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- PRINT ON ONE SIDE ONLY

# 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 2016

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"/>
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*(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](mailto: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  
22<sup>nd</sup> 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)*

<b>Trades Union Congress Officers 2016</b>	
<b>Post</b>	<b>Name</b>
General Secretary	Frances O'Grady
Deputy General Secretary	Paul Nowak

## TUC MEMBERS 31st DECEMBER 2016

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

# 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					<b>n/a</b>
FEMALE					<b>n/a</b>
TOTAL					<b>A 51</b>

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

0
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Number of members at end of year contributing to the General Fund

51
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## 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
Assistant General Secretary	Catherine Carberry	None	29/02/16
Assistant General Secretary	Paul Nowak	None	29/02/16
Deputy General Secretary	None	Paul Nowak	01/03/16

State whether the union is:

a. A branch of another trade union?

Yes			No	X
-----	--	--	----	---

If yes, state the name of that other union:

b. A federation of trade unions?

Yes	X		No	
-----	---	--	----	--

If yes, state the number of affiliated unions:

51

and names:

See attached schedule

# GENERAL FUND

(see notes 13 to 18)

	£'000	£'000
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions		13,062
<b>From Members:</b> Other income from members (specify)		
 <b>Total other income from members</b>		13,062
<b>Total of all income from members</b>		
<b>Investment income (as at page 13)</b>		3,590
<b>Other Income</b>		
Income from Federations and other bodies (as at page 5)		
Income from any other sources (as at page 5)	339	
 <b>Total of other income (as at page 5)</b>		339
		<b>TOTAL INCOME</b>
		16,991
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 6)</b>		
<b>Administrative expenses (as at page 11)</b>		(20,710)
<b>Federation and other bodies (specify)</b>		
ITUC	1,019	
ETUC	769	
TUAC	78	
 <b>Total expenditure Federation and other bodies</b>		(1,866)
<b>Taxation</b>		(295)
		<b>TOTAL EXPENDITURE</b>
		(22,871)
Surplus (deficit) for year		(5,880)
Amount of general fund at beginning of year		78,767
Amount of general fund at end of year		72,887

# ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£'000	£'000
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		
Sales and publications	239	
Donations and fees received	100	
<b>TOTAL OTHER INCOME</b>		339
<b>TOTAL OF ALL OTHER INCOME</b>		339

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	
		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			
<b>carried forward</b>	NIL	<b>Total (should agree with figure in General Fund)</b>	NIL

(See notes 24 and 25)

FUND 2		Fund Account	
Name:	Development Fund	£'000	£'000
<b>Income</b>			
	From members		1,550
	Investment income (as at page 13)		
	Other income (specify)		
	Sales and publications	7	
	Donations and fees received	1,493	
	<b>Total other income as specified</b>		1,500
	<b>Total Income</b>		3,050
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)	3,107	
	<b>Total Expenditure</b>		3,107
	<b>Surplus (Deficit) for the year</b>		(57)
	<b>Amount of fund at beginning of year</b>		7,143
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		7,086
	<b>Number of members contributing at end of year</b>		51

FUND 3		Fund Account	
Name:	Union Learn	£	£
<b>Income</b>			
	From members		903
	Investment income (as at page 13)		
	Other income (specify)		
	Sales and publications		
	Donations and fees received	13,288	
	<b>Total other income as specified</b>		13,288
	<b>Total Income</b>		14,191
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)	14,191	
	<b>Total Expenditure</b>		14,191
	<b>Surplus (Deficit) for the year</b>		0
	<b>Amount of fund at beginning of year</b>		0
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		0
	<b>Number of members contributing at end of year</b>		51



FUND 4		Fund Account	
Name:	Dilapidations	£'000	£'000
<b>Income</b>			
	From members		
	Investment income (as at page 13)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		NIL
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)	(24)	
	<b>Total Expenditure</b>		(24)
	<b>Surplus (Deficit) for the year</b>		24
	<b>Amount of fund at beginning of year</b>		534
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		558
	<b>Number of members contributing at end of year</b>		

FUND 5		Fund Account	
Name:		£	£
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

(See notes 24 and 25)

<b>FUND 6</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		<b>Total other income as specified</b>	
		<b>Total Income</b>	
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		<b>Total Expenditure</b>	
		<b>Surplus (Deficit) for the year</b>	
		<b>Amount of fund at beginning of year</b>	
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	
		<b>Number of members contributing at end of year</b>	

<b>FUND 7</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		<b>Total other income as specified</b>	
		<b>Total Income</b>	
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 11)		
		<b>Total Expenditure</b>	
		<b>Surplus (Deficit) for the year</b>	
		<b>Amount of fund at beginning of year</b>	
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	
		<b>Number of members contributing at end of year</b>	

(see notes 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>	
		<b>£</b>	<b>£</b>
<b>Income</b>	Members contributions and levies		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total income	
<b>Expenditure</b>	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			

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>	
		<b>£</b>	<b>£</b>
<b>Income</b>	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	
<b>Expenditure</b>	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)

<b>Administrative Expenses</b>	£'000
Remuneration and expenses of staff	13,170
Salaries and Wages included in above	10,510
Auditors' fees	56
Legal and Professional fees	490
Occupancy costs	2,759
Stationery, printing, postage, telephone, etc.	261
Expenses of Executive Committee (Head Office)	
Expenses of conferences	270
Other administrative expenses (specify)	
Repairs and renewals	1,100
Travel and meetings	522
<b>Other Outgoings</b>	
Interest payable:	
Bank loans (including overdrafts)	-
Mortgages	-
Depreciation	358
Taxation – VAT recoverable	(162)
Outgoings on land and buildings (specify)	
Other outgoings – Bad debts	(191)
Grants and donations	10,520
Trade Union education	297
Gain on foreign exchange	(248)
Projects and campaigns	2,533
Gains from changes in fair value of freehold/investment property and investments and disposal of investments	(4,031)
Pension scheme actuarial gain and FRS 17 adjustment	10,101
Deferred tax	179
<b>Total</b>	<b>37,984</b>
Charged to:	
<b>Development</b>	General Fund (Page 4) 20,710
<b>Union Learn</b>	Fund (Account 2) 3,107
<b>Dilapidations</b>	Fund (Account 3) 14,191
	Fund (Account 4) (24)
<b>Total</b>	<b>37,984</b>

# 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 £	
F O'Grady – General Secretary	111,860	15,335	27,965	Car	12,055	170,078
				Communications	2,863	

# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £		Other Fund(s) £'000
Rent from land and buildings			3,329
Dividends (gross) from:			
Equities (e.g. shares)			261
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			
Other investment income (specify)			
<b>Total investment income</b>			<b>3,590</b>
<b>Credited to:</b>			
General Fund (Page 4)			3,590
Fund (Account )			
Fund (Account )			
Fund (Account )			
Fund (Account )			
Fund (Account )			
Political Fund			
<b>Total Investment Income</b>			<b>3,590</b>

# BALANCE SHEET as at 31 December 2016

(see notes 47 to 50)

Previous Year		£'000	£'000
56,367	<b>Fixed Assets</b> (at page 16)		60,199
	<b>Investments</b> (as per analysis on page 16)		
13,015	Quoted (Market value £ 17,168,879)	17,169	
15	Unquoted	15	
13,030	<b>Total Investments</b>		17,184
	<b>Other Assets</b>		
	Loans to other trade unions		
2,793	Debtors	1,930	
8,521	Cash at bank and in hand	4,905	
	Income tax to be recovered		
104	Short term loans	81	
18,379	Other assets – pension asset	8,278	
29,797	<b>Total of other assets</b>		15,194
99,194	<b>TOTAL ASSETS</b>		92,577
(78,767)	General Fund (Account 1)		(72,887)
(7,143)	Development Fund (Account 2)		(7,086)
	Union Learn Fund (Account 3)		
(534)	Dilapidation Fund (Account 4)		(558)
	Political Fund (Account )		
	Revaluation Reserve		
(86,444)	<b>LIABILITIES</b>		(80,531)
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
(554)	Tax payable		(627)
(1,200)	Sundry creditors		(1,072)
(3,751)	Accrued expenses		(2,904)
(1,702)	Provisions		(1,721)
(5,543)	Other liabilities		(5,722)
(99,194)	<b>TOTAL LIABILITIES</b>		(92,577)
99,194	<b>TOTAL ASSETS</b>		92,577

## FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings £'000	Investment Property £'000	Furniture and Equipment £'000	Motor Vehicles £'000	Assets under Construction £'000	Total £'000
<b>Cost or Valuation</b>						
At start of year	39,147	19,942	1,756	45	-	60,890
Additions	113	-	359	-	394	866
Disposals	-	-	(190)	(24)	-	(214)
Revaluation/Transfers	2,121	1,219	-	-	-	3,340
At end of year	41,381	21,161	1,925	21	394	64,882
<b>Accumulated Depreciation</b>						
At start of year	3,129	-	1,349	45	-	4,523
Charges for year	164	-	194	-	-	358
Disposals	-	-	(174)	(24)	-	(198)
Revaluation/Transfers						
At end of year	3,293	-	1,369	21	-	4,683
<b>Net book value at end of year</b>	38,088	21,161	556	-	394	60,199
<b>Net book value at end of previous year</b>	36,018	19,942	407	-	-	56,367



# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)		
UK quoted	10,486,276	
International quoted	6,682,603	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)	17,168,879	
Market Value of Quoted Investment	17,168,879	
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)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		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		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		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
<b>INCOME</b>			
From Members	15,515	-	15,515
From Investments	3,590	-	3,590
Other Income (including increases by revaluation of assets)	15,127	-	15,127
<b>Total Income</b>	<b>34,232</b>		<b>34,232</b>
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	<b>(40,145)</b>		<b>(40,145)</b>
<b>Funds at beginning of year</b> (including reserves)	86,444		86,444
<b>Funds at end of year</b> (including reserves)	80,531		80,531
<b>ASSETS</b>			
Fixed Assets			60,199
Investment Assets			17,184
Other Assets			15,194
		<b>Total Assets</b>	<b>92,577</b>
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	<b>(12,046)</b>
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			<b>80,531</b>

# 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 attached

# ACCOUNTING POLICIES

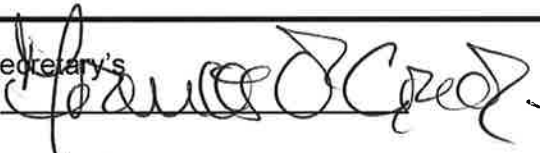
(see notes 74 and 75)

See attached

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

General Secretary's Signature: 	President's Signature: <u>Mary W. Bousted</u> (or other official whose position should be stated)
Name: Frances O'Grady _____	Name: Mary Bousted _____
Date: 28 June 2017 _____	Date: 28 June 2017 _____

## 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)	ENCLOSED	<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)

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:

5 July 2017

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.

# AUDITOR'S REPORT (continued)

## INDEPENDENT AUDITORS' 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 2016 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 2016 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

MOORE STEPHENS LLP

Chartered Accountants and Statutory Auditor

London

Date: 5 July 2017



TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

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 2016

	2016	2015
	£'000	£'000
<b>2 STAFF COSTS</b>		
Salaries and national insurance	10,510	10,990
Pension contributions	2,081	2,174
Welfare and training	437	441
Restructuring costs	80	63
Advertising and recruitment	62	58
	<u>13,170</u>	<u>13,726</u>
<b>3 PROPERTY CHARGES</b>		
Rent and rates	784	544
Heating and lighting	210	335
Cleaning	134	129
Insurance	100	88
Building repairs and renewals	362	359
External functions	673	746
Expenditure from dilapidations fund	496	183
	<u>2,759</u>	<u>2,384</u>
<b>4 OFFICE EXPENSES</b>		
Communications	192	235
Stationery and printed materials	69	219
Renewals and repairs to office equipment	1,100	895
Audit fees	58	48
Bank charges	9	13
Legal costs	7	154
Finance	201	147
Consultancy fees	273	276
Provision for doubtful debts	(191)	41
	<u>1,716</u>	<u>2,028</u>

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£'000	£'000
<b>5 PROJECT AND CAMPAIGN EXPENSES</b>		
Printing and publicity	289	177
Media and supporters work	106	207
Projects and campaigns	301	259
Conferences	39	42
Training and development	21	30
Consultancy fees	1,777	1,044
	<u>2,533</u>	<u>1,759</u>

	2016	2015
	£'000	£'000
<b>6 INTERNATIONAL AFFILIATION FEES</b>		
ITUC	1,019	926
ETUC	769	732
TUAC	78	75
	<u>1,866</u>	<u>1,733</u>

	2016	2015
	£'000	£'000
<b>7 GRANTS AND DONATIONS</b>		
Tolpuddle Martyrs Memorial Trust	90	90
TUC Educational Trust	10	10
Sundry	67	122
Union Learning Fund	10,353	11,521
Grants to organisations overseas	-	5
	<u>10,520</u>	<u>11,748</u>

**8 TAXATION**

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

	2016	2015
	£'000	£'000
(Over)/under provision in prior years	-	-
Provision for the year	295	198
	<u>295</u>	<u>198</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

8 TAXATION (continued)

Deferred tax liability	2016	2015
	£'000	£'000
1 January 2016	5,543	3,116
Movement in the year	179	2,427
31 December 2016	<u>5,722</u>	<u>5,543</u>

9 FIXED ASSETS

	Investment property	Land & buildings	Leasehold Improvements	Furniture, Fittings & Equipment	Motor Vehicles	Asset Under Construction	Total
COST OR VALUATION	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1 January 2016	19,942	34,718	4,429	1,756	45	-	60,890
Additions	-	-	113	359	-	394	866
Disposals	-	-	-	(190)	(24)	-	(214)
Revaluations	1,219	2,121	-	-	-	-	3,340
31 December 2016	<u>21,161</u>	<u>36,839</u>	<u>4,542</u>	<u>1,925</u>	<u>21</u>	<u>394</u>	<u>64,882</u>
<b>DEPRECIATION</b>							
1 January 2016	-	-	3,129	1,349	45	-	4,523
Disposals	-	-	-	(174)	(24)	-	(198)
Charge for year	-	-	164	194	-	-	358
31 December 2016	-	-	<u>3,293</u>	<u>1,369</u>	<u>21</u>	-	<u>4,683</u>
<b>NET BOOK VALUE</b>							
31 December 2016	<u>21,161</u>	<u>36,839</u>	<u>1,249</u>	<u>556</u>	-	<u>394</u>	<u>60,199</u>
31 December 2015	19,942	34,718	1,300	407	-	-	56,367

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.

The property has been revalued this year with reference to MSCI and their IPD indices as such the property was valued at £58 million on 31 December 2016.

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

10 INVESTMENTS

	Market value brought forward at 01.01.2016	Purchases	Sales	Change in market value	Market value carried forward at 31.12.2016
	£	£	£	£	£
<b>Quoted</b>					
UK Quoted	8,662,046	2,423,970	(710,110)	110,370	10,486,276
International Quoted	4,352,847	3,150,186	(1,864,749)	844,319	6,682,603
	<b>13,014,893</b>	<b>5,574,156</b>	<b>(2,374,859)</b>	<b>954,689</b>	<b>17,168,879</b>
<b>UK Unquoted</b>					
Unity Trust shares	800	-	-	-	800
Union Energy Limited	8,750	-	-	-	8,750
Wortley Hall	10	-	-	-	10
Investment in MSI Brussels	5,651	-	-	-	5,651
	<b>15,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,211</b>
	<b>13,030,104</b>	<b>5,574,156</b>	<b>(2,374,859)</b>	<b>954,689</b>	<b>17,184,090</b>

The change in market value seen above is made up of £48k (2015: £57k) of gains on disposal of investments, £648k (2015: £85k) of change in fair value of investments and £259k (2015: (£96k)) of gains on foreign exchange.

11 DEBTORS & PREPAYMENTS

	2016	2015
	£'000	£'000
Trade debtors	653	942
Other debtors	332	311
Prepayments and accrued income	945	1,540
	<b>1,930</b>	<b>2,793</b>

**TRADES UNION CONGRESS**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016**

<b>12</b>	<b>CREDITORS &amp; ACCRUED EXPENSES</b>	<b>2016</b>	<b>2015</b>
		<b>£'000</b>	<b>£'000</b>
	Trade creditors	849	916
	Taxation and social security	627	554
	Other creditors	223	284
	Accruals and deferred income	2,904	3,751
		<b>4,603</b>	<b>5,505</b>

**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 2016 the TUC had total printing and office equipment leasing commitments of £243,668 due within one year (2015: £160,813), £861,307 between two and five years (2015: £457,216) and after five years £373,696 (2015: £nil).

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

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 2017 are expected to be £2,100,000.

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

	At 31.12.2016	At 31.12.2015
Rate of increase in salaries	4.1%	3.9%
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	3.6%	3.4%
- RPI, 3% per annum minimum and 5.0% per annum maximum	3.7%	3.6%
Discount rate	2.6%	3.8%
RPI Inflation assumption	3.6%	3.4%
CPI Inflation assumption	2.6%	2.4%
Revaluation in deferment*	2.6%	2.4%
Assumed life expectancies on retirement at age 65 are:		
Retiring today		
Males	88.5	88.4
Females	90.4	90.3
Retiring in 20 years time		
Males	90.9	90.8
Females	92.8	92.7

\*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:

	Value At 31.12.2016	Value At 31.12.2015
	£'000	£'000
Equities	31,406	27,730
Bonds	77,866	57,932
Cash	670	784
Other	28,400	28,818
Fair value of plan assets	138,342	115,264
The actual return on assets over the period was	22,936	6,080
<b>The amounts recognised in the balance sheet are as follows:</b>		
Fair value of scheme assets	138,342	115,264
Present value of scheme liabilities	(130,064)	(96,885)
Pension asset/(liability)	<b>8,278</b>	<b>18,379</b>

TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

15 PENSION COSTS (continued)

	2016	2015
	£'000	£'000
<u>Reconciliation of opening and closing balances of the present value of the scheme liabilities</u>		
Liabilities at beginning of year	96,885	97,909
Current service cost	1,730	1,888
Interest cost	3,650	3,399
Contributions by scheme participants	497	521
Actuarial (gain) loss	29,812	(4,631)
Benefits paid	(2,510)	(2,201)
Liabilities at end of year	<u>130,064</u>	<u>96,885</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	115,264	108,897
Expected return on scheme assets	4,383	3,816
Actuarial gain (loss)	18,586	2,020
Contributions by employers	2,122	2,211
Contributions by plan participants	497	521
Benefits paid	(2,510)	(2,201)
Fair value of scheme assets at end of year	<u>138,342</u>	<u>115,264</u>
<u>Amount recognised in other comprehensive income</u>		
Actuarial (gains)/ losses on the liabilities	29,812	(4,631)
Return on assets, excluding interest income	(18,878)	(2,288)
	<u>10,934</u>	<u>(6,919)</u>
<u>Amounts recognised in profit and loss</u>		
Service cost including current and past service costs and settlements	1,730	1,888
Administrative cost	292	268
Net interest on the net defined benefit liability	(733)	(417)
	<u>1,289</u>	<u>1,739</u>
Employers contributions	<u>(2,122)</u>	<u>(2,211)</u>
	<u>(833)</u>	<u>(472)</u>



TRADES UNION CONGRESS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

16 RELATED PARTIES

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

	2016	2015
	£'000	£'000
<u>TUC Educational Trust</u>		
Owed to TUC		
Opening balance	25,630	70,850
Payments to TUC	(25,630)	(70,850)
Scholarship	-	-
Net costs paid through TUC	79,875	25,630
Closing balance	<u>79,875</u>	<u>25,630</u>
<u>Tolpuddle Martyrs Memorial Trust</u>		
Owed to TUC		
Opening balance	236,850	121,293
Payments to TUC	(236,850)	(121,293)
Net costs paid through TUC	204,302	236,850
Closing balance	<u>204,302</u>	<u>236,850</u>
<u>TUC Aid</u>		
Owed to TUC		
Opening balance	34,073	119,844
Payments to TUC	(34,073)	(119,844)
Net costs paid through TUC	29,124	34,073
Closing balance	<u>29,124</u>	<u>34,073</u>