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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	UNION OF CONSTRUCTION ALLIED TRADES AND TECHNICIANS
Year ended:	DECEMBER 31, 2013
List no:	378T
Head or Main Office:	177 ABBEVILLE ROAD, LONDON, SW4 9RL
Website address (if available)	ucatt.org.uk
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Click the appropriate box)
General Secretary:	MR STEVE MURPHY
Telephone Number:	020 7622 2442
Contact name for queries regarding	LOUANNE MUHAMMAD
Telephone Number:	020 7622 2442
E-mail:	lmuhammad@ucatt.org.uk

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

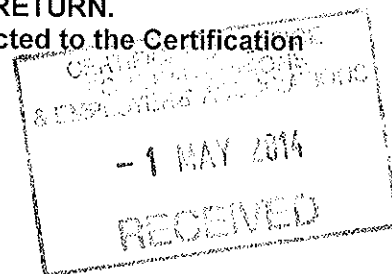
The address to which returns and other documents should be sent are:

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:

Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG



(Revised February 2011)

RETURN OF MEMBERS

(see notes 10 and 11)

	NUMBER OF MEMBERS AT THE END OF THE YEAR				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	77,086	954	6,882		84,922
FEMALE	2,046	11	4		2,061
TOTAL	79,132	965	6,886	A	86,983

Number of members included in totals box 'A' above for whom no home or authorised address is held:

9,670
86,983

Number of members at end of year contributing to the General Fund

OFFICERS IN POST

(see note 12)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

RETURN OF CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
EC MEMBER	MR D DOODY	MR A JONES	06/13
EC MEMBER	MR J McDONALD	MR J MALONEY	06/13
EC MEMBER	MR C MURPHY	MR N KELLY	06/13
EC MEMBER	MR J THOMPSON	MR W SLOANE	06/13

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

GENERAL FUND

(see notes 13 to 18)

	£'000	£'000
INCOME		
From Members: Contributions and Subscriptions		5,407
From Members: Other income from members (specify)		
 Total other income from members		5,407
Total of all income from members		5,407
Investment income (as at page 12)		172
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	841	
	841	
Total of other income (as at page 4)		841
	TOTAL INCOME	6,420
EXPENDITURE		
Benefits to members (as at page 5)		164
Administrative expenses (as at page 10)		5,561
Federation and other bodies (specify)		
AFFILIATION FEES	416	
Total expenditure Federation and other bodies		416
Taxation		
	TOTAL EXPENDITURE	6,141
Surplus (deficit) for year		279
Amount of general fund at beginning of year		4,296
Amount of general fund at end of year		4,575

ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£'000	£'000
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
MISCELLANEOUS INCOME	186	
VAT RECOVERED	6	
PROFIT ON SALE OF FIXED ASSETS	5	
GAIN ON REVALUATION OF INVESTMENTS	644	
TOTAL OTHER INCOME		
TOTAL OF ALL OTHER INCOME		

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£'000		£'000
Representation – Employment Related Issues		brought forward	139
LEGAL AID	53	Education and Training services EDUCATION & BENEVOLENT GRANTS	5
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications UCATT PUBLICATIONS	86	Salary Costs	
Advisory Services		Other Benefits and Grants (specify) FUNERAL BENEFIT	20
Dispute Benefits			
Other Cash Payments			
carried forward	139	Total (should agree with figure in General Fund)	164

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	TRADE PRIVILEGE	£'000	£'000
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members	1	1
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		1
	Surplus (Deficit) for the year		-1
	Amount of fund at beginning of year		90
	Amount of fund at the end of year (as Balance Sheet)		89
	Number of members contributing at end of year		N/A

FUND 3		Fund Account	
Name:	REVALUATION RESERVE	£'000	£'000
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		-
	Total Income		-
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		4,546
	Amount of fund at the end of year (as Balance Sheet)		4,546
	Number of members contributing at end of year		N/A

(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
Income	Members contributions and levies		210
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
		Total expenditure	293
		Surplus (deficit) for year	-83
		Amount of political fund at beginning of year	169
		Amount of political fund at the end of year (as Balance Sheet)	86
		Number of members at end of year contributing to the political fund	66,211
		Number of members at end of the year not contributing to the political fund	20,772
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund			12,927

POLITICAL FUND ACCOUNT 2		To be completed by trade unions which act as components of a central trade union	
		£	£
Income	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of year	
		Amount remitted to central political fund	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund			

ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

		£'000
Administrative Expenses		
Remuneration and expenses of staff		3,594
Salaries and Wages included in above	£3,266,000	
Auditors' fees		35
Legal and Professional fees		234
Occupancy costs		394
Stationery, printing, postage, telephone, etc.		443
Expenses of Executive Committee (Head Office)		-
Expenses of conferences		-
Other administrative expenses (specify) TRAVELLING & MOTOR		227
EQUIPMENT MAINTENANCE		46
COMPUTER COSTS		61
BANK CHARGES		50
GENERAL EXPENSES		25
DELEGATIONS AND MEETINGS		323
EXCHANGE GAIN		-8
LESS: SUNDRY COSTS		-105
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		237
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify) BALLOT COSTS		10
REDUCTION IN DILAPIDATIONS PROVISION		-5
	Total	5,561
Charged to:	General Fund (Page 3)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Total	

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total £
			Pension Contributions £	Other Benefits		
				Description	Value £	
STEVE MURPHY - GENERAL SECRETARY	78,492	9,777	13,271	CAR	3,438	
				ACCOMODATION	9,936	
				OTHER	1,667	
NEIL VERNON - PRESIDENT						
NEIL ANDREWS	-	-	-	-	-	-
CHRIS MURPHY	-	-	-	-	-	-
DENIS DOODY	-	-	-	-	-	-
JOHN THOMPSON	-	-	-	-	-	-
WAYNE SLOANE	-	-	-	-	-	-
NOEL KELLY	-	-	-	-	-	-
ALAN STANSFIELD	-	-	-	-	-	-
JIM GAMBLE	-	-	-	-	-	-
ANDY JONES	-	-	-	-	-	-
MICHAEL FARRELL	-	-	-	-	-	-
J McDONALD	-	-	-	-	-	-
JOHN MALONEY	-	-	-	-	-	-

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £'000	Other Fund(s) £'000
Rent from land and buildings		40
Dividends (gross) from:		
Equities (e.g. shares)		
Interest (gross) from:		
Government securities (Gilts)		
Mortgages		
Local Authority Bonds		
Bank and Building Societies		
Other investment income (specify)		
UNIT TRUST		132
		172
Total investment income		172
Credited to:		
General Fund (Page 3)		172
Fund (Account)		
Fund (Account)		
Fund (Account)		
Fund (Account)		
Fund (Account)		
Political Fund		
Total Investment Income		172

BALANCE SHEET as at 31/12/2013

(see notes 47 to 50)

Previous Year		£'000	£'000
6,314	Fixed Assets (at page 14)	6,309	6,309
	Investments (as per analysis on page 15)		
5,623	Quoted (Market value £)	5,451	5,451
22	Unquoted	25	25
	Total Investments	11,785	11,785
	Other Assets		
	Loans to other trade unions		
435	Sundry debtors	479	479
1,028	Cash at bank and in hand		848
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
13,422	Total of other assets		1,327
	TOTAL ASSETS		13,112
4,296	General Fund (Account)		4,575
90	Trade Privilege Fund (Account)		89
	Fund (Account)		
	Superannuation Fund (Account)		
169	Political Fund (Account)		86
4,546	Revaluation Reserve		4,546
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
555	Sundry creditors		386
95	Accrued expenses		376
65	Provisions		60
3,607	Other liabilities		2,994
4,322	TOTAL LIABILITIES		3,816
13,422	TOTAL ASSETS		13,112

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment	Motor Vehicles	Website Costs	Total
	Freehold	Leasehold				
	£'000	£'000				
Cost or Valuation						
At start of year	4,942	1,615	836	668	36	8,097
Additions			16	220	10	246
Disposals			-726	-239		-965
Revaluation/Transfers						
At end of year	4,942	1,615	126	649	46	7,378
Accumulated Depreciation						
At start of year	474	130	788	391	0	1,783
Charges for year	67	15	29	126		237
Disposals			-726	-225		-951
Revaluation/Transfers						
At end of year	541	145	91	292		1,069
Net book value at end of year	4,401	1,470	35	357	46	6,309
Net book value at end of previous year	4,468	1,485	48	277	36	6,314

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £'000	Political Fund £'000
Equities (e.g. Shares)		
EFG	803	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
UNIT TRUST	2,996	
EFG	1,654	
TOTAL QUOTED (as Balance Sheet)	5,453	
Market Value of Quoted Investment	5,453	
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
BIAM CASH FUND	23	
TOTAL UNQUOTED (as Balance Sheet)	23	
Market Value of Unquoted Investments	5,476	

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
UCATT INVESTMENTS LTD	03945927 (DORMANT)		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £'000	Political Funds £'000	Total Funds £'000
INCOME			
From Members	5,407	210	5,617
From Investments	172		172
Other Income (including increases by revaluation of assets)	841		841
Total Income	6,420		6,630
EXPENDITURE (including decreases by revaluation of	6,142	293	6,435
Total Expenditure	6,142	293	6,435
Funds at beginning of year (including reserves)	8,932	169	9,101
Funds at end of year (including reserves)	9,210	86	9,296
ASSETS			
Fixed Assets			6,309
Investment Assets			5,476
Other Assets			1,327
		Total Assets	13,112
LIABILITIES			
		Total Liabilities	3,816
NET ASSETS (Total Assets less Total Liabilities)			9,296

NOTES TO THE ACCOUNTS

(see notes 72 and 73)

All notes to the accounts must be entered on or attached to this part of the return.

**UNION OF CONSTRUCTION,
ALLIED TRADES AND TECHNICIANS
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

1. ACCOUNTING POLICIES

- A These accounts have been prepared under the historical cost convention, as modified by the revaluation of investment properties and quoted investment and applicable accounting standards.
- B Tangible fixed assets are stated at historical cost or valuation less depreciation. Depreciation is provided on all fixed assets other than freehold land on a straight line basis at rates estimated to write off the cost or valuation of each asset over its expected life as follows:
- | | | | |
|---------------------------------------|--------|--------------------|--------|
| Buildings | 2% pa | Computer equipment | 33% pa |
| Office equipment, fixtures & fittings | 20% pa | Motor vehicles | 25% pa |
- C Investment properties are revalued at their open market value annually and are not depreciated. Investment properties are held for their investment potential and not for use by the Union.
- D Investments are stated at market value. Realised and unrealised gains and losses on investments are taken directly to the income and expenditure account.
- E Income is accounted for on a receivable basis. Amounts received in advance are treated as deferred income included in creditors.
- F The net cost of legal cases undertaken on behalf of members is charged in these accounts on an invoiced basis.
- G Value added tax (VAT) is only partially recoverable and the recoverable element is shown in the Income Statement
- H Transactions in foreign currency are recorded at the average rate ruling during the year under review. Monetary assets and liabilities are shown at the rate of exchange applicable at the balance sheet date.

- I The Union's operates a defined benefit scheme.

The amounts charged to Income and Expenditure Account are the current service costs. Actuarial gains and losses are recognised immediately in the Income and Expenditure Account.

The assets of the scheme are held separately from those of the Union in a separate trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and a discounted rate equivalent to the current rate of return on high quality corporate bonds of equivalent currency and term to the scheme liabilities.

	2013 £'000	2012 £'000
2. OTHER INCOME		
Insurance Premiums	-	192
Commissions	185	33
Donations	-	1
Other	1	3
	<u>186</u>	<u>229</u>
3. MEMBERS' SERVICES & BENEFITS		
Legal Aid	53	2
UCATT Publications	86	96
Trade Privilege	1	1
Funeral	20	17
Education & Benevolent Grants	5	8
	<u>165</u>	<u>124</u>
4. PERSONNEL COSTS		
Officials	1,826	2,173
Staff - General	1,324	1,181
- Training Section	116	142
Branch Officers	290	312
Pension Contributions	448	463
	<u>4,004</u>	<u>4,271</u>
5. CONFERENCE & MEETINGS		
National Delegate Conference	-	172
Delegations & Meetings	356	305
	<u>356</u>	<u>477</u>

UNION OF CONSTRUCTION, ALLIED TRADES AND TECHNICIANS

NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 £'000	2012 £'000
6. ADMINISTRATION		
Travelling & Motor	227	208
Rent, Rates, Insurance, Light & Heat	297	286
Office & Property Maintenance	97	111
Equipment Maintenance	46	35
Computer Costs	61	72
Communications	289	250
Printing & Stationery	154	155
Bank Charges & Interest	50	28
Audit & Accountancy	35	35
Professional Fees	234	137
General Expenses	25	37
	1,515	1,354
Less Sundry Costs Recovered	(105)	(225)
	1,410	1,129

	Land & Buildings	Website Design	Fixtures Fittings & Equipment	Motor Vehicles	Total
	£'000		£'000	£'000	£'000
7. TANGIBLE FIXED ASSETS					
COST OR VALUATION					
At cost or valuation	5,631	36	836	668	7,171
Additions	-	10	16	220	246
Write offs			(726)	(126)	(852)
Disposals	-		-	(113)	(113)
31 December	5,631	46	126	649	6,452
DEPRECIATION					
At 1 January	604	-	788	391	1,783
Charged	82		29	126	237
Write offs			(726)	(126)	(852)
On Disposals	-		-	(99)	(99)
31 December	686	-	91	292	1,069
NET BOOK VALUE					
31 December 2013	4,945	46	35	357	5,383
31 December 2012	5,027	36	48	277	5,388

Certain freehold properties are charged to the UCATT Officials & Staff Retirement and Death Benefit Scheme.

8. INVESTMENT PROPERTIES

Investment properties are included in the accounts at their cost value of £926,000, which the Executive Council consider a reasonable assessment of their current market value.

UNION OF CONSTRUCTION, ALLIED TRADES AND TECHNICIANS

NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

9. INVESTMENTS AT MARKET VALUE	2013	2012
	£'000	£'000
Quoted Securities at January 01, 2013	5,645	4,801
Additional Investment in the year	2,450	680
Investment sold in the year	(3,263)	(206)
Net gain on revaluation	<u>644</u>	<u>370</u>
Quoted securities at December 31, 2013	<u><u>5,476</u></u>	<u><u>5,645</u></u>

10. DEBTORS

Trade Debtors	103	163
Other Debtors	32	61
Prepayments	<u>210</u>	<u>211</u>
	<u><u>345</u></u>	<u><u>435</u></u>

11. CREDITORS

Trade Creditors	163	66
Social Security and other taxes	11	89
Other Creditors	212	365
Accruals and Deferred Income	<u>376</u>	<u>130</u>
	<u><u>762</u></u>	<u><u>650</u></u>

12. PENSION SCHEME CONTRIBUTIONS

The union operates a final salary defined benefit pension scheme in the United Kingdom. Benefits are linked to members' final pensionable salaries and service at retirement or date of leaving the scheme, if earlier.

The most recent formal valuation was carried out as at 31 May 2010 and updated to 31 December 2013 by a qualified independent actuary.

The major assumptions used by the actuary were:

	2013	2012
<i>FINANCIAL ASSUMPTIONS</i>		
Discount rate	4.40%	4.3% pa
Price inflation	3.40%	2.9% pa
- RPI	2.40%	1.9% pa
- CPI	4.90%	4.4% pa
Rate of increase in salaries	4.90%	4.4% pa
Rate of increase of pensions in payment -		
on pre 1997 service pensions	0.0% pa	0.0% pa
on 1997 - 2005 service pensions	3.30%	2.9% pa
on post 2005 service pensions	2.20%	2.1% pa
Rate of increase for deferred pensioners	2.40%	1.9% pa
General salary increases	4.90%	4.40%
Expected return on assets	6.00%	6.00%
- Gilts	3.40%	3.00%
- Corporate bonds	4.40%	4.30%
=- Equities including property (additional return above Gilts)	4.00%	3.80%
=- Diversified Growth Funds (additional return above Gilts)	3.30%	0.00%
Life expectancy of male aged 65 at the accounting date	21.9	21.8
Life expectancy of male aged 65 in 20 years after the accounting date	23.3	23.2

DEMOGRAPHIC ASSUMPTIONS

Mortality pre retirement	AC00	AC00
Mortality post retirement	SINA YoB CMI_2009_M PNA00 YOB MC FLOOR [1.0%]/F[0.5%] % PA + 2 year age rating	

ASSET CLASS

The assets of the scheme are invested in a diversified portfolio and are valued at bid market value.

	2013		2012		2011
	% of total	£'000	% of total	£'000	% of total
Equities, including property	30%	3,785	78%	8,411	78%
Diversified Growth Funds	39%	4,848	-	-	-
Corporate bonds ,Gilts and Cash	31%	3,822	22%	2,345	22%
		<u>12,455</u>		<u>10,756</u>	<u>9,628</u>
Actual return		<u>1,490</u>		<u>1,005</u>	<u>(393)</u>

UNION OF CONSTRUCTION, ALLIED TRADES AND TECHNICIANS

NOTES TO THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

12. PENSION SCHEME CONTRIBUTIONS - CONTINUED

	2013 £'000	2012 £'000
Balance sheet reconciliation		
Market value of assets	12,455	10,756
Present value of liabilities	(15,449)	(14,363)
Pension liability recognised in balance sheet	(2,994)	(3,607)
<p>The Union is only subject to corporation tax in line with note 13 and does not therefore account for deferred tax. As a consequence, there cannot be a deferred tax asset related to the above pension liability.</p>		
Analysis of changes in value of scheme liabilities		
Value at 1 January	14,363	13,270
Service cost	423	365
Interest cost	617	621
Members' contributions	102	95
Benefits and expenses paid	(536)	(573)
Actuarial (gain)/loss	480	585
Value at 31 December	15,449	14,363
Analysis of changes in value of scheme assets		
Value at 1 January	10,756	9,628
Expected return	652	581
Actuarial gains	838	424
Employer's contributions	643	601
Members' contributions	102	95
Benefits and expenses paid	(536)	(573)
Value at 31 December	12,455	10,756
Charge to Income and Expenditure		
Current service cost	(423)	(365)
Interest cost	(617)	(621)
Expected return	652	581
	(388)	(405)
Actuarial (losses)/gains		
Scheme liabilities	(480)	(585)
Scheme assets	838	424
	358	(161)

**UNION OF CONSTRUCTION,
ALLIED TRADES AND TECHNICIANS**
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013

12. PENSION SCHEME CONTRIBUTIONS - CONTINUED

History of assets, liabilities, experience gains and losses

	2013 £'000	2012 £'000	2011 £'000	2010 £'000	2009 £'000
At 31 December					
Market value of assets	12,455	10,756	9,628	9,843	8,644
Present value of liabilities	(15,449)	(14,363)	(13,270)	(11,834)	(11,767)
Deficit in the scheme	<u>(2,994)</u>	<u>(3,607)</u>	<u>(3,642)</u>	<u>(1,991)</u>	<u>(3,123)</u>

Actuarial gains/(losses) arising :

- on scheme liabilities

Due to experience	-	-	-	605	-
<i>% of liabilities</i>	0.0%	0.0%	0.0%	5.1%	0.0%
Due to change in basis	(480)	(585)	(869)	(187)	(2,023)
<i>% of liabilities</i>	-3.1%	-4.1%	-6.6%	-1.6%	-17.2%

- on scheme assets

Due to experience	838	424	(1,079)	533	983
<i>% of assets</i>	6.7%	3.9%	-11.2%	5.4%	11.4%

The cumulative amount of actuarial gains and losses in the last five years is a loss of £2,521,000.

Future funding obligation

The full actuarial valuation at 31 May 2010 showed a deficit of £2,700,000. The trustees have agreed with the Union that the employer's rate of contribution should be 16.8% of in-service members' pensionable salaries until 31 May 2011, then increasing to 17.5%, supplemented by special additional contributions of £253,619 in the year to 31 May 2011, plus in subsequent years until 31 May 2020, £330,000 p.a. with this amount increasing on 1 June each year by 4% p.a. with effect from 1 June 2012. Employee contributions are either 5% or 7.5% dependent upon category of membership.

Under Financial Reporting Standard 17 (FRS17), the operating costs of providing benefits, the service costs, and the interest cost and expected return on assets are included in the income and expenditure account in the period in which they arise. Market fluctuations are set out as recognised gains and losses. The cash flow required to meet any deficit relates to future pension contributions and in the long term this is expected to rise. However the amount of any deficit is subject to considerable variation as it depends on a number of both demographic and financial assumptions.

Republic of Ireland Pension Costs

The Union is also a minority participant in a separate pension scheme providing benefits based on final pensionable salary, based in the Republic of Ireland ("the Scheme"). The assets of the scheme are held separately from those of the Union, being invested with major asset management companies. The contributions are determined by a qualified actuary on the basis of triennial valuations using the scheme's technical provisions, as required by the Republic of Ireland Pensions Act 1990. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions.

The most recent full valuation of the scheme was carried out at 31 May 2012. The actuary is satisfied that the UCATT arrangement at that date met the funding standard provided for in the Irish Pensions Act.

The Union is unable to identify its share of the underlying assets of the Scheme, as it participates in the Scheme with several other entities. Each participating employer is exposed to actuarial risks associated with the current and former employees of the other employers participating in the Scheme. The pension cost of the Scheme to the Union under Financial reporting Standard 17 is therefore the contributions paid to the Scheme by the Union in the year.

**UNION OF CONSTRUCTION,
ALLIED TRADES AND TECHNICIANS**
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013

13. TAXATION

The union is not liable to tax on income from its members. Taxation is payable to the extent that capital gains and income from investments and commercial training activities exceed allowable provident benefits.

14. REVALUATION RESERVE

This represents the surplus arising following the revaluation of certain union properties by Keningtons as at January 2009.

No taxation liability is anticipated on the disposal of union properties at the revalued amounts and no provision has been made in these accounts.

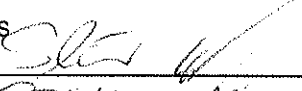
ACCOUNTING POLICIES

(see notes 74 and 75)

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>STEVE Murphy</u> Date: <u>17/4/14</u>	Chairman's Signature: <u>N.A.V.</u> (or other official whose position should be stated) Name: <u>NEIL Johnson</u> Date: <u>17/4/14</u>
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CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 83)

YES NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in rule 83)

YES NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 85)

UNION OF CONSTRUCTION, ALLIED TRADES AND TECHNICIANS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE UNION OF CONSTRUCTION, ALLIED TRADES AND TECHNICIANS

We have audited the financial statements of the Union of Construction, Allied Trades and Technicians for the year ended 31 December 2013 which comprise the Consolidated Income and Expenditure Account, Consolidated Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Union's members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the union and the union's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Executive Council and Auditor

As explained more fully in the Statement of the Executive Council's Responsibilities, the Executive Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (Uk and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Council; and overall presentation of the financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the union's affairs as at 31st December 2013 and of its surplus 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 Trade Union and Labour Relations (Consolidation) Act 1992.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Trade Union Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The union has not maintained a satisfactory system of control over its transactions in accordance with the requirements of section 28 of the Trade Union and Labour Relations (Consolidation) Act 1992; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures within the form AR21 of Officers' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Chantrey Vellacott DFK LLP

Chantrey Vellacott DFK LLP
Chartered Accountants and Statutory Auditor
London, UK
Date: *17 April 2014*

AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:	Chantrey Vellacott DFx LLP	
Name(s):	CHANTREY VELLACOTT DFx LLP	
Profession(s) or Calling(s):	CHARTERED ACCOUNTANTS	
Address(es):	RUSSELL SQUARE HOUSE 10-12 RUSSELL SQUARE LONDON WC1B 5LF	
Date:	17 APRIL 2014	
Contact name and telephone number:	PHILIP CLARK 0207 509 9305	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.