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- PRINT ON ONE SIDE ONLY

# FORM AR21

To be used for reporting years starting on or after 6 April 2015

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:	31/12/2016
List no:	378T
Head or Main Office:	177 ABBEVILLE ROAD, LONDON, SW4 9RL
Website address (if available)	
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:	Brian Rye, General Secretary Pro Tem
Telephone Number:	
Contact name for queries regarding	
Telephone Number:	
E-mail:	

**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 June 2016)

Officers of the Union During 2016

**Mr. B. Rye – General Secretary Pro Tem**

**Executive Council Members**

**Mr. N. Andrews - Wales & South West Region**

**Mr. M. Farrell – Scottish Region**

**Mr. J. Gamble – Eastern Region**

**Mr. A. Jones – Yorkshire Region**

**Mr. N. Kelly – London & South East Region**

**Mr. J. Maloney – Irish Region**

**Mr. W. Sloane – North West Region**

**Mr. A. Stansfield – Northern Region**

**Mr. N. Hodgkinson – Midlands Region**

**Executive Council Chairman: Mr. M Farrell (appointed 20<sup>th</sup> May 2016 )**

**Mr. R. Britton – Eastern Region**

**Mr. B. Davis – Wales & South West Region**

**Mr. P. Dowling – London & South East Region**

**Mr. H. Jones – Irish Region**

**Mr. A. Nichol – Northern Region**

**Mr. W. Parry – North West Region**

**Mr. A. Sakowicz - Yorkshire Region**

**Mr. A. Thurstance – Midlands Region**

**Mr. A. Wilson – Scottish Region**

**General Council Chairman: Mr. B. Davis**

# 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	48,533	514			49,047
FEMALE	1,616	10			1,626
TOTAL	50,149	524			A 50,673

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

	4,842
Number of members at end of year contributing to the General Fund	45,538

## 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
Chair Or Executive Council	Neil Andrews	Michael Farrell	20/05/2016

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
<b>INCOME</b>		
<b>From Members: Contributions and Subscriptions</b>		4,603
<b>From Members: Other income from members (specify)</b>		
 <b>Total other income from members</b>		4,603
<b>Total of all income from members</b>		4,603
<b>Investment income (as at page 12)</b>		106
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	196	
<b>Total of other income (as at page 4)</b>		196
	<b>TOTAL INCOME</b>	<b>4,905</b>
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		323
<b>Administrative expenses (as at page 10)</b>		9,179
<b>Federation and other bodies (specify)</b>		
Affiliation Fees	214	
<b>Total expenditure Federation and other bodies</b>		214
<b>Taxation</b>		
	<b>TOTAL EXPENDITURE</b>	<b>9,716</b>
<b>Surplus (deficit) for year</b>		<b>-4,811</b>
<b>Amount of general fund at beginning of year</b>		<b>324</b>
<b>Amount of general fund at end of year</b>		<b>-4,487</b>

# 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>		
Miscellaneous Income	156	
Vat Recoverable	25	
Profit On Disposal Of Fixed Assets	15	
<b>TOTAL OTHER INCOME</b>		<b>196</b>
<b>TOTAL OF ALL OTHER INCOME</b>		<b>196</b>

## ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£'000		£'000
Representation – Employment Related Issues Legal Aid	249	<b>brought forward</b>  Education and Training services Education and Benevolent Grants	299  4
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications UCATT Publications	50	Salary Costs	
Advisory Services		Other Benefits and Grants (specify) Funeral Benefit	19
Dispute Benefits			
Other Cash Payments			
<b>carried forward</b>	<b>299</b>	<b>Total (should agree with figure in General Fund)</b>	<b>323</b>

(See notes 24 and 25)

<b>FUND 2</b>		<b>Fund Account</b>	
<b>Name:</b>	<b>TRADE PRIVILEGE</b>	<b>£'000</b>	<b>£'000</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	1	1
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		1
	<b>Surplus (Deficit) for the year</b>		-1
	<b>Amount of fund at beginning of year</b>		87
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		86
	<b>Number of members contributing at end of year</b>		N/A

<b>FUND 3</b>		<b>Fund Account</b>	
<b>Name:</b>	<b>REVALUATION RESERVE</b>	<b>£'000</b>	<b>£'000</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>		5,629
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		5,629
	<b>Number of members contributing at end of year</b>		N/A

(See notes 24 and 25)

<b>FUND 4</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 5</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>		



(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 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 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their</b>		
		<b>£'000</b>	<b>£'000</b>	
<b>Income</b>	Members contributions and levies		222	
	Investment income (as at page 12)			
	Other income (specify)			
		Total other income as specified		
		Total income	222	
<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)		14	
	Conferences & Meetings		180	
	Affiliations & Donations		10	
	Ballot Costs			
	Non-political expenditure			
			Total expenditure	204
			Surplus (deficit) for year	18
			Amount of political fund at beginning	-54
			Amount of political fund at the end of year (as Balance Sheet)	-36
		Number of members at end of year contributing to the political fund	41,226	
		Number of members at end of the year not contributing to the political fund	9,447	
Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund			8,926	

<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	
Number of members at end of year contributing to the political fund		Amount remitted to central political fund	
Number of members at end of the year not contributing to the political fund		Amount held on behalf of central political fund at end of year	
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		4,945
Salaries and Wages included in above	£3,785	
Auditors' fees		35
Legal and Professional fees		464
Occupancy costs		370
Stationery, printing, postage, telephone, etc.		409
Expenses of Executive Committee (Head Office)		
Expenses of conferences		143
Other administrative expenses (specify) Travel & Motor		321
Computer Costs		118
Equipment Maintenance		47
Bank Charges		31
General Expenses		60
Delegations and Meetings		205
Sundry Costs Recovered		-653
Exchange Gain		-29
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		169
Change in Fair Value of Investments		-248
Actuarial Loss on Pension scheme		2,776
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Ballot Costs		16
	<b>Total</b>	9,179
Charged to:	General Fund (Page 3)	9,179
	Fund (Account )	
	<b>Total</b>	9,179

# 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 £	
Brian Rye, General Secretary, Pro Tem	81,453	10,121	14,933	Car	2,887	109,446
				Other	52	
Michael Farrell (EC Member)						
Alan Stansfield (EC Member)						
Andy Jones (EC Member)						
Jim Gamble (EC Member)						
Neal Hodgkinson (EC Member)						
Wayne Sloane (EC Member)						
Noel Kelly (EC Member)						
John Molloney (EC Member)						
Neil Andrews (EC Member)						

# ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund £'000		Other Fund(s) £'000
Rent from land and buildings			35
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)			
UNITS			71
		Total investment income	106
		Credited to:	
		General Fund (Page 3)	106
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Political Fund	
		Total Investment Income	106

**BALANCE SHEET as at**
**31/12/2016**

(see notes 47 to 50)

Previous Year		£	£
6,625	<b>Fixed Assets</b> (at page 14)		6,282
	<b>Investments</b> (as per analysis on page 15)		
2,084	Quoted (Market value £ )		1,727
26	Unquoted		31
8,735	<b>Total Investments</b>		8,040
	<b>Other Assets</b>		
	Loans to other trade unions		
554	Sundry debtors		410
868	Cash at bank and in hand		355
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
1,422	<b>Total of other assets</b>		764
10,157	<b>TOTAL ASSETS</b>		8,805
324	General Fund (Account )		-4,487
87	Trade Privilege Fund (Account )		86
	Fund (Account )		
	Superannuation Fund (Account )		
-54	Political Fund (Account )		-36
5,629	Revaluation Reserve		5,629
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
350	Sundry creditors		1,040
140	Accrued expenses		188
	Provisions		
3,680	Other liabilities		6,385
4,170	<b>TOTAL LIABILITIES</b>		7,613
10,157	<b>TOTAL ASSETS</b>		8,805

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	£	Total £
	Freehold £	Leasehold £				
<b>Cost or Valuation</b>						
At start of year	6,502	762	175	645	46	8,130
Additions			1			1
Disposals			-102	-631		-733
Revaluation/Transfers			-74		-46	-120
At end of year	6,502	762	0	14	0	7,278
<b>Accumulated Depreciation</b>						
At start of year	715	162	142	486	0	1,505
Charges for year	102	7	20	41		170
Disposals			-88	-517		-605
Revaluation/Transfers			-74			-74
At end of year	817	169	0	10	0	996
<b>Net book value at end of year</b>	5,685	593	0	4	0	6,282
<b>Net book value at end of previous year</b>	5,787	600	33	159	46	6,624

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)		
Government Securities (Gilts)		
Other quoted securities (to be specified)		
UNITS	1,727	
TOTAL QUOTED (as Balance Sheet)	1,727	
Market Value of Quoted Investment	1,727	
UNQUOTED		
Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
BIAM CASH FUND	31	
TOTAL UNQUOTED (as Balance Sheet)	31	
Market Value of Unquoted Investments	31	



# 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 <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	03945927		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input type="checkbox"/>	NO <input checked="" 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 £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	4,603	222	4,825
From Investments	106		106
Other Income (including increases by revaluation of assets)	196		196
<b>Total Income</b>	4,905	222	5,127
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	9,717	204	9,921
<b>Funds at beginning of year</b> (including reserves)	6,040	-54	5,986
<b>Funds at end of year</b> (including reserves)	1,228	-36	1,192
<b>ASSETS</b>			
Fixed Assets			6,282
Investment Assets			1,758
Other Assets			764
		<b>Total Assets</b>	8,804
<b>LIABILITIES</b>			
		<b>Total Liabilities</b>	7,611
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			1,193

# 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 2016**

**1. ACCOUNTING POLICIES**

- A These accounts have been prepared in accordance with Financial Reporting Standard 102 (FRS 102), the reporting standard in the UK and Republic of Ireland.

Even though UCATT took many measures to curtail its expenditure and increase its income, the difficult decision was taken by the Executive Council to commence conversations with other unions with a view of transferring by the end of December 2016. As such at the NDC conference in May 2016, it was agreed by the delegates that UCATT would ballot its members for transfer into UNITE the union. The ballot took place in October 2016 and on November 01, 2016 the result was that the members voted to transfer into UNITE.

The official transfer took place on January 01, 2017.

- 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.

The union made every effort to control its expenditure during the year but the balance on the political account still shows a negative figure because of the large overspend in 2015.

- D Investments are stated at market value. Realised and unrealised gains and losses on investments are taken directly to the Statement of Comprehensive Income.

- 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 Statement of Comprehensive Income.

- 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 end of the reporting period.

- I The Union 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 Statement of Comprehensive Income.

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.

- J A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to the future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

	2016 £'000	2015 £'000
<b>2. OTHER INCOME</b>		
Commissions	29	40
Other	126	2
	<u>155</u>	<u>42</u>
<b>3. MEMBERS' SERVICES &amp; BENEFITS</b>		
Legal Aid	249	109
UCATT Publications	50	70
Trade Privilege	1	1
Funeral	19	16
Education & Benevolent Grants	4	3
	<u>323</u>	<u>199</u>

**UNION OF CONSTRUCTION,  
ALLIED TRADES AND TECHNICIANS  
NOTES TO THE CONSOLIDATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

				2016	2015	
				£'000	£'000	
<b>4. PERSONNEL COSTS</b>						
Officials				1,871	2,069	
Staff - General				1,107	1,222	
- Training Section				476	283	
Branch Officers				304	307	
Pension Contributions				1,217	944	
Employer Contributions	FRS 102	Note 13		(844)	(899)	
Expense recognised	FRS102	Note 13		773	930	
Accrued annual leave				27	37	
				<u>4,931</u>	<u>4,893</u>	
<b>5. CONFERENCE &amp; MEETINGS</b>						
National Delegate Conference				143	-	
Delegations & Meetings				219	307	
				<u>362</u>	<u>307</u>	
<b>6. ADMINISTRATION</b>						
Travelling & Motor				321	188	
Rent, Rates, Insurance, Light & Heat				293	294	
Office & Property Maintenance				77	146	
Equipment Maintenance				47	42	
Computer Costs				118	53	
Communications				328	208	
Printing & Stationery				81	114	
Bank Charges & Interest				31	83	
Audit & Accountancy				35	35	
Professional Fees				464	281	
General Expenses				61	88	
				<u>1,856</u>	<u>1,532</u>	
Less Sundry Costs Recovered				(653)	(416)	
				<u>1,203</u>	<u>1,116</u>	
<b>7. TANGIBLE FIXED ASSETS</b>						
	Investment Properties	Land & Buildings	Website Design	Fixtures Fittings & Equipment	Motor Vehicles	Total
	£'000	£'000		£'000	£'000	£'000
<b>COST OR VALUATION</b>						
At cost or valuation	315	6,949	46	175	644	8,129
Additions	-	-	-	1	-	1
Expensed PL	-	-	(46)	(176)	-	(222)
Disposals	-	-	-	-	(631)	(631)
31 December	<u>315</u>	<u>6,949</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>7,277</u>
<b>DEPRECIATION</b>						
At 1 January	-	877	-	141	487	1,505
Charged	-	109	-	20	40	169
W/off	-	-	-	(161)	-	(161)
On Disposals	-	-	-	-	(517)	(517)
31 December	<u>-</u>	<u>986</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>996</u>
<b>NET BOOK VALUE</b>						
31 December 2016	<u>315</u>	<u>5,963</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>6,281</u>
31 December 2015	<u>315</u>	<u>6,072</u>	<u>46</u>	<u>34</u>	<u>157</u>	<u>6,624</u>

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

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<b>8. INVESTMENTS AT MARKET VALUE</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Quoted Securities at January 01, 2016	2,110	5,029
Additional Investment in the year	2	2
Investment sold in the year	(602)	(2,889)
Net gain on revaluation	248	(32)
Quoted securities at December 31, 2016	<u>1,758</u>	<u>2,110</u>
<b>9. DEBTORS</b>		
Trade Debtors	181	354
Other Debtors	132	51
Prepayments	97	149
	<u>410</u>	<u>554</u>
<b>10. CREDITORS</b>		
Annual leave accrued	27	37
Trade Creditors	171	198
Social Security and other taxes	7	6
Other Creditors	835	146
Accruals and Deferred Income	188	103
	<u>1,228</u>	<u>490</u>
<b>11. REMUNERATION OF KEY MANAGEMENT</b>		
GENERAL SECRETARY Pro tem	109,447	118,407
NATIONAL SECRETARY	-	46,436
	<u>109,447</u>	<u>164,843</u>
<b>12. LEASES</b>		
	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Payments falling due:		
Within one year	123,340	9,244
Between two and five years	170,352	36,976
	<u>293,692</u>	<u>46,220</u>

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13

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 2013 and updated to 31 December 2015 by a qualified independent actuary.

The major assumptions used by the actuary were:

	2016	2015
<b>FINANCIAL ASSUMPTIONS</b>		
Discount rate	3.70%	3.70%
Price inflation	2.90%	2.90%
	RPI	2.90%
	CPI	1.90%
Rate of increase in salaries	4.40%	4.40%
Rate of increase of pensions in payment -		
on 1997 - 2005 service pensions	2.80%	2.80%
on post 2005 service pensions	2.00%	2.00%
Rate of increase for deferred pensioners	1.90%	1.90%
General salary increases	4.40%	4.40%
Life expectancy of male/female reaching age 65 at the accounting date	22.6/24.4	22.6/24.4
Life expectancy of male/female reaching age 65 twenty years from the accounting date	24.7/26.3	24.7/26.3
Weighted average duration	15	15
<b>DEMOGRAPHIC ASSUMPTIONS</b>		

Summary of asset data

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

	2016		2015		2014
	% of total	£'000	% of total	£'000	% of total
Equities, including property		6,491	34%	4,905	29%
Diversified Growth Funds		5,310	36%	5,198	37%
Corporate bonds ,Gilts and Cash		4,830	20%	4,368	34%
		<u>16,631</u>		<u>14,471</u>	
Actual return		<u>-</u>		<u>-</u>	<u>1,129</u>

	2016	2015
	£'000	£'000
<b>Movement in the net balance sheet position</b>		
Opening net liabilities	3,680	4,421
Expense/(Credit) charged to profit and loss	773	930
Amount recognised outside of profit and loss	2,776	(772)
Employer contributions	(844)	(899)
Closing net liabilities /(asset)	<u>6,385</u>	<u>3,680</u>

Movement in present value of defined benefit obligation

Employers' part of current service cost	18,256	18,375
Interest on plan liabilities	651	794
Contributions by plan participants	658	631
Actuarial (gains)/losses due to	139	149
Experience on benefit obligation	(149)	(149)
Changes in financial assumptions	4,389	(651)
Changes in demographic assumptions	-	(220)
Benefits and expenses paid	(928)	(673)
Closing defined benefit obligation	<u>23,016</u>	<u>18,256</u>

Movement in fair value of plan assets

Opening fair value of plan assets	14,471	13,954
Interest on plan assets	536	495
Actual return on plan assets less interest on plan assets	1,569	(353)
Contributions by the employer	844	899
Contributions by plan participants	139	149
Benefits and expenses paid	(928)	(673)
Value at 31 December	<u>16,631</u>	<u>14,471</u>

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**13. PENSION SCHEME CONTRIBUTIONS - CONTINUED**

**Expense recognised in profit or loss**

Employers part of current service cost	651	794
Interest expense	122	136
	773	930

**Amounts recognised outside profit or loss**

Remeasurements	2,776	(772)
	2,776	(772)

**History of assets, liabilities, experience gains and losses**

	2016	2015	2014	2013	2012
	£'000	£'000	£'000	£'000	£'000
At 31 December					
Fair value of plan assets	16,631	14,471	13,954	12,455	10,756
Present value of defined benefit obligation	(23,016)	(18,151)	(18,375)	(15,449)	(14,363)
Deficit in the scheme	(6,385)	(3,680)	(4,421)	(2,994)	(3,607)

**Future funding obligation**

The most recent actuarial valuation of the scheme, which was assessed at 31 May 2013 and finalised in August 2014, showed a deficit of £3,600,000. A Schedule of Contributions recommended by the Actuary designed to eliminate the deficit by thereafter, as well as deficit funding contributions of £356,928 in the year to 31 May 2014, £30,934 per month in respect of June and July 2014 and £25,000 per month in respect of August 2014 to August 2025 inclusive with this amount increasing on 1 June each year, with effect from 1 June 2015, by the increase in the Retail Prices Index for the year to the preceding September. In-service members will continue to make contributions of 5% - 7% of pensionable salary in accordance with the Scheme Rules.

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 was 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 salaries and pensions.

The UCATT members in Ireland were balloted in 2016 for a merger with the Technical Engineering and Electrical Union (TEEU) and on June 24, 2016 it was announced that 90% of UCATT's 5,500 members in the Republic had voted for the transfer into TEEU.

The Republic of Ireland business activity for UCATT was transferred to TEEU on January 01, 2017. As this is the case UCATT had to close the scheme as at December 31, 2016 and pay a sum of €344,000 which it paid on December 23, 2016. There is no further liability due to the scheme.



**UNION OF CONSTRUCTION,  
ALLIED TRADES AND TECHNICIANS  
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**14. 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.

**15. REVALUATION RESERVE**

This represents the surplus arising following the revaluation of all the Union properties by Keningtons as at December 31, 2014. The Executive committee do not consider there to have been any material change in the valuation of investment properties in the year to 31 December 2015.

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

**16. Political Fund**

The union made every effort to control its expenditure during the year but the balance on the political account still shows a negative figure because of the large overspend in 2015.

**17. FINANCIAL INSTRUMENTS**

The Union's financial instruments may be analysed as follows:

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
<b>Financial Assets</b>		
Financial assets measured at fair value through profit or loss	1,759	2,110
Financial assets measured at amortised cost	656	1,273
	<u>2,415</u>	<u>3,383</u>
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost	<u>253</u>	<u>349</u>

Financial assets measured at fair value through profit or loss comprise fixed asset investments in a portfolio of listed company shares.

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors and other creditors.

# 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><i>B. Ryse</i></u> Name: <u>BRUNO PETER RYSE</u> Date: <u>9<sup>th</sup> MAY 2017</u>	Chairman's Signature: <u><i>Michael Farrell</i></u> (or other official whose position should be stated) Name: <u>MICHAEL FARRELL</u> Date: <u>18<sup>th</sup> MAY 2017</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 checked="" 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 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 type="checkbox"/>	TO FOLLOW	<input 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"/>
IS A MEMBERSHIP AUDIT CERTIFICATE PROVIDED (See Pages 23 and 24 and Notes 88 to 94)	YES	<input 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)

# AUDITOR'S REPORT (section one)

[Empty space for auditor's report content]

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 STREET LONDON EC1A 4AB	
Date:	22 JUNE 2017	
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.

## **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 2016 which are set out on pages 3 to 11. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Executive Council's Responsibilities Statement, 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 (APB'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 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 Union's affairs as at 31 December 2016 and of its deficit 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures 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

**Philip Clark** (Senior Statutory Auditor)

For and on behalf of Moore Stephens LLP  
Statutory Auditor  
150 Aldersgate Street  
London  
EC1A 4AB

Date: 22 June 2017

# MEMBERSHIP AUDIT CERTIFICATE

(see notes 88 to 94)

made in accordance with section 24ZD of the  
Trade Union and Labour Relations (Consolidation) Act 1992.

At the end of the reporting period preceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

**YES**

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21.

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21.

## MEMBERSHIP AUDIT CERTIFICATE SECTION ONE

*For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to  
appoint an independent assurer*

5. In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

**NO**

6. In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

**YES**

If the answer to **either** questions 5 or 6 is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) **send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.**

## MEMBERSHIP AUDIT CERTIFICATE (continued)

The auditor identified three weaknesses in the union's system for compiling and maintaining its register of names and address that we believe prevent accurate and up-to-date record keeping:

- An absence of procedures for routinely attempting contact (where practicable) with members when mail is returned undelivered to the union. The process of sending lists to branches for querying with members was demonstrated but this only covered a section of records.
- Failure to action procedures to contact members (where practicable) who fall into subscription arrears, in order to check whether they still wish to retain membership. An annual mass exclusion exercise of members with 104+ week's continuous missed payment was observed but interim contact with these members was found to be lacking. The exception of an initial letter sent to members whose Direct Debit payment collection fails was noted; this covers a minority of the membership.
- Delays between the receipt of Deduction at Source lists sent from employers to the union and the reconciliation of such lists against member records was observed. This has the potential to delay the updating of records where payment has ceased because the member no longer wishes to remain a member.

In addition, the auditor noted the lack of a specifically designated box for 'the ballot address' on the union's application form.

ERS notes that a transference of UCATT members to Unite the Union took place on 1st January 2017 and we do not expect these issues to continue post transfer when Unite the Union procedures are applied.

Signature of assurer	
Name	Ian Robinson
Address	Electoral Reform Services Ltd The Election Centre 33 Clarendon Road London N8 0NW
Date	01/03/2018
Contact name and telephone number	Ian Robinson, Director and Head of Quality Control 020 8365 8909