaffirmed the vision in 2019: "the ICE will transform lives by helping build a sustainable world". The Trustees believe that the most effective way for the Institution to deliver this is by:

- Building a network of highly trained and competent civil engineers in which society has confidence to deliver the infrastructure people need to live their lives. We do this by providing an internationally recognised set of qualifications by which our members can demonstrate their competence.
- Ensuring that infrastructure professionals have access to the very best insight, knowledge and professional development so that society can trust the opinion and expertise of our members. We deliver this through a range of programmes, events, education and training projects, and publications.
- The Trustees believe that the Institution has a core responsibility to shape the sustainable development of our world and, in so doing, to take a long-term perspective. They believe that supporting decision makers in reaching informed decisions to enable the most effective procurement, construction, operation, maintenance and ultimate disposal of infrastructure is a core part of that responsibility.

The Trustees, advised by the ICE Council, carried out an in-depth review of strategy in February 2020 which, after discussion with the ICE Council, culminated in the latest Business Plan covering the period 2021-2023. The tenets of the strategy stood the institution in exceptionally good stead as it reacted to the ever-changing situation throughout the year. It enabled a ruthless focus on those things which are absolutely at the heart of the Institution, and a framework against which to make some painful decisions.

Public benefit

ICE is a charitable body and exists to deliver benefits to the public. The benefits arising from the Institution's activity are widespread.

- The general public benefits from safe and well-designed infrastructure which is delivered through the expertise of ICE members. This expertise is in turn developed and recognised through our membership qualification process. The general public also benefits from the generation and dissemination of knowledge, educating the public and ensuring best practice is available to members.
- Government in the UK (national, devolved and local) benefits from our expert evidence to public consultations and from our published policy reports. Both public and private sector employers, and through them the wider economy, benefit commercially from employing Institution members who have a globally recognised professional engineering qualification.
- Young people can realise their potential from our efforts to raise interest in science, maths and technology in schools and colleges and to encourage and support the young civil engineers of tomorrow.
- Finally, ICE members benefit (i) from having a highly respected qualification that is recognised around the world, and from on-going career support from the Institution, (ii) through the extensive knowledge programmes, publishing activity comprising peer-reviewed technical journals, books, access to ICE's historic library and archive, and much other professional development material, and (iii) through a professional network that makes them more valuable both to society and to their employers. The Institution has made significant strides to ensure that these services are now delivered digitally.

Many of the infrastructure activities in which our members are engaged involve, of necessity, the evaluation of public good against the risk, cost or other impact of alternative options. The Institution, through its activities promotes best practice and the rigorous assessment of sustainability and health and safety considerations. These activities all seek to reduce any detriment involved in activities managed or designed by our members. The Institution's own activities as a professional body are not considered to generate any detriment or harm.

Charity Commission Guidance

The Trustee Board confirms it has complied with the duty outlined in Part 2 of the Charities Act 2011 to have regard to guidance on public benefit published by the Charity Commission when exercising any powers or duties to which the guidance is relevant.

Membership

The Institution as a membership organisation has members rather than beneficiaries. Members' annual subscriptions form a significant part of our income, which is used to fund activities for public benefit. Members themselves receive benefits through the dissemination of knowledge and best practice, and from the esteem and recognition resulting from their membership of a profession with high standards both of entry and for continuing membership. However, without its members the Institution could not continue to pursue its charitable purpose. Membership is open to anyone who can meet our professional standards.

Financial barriers to entry are relatively small. Student membership is free, and, through the Queen's Jubilee Scholarship Trust ("QUEST") and Into Civil Engineering restricted funds, bursaries are available to attract able candidates at graduate entry level and also for aspiring technicians. For existing members, a concessionary rate is available for those who are unemployed, taking a career break, on low income or retired. The Institution also refers members to its Benevolent Fund, a separate charity for supporting members and their families in need. The fund can, when appropriate, ensure all membership fees are paid for beneficiaries.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes".

ICE's fundraising activities focus on generating income to support civil engineering scholarships through the QUEST fund, and research grants through the Research and Development Enabling fund. All solicitations are managed internally, without involvement of commercial participators, professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Trustee Board.

Fundraising income is presented in our accounts within income from donations and legacies and includes grants.

ICE is aware of the UK Fundraising Regulator's guidance and is confident in its ability to comply. No complaints have been received in the year.

Grant making policy

The Institution does not generally make grants from its unrestricted funds. Grants are generally made to individuals in the form of scholarships or awards from the QUEST, Into Civil Engineering, and Trust funds. All grants are made in accordance with the objectives and restrictions of the relevant fund.

The Research and Development Enabling Fund is administered by the Research, Development and Innovation towards Engineering Excellence Panel. Grants from this fund are made to support research in civil engineering and are given to recipients in both industry and academia.

Achievements and performance

Despite the obvious and enduring challenges faced by the Institution throughout the year, whether in Hong Kong at the beginning of 2020, or globally from February, the Institution achieved almost all of the targets set out in last year's Annual Report. TTL had a difficult year as national lockdowns opened and closed. The events business in particular suffered extensively from the UK lockdowns. But, while the TTL profit was less than had been planned, this shortfall was offset by savings made across the ICE Group in ceasing face-to-face activities and almost all travel.

Additionally, the Institution undertook a restructuring to ensure it was best placed to deliver its charitable objects on the face of prolonged global economic uncertainty. Regretfully, we chose to reduce staff across the Group. The International Department was subsumed into the core elements of the Membership Division. Some English Regions were merged, and functions were streamlined. Budgets and performance were reforecast repeatedly, and trustee and executive oversight was more frequent, and more precise than in what might be termed a normal year.

We have taken some painful decisions throughout the year, but the Institution finishes the year in a robust financial position. Importantly, in restructuring, we have ensured that our cost base has been reduced on a permanent basis which puts us in a strong position to go forward.

Staff welfare and engagement

As the Covid-19 situation developed we moved quickly to ensure all staff with roles able to be performed from home could do so. Whilst many of our existing IT resources are cloud based and all systems are capable of being securely accessed remotely, we introduced some additional software to help facilitate the change. Microsoft Teams was rolled out across the Group to ensure that business meetings could continue and colleagues could stay in touch with each other. Support was also provided for staff to ensure their health and safety during periods working from home. Display Screen Equipment reviews were offered to all staff and essential ergonomic equipment provided as required.

Webinars developed by the ICE Benevolent Fund on how to cope during periods of lockdown and steps individuals could take to maintain mental wellbeing, as well as navigate the financial and emotional impact of the pandemic, were made available to all ICE staff members. A number of support videos were also provided to staff ranging in subjects from sleep to mindfulness to maintaining physical health.

Over the course of the pandemic guidance was issued to staff with caring commitments, supporting changes to working patterns and practices as far as possible to accommodate, for example, closures to schools and early years care providers. When guidance allowed, Covid-secure workstations were made available to staff at One Great George Street, enabling those that needed to work from a central office the ability and opportunity to do so. All resources made available to staff have been collated on a Covid-19 support portal accessed through the staff intranet. These measures augmented the ongoing support offered by the existing employee assistance programme run by a third-party provider that continued throughout the pandemic.

Membership and qualification

Overall membership numbers fell by 2.40%, reflecting a decrease in Student membership numbers due to the ongoing pandemic and an inability of our staff to access campuses. However, the qualified membership (excluding resignations from retirees) grew despite the overall decrease in membership, and it was notable that the number of female members grew by 1.36% to 13,950 (2019: 13,763) and now represents 15% of total membership (2019: 14.5%). Geographically, membership numbers remained stable despite a decline of 3.42% in Asia Pacific.

	2020	2019	2018	2017	2016
Membership by location					
United Kingdom	68,561	70,041	69,620	68,518	67,626
Europe (excluding UK)	2,080	2,004	1,940	1,922	2,048
Americas	1,404	1,449	1,404	1,400	1,431
Middle East & Africa	3,185	3,395	3,233	3,113	2,996
Asia Pacific	17,599	18,219	17,171	17,204	16,927
Total	92,829	95,108	93,368	92,157	91,028
Membership by grade					
Fellow	5,229	5,245	5,237	5,174	5,252
Member	39,925	40,235	40,084	39,875	40,143
Graduate	20,377	20,643	20,163	20,058	19,661
Student	23,418	25,308	24,563	24,283	23,652
Technician	2,806	2,644	2,402	2,023	1,656
Associate	1,033	992	876	701	620
Other	41	41	43	43	44
Total	92,829	95,108	93,368	92,157	91,028

The most significant challenge during the year was securing the qualification pipeline. The usual programme of face-to-face professional reviews in the Spring and Autumn required adjustment and we moved to remote online assessment. In 2019 the Institution conducted nine online reviews, but by the end of 2020 it had delivered 2,109 online reviews, bringing the number of new professionally qualified membership in line with 2019. This is an excellent result in a year of significant disruption. However, there was an elevated number of resignations amongst retired members which led to a fall in the number of total qualified numbers. The online review programme will now continue forward with reviews taking place, online, six times-a-year.

The changes to English regions continue to play out. The East of England Regional Support Team was removed, and the membership absorbed into the London and the South East Team. English regions now focus more on providing insight and influence at local government level, acting as the interface between the five English regions and the central Policy team. Knowledge events, aligned with the central programme, continue but increasingly members are more autonomous in terms of event delivery.

The pandemic also threatened the membership recruitment pipeline for graduates. Those graduating from further and higher education ("FE/HE") in the summer of 2020 were faced with the lack of firm job offers or furloughing. To retain this valuable cohort the Institution embarked on the ICE Assurance campaign, and we mobilised our Corporate Partnership programme to help deliver this. Focus was on the burgeoning national infrastructure pipeline and the associated importance of professionalising the workforce. As a result we were able to secure this cohort and saw an increase in graduate numbers.

It is essential that we inspire school pupils, particularly those aged 16 to 18, to study civil engineering in FE/HE. Events meant this was particularly challenging in 2020, as our work in schools was directly impacted. In response, we digitised the schools' engagement programme and still directly delivered to 480 schools in the year. Applications to study civil engineering at FE/HE institutions increased in 2020 over the 2019 numbers.

To meet the needs of those FE/HE students who would usually expect a work placement we provided a digital equivalent. Teams were provided with a technical case study and mentored by supervising civil engineers and graduate members. High quality submissions were promoted through our website which encouraged further applications and saw a surge in interest building for 2021. The graduate cohort were further supported through the gratis release of five master's level engineering modules to 3,000 graduate members. The importance of engaging with the various membership grades and offering practical support was well received.

The most significant piece of staff/policy work undertaken was Streamlining 2.0. Aimed at meeting the graduate needs articulated in the 2017 Membership Survey, extraneous administration and bureaucracy was stripped out of the qualifications' process. The requirement to bring all panels and committees along as well as ensuring that we remained compliant with JBM (Joint Board of Moderators), Engineering Council and Privy Council protocols was challenging. By the end of 2020 the Implementation Plan and all supporting documentation and knowledge products was in place and the roll out commenced in the first week of 2021.

The pandemic meant many FE/HE campuses were closed to our staff. The usual signing-up sessions that would see ICE capturing new university intakes could not take place. Whilst remote engagement secured approximately 1,000 students, more than 2,000 students disengaged. Many university faculties remain closed with tuition online. Engagement has been postponed to the new academic year, commencing in Autumn 2021. It is the delayed recruitment of 2,000 student members which has caused the reduction in total member numbers from 95,109 to 92,829.

Knowledge

We made a significant start on delivering our core objective of providing a digital knowledge programme through delivery of an online events programme. We engaged with more than 7,000 individual members and 3,500 non-members. The audience was global, with an average of 14% of audiences from outside the UK.

Key events in the year included:

- *Reassuring the public that infrastructure is safe* – A session featuring Government's building safety advisor Dame Judith Hackitt alongside Transport Scotland chief engineer Hazel MacDonald exploring the extent to which UK's infrastructure is at risk of failure;
- *How can infrastructure help achieve the Sustainable Development Goals?* – A session featuring UNOps deputy director general Steven Crosskey;
- *Toddbrook Reservoir Incident* – A half-day session exploring the lessons to be learned from the Toddbrook reservoir incident;
- *Understanding Good Design* – A session with the National Infrastructure Commission's Design Panel exploring the extent to which civil engineers understand the NIC's Design Principles for major infrastructure;

- *Unwin Lecture: Zero Carbon and Infrastructure* – A session revealing an ICE-commissioned update of the data that informed the 2010 Infrastructure Carbon Review; and
- *A Systems Approach to Infrastructure Delivery* – A session launching the findings of an ICE-commissioned report exploring the root cause of major infrastructure delivery challenges featuring a panel of major infrastructure clients.

We also made a significant start on delivering our critical priority of collaborating with others to realise the achievement of the UN Sustainable Development Goals (“UNSDGs”). We focused on the first, critical priority: *placing decarbonisation of our industry at the heart of our agenda* by launching the Carbon Project.

With a focus on delivering a programme of outputs leading up to the United Nations Climate Change Conference in November 2021 (COP26), The Carbon Project is an industry-wide response, bringing together leaders and experts from across the supply chain to tackle some of the challenges that are slowing progress towards net zero.

It represents the start of a long-term programme of collaborative work, which will seek to share knowledge and best practice on delivering low-carbon solutions across the industry. The work is driven by a steering group of industry leaders, chaired by ICE President Rachel Skinner and focuses on three workstreams where ICE can make an immediate impact and provide focus for our activities before, during and after COP26:

- Workstream 1: Measuring, Sharing and Benchmarking of Carbon Impacts;
- Workstream 2: Capability Building in Low Carbon Design and Delivery; and
- Workstream 3: Identifying Systems-Level Reduction in In-Use Carbon.

The Institution also launched or contributed to a number of other key global initiatives, including joining the International Coalition for Sustainable Infrastructure as a founding partner alongside the American Society of Civil Engineers and the Coalition of Mayors for Climate & Energy, and are leading the Innovation Trends Action Track which seeks to identify the emergent trends that are most likely to drive innovative solutions.

We also collaborated with the Commonwealth Engineers Council (“CEC”) in hosting a webinar in a series of pre-Commonwealth Heads of Government Meetings (“CHOGM”) events which were co-organised by the Commonwealth Architects, Commonwealth Planners, and The Princes Foundation. The events were run as a substitute for the cancelled CHOGM and were a great success. An online series of follow up CPD events is being planned to precede the rescheduled CHOGM meetings in Rwanda in June 2021.

We supported the Infrastructure Client Group in developing and launching a platform to showcase and encourage discussion around the Project 13 approach to infrastructure programme delivery. A digital event for Project 13 included clients from the UK and Australia, and featured strands delivering our critical priority of collaborating with others to realise the achievement of the UNSDGs.

Structural-Safety Limited, the Institution’s joint venture with the Institution of Structural Engineers secured government funding to expand the remit of the Confidential Reporting on Structural Safety (“CROSS”) scheme to cover fire safety in high-risk residential buildings as a direct response to a key recommendation of the *Building a Safer Future* report.

We also commissioned a number of key insight reports to help identify and shape the engineering solutions needed to solve the challenges we face. This included an independent report into how systems thinking can be used to improve the delivery of complex infrastructure projects. We used this insight to create a Systems Approach to Infrastructure Delivery (SAID) that can be used to help deliver better outcomes for infrastructure owners and users.

Furthermore, in conjunction with the National Infrastructure Commission’s Design Panel, we conducted a comprehensive survey of our membership to understand the extent to which they feel able to apply the NIC’s Design Principles for major infrastructure projects that have been developed to ensure infrastructure projects are designed for climate, people, place and value.

Policy and Public Affairs

The pandemic provided the opportunity to partner with like-minded organisations aligned to shared global challenges such as climate change mitigation and economic recovery.

We convened roundtables and meetings of the All-Party Parliamentary Group on Infrastructure. Policy and decision-makers at these events included the CEO of the Infrastructure and Projects Authority, Financial Secretary to the Treasury, Chair of the National Infrastructure Commission, Chair of the Conservative Policy Forum, Shadow Exchequer Secretary, Shadow Financial Secretary, Chair of the Transport Select Committee, the CEO of the National Infrastructure Commission, the Chair of the Environmental Audit Select Committee, Shadow Chancellor and CEO of the Swedish Climate Policy Council.

We continued to contribute to debates, through insight papers which covered topics from the impact of Covid-19 on infrastructure, nuclear new build, carbon capture and storage, the Coronavirus Business Interruption Loan Scheme, and full-fibre broadband. We responded to consultations on decarbonisation and green finance, planning reform, a rail needs assessment for the Midlands and North and the Union Connectivity Review. ICE's experts gave oral evidence to the Treasury Select Committee and Environmental Audit Select Committee.

We made the case for change by developing positions on aligning utility regulation with long-term political outcomes, reinventing infrastructure delivery, strategic infrastructure planning in Northern Ireland, achieving the net-zero target through infrastructure, Green Book reform, and the pathways for infrastructure decarbonisation.

Plans for future periods

Our business plan for 2021-2023 will continue to support our strategy to transform lives by helping build a sustainable world. Divisional plans are set out below. Institutional activity has been planned against five key themes to realise achievement of the UNSDGs. These themes are:

- Placing the decarbonisation of our industry at the heart of our agenda (UNSDG 9.4).
- Build resilience and mitigate the significant effects of climate change (UNSDG 13).
- Transforming the availability of potable water and sanitation across the world (UNSDG 6 and 7).
- Transforming the productivity of our industry by driving modern methods of procurement and manufacture (UNSDG 8 and 9).
- Enhancing the knowledge, insight, and ethical understanding of engineers wherever they work across the world.

Specifically, we will:

- Launch a Carbon Champions programme, seeking to build a global cohort of "Carbon Champions" in the build up to the 2021 United Nations Climate Change Conference in Glasgow in November.
- Launch a Carbon Leadership programme that will see us take an industry-leading position around leadership development, offering an accredited Carbon Leadership qualification.
- Deliver the second phase of our Enabling Better Infrastructure programme, focussing on providing tools and guidance for government's worldwide on how to fund and finance infrastructure that drives towards a net zero economy.
- Work with government to develop tools for carbon accounting and procurement on carbon and with other professional engineering institutions to develop a central carbon database.
- The ICE's annual State of the Nation report will focus on how to manage demand and use less with a view to driving systems-level carbon reduction.
- Working with industry innovation body i3P, disseminate information on the latest technical innovations available to help deliver low carbon solutions.

The ongoing Covid-19 pandemic will inevitably impact on our ability to deliver against some objectives, but the ICE's strong digital offering and ability of staff to work remotely is expected to minimise the operational impact as far as is possible.

Additionally, we will:

- Deliver equality and inclusion programmes and work towards achieving 30% diversity on ICE committees and panels by the end of 2021.
- Provide insights for the second National Infrastructure Assessment and support Mayors in England post-election with advice on infrastructure delivery.
- Continue to explore the effects of Covid-19 on the infrastructure system, answering questions on how best to prioritise, pay for and deliver infrastructure.
- Continue the process of developing a replacement for the membership management system. The discovery phase of the project has now completed, and development, which began in October 2020, is expected to run through to 2022.
- Complete a financial review.

Membership and qualification

The Institution will support aspiring engineers with education, inspiration, advice, guidance, and leadership to deliver a broad and diverse professionally qualified membership in which society has confidence. We will:

- Consolidate the structural changes brought about by the pandemic recovery plan to deliver a world class digital offer, whilst recognising that members and employers will expect an element of face-to-face activity to resume. This will involve undertaking reassurance programmes of students, graduates and those undertaking Initial Professional Development, their employers and engagement to support nascent Apprenticeship programmes.
- Deliver the International Strategy, with regards to business development and member support, concentrating on countries prioritised by the International Committee, and a particular focus on consolidating the relationship with the Hong Kong Institution of Engineers.
- Deliver new routes to membership for those who work in infrastructure or civil engineering but who would not naturally see ICE as their professional home, whilst also maintaining MICE standards. We will create new Chartered qualifications to be awarded by the ICE. We recognise that engineering is changing, and we must remain home to the many, not the few.
- Continue to oversee Initial and Continuing Professional Development and administer specialist registers, including the Reservoirs Panel, to ensure that our members are fit for purpose at all career levels.

Knowledge

The Institution will continue to draw on learning from across the world to build a body of relevant, reliable knowledge created through experience, analysis, insight, and science to enhance the technical competence and understanding of our members, so they in turn can identify and shape the engineering solutions to the challenges we face. We will:

- Deliver the ICE knowledge programme, ensuring at least one knowledge event relevant to any member will be hosted every week, and work to maximise the exchange of engineering knowledge between our members.
- Grow our knowledge and relationships with other learned societies around the world, and work with other international and national organisations to conclude delivery of a three-year Sustainability Route Map programme.
- Establish a network of ICE Policy Fellows to provide informed comment and advice on a day-to-day basis to the media, politicians, officials and others.
- Oversee a member-led “Future Civil Engineer” programme to understand and serve the professional needs of members.

Policy and Public Affairs

The Institution will support decision-makers as they plan their recovery from the pandemic, providing authoritative, evidence based, impartial and relevant infrastructure advice on which they can rely. We will:

- Identify and answer the questions that are, or should be, being asked in Westminster and build a network across Whitehall.
- Establish ongoing ICE policy positions to ensure that the public get the infrastructure they need to live sustainably, that the system pays for itself, and that delivery of projects and programmes improves. We will deliver green papers to support these themes.
- Demonstrate impact in leading the debate by achieving references to ICE work in policy documents; securing speaking opportunities for ICE positions to be presented to a policy focused audience; and having responses from key decision makers responding to our policy positions.
- Plan and deliver senior member engagement programme facilitating meetings with industry and decision makers to discuss how best to identify and deliver the infrastructure the UK needs.
- Signpost global best practice for decision and policy makers, drawing on the *Enabling Better Infrastructure* programme, and manage the All-Party Parliamentary Group on Infrastructure.
- Establish partnerships with organisations that share our policy objectives, such as the UN, development banks and the OECD.

Financial review

The Group's net income before investment gains and losses was £2,387k (2019: £1,627k), whilst the Group's overall financial position strengthened during 2020 with an increase in reserves of £5,380k, summarised as follows:

	2020 £'000	2019 £'000
Net income before investment gains and losses	2,387	1,627
Net investment gains	1,085	2,519
Actuarial gain on defined benefit pension scheme	1,876	1,199
Gain on revaluation of heritage assets	32	–
Net movement in funds	5,380	5,345

In 2020, total income fell 11% to £33,066k (2019: £37,204k). The table below provides a high-level breakdown of income, as shown in the consolidated statement of financial activities.

	2020 £'000	%	2019 £'000	%
Where the money comes from:				
Membership subscriptions	14,505	44	13,820	37
Professional development and admission	1,387	4	1,434	4
Other charitable income	1,999	6	1,290	4
Trading activities	13,232	40	19,335	52
Donations and legacies	1,436	4	787	2
Investment and other income	517	2	538	1
	33,066	100	37,204	100

Included within donations and legacies is an amount of £503k (2019: £nil) received from the Coronavirus Job Retention Scheme and an amount of £43k received from the Hong Kong Employment Support Scheme. All these funds were received in respect to employees in the Institution's subsidiaries, Thomas Telford Limited and the Institution of Civil Engineers (Hong Kong) Limited.

Operating expenditure fell 14% to £30,679k (2019: £35,577k). The table below provides a high-level breakdown of expenditure, as shown in the consolidated statement of financial activities.

	2020 £'000	%	2019 £'000	%
Where the money is spent:				
Membership and qualification	7,783	25	8,953	25
Knowledge	4,385	14	4,045	11
Policy and public affairs	2,100	7	2,481	7
Regional activities	4,557	15	5,744	16
Grants and scholarships	843	3	940	3
Trading activities	10,901	36	13,280	37
Investment managers fees	110	1	134	1
	30,679	100	35,577	100

The majority of ongoing expenditure continued to be incurred directly on charitable activities with £19,634k or 64% (2019: £22,163k, or 62%) of total expenditure allocated to activities in pursuance of the charitable object set out in the Royal Charter.

Membership and qualification related expenditure, which covers the cost of admissions and transfers, professional reviews, and professional learning and development, accounted for £7,783k (2019: £8,953k) of expenditure on charitable activities. Knowledge related expenditure of £4,385k (2019: £4,045k) includes costs related to nurturing and sharing civil engineering knowledge, whilst policy and public affairs expenditure totalled £2,100k (2019: £2,481k). An amount of £4,557k (2019: £5,744k) was spent on the Institution's regional activities, which includes the costs of the UK Regions, our overseas offices, and of supporting the ICE's Local Associations across the world.

The cessation of much of the Institution's face-to-face activity in March and the subsequent move towards providing services digitally lead to significant savings on travel and meeting costs, whilst the temporary closure of our offices also meant further cost savings across the Group. The restructuring of the English regions and the move towards a centrally managed Knowledge programme caused expenditure on knowledge to increase.

Trading activities accounted for £13,232k (40%) (2019: £19,335k, 52%) of total income and £10,901k (36%) of total expenditure (2019: £13,280k, 37%). The Group's trading activities are primarily carried out through ICE's trading subsidiary, Thomas Telford Limited ("TTL"), whose principal activities include the publication of contracts, books and quality journals, the provision of training and consultancy, and the provision of meeting and hospitality facilities.

While expenditure varies in relation to the volume of trading activity, the key measure of effectiveness is the profit generated, which is used to support charitable activities and mitigate increases to membership subscription tariffs. TTL's result for the year was a net profit of £1,922k (2019: £4,678k).

Whilst TTL's publishing and training operations enjoyed another successful year, the events venue in Westminster was closed to external clients for much of 2020 due to the restrictions to limit the spread of Covid-19 which significantly impacted the overall result for the year. The whole of the TTL profit is gift aided to the ICE under a Deed of Charitable Covenant dated 4 December 2017. ICE also runs conferences and seminars directly, in pursuance of its charitable purpose to promote civil engineering rather than for commercial return.

The remaining 1% (2019: 1%) of expenditure was spent on management costs of charity's investment portfolio.

Included within charitable and trading expenditure are support costs totalling £7,494k which represent 24% of total expenditure (2019: £8,069k, 23%). Support costs include expenditure incurred on IT, HR, premises, finance, management, and governance.

Restricted funds

The QUEST fund enjoyed another successful year. Incoming donations totalled £638k (2019: £465k), of which £77k was from the Francis Connolly Bursary Trust, which was received upon the Trust's winding up. The money will be used to award additional technician scholarships. Scholarships of £550k (2019: £674k) were awarded to 362 recipients (2019: 435). The Institution has adjusted the way in which we fund QUEST scholarships, reducing expenditure to help ensure that the programme remains in place and can continue to support as many undergraduate and technician scholars over the long-term as possible. The Into Civil Engineering Fund continued to award scholarships, and payments totalling £60k (2019: £59k) were made to 14 students (2019: 14).

The Research and Development Enabling Fund awarded six new grants in 2020 (2019: four) with an average grant per recipient of £20k (2019: £15k). During the year the ICE also received a further donation of £32k (2019: £80k) towards the Education and Inspiration Learning Fund, and there are plans to use these funds during 2021 to develop new ways of engaging with 16–18 year olds.

Balance sheet

Investments increased to £21,819k (2019: £21,046k) due to underlying investment gains. Intangible assets increased to £1,548k (2019: £1,398k), due to new investment in the new membership management system and continued digitisation of products within TTL. Tangible fixed assets decreased by £1,035k to £27,182k (2019: £28,217). The cost of additions was lower than the depreciation charged in the year as careful resource management meant the decision was taken to defer certain capital projects.

The Group's operating and investment activities generated a net cash inflow of £3,193k (2019: £1,700k net inflow) and net cash outflow £604k (2019: £244k net inflow) respectively. After bank loan repayments in the year of £432k (2019: 419k), the Group generated a net cash inflow of £2,107k (2019: £1,525k net inflow).

Reserves policy

ICE maintains reserves for the following reasons:

- The trading activities of TTL are cyclical and difficult to predict in the medium to long term. The Institution remains aware of the need to diversify its income streams and to minimise the extent to which TTL profits fund the core cost base of the Institution.
- ICE is exposed to several risks, which may interrupt income streams or require additional investment. Reserves are held for contingency purposes.
- Investment balances are subject to potentially adverse change should market conditions deteriorate.
- Pension liabilities could increase as they are dependent on scheme investment performance, long term gilt rates, investment returns and mortality assumptions.
- Major long-term investments are expected to be necessary in the coming years to ensure ICE responds to changes in its operating environment and remains relevant to the needs of society and of its members. Reserves are required for "step change" investments, where funding is expected to be in excess of cash generated through annual operations.

The Trustee Board keeps under review the adequacy of free reserves, which comprise that part of the total unrestricted funds that are freely available. This includes unrestricted funds excluding the FRS 102 pension asset, reduced by the net book value of fixed assets on the basis such assets support the Charity's activities and cannot readily be converted to cash. The resultant policy is to build up free unallocated reserves (including current and non-current assets and liabilities retained in subsidiaries) to a minimum of the equivalent of three to six months of operating expenditure with a current target of four months, set at £10m. This figure reflects the best estimate of what is required to be set aside for the risks and future investment needs outlined above.

Actual free reserves

Total funds at 31 December 2020 amounted to £75,338k (2019: £69,958k). The increase was due to the success of careful cost management in the year, gains from the investment portfolio, and an actuarial gain on the defined benefit pension scheme. Of total funds, the Group's unrestricted funds amounted to £69,573k (2019: £64,527k).

In the year ended 31 December 2020 the Charity's free reserves increased by £1,634k to £16,034k (2019: £14,400k). Free reserves exclude the Charity's tangible and intangible fixed assets, the defined benefit pension scheme asset, all funds retained in subsidiaries and joint ventures (which are not available for the Charity's own use), and other designated funds.

Total funds retained in subsidiaries at 31 December 2020 were £273k (2019: £240k). Within this amount was £1,291k (2019: £1,158k) of tangible and intangible fixed assets and a net balance of £1,018k (2019: £918k) of current and non-current liabilities. Whilst these liabilities do not form part of the Charity's free reserves, the free reserves target is set after making allowance for them and therefore they are added to the Charity's free reserves when comparing the actual reserves to the target. At 31 December 2020 the free unallocated reserves of the Group therefore stood at £15,016k (2019: £13,482k), an amount in excess of the target of £10m.

Whilst free reserves at 31 December 2020 were above the target, significant expenditure is expected over the coming years, including further investment in the digital delivery of services and capital expenditure on the maintenance of the Institutions estate. Free reserves also remain subject to any movement in investment markets, which have seen significant volatility in recent years. The Trustee Board also remain mindful of the long-term nature of the pension scheme liabilities, and the impact that any movements in the liabilities of the scheme may have on the free reserves.

The Trustee Board expect to review the free reserves target during 2021, giving consideration to expected levels of expenditure and the effect of recent and planned developments on the Group's activity.

ICE is also mindful of the necessity of maintaining adequate liquidity and therefore maintains a liquidity policy of ensuring freely available cash and investment balances do not fall below £6.0m. At 31 December 2020 they stood at £23,731k (2020: £20,636k). The Institution put in place a £3m overdraft facility in October 2020 to provide additional protection against the possible negative impact of the Covid-19 pandemic on the Institution's working capital cash flow. The facility is uncommitted. The bank will review the facility at least annually, with the first review scheduled for April 2021. The facility had not been used at the year end.

Investment policy

There are no restrictions on the Charity's power to invest, and the investment policy of the Institution is to seek the maximum return over the medium term having due regard to risk. The Institution is active in ensuring that a socially responsible and ethical approach is followed by the investment management funds through which monies are invested, either requiring managers to be signatories to the UN's Principles for Responsible Investment ("UNPRI") or by ensuring their approach is consistent and compatible with the UNPRI. During the year ended 31 December 2020, the Trustee Board agreed that, wherever possible, preference should be given to funds which support the UNSDGs.

The objective for each of the three investment portfolios is to generate a return in excess of inflation over the long term, while generating an income to support the ongoing activities of the Institution or the relevant specific restricted fund. Investments for each specific fund are managed within agreed asset allocation ranges, and their performance is regularly reviewed against appropriate benchmarks.

Risk management

The ICE must protect against a range of risks and the Trustees have embedded risk management within the Group. Risk registers are regularly updated by the management team and reviewed by the executive, the Audit Committee and the Trustee Board. Action plans identified through the risk register are included in the Institution's annual business planning and budgeting cycle and in the individual objectives for managers and staff.

The principal uncertainty currently facing the Institution is the impact of the Covid-19 pandemic. The Trustees and executive recognise that the Institution faces a prolonged period of uncertainty, however the Institution is in a strong financial position with sufficient reserves to absorb any negative impact. Steps have also been taken to minimise the impact on the Charity's activities and the effect this may have on the Institution's members and beneficiaries.

At the macro level we track long term risks. These are, almost inevitably, creeping risks: initially they seem small or avoidable, but cumulatively over several years they manifest themselves as significant or even severe. Therefore, the strategic risk register is based on:

- Risks to income;
- Risks to delivering the five strategic strands;
- Changes to international and national qualification models;
- Changes to the Professional Engineering Institution landscape;
- Future legislation as it effects professional qualification, membership or charitable structures;
- Changes in the DB Pension Scheme liability; and
- Long term risks to TTL income and or products.

The TTL income risk is a particular issue. TTL's trading activities are cyclical and difficult to predict in the medium to long term. The Trustees remain aware of the need to diversify its income streams and to minimise the extent to which the Institution's core cost base is funded by TTL's profits. The impact of the pandemic in 2020 demonstrated that we should not, and going forward must not, rely on this assumption.

In year we manage a series of detailed risks. The key risks are described in detail below.

Risk description	Risk management
Membership and Qualification: There is a risk that membership numbers reduce. This could be due to a failure to attract new members, both in the UK and internationally, or a reduction in the number of members renewing their membership. There is also a further risk that we fail to convert graduate members to chartered, from student to graduate.	• Engagement with universities and employees through the Academic Partnership and Corporate Partnership programmes. • Focus on Sixth Form Engagement program to encourage application for civil engineering degrees • An established and effective pre- and post-lapsing process, targeting members who have not renewed. • Marketing campaign through Membership Development Officers • Promotion of Company Accredited Training Schemes and End Point Assessment with Further and Higher Education students. • Continued promotion of the profession to the public and parents
Knowledge: There is a risk that we fail to demonstrate the relevance of the ICE Knowledge offer to the sector, or that the programme is inaccessible to the wider membership.	• Delivery of ICE Communities of Practice and Communities of Interest • Focus efforts on the new <i>Lessons Learned</i> programme. • Focus the offer on digital delivery, allowing the wider membership access to more of the central programme.
Policy and Public Affairs: There is a risk that the Policy programme drifts from being relevant, and as a result the membership become disengaged from our policy activity or that policy recommendations fail to land with government or industry.	• Focus policy output on strategic medium-term topics which will be relevant • Ensure programme focused on questions being asked by decision makers • Seek member input to incorporate policy questions at a regional level as well as national.
Supporting delivery: There is a risk that IT systems fail or that there we fail to deliver a strategic IT solution.	• Detailed business continuity plans which include specific information on IT systems. Many systems are hosted in the "cloud", limiting the effect of any potential outage, and 2020 has shown staff are able to work from home effectively. • Cyber Security and GDPR compliance are monitored regularly, with penetration testing and assessment performed by external experts. • The replacement of our membership management systems is underway.

Whilst accepting that absolute assurance cannot be achieved, the trustees are satisfied overall that the major risks have been reviewed and systems or procedures have been established to manage those risks.

Pay Policy for Senior Staff

Members of the Trustee Board and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Group on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 10 and 11 to the accounts.

The remuneration of senior management at director level and above is reviewed and approved annually by the ICE Group Remuneration Committee. This Committee is chaired by a recent Past President. The Committee ensures arrangements are affordable and fair, and designed to motivate and reward performance in the interest of the ICE Group. Remuneration is benchmarked periodically using external surveys and data which include both commercial and not for profit organisations.

Related parties and connected organisations

The ICE has two wholly owned subsidiary undertakings. Thomas Telford Limited, a company registered in England and Wales through which operates donates its profits to the ICE, and which are then used to support charitable activities, and The Institution of Civil Engineers (Hong Kong) Limited, a company registered in Hong Kong.

The ICE is also an equal guarantor to Structural-Safety Limited ("SSL"), a company registered in England and Wales, with the Institution of Structural Engineers. SSL was incorporated on 4 January 2019 and was dormant in the previous year and began trading during 2020.

The ICE works with a number of charitable organisations in pursuit of its charitable objectives, including the Benevolent Fund of the Institution of Civil Engineers and fourteen Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering.

The ICE also acts as a custodian trustee for funds for several of these Societies. At 31 December 2020 the assets of these funds, which are held in cash separately from the assets of the ICE, were valued at £695k (2019: £389k).

Streamlined Energy and Carbon Reporting (SECR)

We recognise that climate change is one of the most important issues facing every one of us today. As civil engineers, our members play a crucial role in the reduction of carbon emissions and the ICE aims to help the profession contribute towards the net zero carbon target and mitigate climate change.

In light of this we believe it is important that the ICE is transparent about its own carbon emissions. Whilst not legally required to do so, we are voluntarily reporting our energy and carbon emissions in compliance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. This requires an annual report on greenhouse gas emissions from UK energy use and business vehicles travel. As this is the first reporting year, no emissions from previous years are available as a comparison.

The table below summarises emissions in the year. The carbon footprint for the year ended 31 December 2020 was 440 tonnes CO₂e, which represents a carbon intensity of 1.38 tCO₂e per full time equivalent employee in 2020.

	Quantity	Unit	Carbon Footprint (tCO ₂ e)	Scope
Electricity use, One Great George Street	813,540	KWh	190	2
Gas use, One Great George Street	998,113	KWh	184	1
Electricity use, 8 Storey's Gate	176,261	KWh	41	2
Gas use, 8 Storey's Gate	93,940	KWh	17	1
Business vehicle travel	69,359	vkm	8	3
			440	

Whilst comparatives from previous years are not available, we acknowledge that the carbon footprint for the year ended 31 December 2020 reported above is significantly lower than what might usually be expected because of the Covid-19 pandemic. Gas and electricity usage decreased as the Institution's offices have been closed, or partially closed, since March 2020 (with most staff working from home), whilst TTL's events and hospitality business was unable to operate for large parts of the year due to lockdowns. Furthermore, business travel decreased as face-to-face activity ceased and moved online.

Whilst we expect the carbon footprint reported in future years to increase as we re-open our offices and resume face-to-face activity, we expect it to remain lower than the pre-pandemic levels due to positive changes we have made, such as the move to conducting Professional Reviews remotely and offering stronger digital Knowledge content.

Methodology

Our reporting methodology is based on the UK Government's 2019 Environmental Reporting Guidelines and these carbon footprints have been calculated using the UK Government GHG Conversion Factors for Company Reporting for 2020. Energy use data was collected from energy bills. We have excluded all managed offices where we do not receive a separate charge for energy (which includes the Group's overseas offices).

Approximately 63% of the electricity at One Great George Street and 8 Storey's Gate is from renewable sources. However, in compliance with reporting standards, the carbon saving this creates is not included in the standardised carbon footprint reported above.

Whilst the Institution does not own any vehicles and thus does not purchase any vehicle fuel directly, UK staff and volunteers do sometimes use their own cars for the Institution's business. This has been voluntarily disclosed in the information above and is estimated based on mileage claims in the finance system. Business travel has been calculated using the factor for "Average car, unknown fuel".

Energy efficient action taken

The ICE is committed to the improvement of its environmental performance; however the management of resources is an important issue for the Charity and it is operating within the constraint that both One Great George Street and 8 Storey's Gate have listed status. Despite this, however, we were still able to implement some energy reduction measures. In the year ended 31 December 2020, the following actions were undertaken to improve energy efficiency:

- Written and introduced a new best practice energy management procedure.
- Began the implementation of a new strategy for gas and electricity usage within our catering operations in Thomas Telford Limited, which will be reviewed and finalised once our buildings reopen in 2021.
- Completed an air conditioning inspection report and Energy Performance of Buildings Certificate.

The above works were carried out following recommendations made in our most recent ESOS report. We have not carried out work on seven other recommendations in the report as we would need to carry out a separate feasibility study before doing so, giving consideration to the potential cost and planning issues in light of the listed status of the buildings.

Structure, governance and management

The ICE is governed by a Trustee Board which is responsible for the Institution's strategic decision making. Last year's Annual Report set out the process whereby the Institution conducted a Governance Review "The Orr Commission" in 2019. This year the Institution has embedded the changes recommended by the Orr Commission once they had been approved by the membership in a member ballot during the summer of 2020. As such, 2020 has been a year in which we have completed the transition to a new governance structure. We plan to review the effectiveness of the new structure once it has had time to bed in.

The Trustee Board is chaired by the President and comprises three Vice Presidents, three trustees elected by Council, four trustees elected by the membership, and one trustee appointed by the Nomination Committee. All trustees are approved annually by Council.

In 2020, because of the transitional phase, the Trustee Board has consisted of the President, three Vice Presidents who, subject to annual agreement by Council, will succeed to the Presidency, a trustee appointed by the Nomination Committee, two Vice Presidents selected under the previous governance structure (who will *not* succeed to the Presidency), two trustees selected under the previous governance structure, and three members elected by Council.

The Trustee Board meets no fewer than five times a year to carry out its corporate governance responsibilities. Specific responsibilities of the Trustee Board are delegated to key standing committees: Membership, Learning Society, Regional Affairs, International, Public Voice, Audit, and Finance, Assurance and Risk. The implementation of the business plan set by the Trustee Board, as well as the day-to-day management of the affairs of the Institution, is the responsibility of the Director General & Secretary.

Trustees are supported by a 38-strong advisory Council, who offer assistance, insight and advice on the derivation of the ICE's strategy and plan. The Council is chaired by the President, while Council members are directly elected by ICE members worldwide. To maintain continuity, a third of Council seats come up for election each year when Council members finish their three-year terms.

There are regional Council members for each of the 12 UK regions and Hong Kong, International Council members for ICE's four International areas and three Graduate Council members to represent the views of aspiring members. Issues of particular concern to Graduate and Student members are the focus of the Graduate and Students' network (GSNet), and there is a standing invitation for their Chair to attend ICE Council meetings.

As part of their induction, new Trustee Board and Council members are given the Governance Handbook. This contains the Royal Charter and By-laws, an outline of their respective role, all ICE governance procedures and the terms of reference of the Trustee Board, Council and other main standing committees. Trustee Board members are also directed towards guidance and information about trusteeship which is available through the Charity regulatory bodies (i.e. the Charity Commission and Office of the Scottish Charity Regulator). Trustee Board members must ensure that they fully understand their responsibilities as trustees, and a trustee induction day is held annually to reinforce this.

Standing and Operational Committees

A brief description of the role of each of the standing committees, and the key commercial, financial, and operational committees, is detailed below. The current chair of each committee is listed on page 51.

- **Nomination Committee:** The role of the ICE Nomination Committee is to make recommendations to the Trustee Board for the appointment of candidates for senior positions in the Institution.
- **Membership Committee:** The Membership Committee is responsible to the Trustee Board for the role of the Institution as a qualifying body and for maintaining the professionalism element of membership. The Committee admits, on the Trustee Board's behalf, persons to the Membership Roll at all grades in accordance with the Royal Charter and By-laws.
- **UK Regional Affairs Committee:** The UK Regional Affairs Committee advises the Trustee Board on the ICE's UK regional strategy. The Committee is made up of the Regional Committee chairs from each of the individual 12 UK Region Committees, and the Regional Council members.
- **International Regions Committee:** The International Committee oversees ICE's strategy across the eight ICE international regions and reports to the Trustee Board.
- **Learning Society Committee:** The Learning Society Committee supports the ICE Council in delivering the Institution's knowledge programme.
- **Policy and External Affairs Committee:** The Policy and External Affairs Committee provides strategic direction in matters of government relations and policy.
- **Finance, Assurance and Risk Committee:** The Finance, Assurance and Risk Committee monitors the financial performance and prospects of the Group, helping to ensure the Institution can meet its ongoing financial and non-financial commitments. The Committee scrutinises the annual budgets and plans and reviews management accounts, monitoring performance against the business plan and budgets.
- **Remuneration Committee:** The Remuneration Committee reviews and approves the remuneration of staff at Director level and above on an annual basis. Further details on how pay for these staff is set is detailed on page 16.
- **Audit Committee:** The Audit Committee oversees the management of risk and assesses the overall risk profile of the Institution. Based on this the Committee undertakes a regular cycle of reviews and receives reports on selected internal control processes. The Committee reports to the Trustee Board with a summary of its work, which also highlights the major risks and how the potential impact is mitigated against.

Professional conduct matters

The Professional Conduct Panel ("PCP") considers complaints against ICE members, and the Disciplinary Board adjudicates on cases referred to it by the PCP. The Disciplinary Board has powers to make orders against members found guilty of improper conduct, which in the most serious cases may be expulsion from ICE membership.

Professional Conduct Panel

In 2020 the PCP considered 15 complaints against members regarding their professional conduct. In seven cases the Panel determined that there was no case to answer and the complaint was dismissed. In one case the complaint was withdrawn partway through the process. Three cases have been carried forward to 2021.

In two cases the panel found that the member appeared to have breached the rules of professional conduct, but not seriously enough to be referred to the Disciplinary Board. The members received advice from the Panel. Two new referrals to the Disciplinary Board were made and are scheduled for hearing in 2021, one of which is a conviction case.

Disciplinary Board

The Disciplinary Board heard three cases in 2020 that were referred by the PCP in 2019. In all three cases the members were found guilty of improper conduct. Two of the members received a sanction of Severe Reprimand and one was Admonished.

In 2020 no cases heard by the Disciplinary Board were appealed.

Reservoir Safety - Reservoirs Committee

During 2020, the ICE Reservoirs Committee dealt with 52 applications from civil engineers seeking appointment or reappointment to panels of engineers under the relevant United Kingdom legislation for the construction, inspection and supervision of large, raised reservoirs. The committee found that 47 of the applicants qualified for appointment and five were not qualified.

Members

The role played by our members, who so generously volunteer their time to serve the Institution, cannot be overestimated. It is estimated that over 10,000 members volunteer their time each year. Their expertise is vital across a number of charitable activities, including

- The professional review process by which individuals are assessed for qualification to membership.
- Acting as STEM (Science, Technology, Engineering, and Mathematics) ambassadors to schools.
- The awarding of scholarships from the Queen's Jubilee Scholarship Trust fund.

The Trustee Board are grateful for the contributions of members and recognises that without their efforts there could be no Institution.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Charity and of the income and application of resources, including the income and expenditure, of the Group and Charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Provision of information to the auditor

Each of the persons who are Trustees at the time when the Trustees' Report is approved has confirmed that:

- so far as the Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Signed on behalf of the Trustee Board:



Rachel Skinner BSc (Hons) MSc (Eng) CEng FICE
President

23 March 2021

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

Opinion

We have audited the financial statements of the Institution of Civil Engineers for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the charity 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 2020 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 related 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and the President's Foreword. 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 20, 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 heritage and intangible assets and stock provisions.
- Reviewing the assumptions and judgements used by the professional actuary in relation to the charity's pension asset.

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.

A handwritten signature in black ink, appearing to read 'Haysmacintyre LLP', with a stylized flourish at the end.

Haysmacintyre LLP
Statutory auditor
10 Queen Street Place
London
EC4R 1AG

Date:

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

Consolidated Statement of Financial Activities

For the year ended 31 December 2020

		Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2019 £'000
Income from:									
Donations and legacies	1	592	834	–	1,426	42	745	–	787
Charitable activities									
Membership and qualification	2	16,290	–	–	16,290	15,675	–	–	15,675
Knowledge		1,473	–	–	1,473	777	–	–	777
Policy and public affairs		–	128	–	128	–	92	–	92
Other trading activities	3	13,232	–	–	13,232	19,335	–	–	19,335
Investments	4	201	52	–	253	317	84	–	401
Joint venture	16	128	–	–	128	–	–	–	–
Other	5	136	–	–	136	137	–	–	137
Total		32,052	1,014	–	33,066	36,283	921	–	37,204
Expenditure on:									
Raising funds									
Trading activities	6	10,901	–	–	10,901	13,412	–	–	13,412
Investment managers fees	6	87	23	–	110	104	30	–	134
Charitable activities									
Membership and qualification	6	7,783	–	–	7,783	8,663	–	–	8,663
Knowledge	6	4,385	–	–	4,385	4,017	4	–	4,021
Policy and public affairs	6	2,007	93	–	2,100	2,356	97	–	2,453
Regional activities	6	4,557	–	–	4,557	5,954	–	–	5,954
Grants and scholarships	6	–	843	–	843	7	933	–	940
Total expenditure		29,720	959	–	30,679	34,513	1,064	–	35,577
Net gains on investments		884	142	59	1,085	1,941	451	127	2,519
Net income		3,216	197	59	3,472	3,711	308	127	4,146
Transfers between funds		40	(40)	–	–	85	(85)	–	–
Other recognised gains									
Actuarial gains on defined benefit pension scheme	24	1,876	–	–	1,876	1,199	–	–	1,199
Gain on revaluation of heritage assets	15	32	–	–	32	–	–	–	–
Net movement in funds		5,164	157	59	5,380	4,995	223	127	5,345
Reconciliation of funds:									
Total funds brought forward		64,527	4,338	1,093	69,958	59,532	4,115	966	64,613
Total funds carried forward		69,691	4,495	1,152	75,338	64,527	4,338	1,093	69,958

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 28 to 50 form an integral part of these financial statements.

Charity Statement of Financial Activities

For the year ended 31 December 2020

		Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2019 £'000
Income from:									
Donations and legacies	1	1,962	834	–	2,802	4,720	745	–	5,465
Charitable activities									
Membership and qualification	2	16,290	–	–	16,290	15,675	–	–	15,675
Knowledge		1,473	–	–	1,473	777	–	–	777
Policy and public affairs		–	128	–	128	–	92	–	92
Other trading activities	3	1,366	–	–	1,366	2,341	–	–	2,341
Investments	4	201	52	–	253	317	84	–	401
Joint venture	16	128	–	–	128	–	–	–	–
Other	5	136	–	–	136	137	–	–	137
Total		21,562	1,014	–	22,576	23,967	921	–	24,888
Expenditure on:									
Raising funds									
Trading activities	6	600	–	–	600	1,411	–	–	1,411
Investment managers fees	6	87	23	–	110	104	30	–	134
Charitable activities									
Membership and qualification	6	7,783	–	–	7,783	8,663	–	–	8,663
Knowledge	6	4,385	–	–	4,385	4,017	4	–	4,021
Policy and public affairs	6	2,007	93	–	2,100	2,356	97	–	2,453
Regional activities	6	4,401	–	–	4,401	5,864	–	–	5,864
Grants and scholarships	6	–	843	–	843	7	933	–	940
Total expenditure		19,263	959	–	20,222	22,422	1,064	–	23,486
Net gains on investments		884	142	59	1,085	1,941	451	127	2,519
Net income		3,183	197	59	3,439	3,486	308	127	3,921
Transfers between funds		40	(40)	–	–	85	(85)	–	–
Other recognised gains									
Actuarial gains on defined benefit pension scheme	24	1,876	–	–	1,876	1,199	–	–	1,199
Gain on revaluation of heritage assets	15	32	–	–	32	–	–	–	–
Net movement in funds		5,131	157	59	5,347	4,770	223	127	5,120
Reconciliation of funds:									
Total funds brought forward		64,287	4,338	1,093	69,718	59,517	4,115	966	64,598
Total funds carried forward		69,418	4,495	1,152	75,065	64,287	4,338	1,093	69,718

All income and expenditure are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The accounting policies and notes on pages 28 to 50 form an integral part of these financial statements.

Balance Sheets

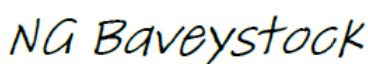
at 31 December 2020

	Note	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Fixed Assets					
Intangible assets	13	1,548	1,399	539	419
Tangible assets	14	27,182	27,798	26,900	27,620
Heritage assets	15	15,240	15,204	15,240	15,204
Investments	16	21,937	21,046	22,238	21,347
		65,907	65,447	64,917	64,590
Current Assets					
Stocks	17	316	405	–	–
Debtors	18	4,211	4,336	2,559	2,678
Cash at bank and in hand		8,093	5,643	6,935	4,133
		12,620	10,384	9,494	6,811
Creditors: amounts falling due within one year	19	(11,207)	(11,056)	(7,632)	(7,039)
Net current assets (liabilities)		1,413	(672)	1,862	(228)
Creditors: amounts falling due after one year	20	(474)	(808)	(206)	(635)
Total net assets before pension scheme asset		66,846	63,967	66,573	63,727
Defined benefit pension scheme asset	24	8,492	5,991	8,492	5,991
Total net assets		75,338	69,958	75,065	69,718
The funds of the group	26				
Endowment funds		1,152	1,093	1,152	1,093
Restricted funds		4,495	4,338	4,495	4,338
Unrestricted income funds		53,398	50,767	53,125	50,527
Pension reserve		8,492	5,991	8,492	5,991
Revaluation reserve		7,801	7,769	7,801	7,769
Total group funds		75,338	69,958	75,065	69,718

The financial statements were approved by the trustees on 23 March 2021 and signed on their behalf by:



Rachel Skinner
President



Nick Baveystock
Director General and Secretary



Edward McCann
Senior Vice President

The accounting policies and notes on pages 28 to 50 form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

	2020 £'000	2019 £'000
Cash flows from operating activities		
Net income (expenditure) for the year (as per the statement of financial activities)	3,472	4,146
Adjusted for:		
Investment income	(253)	(401)
Joint venture income	(128)	–
Net investment (gains) losses	(1,085)	(2,519)
Depreciation	995	995
Amortisation	344	380
Loss on disposal of tangible fixed assets	4	6
Donated heritage assets	(4)	(4)
Net interest on defined benefit pension scheme	(125)	(126)
Defined benefit pension scheme deficit reduction payments	(500)	(500)
Decrease (increase) in stocks	89	(37)
Decrease (increase) in debtors	125	(110)
Increase (decrease) in creditors	66	(130)
Net cash provided by operating activities	3,000	1,700
Cash flows from investing activities		
Investment income	253	401
Distribution from joint venture	10	–
Proceeds from the sale of investments	5,842	14,273
Purchase of investments	(5,873)	(13,455)
Purchase of tangible fixed assets	(383)	(521)
Purchase of intangible fixed assets	(310)	(454)
Net cash used in investing activities	(461)	244
Cash flows from financing activities		
Repayment of borrowing	(432)	(419)
Net cash used in financing activities	(432)	(419)
Change in cash and cash equivalents in the reporting period	2,107	1,525
Cash and cash equivalents at 1 January	6,007	4,482
Cash and cash equivalents at 31 December	8,114	6,007

	At 1 January 2020 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 December 2020 £'000
Analysis of changes in net debt				
Cash and cash equivalents				
Cash in hand	3,468	(1,059)	–	2,409
Short term deposits	2,175	3,509	–	5,684
Cash held by investment manager for reinvestment	364	(343)	–	21
	6,007	2,107	–	8,114
Borrowings				
Debt due within one year	(432)	432	(429)	(429)
Debt due after one year	(635)	–	429	(206)
	(1,067)	432	–	(635)
Total	4,940	2,539	–	7,479

The accounting policies and notes on pages 28 to 50 form an integral part of these financial statements.

Principal accounting policies

For the year ended 31 December 2020

The principal accounting policies adopted by the Charity and Group are set out below.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The statements have been prepared under the historical cost convention as modified by the revaluation of investments at market value.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Basis of consolidation

The consolidated financial statements incorporate the results of The Institution of Civil Engineers ('the Charity') and its subsidiary undertakings, Thomas Telford Limited ("TTL") and The Institution of Civil Engineers (Hong Kong) Limited, on a line by line basis, after the elimination of intra-group transactions.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no statement of cash flows is presented for the charity; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent charity as their remuneration is included in the totals for the Group as a whole.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees have made this assessment after reviewing the Charity's forecasts and projections, which are being continually updated in light of the ongoing Covid-19 outbreak. The Charity has a strong balance sheet and the trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due without seeking outside funding.

With regard to the next accounting period, the year ending 31 December 2021, the most significant areas that are likely to affect the carrying value of the assets held by the Charity are the level of investment return and the performance of the investment markets.

Fund accounting

Unrestricted funds are reserves which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for specific purposes. In accordance with FRS 102 – Retirement Benefits, a pension reserve is included within unrestricted funds representing the value of the surplus on the defined benefit pension scheme.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted reserves are funds which are allocated by the donor for specific purposes.

Endowment funds are assets which must be held permanently by the Charity but income arising from the assets may be expended.

A description of the funds in existence during the year is included in note 26 to the accounts.

Income

Income is recognised in the period in which entitlement is established, when economic benefit is probable, and the value can be measured reliably.

Donations

Income from donations is included when the conditions for receipt have been met and there is a probable assurance of receipt. When donors specify that donations are for a particular restricted purpose which do not amount to preconditions regarding entitlement, this income is included in income of restricted funds when receivable. Government grant income for amounts claimed from HMRC under the Coronavirus Job Retention Scheme is accounted for in the period in which the associated salary payments are made to furloughed staff.

Legacies

Recognition of legacy income is dependent on the type of legacy. Pecuniary legacies are recognised when notification is received, and probate is granted. Residuary legacies are recognised when entitlement is established, and the value can be measured reliably, which is typically on grant of probate.

Member subscriptions

Income from member subscriptions is allocated to the year to which it relates, with payments received in advance held as deferred income.

Investment income and interest

Investment income and interest are recognised when receivable.

Trading activities

Turnover arises 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. It excludes value added tax and trade discounts. Income from journal subscriptions and event bookings is allocated to the year to which it relates, with payments received in advance held as deferred income.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is allocated on the bases indicated below.

Cost of raising funds

Cost of raising funds comprises the costs of fundraising activities, commercial trading activities and investment management fees. Expenditure on other trading activities includes all the costs of Thomas Telford Limited, including the costs of goods sold.

Charitable activities

Expenditure on charitable activities is reflected in these accounts under five main headings:

- Membership and qualification
- Knowledge
- Policy and public affairs
- Regional activities
- Grants and scholarships

Expenditure on charitable activities includes both direct costs and support costs. Support costs include property costs, HR, finance, IT, and other administrative and governance costs associated with supporting the charitable activities. They have been allocated to the cost of charitable activities on a basis consistent with the use of resources using appropriate measures such as headcount and floor area. The basis of the cost allocation has been explained in the note 8 to the accounts.

Grants payable

Grants payable, including scholarships, are 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.

Employee benefits

Defined contribution pension plan

Employer contributions to defined contribution pension plans are recognised as an expense when these are due. Amounts not paid are shown in other creditors in the balance sheet.

Defined benefit pension plan

The Institution of the Civil Engineers Staff Retirement Benefits & Life Assurance Scheme ("the Scheme"), a defined benefit pension scheme closed to future accrual in November 2010. The Scheme is being accounted for under Section 28 of FRS 102, with the annually calculated surplus or deficit on the funding of the Scheme shown in the financial statements as an unrestricted fund, which is added to or deducted from unrestricted funds in the balance sheet. The trustees of the Scheme believe that the Scheme currently meets the minimum funding requirements. The assets of the Scheme are held completely independently from the Charity.

Net interest on the net defined benefit pension scheme asset is recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the year by the discount rate. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The asset and expense related to the Scheme are allocated entirely to the unrestricted ongoing activities of the Group.

Holiday Pay Accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

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.

Taxation

The Institution of Civil Engineers is a registered charity and accordingly is exempt from taxation on its charitable activities which fall within the scope of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992. No tax liability, current or deferred, arose in respect of the Charity during the year.

Leases

Payments made under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Any gain/(loss) on revaluation is credited/(charged) to the statement of financial activities. Investments in subsidiary companies are included at cost less any provision for impairment. Investments in non-charitable companies under a joint venture arrangement are included at fair value, which is the Group's and/or Charity's share of the net assets of the commercial company as at the balance sheet date.

Tangible fixed assets

Freehold properties are capitalised at historical cost. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. The values of the buildings are informally monitored by the trustees on a regular basis in order to identify any permanent diminution in value which, where applicable, is charged to the statement of financial activities. Depreciation is charged on freehold refurbishment costs to write off the cost over the anticipated economic life.

No depreciation is charged on the assets under construction until they are brought into service. The annual rates of depreciation used to write off the cost of tangible fixed assets in equal instalments over their expected useful lives are as follows:

Freehold property	2% per annum
Improvements to freehold property	2.5% to 10% per annum
Furniture, fixtures and equipment	5% to 20% per annum

Intangible assets

Software acquired from third parties is capitalised when it is probable that the expected future economic benefits that are attributable will flow to the Group and their costs can be reliably measured. Capital items having a cost of less than £5k are written off in the year in which the expenditure is incurred. Amortisation is charged to write off the cost over the anticipated economic life.

No amortisation is charged on the software until the asset is brought into service. The annual rate of depreciation used to write off the cost of intangible assets in equal instalments over their expected useful lives is 14% to 20% per annum.

Heritage assets

The Institution holds a collection of heritage assets relating to the history of the Institution itself and the wider history of civil engineering. The collection is in three main categories:

- Printed works: The Library contains over 140,000 titles. In addition, the collection includes manuscripts, original drawings, engravings and photographs of or by eminent civil engineers. This collection was designated as being of 'national significance' by the MLA (now Arts Council England) in 2009.
- Pictures: The Institution displays the world's finest collection of engineering portraits and other engineering related subjects, over 250 in number.
- Other artefacts: This collection of approximately 200 items includes fine furniture, decorative art and silver, mostly donated by distinguished past members, and with a civil engineering association. We also act as custodians for the Smeatonian Society of Civil Engineers small collection.

The printed works, pictures and other artefacts were valued for insurance purposes by item by L&J Gull, a respected valuer in November 2017 and are included on the balance sheet, at the values shown in Note 15. Trustees consider that the above methods of valuation constitute appropriate and relevant bases for valuation.

Acquisitions to all these collections are made by purchase or donation. Purchases are recorded at cost and donations are recorded at an appropriate current value where available at the time of acquisition. The cost of obtaining an annual valuation outweighs the value of any resultant benefit. The Institution holds and retains these assets as a long term policy for use for its charitable purposes and does not therefore intend to dispose of such assets.

Any changes in value of the heritage assets capitalised will be (charged)/credited to the recognised gains and losses (as appropriate) within the statement of financial activities. Such assets are not depreciated as they are deemed to have indeterminate lives. Expenditure which is required to preserve or prevent further deterioration of individual collection items is recognised in the statement of financial activities when it is incurred.

Those assets stored in the Institution's archive or in display cabinets comply with BS 5454, "Recommendations for the storage and exhibition of archival documents". Among other things, it specifies temperature and humidity ranges for document storage, shelving schemes, and materials for document containers. The archive is protected by a gas fire suppression system.

Collections are managed and recorded in discrete databases and to the prevailing standard (UDC system for cataloguing of books and ISAD for the archive items).

The collection is accessible to the public on request with most of the pictures on display throughout the building.

Stocks

Stocks are valued at the lower of cost and net realisable value. Provision is made for obsolete, slow-moving or defective items where appropriate.

Financial instruments

Financial instruments are recognised in the Group's balance sheet when it becomes party to the contractual provisions of the instrument. Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and liability simultaneously.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except that investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade payables and obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are classified as current liabilities if payment is due within one year or less. If not, these are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost.

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 as detailed below:

Useful economic lives of tangible and intangible fixed 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.

Valuation of heritage assets

The valuation of heritage assets is based on estimates provided by external professional valuers based on their experience and judgement. Further detail on heritage assets is provided with the heritage assets accounting policy above and within note 15.

Defined benefit pension scheme asset

The determination of the assumptions used in calculating the defined benefit pension scheme asset is the responsibility of the Trustees. The assumptions are set with regard to advice given by the scheme actuary. 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset.

The scheme rules do not include any specific instructions for dealing with any residual surplus in the scheme at the point of wind up. Given the lack of clarity within the rules, significant accounting judgement is exercised in determining to recognise the pension scheme asset on the balance sheet, and also in determining the value of the asset that should be recognised.

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 8.

Notes to the financial statements

For the year ended 31 December 2020

1. Income from donations and legacies

Group	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
R&D Enabling Fund	–	110	110	–	111	111
Quest	–	638	638	–	465	465
Shaping the World	–	43	43	–	89	89
Other donations	3	43	46	4	80	84
Government Grants	502	–	502	–	–	–
Overseas Government Grants	44	–	44	–	–	–
Legacies	43	–	43	38	–	38
	592	834	1,426	42	745	787

Charity	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
R&D Enabling Fund	–	110	110	–	111	111
Quest	–	638	638	–	465	465
Shaping the World	–	43	43	–	89	89
Other donations	3	43	46	4	80	84
Legacies	43	–	43	38	–	38
Gift aid donation from subsidiary undertaking	1,922	–	1,922	4,678	–	4,678
	1,968	834	2,802	4,720	745	5,465

2. Income from membership and qualification

Group and charity	2020 £'000	2019 £'000
Annual subscriptions	14,505	13,820
Professional development and admission	1,387	1,434
Other fees and service income	398	421
	16,290	15,675

All income from membership and qualification activities was unrestricted in both 2020 and 2019.

3. Income from trading activities

Group and charity	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Events and sponsorship	402	1,535	245	1,222
Rental income	134	125	1,103	1,101
Turnover generated by Thomas Telford Limited	12,696	17,675	–	–
Interest receivable	–	–	18	18
	13,232	19,335	1,366	2,341

All income from trading activities was unrestricted in both 2020 and 2019.

4. Income from investments

Group and charity	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000
Dividends from investments	188	51	239	277	80	357
Interest income	13	1	14	40	4	44
	201	52	253	317	84	401

5. Other income

Group and charity	Total 2020 £'000	Total 2019 £'000
BRE Global Ltd collaboration agreement	11	11
Net interest on defined benefit pension scheme asset	125	126
	136	137

All other income was unrestricted in both 2020 and 2019.

6. Expenditure

Group	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2020 £'000
Raising Funds				
Trading activities	10,632	–	269	10,901
Investment managers fees	110	–	–	110
	10,742	–	269	11,011
Charitable Activities				
Membership and qualification	4,003	–	3,780	7,783
Knowledge	3,066	–	1,319	4,385
Policy and public affairs	1,284	–	816	2,100
Regional activities	3,247	–	1,310	4,557
Grants and scholarships	94	749	–	843
	11,694	749	7,225	19,668
	22,436	749	7,494	30,679

	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2019 £'000
Raising Funds				
Trading activities	12,971	–	441	13,412
Investment managers fees	134	–	–	134
	13,105		441	13,546
Charitable Activities				
Membership and qualification	4,832	–	3,831	8,663
Knowledge	2,606	–	1,415	4,021
Policy and public affairs	1,591	–	862	2,453
Regional activities	4,434	–	1,520	5,954
Grants and scholarships	130	810	–	940
	13,593	810	7,628	22,031
	26,698	810	8,069	35,577

Charity	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2020 £'000
Raising Funds				
Trading activities	331	–	269	600
Investment managers fees	110	–	–	110
	441	–	269	710
Charitable Activities				
Membership and qualification	4,003	–	3,780	7,783
Knowledge	3,066	–	1,319	4,385
Policy and public affairs	1,284	–	816	2,100
Regional activities	3,091	–	1,310	4,401
Grants and scholarships	94	749	–	843
	11,538	749	7,225	19,512
	11,979	749	7,494	20,222

	Direct costs £'000	Awards & grants £'000	Support costs £'000	Total 2019 £'000
Raising Funds				
Trading activities	970	–	441	1,411
Investment managers fees	134	–	–	134
	1,104	–	441	1,545
Charitable Activities				
Membership and qualification	4,832	–	3,831	8,663
Knowledge	2,606	–	1,415	4,021
Policy and public affairs	1,591	–	862	2,453
Regional activities	4,344	–	1,520	5,864
Grants and scholarships	130	810	–	940
	13,503	810	7,628	21,941
	14,607	810	8,069	23,486

7. Awards & grants

Group and charity	2020 £'000	2019 £'000
Research and Development grants	121	58
Into Civil Engineering scholarships	60	58
Queen's Jubilee Scholarship Trust	550	674
Trust Fund awards and prizes	18	20
	749	810

The number of individuals and organisations who received awards, prizes and scholarships is as follows:

	2020 No	2019 No
Research and Development grants – organisations	6	4
Into Civil Engineering scholarships – individuals	14	14
Queen's Jubilee Scholarship Trust – individuals	362	435
Trust Fund awards and prizes - individuals	72	108
	454	561

Grants made to organisations from the Research and Development Enabling Fund are as follows:

Organisation	Purpose	2020 £'000	2019 £'000
Imperial College London	Ground and existing tunnel response to building demolition, excavation and new construction	34	–
Liverpool John Moores University	Corrosion resistant bio-concrete with blended ashes whilst solving waste problems of UK biomass plants	26	–
Strathclyde University	Concrete dams and sea walls assessment using two new Geophysical monitoring systems	25	–
Brunel University	Development of resilient healthcare estate for better infection control	25	–
James Ogden Genspira	Funding for an innovative new tidal energy mechanism	5	–
Dr Jannik Gieseckam	Updating the Infrastructure Carbon Review emissions dataset	6	–
British Geological Survey	A new national UK seismic hazard map for Eurocode 8	–	24
British Tunnelling Society	The tunnelling challenges of Hyperloop	–	4
Expedition Engineering	Social value in construction: How far have we really come, and can we achieve more?	–	25
University of Cambridge	Blast resilience of glazed facades: Towards a new understanding of post-crack behaviour of laminated glass	–	5
		121	58

8. Support costs

Group and charity	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2020 £'000
Membership and qualification	922	1,341	1,517	3,780
Knowledge	322	468	529	1,319
Policy and public affairs	199	290	327	816
Regional activities	63	697	550	1,310
	1,506	2,796	2,923	7,225
Trading activities	66	95	108	269
	1,572	2,891	3,031	7,494

	Premises costs £'000	IT costs £'000	Charity management costs £'000	Total 2019 £'000
Membership and qualification	946	1,145	1,740	3,831
Knowledge	349	424	642	1,415
Policy and public affairs	213	258	391	862
Regional activities	83	669	768	1,520
	1,591	2,496	3,541	7,628
Trading activities	108	132	201	441
	1,699	2,628	3,742	8,069

The methods used to apportion overheads are as follows:

		2020 £'000	2019 £'000
Charity management costs			
Finance	Headcount	980	1,219
Pension overhead	Headcount	163	129
Human Resources	Headcount	340	575
Office of the Director General	Headcount	427	559
Council	Headcount	107	212
Depreciation and repairs	Estimated usage	1,014	1,048
		3,031	3,742
Premises costs	Headcount	1,572	1,699
IT costs	Headcount	2,891	2,628
		7,494	8,069

9. Net income

This is stated after charging:

Depreciation of tangible fixed assets	
Amortisation of intangible assets	
Loss on disposal of tangible fixed assets	
Auditors' remuneration	
Audit services	
Non-audit services	
Investment management fees	
Amounts payable under operating leases	
Equipment	
Property	

Group 2020 £'000	Group 2019 £'000
995	995
344	380
4	6
33	35
3	22
110	134
20	21
202	225

10. Staff costs

Wages and salaries
Social security costs
Pension costs
Temporary staff

Group 2020 £'000	Group 2019 £'000
13,995	14,065
1,352	1,452
875	820
245	538
16,467	16,876

An amount of £256k (2019: £46k) paid out as redundancy or termination payments is included in wages and salaries above.

The average number of UK employees of the Group during the year was as follows:

Charitable activities
Trading activities

Group 2020 No	Group 2019 No
221	228
116	113
337	341

The number of employees paid by the Group whose emoluments, excluding employer's pension contributions, exceeded £60,000 are analysed as follows:

£60,000 - £70,000
£70,001 - £80,000
£80,001 - £90,000
£90,001 - £100,000
£100,001 - £110,000
£110,001 - £120,000
£120,001 - £130,000
£130,001 - £140,000
£140,001 - £150,000
£170,001 - £180,000
£180,001 - £190,000
£190,001 - £200,000
£200,001 - £210,000
£220,001 - £230,000

Group 2020 No	Group 2019 No
19	17
8	9
7	8
3	2
3	3
4	1
—	2
—	2
1	—
—	—
2	1
—	1
1	—
1	1

Pension benefits are accruing for 11 employees as a result of the salary link in the defined benefit scheme for those in the bandings above £60k (2019: 10). The scheme closed to future accrual on 30 November 2010. Pension payments to the defined contribution scheme for those in bandings above £60k totalled £266k (2019: £257k).

Key management personnel of eight staff, one of whom was appointed during the year (2019: eight, one of whom was appointed and one of whom resigned), detailed within the Reference and Administration section on page 3, received remuneration, including benefits and employer pension contributions, of £1,159k in the year (2019: £1,096k).

11. Trustee remuneration

None of the Trustees receive any remuneration for their services as a trustee.

Details of travel and subsistence expenses reimbursed to or paid on behalf of Trustees, including overseas Presidential tours and participation in membership and learned society activity are summarised below.

	2020 £'000	2019 £'000	2020 No	2019 No
Expenses reimbursed to or paid on behalf of Trustees	6	49	7	10

Trustee liability insurance has been purchased by the Charity at a cost of £8k (2019: £6k).

12. Related parties

The following payments, which have been made in accordance with Charity Commission guidance (CC11), have been made to Trustees or parties related to them in respect of services to ICE.

Trustee	Recipient	Nature of payment	2020 £	2019 £
L Waugh	Coast Communications & Marketing Limited	Payment for PR & Comms Services	254	14,285
E McCann	Expedition Engineering Ltd	Grant from the Research and Development Enabling Fund	–	25,000

Trustees donated in aggregate £105 (2019: £332) to the Charity during the year. Of these amounts, £65 (2019: £115) was donated towards the Queen's Jubilee Scholarship Trust fund, £32 (2019: £97) was donated towards the Research and Development Enabling Fund, and £5 (2019: £120) was donated towards the Shaping the World Fund.

13. Intangible assets

Group	Total 2020 £'000
Cost	
At 1 January 2020	4,758
Additions	493
Disposals	(61)
At 31 December 2020	5,190
Amortisation	
At 1 January 2020	3,359
Charge for the year	344
On disposals	(61)
At 31 December 2020	3,642
Net book value at 31 December 2020	1,548
Net book value at 31 December 2019	1,399

All intangible assets relate to computer software and licensed products.

	Total 2020 £'000
Charity	
Cost	
At 1 January 2020	2,607
Additions	262
Disposals	(61)
At 31 December 2020	2,808
Amortisation	
At 1 January 2020	2,188
Charge for the year	142
On disposals	(61)
At 31 December 2020	2,269
Net book value at 31 December 2020	539
Net book value at 31 December 2019	419

14. Tangible fixed assets

Group	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2020 £'000
Cost/valuation			
At 1 January 2020	37,191	5,195	42,386
Additions	76	307	383
Disposals	–	(214)	(214)
At 31 December 2020	37,267	5,288	42,555
Depreciation			
At 1 January 2020	11,431	3,157	14,588
Charge for the year	667	328	(995)
On disposals	–	(210)	210
At 31 December 2020	12,098	3,275	15,373
Net book value at 31 December 2020	25,169	2,013	27,182
Net book value at 31 December 2019	25,760	2,038	27,798

All Group assets are used in support of charitable or trading activities. Freehold property includes two assets. The Institution's headquarters, One Great George Street, and 8 Storey's Gate. There is no reasonable likelihood that either property will be considered for sale in the foreseeable future.

The Trustees consider that the market values of the respective properties are not less than the carrying values included above.

Charity	Freehold property £'000	Fixtures, fittings & equipment £'000	Total 2020 £'000
Cost/valuation			
At 1 January 2020	37,191	4,530	41,721
Additions	76	128	204
Disposals	–	(196)	(196)
At 31 December 2020	37,267	4,462	41,729
Depreciation			
At 1 January 2020	11,431	2,670	14,101
Charge for the year	667	254	921
On disposals	–	(193)	(193)
At 31 December 2020	12,098	2,731	14,829
Net book value at 31 December 2020	25,169	1,731	26,900
Net book value at 31 December 2019	25,760	1,860	27,620

15. Heritage assets

Group and charity	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Valuation at 1 January	15,204	15,200	15,193	7,420	7,419
Additions	—	4	5	—	1
Donations	4	—	2	4	—
Revaluation	32	—	—	7,769	—
Valuation at 31 December	15,240	15,204	15,200	15,193	7,420
Printed works	6,947	6,947	6,947	6,947	2,503
Pictures	3,923	3,927	3,927	3,927	2,734
Other artefacts	4,370	4,330	4,326	4,319	2,183
	15,240	15,204	15,200	15,193	7,420

The printed works, pictures and other artefacts were revalued in November 2017 by L&J Gull, resulting in a gain on revaluation of £7.8m. The 2017 valuation includes books and printed works dated post-1840, an element not included in prior years. The 2017 valuation for this element of the collection stands at £4.8m. One asset, a Tompion Clock, was valued by Bonhams at £1m and is included within other artefacts.

The Trustees consider there to be no material impairment on the present market values/replacement values compared to those stated. Approximately £17k per annum is spent on conservation of the Heritage Assets.

Other than those movements shown above, there have been no other additions or disposals.

16. Fixed asset investments

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Listed investments	21,819	21,046	21,819	21,046
Investments in subsidiaries	—	—	301	301
Joint venture	118	—	118	—
	21,937	21,046	22,238	21,347

Investments in subsidiaries comprise:

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Investments at cost in subsidiaries	—	—	1	1
Long term loans to subsidiaries	—	—	300	300
	—	—	301	301

Listed investments

Listed investments

	Charity 2020 £'000	Charity 2019 £'000
Market value at 1 January	20,682	18,981
Acquisitions at cost	5,873	13,455
Disposals at book value (proceeds: £5,842k, realised gain: £207k)	(5,635)	(13,336)
Net unrealised investment gains	878	1,582
Market value at 31 December	21,798	20,682
Cash held by investment managers for reinvestment	21	364
	21,819	21,046
Historical cost at 31 December	19,630	18,979
Cumulative unrealised investment gains	2,168	1,703

An analysis of the market value of quoted investments at 31 December 2020 is as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Fixed interest	1,671	343	110	2,124
UK equities	6,661	1,399	551	8,611
Global equities	6,910	1,125	351	8,386
Alternatives	1,722	380	114	2,216
Property	374	61	25	460
Cash	7	14	1	22
	17,345	3,322	1,152	21,819

Investments in subsidiaries

Thomas Telford Limited

Thomas Telford Limited ("TTL"), a company incorporated in England and Wales (company registration number 02556636), is a wholly owned trading subsidiary of the Charity whose net profits are donated to the Charity under a Deed of Covenant. The principal activities of TTL are the publication of learned society books and quality journals, the organisation of courses, provision of contracts and ancillary services, provision of meeting facilities and ancillary services, and the operation of a job board.

At 31 December 2020 the Charity owned the entire issued share capital of 502 ordinary shares of £1 each in TTL. A summary of the results and the financial position of the company at 31 December 2020 is shown below.

Summary statement of income:

	2020 £'000	2019 £'000
Turnover	14,589	20,001
Cost of sales	(3,138)	(4,821)
Gross profit	11,451	15,180
Other operating charges	(9,517)	(10,500)
Operating profit	1,934	4,680
Interest receivable	6	16
Interest payable	(18)	(18)
Net result	1,922	(4,678)
Gift Aid distribution to the charity	(1,922)	(4,678)
Profit for the year	–	–

Summary statement of financial position and retained earnings:

	2020 £'000	2019 £'000
Fixed assets	1,283	1,154
Current assets	3,760	4,298
Current and non-current liabilities	(5,027)	(5,436)
Total net assets	16	16
Called up share capital	1	1
Retained earnings	15	15
	16	16

Included with non-current liabilities above is a long-term loan of £300k from the Charity to TTL. The loan is repayable on one year's notice and is secured by debenture over the assets of the subsidiary. The interest payable to the Charity is calculated quarterly at the daily bank rate ruling during the quarter or 6% whichever is greater.

The Institution of Civil Engineers (Hong Kong) Limited

At 31 December 2020 the Charity owned the entire share capital of 2 ordinary shares of HKD\$1 each in The Institution of Civil Engineers (Hong Kong) Limited. A summary of the results and the financial position of the company at 31 December 2020 is shown below.

Summary statement of income:

	2020 £'000	2019 £'000
Income	520	598
Expenditure	(486)	(540)
Profit on ordinary activities before taxation	34	58
Income tax credit (charge)	1	(6)
Profit for the year	33	52

Summary statement of financial position and retained earnings:

	2020 £'000	2019 £'000
Fixed assets	8	4
Current assets	261	229
Current liabilities	(11)	(8)
Total net assets	258	225
Retained earnings	258	225

Joint venture

The investment in the joint venture represents the Charity's investment in Structural-Safety Limited ("SSL"), a company incorporated in England and Wales (company registration number 11750936) on 4 January 2019. SSL is a company limited by guarantee and it has two members, the Institution of Civil Engineers and the Institution of Structural Engineers ("IStructE"). In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

SSL was dormant for the period ended 31 December 2019 and commenced trading during the year ended 31 December 2020. A summary of the results and the financial position of the company at 31 December 2020 is shown below.

Summary statement of income:

	2020 £'000
Income	402
Expenditure	(147)
Profit on ordinary activities before taxation	255
Gift Aid distribution to members	(20)
Profit for the year	235

Summary statement of financial position and retained earnings

	2020 £'000	2019 £'000
Fixed assets	162	–
Current assets	156	–
Current liabilities	(83)	–
Total net assets	235	–

The total net assets are represented by retained net profits. The retained net profits are shared equally by the two partners. As such, the investment by the Charity as at 31 December 2020 comprises:

	2020 £'000	2019 £'000
Investment at 1 January	–	–
Share of profits in the year	128	–
Gift aid distribution received	(10)	–
Investment at 31 December	118	–

17. Stocks

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Raw materials and consumables	27	40	—	—
Finished goods and good for resale	289	365	—	—
	316	405	—	—

18. Debtors

Amounts falling due within one year

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Trade debtors	2,798	3,129	644	937
Amount owed by subsidiary undertakings	—	—	734	826
Other debtors	272	266	189	232
Prepayments and accrued income	1,063	941	914	683
Taxes recoverable	78	—	78	—
	4,211	4,336	2,559	2,678

Included within the amount owed by subsidiary undertakings is a loan of £300k (2019: £300k) to Thomas Telford Limited. Interest is payable on the loan and is calculated quarterly at the bank base rates ruling during the quarter or 6%, whichever is the greater.

19. Creditors: amounts falling due within one year

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Trade creditors	1,352	1,610	883	940
Amount owed to subsidiary undertakings	—	—	162	129
Taxation and social security	366	551	363	549
Other creditors	443	474	392	365
Accruals	1,150	1,091	628	542
Deferred income	7,467	6,898	4,775	4,082
Loan falling due within one year	429	432	429	432
	11,207	11,056	7,632	7,039

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Deferred Income				
Balance at 1 January	6,898	6,690	4,082	3,434
Amounts released from previous years	(6,898)	(6,690)	(4,082)	(3,434)
Resources deferred in the year	7,467	6,898	4,775	4,082
Balance at 31 December	7,467	6,898	4,775	4,082

Deferred income includes income from membership subscriptions, journal subscriptions, training, and catering and room hire received in advance.

20. Creditors: amounts falling due after one year

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Deferred income	268	173	—	—
Loan falling due after one year	206	635	206	635
	474	808	206	635

The loan is repayable as follows:

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Within one year	429	432	429	432
Between two and five years	206	635	206	635
	635	1,067	635	1,067

In December 2010, the Trustees approved a loan for £4.0m with HSBC Bank plc for the refurbishment of Eight Storey's Gate. The term of the loan is eleven years to be repaid in equal monthly instalments until May 2022. Interest is incurred at 2.25% over the Bank of England Sterling Base Rate. Repayments of £38k per month inclusive of interest commenced in June 2012 and decreased to £37k per month from October 2020. The loan is secured by a first charge on the property at One Great George Street and is fully drawn.

21. Operating lease commitments

Minimum lease payments under non-cancellable operating leases for photocopiers and office rental which expire:

Group	Other 2020 £'000	Other 2019 £'000	Land and buildings 2020 £'000	Land and buildings 2019 £'000
Within one year	10	10	125	138
Between one and two years	—	—	49	40
Between two and five years	—	—	17	44
	10	10	191	222

Charity	Other 2020 £'000	Other 2019 £'000	Land and buildings 2020 £'000	Land and buildings 2019 £'000
Within one year	9	9	88	114
Between one and two years	—	—	28	40
Between two and five years	—	—	17	44
	9	9	133	198

At 31 December 2020 the Group had total commitments under operating leases of £201k (2019: £232k).

22. Contingent liabilities

The Group and Charity had no contingent liabilities at 31 December 2020 or 31 December 2019.

23. Capital commitments

At 31 December 2020 the Group and Charity had the following capital commitments in respect to the development of computer software:

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Authorised, but not contracted	1,265	—	1,265	—
Contracted for, but not provided in the financial statements	157	45	—	—
	1,422	45	1,265	—

24. Pension Schemes

Defined benefit pension schemes

Benefits under the defined benefit pension scheme ("the scheme"), which closed to new members in February 2002, are based on employees' final remuneration and length of service. The scheme closed to future service accrual on 30 November 2010.

The pension expense charged to the statement of financial activities makes no allowance for actuarial gains and losses during the year. Actuarial gains and losses are recognised separately in the statement of financial activities in the year in which they occur.

	2020 £'000	2019 £'000
Group and charity		
Components of pension cost		
Net interest income	(125)	(126)
Total pension income recognised in the statement of financial activities	(125)	(126)
Actuarial (gains) losses immediately recognised	(1,876)	(1,199)
Amounts recognised in the balance sheet		
Present value of funded obligation	(49,778)	(46,616)
Fair value of plan assets	58,270	52,607
Pension scheme asset	8,492	5,991
Change in benefit obligation		
Benefit obligation at 1 January	46,616	43,363
Interest cost	917	1,215
Actuarial (gains) losses	5,613	5,045
Benefits paid	(1,504)	(1,445)
Experience (gains) losses on liabilities	699	(402)
Changes to demographic assumptions	(2,563)	(1,160)
Benefit obligation at 31 December	49,778	46,616
Change in plan assets		
Fair value of plan assets at 1 January	52,607	47,529
Interest on assets	1,042	1,341
Actuarial gains (losses)	5,625	4,682
Employer contributions	500	500
Administration costs	—	—
Benefits paid	(1,504)	(1,445)
Fair value of plan assets at 31 December	58,270	52,607
Actual return on plan assets	6,667	6,023
Funded status and net amount recognised	8,492	5,991

The most recent triennial actuarial valuation as at 31 December 2019 showed a deficit of £2.0m.

	2020 £'000	2019 £'000
Fund assets		
The weighted average asset allocation at the year-end was as follows:		
Equities	21.0%	22.3%
Corporate Bonds	15.0%	15.7%
Diversified Growth	22.0%	23.1%
Liability-Driven Investment	28.3%	22.5%
Cash	13.7%	16.4%
	100.0%	100.0%

Principal Actuarial Assumptions

	2020	2019
Discount rate	1.25%	2.00%
Inflation (RPI)	3.15%	3.20%
Inflation (CPI)	2.35%	2.40%
Salary increases	2.85%	2.90%
Pension increases (RPI capped at 5%)	3.00%	3.10%
Pension increases (RPI capped at 5% with 3% floor)	3.50%	3.60%
Commutation	20% of total pension	
Life expectancy at age 65 of male aged 45	22.9	24.1
Life expectancy at age 65 of male aged 65	21.6	22.8

Mortality assumptions used in 2020 are based upon 108% of the S3PMA tables for male members and 99% of the S3PFA series tables for female members. Mortality assumptions in 2019 are based upon 85% of the S2NA series tables for both male and female members. Future improvements are assumed to be in line with the CMI projection model, assuming improvements have peaked. The long-term improvement is assumed to be 1.25% p.a. (2019: 1.25% p.a.), with a default smoothing parameter reflecting a decline at older ages.

Five year history

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Benefit obligation at 31 December	49,778	46,616	43,363	46,293	48,732
Fair value of plan assets at 31 December	58,270	52,607	47,529	50,199	46,997
Asset (deficit)	8,492	5,991	4,166	3,906	(1,735)

Contributions

The Charity contributed £0.5m to the scheme in the year to 31 December 2020. Contributions to be paid to the scheme during the annual period beginning after the reporting period are expected to be £0.5m. In addition, administrative and other expenses of the Scheme and the Pension Protection Fund levy are payable separately by the Institution.

Group Personal Pension

The GPP was introduced for employees on 1 October 2010 with members of the defined contribution scheme joining on this date and members of the defined benefit scheme joining on 1 December following closure to future accrual of that scheme. The pension cost for this scheme for 2020 was £854k (2019: £804k).

25. Analysis of net assets between funds

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Fixed assets	—	43,970	—	—	43,970
Investments	16,913	550	3,322	1,152	21,937
Current assets	6,856	4,489	1,275	—	12,620
Creditors: amounts falling due within one year	(7,529)	(3,576)	(102)	—	(11,207)
Creditors: amounts falling due after one year	(206)	(268)	—	—	(474)
Defined benefit pension scheme asset	—	8,492	—	—	8,492
	16,034	53,657	4,495	1,152	75,338

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Fixed assets	—	42,679	—	—	42,679
Investments	17,214	550	3,322	1,152	22,238
Current assets	6,556	1,663	1,275	—	9,494
Creditors: amounts falling due within one year	(7,530)	—	(102)	—	(7,632)
Creditors: amounts falling due after one year	(206)	—	—	—	(206)
Defined benefit pension scheme asset	—	8,492	—	—	8,492
	16,034	53,384	4,495	1,152	75,065

Comparative information for prior year:

Group	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2019 £'000
Fixed assets	–	44,401	–	–	44,401
Investments	16,138	413	3,402	1,093	21,046
Current assets	5,833	3,511	1,040	–	10,384
Creditors: amounts falling due within one year	(6,936)	(4,016)	(104)	–	(11,056)
Creditors: amounts falling due after one year	(635)	(173)	–	–	(808)
Defined benefit pension scheme asset	–	5,991	–	–	5,991
	14,400	50,127	4,338	1,093	69,958

Charity	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2019 £'000
Fixed assets	–	43,243	–	–	43,243
Investments	16,439	413	3,402	1,093	21,347
Current assets	5,531	240	1,040	–	6,811
Creditors: amounts falling due within one year	(6,935)	–	(104)	–	(7,039)
Creditors: amounts falling due after one year	(635)	–	–	–	(635)
Defined benefit pension scheme asset	–	5,991	–	–	5,991
	14,400	49,887	4,338	1,093	69,718

26. Reserves

Group	1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2020 £'000
Unrestricted funds						
General fund	14,400	31,804	(28,655)	(2,383)	868	16,034
Designated funds						
Funds retained in subsidiaries	240	–	–	33	–	273
Funds retained in joint venture	–	118	–	–	–	118
Kenneth Watson Travel Award	413	5	(2)	–	16	432
Shaping the World	240	–	–	–	–	240
Fixed Assets fund	35,474	–	(1,063)	467	–	34,878
Software development fund	–	–	–	1,423	–	1,423
Revaluation reserve	7,769	–	–	–	32	7,801
Pension reserve	5,991	125	–	500	1,876	8,492
	64,527	32,052	(29,720)	40	2,792	69,691
Restricted funds						
Shaping the World	34	3	(10)	–	–	27
Shaping the World Capital Appeal	–	40	–	(40)	–	–
Into Civil Engineering	272	7	(60)	–	–	219
Research and Development Enabling Fund	517	111	(121)	–	–	507
Innovation and Research Focus	24	–	–	–	–	24
Infrastructure Client Group	72	127	(82)	–	–	117
David Butler Education & Inspiration Fund	80	32	–	–	–	112
Queen's Jubilee Scholarship Trust	2,590	669	(642)	–	104	2,721
Trust Funds	749	25	(44)	–	38	768
	4,338	1,014	(959)	(40)	142	4,495
Endowment funds	1,093	–	–	–	59	1,152
Trust funds	1,093	–	–	–	59	1,152
	69,958	33,066	(30,679)	–	2,993	75,338

Charity	1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / (losses) £'000	31 December 2020 £'000
Unrestricted funds						
General fund	14,400	21,314	(18,198)	(2,350)	868	16,034
Designated funds						
Funds retained in joint venture	–	118	–	–	–	118
Kenneth Watson Travel Award	413	5	(2)	–	16	432
Shaping the World	240	–	–	–	–	240
Fixed Assets fund	35,474	–	(1,063)	467	–	34,878
Software development fund	–	–	–	1,423	–	1,423
Revaluation reserve	7,769	–	–	–	32	7,801
Pension reserve	5,991	125	–	500	1,876	8,492
	64,287	21,562	(19,263)	40	2,792	69,418
Restricted funds						
Shaping the World	34	3	(10)	–	–	27
Shaping the World Capital Appeal	–	40	–	(40)	–	–
Into Civil Engineering	272	7	(60)	–	–	219
Research and Development Enabling Fund	517	111	(121)	–	–	507
Innovation and Research Focus	24	–	–	–	–	24
Infrastructure Client Group	72	127	(82)	–	–	117
David Butler Education & Inspiration Fund	80	32	–	–	–	112
Queen's Jubilee Scholarship Trust	2,590	669	(642)	–	104	2,721
Trust Funds	749	25	(44)	–	38	768
	4,338	1,014	(959)	(40)	142	4,495
Endowment funds	1,093	–	–	–	59	1,152
Trust funds	1,093	–	–	–	59	1,152
	69,718	22,576	(20,222)	–	2,993	75,065

Unrestricted funds

The general fund totalling £16,034k (2019: £14,400k) represents that element of the reserves of the Charity which have not been designated for any specific purpose. Transfers from the general fund into the pension reserve during the year reflect employer contributions to the defined benefit pension scheme of £0.5m (2019: £0.5m).

Funds retained in subsidiaries

This fund represents the net assets of the Group which are retained within the subsidiaries and which are not available to the Charity for its ongoing work.

Funds retained in joint venture

This fund represents the net assets of the Group which are retained within the joint venture, Structural-Safety Limited, and which are not available to the Charity for its ongoing work.

Kenneth Watson Travel Award (Quest)

The Kenneth Watson Travel Award is part of the Quest awards for young engineering scholars. At current estimation, it will be able to continue to award grants for at least another 20 years.

Fixed assets fund

The fixed asset fund represents the net book value of the Charity's intangible fixed assets, tangible fixed assets and heritage assets, less the amount carried in the revaluation reserve. Transfers to the fund represent the cost of additions in the year. The fixed assets are essential to the ongoing work of the Charity, as without them the Charity's work would not be possible. As such their net book values should not be regarded as realisable in order to meet ongoing expenditure or contingencies.

The balance of this fund excludes the net book value of the fixed assets which are owned by subsidiary undertakings and which are included within the funds retained in subsidiaries.

Software development fund

This fund represents the amount designated towards the capital costs of the development of the replacement membership management system and other computer software.

Restricted funds

Shaping the World

Shaping the World funding consists of two elements, with both designated and restricted funding: Shaping the World and the Shaping the World Capital Appeal. The non-capital element of both the designated and restricted funding is uncommitted against future expenditure.

The capital element specifically refers to the money received towards, and costs incurred on, the Infrastructure Learning Hub as part of the major capital project conducted on One Great George Street between 2015 and 2016. The cost of the Infrastructure Learning Hub is significantly greater than the funding received to date. During the year donations of £40k (2019: £85k) were received as a contribution towards costs that were incurred in previous years. These donations have been recognised as income in restricted funds and, as the money has already been spent, subsequently transferred to unrestricted funds. No further contributions are expected in future years.

Into Civil Engineering

The purpose of the Into Civil Engineering fund is to award scholarships to young people living in Scotland studying civil engineering.

Research and Development Enabling

The Research and Development Enabling fund was formed to support research and development by engineers and organisations outside the research field, to enable them to obtain funds from other sources.

Innovation and Research Focus

Contributions to Innovation and Research Focus had been obtained from various organisations and used to produce a quarterly research newsletter which is distributed to all corporate members. No activity took place in 2020, and there are plans to review the contingents in 2021.

Infrastructure Client Group

The Infrastructure Client Group ("ICG") is a group made up of experts from a range of sectors which was formed to help support the implementation of the UK Government's *Infrastructure Cost Review Report 2010*. The ICE's support to this group was formalised during 2018. The fund represents monies received from members of the ICG as a contribution towards the activities coordinated by the Institution.

David Butler Education & Inspiration Fund

The David Butler Education & Inspiration Fund represents monies received to be used in developing interactive resources to extend the ICE's engagement with school children and young children, particularly in the 16-18 age range.

Queen's Jubilee Scholarship Trust

The purpose of the Queen's Jubilee Scholarship Trust ("QUEST") is to award scholarships to civil engineering students, or travel awards to enable members to participate in voluntary work overseas or professional development grants to enable members in mid-career to acquire new skills or knowledge.

Endowment funds

Trust Funds

The Trust Funds comprise 41 separate funds created by trust deed at various times and their capital is permanent endowment. Prizes and awards for achievement in civil engineering are made from the investment income in accordance with the terms of each Trust Fund and accounted for within Restricted funds.

Comparative information for prior year:

Group:	1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains/ (losses) £'000	31 December 2019 £'000
Unrestricted funds						
General fund	10,902	36,151	(33,412)	(1,133)	1,892	14,400
Designated funds						
Retained in subsidiary	15	—	—	225	—	240
Kenneth Watson Travel Award	368	6	(10)	—	49	413
Shaping the World	240	—	—	—	—	240
Tangible Fixed Assets fund	36,072	—	(1,091)	493	—	35,474
Revaluation reserve	7,769	—	—	—	—	7,769
Pension reserve	4,166	126	—	500	1,199	5,991
	59,532	36,283	(34,513)	85	3,140	64,527
Restricted funds						
Shaping the World	37	4	(7)	—	—	34
Shaping the World Capital Appeal	—	85	—	(85)	—	—
Into Civil Engineering	329	1	(58)	—	—	272
Research and Development Enabling Fund	460	115	(58)	—	—	517
Innovation and Research Focus	28	—	(4)	—	—	24
Infrastructure Client Group	70	92	(90)	—	—	72
David Butler Education & Inspiration Fund	—	80	—	—	—	80
Queen's Jubilee Scholarship Trust	2,510	514	(801)	—	367	2,590
Trust Funds	681	30	(46)	—	84	749
	4,115	921	(1,064)	(85)	451	4,338
Endowment funds						
Trust funds	966	—	—	—	127	1,093
	966	—	—	—	127	1,093
	64,613	37,204	(35,577)	—	3,718	69,958

Charity:	1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / (losses) £'000	31 December 2019 £'000
Unrestricted funds						
General fund	10,902	23,835	(21,321)	(908)	1,892	14,400
Designated funds						
Kenneth Watson Travel Award	368	6	(10)	—	49	413
Shaping the World	240	—	—	—	—	240
Tangible Fixed Assets fund	36,072	—	(1,091)	493	—	35,474
Revaluation reserve	7,769	—	—	—	—	7,769
Pension reserve	4,166	126	—	500	1,199	5,991
	59,517	23,967	(22,422)	85	3,140	64,287
Restricted funds						
Shaping the World	37	4	(7)	—	—	34
Shaping the World Capital Appeal	—	85	—	(85)	—	—
Into Civil Engineering	329	1	(58)	—	—	272
Research and Development Enabling Fund	460	115	(58)	—	—	517
Innovation and Research Focus	28	—	(4)	—	—	24
Infrastructure Client Group	70	92	(90)	—	—	72
David Butler Education & Inspiration Fund	—	80	—	—	—	80
Queen's Jubilee Scholarship Trust	2,510	514	(801)	—	367	2,590
Trust Funds	681	30	(46)	—	84	749
	4,115	921	(1,064)	(85)	451	4,338
Endowment funds						
Trust funds	966	—	—	—	127	1,093
	966	—	—	—	127	1,093
	64,598	24,888	(23,486)	—	3,718	69,718

27. Funds held on behalf of others

The Institution provides administrative services to fourteen Specialist Knowledge Societies, closely affiliated membership bodies with interests in specialist areas of civil engineering. The Institution is a custodian trustee of funds for nine of these Societies (2019: nine), which have trustees separate and independent from the Institution, but where the Institution holds the Society's funds on their behalf.

At 31 December 2020 the funds held by the Institution had a combined balance of £695k (2019: £389k).

Boards, committees and panels

Members of Council	Rachel Skinner (President)	Njemile Faustin
(2020-2021 session)	Paul Sheffield CBE (Immediate Past President)	David Hirst (Yorkshire and Humber)
	Edward McCann (Senior Vice President)	Ken Ho (Hong Kong)
	Andrew Alder	Mark Jamieson (Middle East and Africa)
	Jeffrey Ashurst (North West)	Sarah Jones (Wales)
	Yvonne Aust (West Midlands)	Giedre Jurkonyte
	Richard Bayfield	Julian Lineham (Americas)
	John Beck	Jose Lores (Europe and Central Asia)
	Edward Bingham (East Midlands)	Paul Mitchelmore (East of England)
	Julie Bregulla	Brenda O'Loan (Northern Ireland)
	Norman Brent (South East)	David Porter
	Kate Cairns	Lucy Rew
	Gillian Castka	Steven Robertson (Scotland)
	Norman Chan	Neil Sandberg
	Matthew Colton (Asia Pacific excl Hong Kong)	Sally Walters
	Martin Crapper	Julie Wood
	Gary Cutts (South West)	Ben Weller
	Blessing Danha	Graham Yates (North East)
	Ryan Doolan	Yan Zhou (London)

The following served as members of Council until their retirement in November 2020:

Andrew Wyllie CBE	Zoë Henderson
Karen Britton	Emma Kent
Patrick Chan (Hong Kong)	Stephen Larkin (North East)
Stephen Dellow	Geoffrey Ogden (Wales)
Richard Giffen (Americas)	Gareth Walker

The Chairs of the main standing and operational Committees at the date of the signing of this report were:

Committee	
<i>Nominations</i>	Lord Robert Mair
<i>Membership Committee</i>	Edward McCann
<i>Learning Society</i>	Richard Threlfall
<i>Policy and External Affairs</i>	Keith Howells
<i>UK Regional Affairs</i>	Emer Murnaghan
<i>International Regions</i>	Dr Sabih Khisaf
<i>Finance, Assurance and Risk</i>	Andrew Alder
<i>Remuneration</i>	Professor Tim Broyd
<i>Audit</i>	David Porter

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