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FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	Trades Union Congress		
Year ended:	31 December 2015		
List no:	1180T		
Head or Main Office:	Congress House 23/28 Great Russell Street London WC1B 3LS		
Website address (if available)	http://www.tuc.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:	Frances O'Grady		
Telephone Number:	020 7636 4030		
Contact name for queries regarding	Phil Clark		
Telephone Number:	020 7509 9305		
E-mail:	philip.clark@moorestephens.com		

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					n/a
FEMALE					n/a
TOTAL					A 52

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

0

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

52

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

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:

52

and names:

See attached schedule

TUC MEMBERS 31ST DECEMBER 2015

1	Accord	28	NASUWT
2	Advance	29	National Association of Stable Staff
3	Aegis	30	National Union of Journalists
4	Associated Society of Locomotive Engineers and Firemen	31	National Union of Mineworkers
5	Association of Educational Psychologists	32	National Union of Rail, Maritime & Transport Workers
6	Association of Flight Attendants	33	National Union of Teachers
7	Association of Teachers & Lecturers	34	Nationwide Group Staff Union
8	Bakers, Food & Allied Workers Union	35	Nautilus UK
9	Britannia Staff Union	36	Prison Officers Association
10	British Air Line Pilots Association	37	Professional Footballers Association
11	British Diabetic Association	38	Prospect
12	British Orthoptic Society Trade Union	39	Public & Commercial Services Union
13	Broadcasting, Entertaining, Cinematograph & Theatre Union	40	Royal College of Midwives
14	Chartered Society of Physiotherapy	41	Society of Chiroprodists & Podiatrists
15	Communication Workers Union	42	Society of Radiographers
16	Community	43	Staff Union West Bromwich Building Society
17	Educational Institute of Scotland	44	Transport Salaried Staffs' Association
18	Equity	45	Undeb Cenedlaethol Athrawon Cymru
19	F D A	46	Union of Construction, Allied Trades & Technicians
20	Fire Brigades Union	47	Union of Shop Distributive & Allied Workers
21	G M B	48	UNISON
22	Hospital Consultants & Specialists Association	49	UNITE
23	Musicians Union	50	United Road Transport Union
24	National Association of Colliery Overmen, Deputies & Shottfirs	51	UNITY
25	National Association of Co-operative Officials	52	University & College Union
26	National Association of Head Teachers	53	Writers' Guild of Great Britain
27	National Association of Probation Officers		

GENERAL FUND

(see notes 13 to 18)

	£'000	£'000
INCOME		
From Members: Contributions and Subscriptions		13,144
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		13,144
Investment income (as at page 13)		3,536
Other Income		
Income from Federations and other bodies (as at page 5)		
Income from any other sources (as at page 5)	261	
Total of other income (as at page 5)		261
	TOTAL INCOME	16,941
EXPENDITURE		
Benefits to members (as at page 6)		
Administrative expenses (as at page 11)		(5,411)
Federation and other bodies (specify)		
ITUC	926	
ETUC	732	
TUAC	75	
Total expenditure Federation and other bodies		1,733
Taxation		198
	TOTAL EXPENDITURE	(3,480)
Surplus (deficit) for year		20,421
Amount of general fund at beginning of year		58,346
Amount of general fund at end of year		78,767

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		
Sales and publications	141	
Donations and fees received	120	
TOTAL OTHER INCOME		261
TOTAL OF ALL OTHER INCOME		261

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	
		Education and Training services	
Representation – Non Employment Related Issues			
		Negotiated Discount Services	
Communications			
		Salary Costs	
Advisory Services			
		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
carried forward	NIL	Total (should agree with figure in General Fund)	NIL

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Development Fund	£'000	£'000
Income			
	From members		1,570
	Investment income (as at page 13)		
	Other income (specify)		
	Sales and publications	7	
	Donations and fees received	1,619	
	Total other income as specified		1,626
	Total Income		3,196
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)	3,134	
	Total Expenditure		3,134
	Surplus (Deficit) for the year		62
	Amount of fund at beginning of year		7,081
	Amount of fund at the end of year (as Balance Sheet)		7,143
	Number of members contributing at end of year		53

FUND 3		Fund Account	
Name:	Unionlearn	£	£
Income			
	From members		929
	Investment income (as at page 13)		
	Other income (specify)		
	Sales and publications		
	Donations and fees received	14,352	
	Total other income as specified		14,352
	Total Income		15,281
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)	15,281	
	Total Expenditure		15,281
	Surplus (Deficit) for the year		0
	Amount of fund at beginning of year		0
	Amount of fund at the end of year (as Balance Sheet)		0
	Number of members contributing at end of year		53

(See notes 24 and 25)

FUND 4		Fund Account	
Name:	Dilapidations	£'000	£'000
Income			
	From members		
	Investment income (as at page 13)		
	Other income (specify)		
	Total other income as specified		
	Total Income		NIL
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)	(114)	
	Total Expenditure		(114)
	Surplus (Deficit) for the year		114
	Amount of fund at beginning of year		420
	Amount of fund at the end of year (as Balance Sheet)		534
	Number of members contributing at end of year		NIL

FUND 5		Fund Account	
Name:		£	£
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		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 24 and 25)

FUND 6		Fund Account	
Name:		£	£
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	
		Amount of fund at the end of year (as Balance Sheet)	
		Number of members contributing at end of year	

FUND 7		Fund Account	
Name:		£	£
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 11)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	
		Number of members contributing at end of year	

(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		
	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	
		Surplus (deficit) for year	
	Amount of political fund at beginning of year		
	Amount of political fund at the end of year (as Balance Sheet)		
	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		

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)

Administrative Expenses	£'000
Remuneration and expenses of staff	13,726
Salaries and Wages included in above	£10,990,000
Auditors' fees	48
Legal and Professional fees	590
Occupancy costs	2,384
Stationery, printing, postage, telephone, etc.	454
Expenses of Executive Committee (Head Office)	
Expenses of conferences	208
Other administrative expenses (specify)	
Repairs and renewals	895
Travel and meetings	632
Other Outgoings	
Interest payable:	
Bank loans (including overdrafts)	
Mortgages	
Depreciation	343
Taxation – VAT recoverable	(244)
Outgoings on land and buildings (specify)	
Other outgoings – Bad debts	41
Grants and donations	11,748
Trade Union education	219
Loss on foreign exchange	96
Projects and campaigns	1,759
Gains from changes in fair value of freehold/investment property and investments and disposal of investments	(15,045)
Pension scheme actuarial gain and FRS 17 adjustment	(7,391)
Deferred tax	2,427
Total	12,890
Charged to:	
Development	General Fund (Page 4) (5,411)
Unionlearn	Fund (Account 2) 3,134
Dilapidations	Fund (Account 3) 15,281
	Fund (Account 4) (114)
Total	12,890

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Pension Contribution s £	Benefits		Total £
				Description	Value £	
F O'Grady - General Secretary	111,280	15,156	27,820	Car Communications	10,398 2,867	167,521

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £	Other Fund(s) £'000
Rent from land and buildings		3,045
Dividends (gross) from:		
Equities (e.g. shares)		491
Interest (gross) from:		
Government securities (Gilts)		
Mortgages		
Local Authority Bonds		
Bank and Building Societies		
Other investment income (specify)		
Total investment income		3,536
Credited to:		
General Fund (Page 4)		3,536
Fund (Account)		
Fund (Account)		
Fund (Account)		
Fund (Account)		
Fund (Account)		
Political Fund		
Total Investment Income		3,536

BALANCE SHEET as at 31 December 2015

(see notes 47 to 50)

Previous Year		£'000	£'000
40,150	Fixed Assets (at page 16)		56,367
	Investments (as per analysis on page 16)		
12,848	Quoted (Market value £ 13,014,893)	13,015	
15	Unquoted	15	
12,863	Total Investments		13,030
	Other Assets		
	Loans to other trade unions		
1,548	Debtors	2,793	
11,444	Cash at bank and in hand	8,521	
	Income tax to be recovered		
99	Short term loans	104	
10,988	Other assets – pension asset	18,379	
24,079	Total of other assets		29,797
77,092	TOTAL ASSETS		99,194
58,346	General Fund (Account 1)		78,767
7,081	Development Fund (Account 2)		7,143
-	Unionlearn Fund (Account 3)		-
420	Dilapidation Fund (Account 4)		534
	Political Fund (Account)		
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
3,840	Tax payable		6,097
1,486	Sundry creditors		1,200
4,155	Accrued expenses		3,751
1,764	Provisions		1,702
	Other liabilities		
77,092	TOTAL LIABILITIES		99,194
77,092	TOTAL ASSETS		99,194

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings £'000	Investment Property £'000	Furniture and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost or Valuation					
At start of year	28,248	14,505	1,532	45	44,330
Additions	1,433	-	224	-	1,657
Disposals	-	-	-	-	-
Revaluation/Transfers	9,466	5,437	-	-	14,903
At end of year	39,147	19,942	1,756	45	60,890
Accumulated Depreciation					
At start of year	(2,974)	-	(1,161)	(45)	(4,180)
Charges for year	(155)	-	(188)	-	(343)
Disposals	-	-	-	-	-
Revaluation/Transfers	-	-	-	-	-
At end of year	(3,129)	-	(1,349)	(45)	(4,523)
Net book value at end of year	36,018	19,942	407	-	56,367
Net book value at end of previous year	25,274	14,505	371	-	40,150

ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
UK quoted	8,662,046	
International quoted	4,352,847	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	13,014,893	
Market Value of Quoted Investment	13,014,893	
UNQUOTED		
Equities		
Unity Trust	800	
Union Energy PLC	8,750	
Government Securities (Gilts)		
Mortgages		
Wortley Hall	10	
Bank and Building Societies		
Other unquoted investments (to be specified)		
MSI Brussels	5,651	
TOTAL UNQUOTED (as Balance Sheet)	15,211	
Market Value of Unquoted Investments	15,211	

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 X	NO <input type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
TUC Superannuation Society Ltd	101466251		
Union Energy Ltd	03331301		
TUC Stakeholder Trustees Ltd	04089943		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES X	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	15,643		15,643
From Investments	3,536		3,536
Other Income (including increases by revaluation of assets)	16,239		16,239
Total Income	35,418		35,418
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	(14,821)		(14,821)
Funds at beginning of year (including reserves)	65,847		65,847
Funds at end of year (including reserves)	86,444		86,444
ASSETS			
Fixed Assets			56,367
Investment Assets			13,030
Other Assets			11,418
		Total Assets	80,815
LIABILITIES		Total Liabilities	(5,629)
NET ASSETS (Total Assets less Total Liabilities)			86,444

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.

See following

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

1

ACCOUNTING POLICIES

a Basis of accounts

The accounts have been prepared under the historical cost basis of accounting and in accordance with applicable Accounting Standards, including Financial Reporting Standard 102 (FRS 102), 'the Financial Reporting Standard in the UK and Republic of Ireland'.

b Affiliation fee Income

Affiliation fees are shown in the accounts on the basis of those amounts collected and due from members in respect of the year under review.

c Property rental and service charges

Rental income is recognised on a straight line basis over the lease term, taking into account any rent free period at the commencement of the lease.

d Investment income

Dividends from investments are recognised when entitlement to receive payment is established.

e Donations and fees income

Donations and fees income is recognised in the accounts on an accruals basis in accordance with the underlying conditions attached to it. Amounts relating to future periods are accounted for as deferred income within creditors.

f Depreciation

Fixed assets are stated at a cost. Depreciation is provided on all tangible fixed assets on a straight line basis, at rates estimated to write off the cost, less estimated residual value, of each asset over its expected useful life.

Freehold property	2% - 10% per annum on cost
Furniture and Fittings	10% per annum on cost as applicable
Equipment	20% - 50% per annum on cost as applicable
Motor Vehicles	25% per annum on cost

g Operating leases

Rentals under operating leases are charged on a straight-line basis over the term of the contract.

h Investments

Investments held as fixed assets are stated at market value.

i Pension

The Trades Union Congress Superannuation Society Limited pension scheme is a defined benefit scheme.

The amounts charged to Statement of Comprehensive Income are the current service costs. Actuarial gains and losses are recognised immediately in the Statement of Comprehensive Income.

The assets of the scheme are held separately from those of the Trades Unions Congress 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

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	£'000	£'000
2 STAFF COSTS		
Salaries and national insurance	10,990	11,648
Pension contributions	2,174	2,219
Welfare and training	441	512
Restructuring costs	63	859
Advertising and recruitment	58	69
	<u>13,726</u>	<u>15,307</u>
3 PROPERTY CHARGES		
Rent and rates	544	1,059
Heating and lighting	335	181
Cleaning	129	154
Insurance	88	78
Building repairs and renewals	359	349
External functions	746	974
Expenditure from dilapidations fund	183	374
	<u>2,384</u>	<u>3,169</u>
4 OFFICE EXPENSES		
Communications	235	282
Stationery and printed materials	219	304
Renewals and repairs to office equipment	895	946
Audit fees	48	43
Bank charges	13	12
Legal costs	154	92
Finance	147	193
Consultancy fees	276	175
Provision for doubtful debts	41	84
	<u>2,028</u>	<u>2,131</u>

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	£'000	£'000
5 PROJECT AND CAMPAIGN EXPENSES		
Printing and publicity	177	296
Media and supporters work	207	-
Projects and campaigns	259	581
Conferences	42	48
Training and development	30	24
Consultancy fees	1,044	989
	<u>1,759</u>	<u>1,938</u>

	2015	2014
	£'000	£'000
6 INTERNATIONAL AFFILIATION FEES		
ICFTU	926	1,011
ETUC	732	792
TUAC	75	83
	<u>1,733</u>	<u>1,886</u>

	2015	2014
	£'000	£'000
7 GRANTS AND DONATIONS		
Tolpuddle Martyrs Memorial Trust	90	75
TUC Educational Trust	10	60
Sundry	122	59
Union Learning Fund	11,521	12,056
Grants to organisations overseas	5	28
	<u>11,748</u>	<u>12,278</u>

8 TAXATION

This represents tax due on investment income, rents receivable and capital gains arising on disposal of investments.

	2015	2014
	£'000	£'000
(Over)/under provision in prior years	-	(32)
Provision for the year	198	299
	<u>198</u>	<u>267</u>

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

9 FIXED ASSETS

	Investment property	Land & buildings	Furniture & Fittings	Equipment	Motor Vehicles	Total
COST OR VALUATION	£'000	£'000	£'000	£'000	£'000	£'000
1 January 2015	14,505	28,248	289	1,243	45	44,330
Additions	-	1,433	41	183	-	1,657
Revaluations	5,437	9,466	-	-	-	14,903
31 December 2015	19,942	39,147	330	1,426	45	60,890
DEPRECIATION						
1 January 2015	-	2,974	216	945	45	4,180
Charge for year	-	155	17	171	-	343
31 December 2015	-	3,129	233	1,116	45	4,523
NET BOOK VALUE						
31 December 2015	19,942	36,018	97	310	-	56,367
31 December 2014	14,505	25,274	73	298	-	40,150

The property was valued by Farebrother on 31 December 2015 at £54.66 million. A charge was registered against the property on 28 March 2006 for £9 million in favour of the TUC Superannuation Society Limited.

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

10 INVESTMENTS

	Market value brought forward at 01.01.2015	Purchases	Sales	Change in market value	Market value carried forward at 31.12.2015
	£	£	£	£	£
Quoted					
UK Quoted	8,868,554	1,313,602	(1,684,302)	164,192	8,662,046
International Quoted	3,979,505	3,301,880	(2,810,369)	(118,169)	4,352,847
	12,848,059	4,615,482	(4,494,671)	46,023	13,014,893
UK Unquoted					
Unity Trust shares	800	-	-	-	800
Union Energy Limited	8,750	-	-	-	8,750
Wortley Hall	10	-	-	-	10
Investment in MSI Brussels	5,651	-	-	-	5,651
	15,211	-	-	-	15,211
	12,863,270	4,615,482	(4,494,671)	46,023	13,030,104

The change in market value seen above is made up of £57k (2014: £241k) of gains on disposal of investments, £85k (2014: £313k) of change in fair value of investments and £96k (2014: £73k) of losses on foreign exchange.

11 DEBTORS & PREPAYMENTS

	2015	2014
	£'000	£'000
Trade debtors	942	494
Other debtors	311	330
Prepayments and accrued income	1,540	724
	2,793	1,548

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

12	CREDITORS & ACCRUED EXPENSES	2015	2014
		£'000	£'000
	Trade creditors	916	1,201
	Taxation and social security	6,097	3,840
	Other creditors	284	285
	Accruals and deferred income	3,751	4,155
		<u>11,048</u>	<u>9,481</u>

13 **PROVISION FOR LIABILITIES AND CHARGES**

A provision has been made to reflect payments expected to arise from banked leave and accrued holiday pay together with project funded activities which have a defined term of operation.

14 **COMMITMENTS - OPERATING LEASES**

At 31 December 2015 the TUC had total printing and office equipment leasing commitments of £160,813 due within one year (2014: £135,221), £457,216 between two and five years (2014: £125,409) and after five years £nil (2014: £392).

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

15 PENSION COSTS

The Trades Union Congress operates one defined benefit scheme in the UK which offers both pensions in retirement and death benefits to members. Pension benefits are related to the members' final salary at retirement and their length of service. Employer contributions to the scheme for the year beginning 1 January 2016 are expected to be £2,200,000.

The major assumptions used by the actuary were (in nominal terms);

	At 31.12.2015	At 31.12.2014
Rate of increase in salaries	3.9%	3.8%
Rate of increase in pensions in payment		
- RPI, capped at 2.5% per annum	2.4%	2.4%
- RPI, capped at 5.0% per annum	3.4%	3.3%
- RPI, 3% per annum minimum and 5.0% per annum maximum	3.6%	3.6%
Discount rate	3.8%	3.5%
RPI Inflation assumption	3.4%	3.3%
CPI Inflation assumption	2.4%	2.3%
Revaluation in deferment*	2.4%	2.3%
Assumed life expectancies on retirement at age 65 are:		
Retiring today Males	88.4	88.7
Females	90.3	90.5
Retiring in 20 years time Males	90.8	91.1
Females	92.7	92.9

*Note that the revaluation of deferred pensions between leaving and retirement is subject to an underpin of 3% per annum

The assumptions used in determining the overall expected return of the scheme have been set with reference to yields available on government bonds and appropriate risk margins.

The assets in the scheme and the expected rate of return were:

	Long-term rate of return expected at 31.12.2015	Value At 31.12.2015	Long-term rate of return expected at 31.12.2014	Value At 31.12.2014
		£'000		£'000
Equities		27,730	n/a	26,510
Bonds		57,932	n/a	53,852
Cash		784	n/a	758
Other		28,818	n/a	27,777
Fair value of plan assets		115,264		108,897
The actual return on assets over the period was		6,080		20,602

The amounts recognised in the balance sheet are as follows:

Fair value of scheme assets	115,264	108,897
Present value of scheme liabilities	(96,885)	(97,909)
Pension asset/(liability)	<u>18,379</u>	<u>10,988</u>

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

15 PENSION COSTS (continued)

	2015	2014
	£'000	£'000
<u>Reconciliation of opening and closing balances of the present value of the scheme liabilities</u>		
Liabilities at beginning of year	97,909	86,075
Current service cost	1,888	2,005
Interest cost	3,399	3,608
Contributions by scheme participants	521	531
Actuarial (gain) loss	(4,631)	8,606
Benefits paid	(2,201)	(2,916)
Liabilities at end of year	<u>96,885</u>	<u>97,909</u>
<u>Reconciliation of opening and closing balances of the fair value of scheme assets</u>		
Fair value of scheme assets at beginning of year	108,897	88,257
Expected return on scheme assets	3,816	4,828
Actuarial gain (loss)	2,020	15,930
Contributions by employers	2,211	2,268
Contributions by plan participants	521	530
Benefits paid	(2,201)	(2,916)
Fair value of scheme assets at end of year	<u>115,264</u>	<u>108,897</u>
<u>Amount recognised in other comprehensive income</u>		
Actuarial gains/ (losses) on the liabilities	(4,631)	8,604
Return on assets, excluding interest income	(2,288)	(17,042)
	<u>(6,919)</u>	<u>(8,438)</u>
<u>Amounts recognised in profit and loss</u>		
Service cost including current and past service costs and settlements	1,888	1,657
Administrative cost	268	382
Net interest on the net defined benefit liability	(417)	(139)
	<u>1,739</u>	<u>1,900</u>
Employers contributions	<u>(2,211)</u>	<u>(2,268)</u>
	<u>472</u>	<u>368</u>

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

16 RELATED PARTIES

During the year the TUC had transactions with the following charities which are under it's control through the appointment of trustees:

	2015 £'000	2014 £'000
<u>TUC Educational Trust</u>		
Owed to TUC		
Opening balance	70,850	58,543
Payments to TUC	(70,850)	(58,543)
Scholarship	-	8,509
Net costs paid through TUC	25,630	62,341
Closing balance	<u>25,630</u>	<u>70,850</u>
<u>Toipuddle Martyrs Memorial Trust</u>		
Owed to TUC		
Opening balance	121,293	125,306
Payments to TUC	(121,293)	(125,306)
Net costs paid through TUC	236,850	121,293
Closing balance	<u>236,850</u>	<u>121,293</u>
<u>TUC Aid</u>		
Owed to TUC		
Opening balance	119,844	34,520
Payments to TUC	(119,844)	-
Net costs paid through TUC	34,073	85,324
Closing balance	<u>34,073</u>	<u>119,844</u>

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

17 TRANSITION TO FRS 102

These financial statements for the year ended 31 December 2015 are the union's first accounts that comply with the Financial Reporting Standard 102 (FRS 102) 'the Financial Reporting Standard in the UK and Republic of Ireland'. The union's date of transition to FRS 102 is 1 January 2014. The union's last accounts prepared in accordance with previous UK GAAP were for the year ended 31 December 2014.

The transition to FRS 102 has resulted in a number of changes in the union's accounting policies compared to those used when applying previous UK GAAP.

The following explanatory notes to the accounts describe the differences between the funds and income and expenditure presented under the previous UK GAAP and the newly presented amounts under FRS 102 for the reporting period ended at 31 December 2014 (ie comparative information), as well as the funds presented in the opening statement of balance sheet (ie at 1 January 2014). It also describes the changes in accounting policies made on first-time adoption of FRS 102.

In the table below, funds determined in accordance with the FRS 102 is reconciled to funds determined in accordance with previous UK GAAP at both 1 January 2014 (the date of transition to FRS 102) and 31 December 2015.

Explanation of changes to previous reported surplus and funds:

- a) Previously, under UK GAAP, Congress House / Bainbridge House was not recognised in the balance sheet as it had a £nil cost as the original value was met from a fund raised specifically for that purpose. FRS 102 requires that property, plant and equipment be recognised when the recognition criteria is met. As a significant element of Congress House is let by the TUC, an element of the property has also been classified as investment property. The revaluation method has been adopted by the union and the above represents the gains in fair value since the transition date.
- b) FRS 102 requires that deferred tax be recognised on revaluations of investment property. This was not required under previous UK GAAP unless there was a binding agreement to sell the revalued asset and the gains or losses expected to arise on the sale had been recognised. This change has been retrospectively applied, leading to the recognition of additional deferred tax liabilities at the date of transition and to increase the deferred tax charge for the year ended 31 December 2014.
- c) FRS 102 requires that investments in non-puttable ordinary shares be measured at fair value with changes in fair value recognised in income and expenditure and that deferred tax be recognised in respect of gains and losses recognised. Under previous UK GAAP, the union's accounting policy for fixed asset investments was to measure them at cost less impairment. The effect of the change has been to increase equity for measurement gains since acquisition, net of related deferred tax and to increase the surplus for the year ended 31 December 2014 for gains, net of deferred tax, that arose in the period.
- d) FRS 102 requires that deferred tax be recognised on revaluations of investments. Under FRS 102, deferred tax is recognised on a timing differences plus approach whereas previous UK GAAP required a timing difference approach. Consequently, deferred tax has been recognised on the uplift in the investments to market value.
- e) FRS 102 requires the recognition in income or expenditure of a net interest cost (or income) on defined benefit pension schemes. This is calculated by multiplying the net pension liability (or asset) by the market yields on high quality corporate bonds. The effect of this, when compared to previous UK GAAP, has been to reduce reported surpluses for the year ended 31 December 2014 because previous UK GAAP led to the recognition of finance income calculated by reference to the expected returns on the pension plan's specific assets, be they equities, properties or bonds. The change has had no effect on the reported equity as the measurement of the net defined benefit pension scheme liability (or asset) has not changed. Instead, the decrease in reported surplus is mirrored by an increase in actuarial gains which are presented within other comprehensive income.
- f) FRS 102 requires that the Union accrues for all untaken leave at the date of the statement of financial position. The impact is to increase staff costs by £613,000 for the year ended 31 December 2014.

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

17 TRANSITION TO FRS 102 (continued)

	Note	<i>Funds as at 1 January 2014</i>	Surplus for the year ended 31 December 2014	Funds as at 31 December 2014
		£'000	£'000	£'000
As previously stated under former UK GAAP		19,388	9,915	29,303
<i>Revaluation of freehold property</i>	a	22,447	2,805	25,252
<i>Revaluation of investment property</i>	a	12,893	1,612	14,505
<i>Deferred tax recognised on revaluations of investment property</i>	b	(946)	(157)	(1,103)
<i>Deferred tax recognised on revaluations of freehold property</i>	b	(1,646)	(274)	(1,920)
<i>Revaluation to fair value of fixed asset investments</i>	c	203	313	516
<i>Deferred tax on investment revaluations</i>	d	(15)	(78)	(93)
Inclusion in Income and Expenditure of interest on defined benefit scheme assets rather than expected return on scheme assets	e	-	(114)	(114)
Inclusion of actual returns on scheme assets in Other Comprehensive Income	e	-	114	114
Adjustment to holiday pay provision	f	-	(613)	(613)
As stated in accordance with FRS 102		52,324	13,523	65,847

ACCOUNTING POLICIES

(see notes 74 and 75)

See Previously attached notes to the accounts

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

General Secretary's Signature: <u><i>Frances O'Grady</i></u> Name: Frances O'Grady _____ Date: <u>27/5/16</u>	President's Signature: <u><i>Liz Snape</i></u> (or other official whose position should be stated) Name: Liz Snape _____ Date: <u>1.6.2016</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 29 and 32 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 30,31 and 32 and Notes 2 and 77)	YES	<input checked="" 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)	ENCLOSE D	<input checked="" type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 18 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

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

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

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)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE TRADES UNION CONGRESS

We have audited the financial statements of the Trades Union Congress (TUC) for the year ended 31st December 2015 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows 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), including Financial Reporting Standard 102 (FRS 102) 'the Financial Reporting Standard in the UK and Republic of Ireland'.

This report is made solely to the TUC'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 TUC and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the General Council and auditor

As explained more fully in the Statement of the General Council's Responsibilities, the General 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 General Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited 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. 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 TUC's affairs as at 31st December 2015 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 and 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.

MOORE STEPHENS LLP

Chartered Accountants and Statutory Auditor
London
Date:

See Previous page

Signature(s) of auditor or auditors:	Moore Stephens LLP.	
Name(s):	Moore Stephens LLP	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es):	150 Aldersgate St London EC1A 4AB	
Date:	29 June 2016	
Contact name and telephone number:	Phil 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.