

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	University & College Union			
Year ended:	31st August 2021			
List no:	792T			
Head or Main Office address:	Carlow Street			
	London			
Postcode	NW1 7LH			
Website address (if available)	www.ucu.org			
Has the address changed during the year to which the return relates?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/> ('X' in appropriate box)
General Secretary:	Dr Jo Grady			
Telephone Number:	020 7756 2500			
Contact name for queries regarding the completion of this return	David Hales			
Telephone Number:	020 7756 2500			
E-mail:	Dhales@ucu.org.uk			

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 0330 109 3602

You should send the annual return to the following email address stating the name of the union in subject:

For Unions based in England and Wales: returns@certoffice.org

For Unions based in Scotland: ymw@tcyoung.co.uk

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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	57,707	1,493	8	60	59,268
Female	65,345	1,863	10	43	67,261
Other					
Total	123,052	3,356	18	103	A 126,529

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

101,822

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

1,794

Change of Officers

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

Position Held	Name of Officer ceasing to hold Office	Name of Officer Appointed	Date of change
President	Ms Vicky Blake	Ms Vicky Blake	31.5.21
President-Elect	Ms Janet Farrar	Ms Janet Farrar	31.5.21
Vice President	N/A	Dr Justine Mercer	31.5.21
Immediate Past Presid.	Dr Douglas Chambers	N/A	31.5.21
Honorary Treasurer	Dr Steve Sangwine	Dr Steve Sangwine	31.5.21

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:

Officers in post

(see note 12)

Please complete list of all officers in post at the end of the year to which this return relates.

Name of Officer	Position held
Please see attached pages P2A.1 - P2A.3	

OFFICERS OF THE UNIVERSITY AND COLLEGE UNION - 2020/2021

Officers of the Union at 31st August 2020:

President	Ms Vicky Blake
President Elect	Ms Janet Farrar
Vice-president	-----
Honorary Treasurer	Dr Steve Sangwine
Immediate Past President	Dr Douglas Chalmers

Officers of the Union at 31st August 2021

Ms Vicky Blake
Ms Janet Farrar
Dr Justine Mercer
Dr Steve Sangwine

Members of the National Executive Committee from 1st September 2020 and at 31 May 2021 (until the end of Congress):

Ms Pura Ariza
Mr Bruce Baker
Ms Vicky Blake (president)
Ms Cecily Blyther
Professor Sarah Brown
Ms Philippa Browning
Ms Lucy Burke
Ms Carolyn Campbell
Mr Douglas Chalmers (immediate past president)
Ms Dima Chami
Ms Alison Chapman
Dr Maria Chondrogianni
Ms Jacqueline D'Arcy
Dr Joanna de Groot
Ms Nina Doran
Dr Joanne Edge
Ms Janet Farrar (president elect)
Ms Kirsten Forkert
Dr Annie Goh
Ms Monica Goligher
Dr Deepa Govindarajan Driver
Professor Ann Gow
Ms Vida Greaux
Mr Brian Hamilton
Dr Joan Harvey
Mr David Harvie
Ms Elane Heffernan
Dr Marion Hersh
Ms Ruth Holliday
Mr Chris Jones
Dr Lesley Kane
Ms Naina Kent
Ms Maxine Looby
Ms Claire Marris
Mr Richard McEwan
Ms Lesley McGorrigan
Ms Jo McNeill
Dr Justine Mercer
Dr Eleni Michalopoulou
Ms Rachel Minshull
Ms Linda Moore

Dr Carlo Morelli
Ms Lauren Mura (resigned February 2021)
Dr Robyn Orfitelli
Dr Adam Ozanne
Ms Christina Paine (resigned February 2021)
Ms Sally Pellow
Mr Mark Pendleton
Ms Catherine Pope
Mr Ryan Prout
Ms Julia Roberts
Dr Leon Rocha
Dr Steve Sangwine (honorary treasurer)
Dr Victoria Showunmi
Ms Holly Smith
Mr John Paul Sullivan
Dr Ann Swinney
Mr Sean Vernell
Dr Chloe Vitry
Ms Saira Weiner
Ms Stephanie Williams

General Secretary

Dr Jo Grady

Trustees

Mr Philip Burgess
Dr Alastair Hunter
Ms Angela McConnell
Mr Martin Ralph
Dr Angela Roger

Members of the National Executive Committee from 31 May 2021 (after end of Congress) and at 31st August 2021:

Mr Mark Abel
Ms Pura Ariza
Mr Bruce Baker
Dr Emma Battell Lowman
Ms Vicky Blake (president)
Ms Cecily Blyther
Professor Sarah Brown
Ms Philippa Browning
Ms Carolyn Campbell (resigned 8/6/21)
Ms Alison Chapman (resigned 21/6/21)
Ms Jacqueline D'Arcy
Joanna de Groot
Dr Joanne Edge
Mr Peter Evans
Ms Janet Farrar (president elect)
Ms Annie Goh
Ms Monica Goligher
Dr Deepa Govindarajan Driver

Professor Ann Gow
Ms Vida Greaux
MR Chris Grocott
Mr Brian Hamilton
Dr Joan Harvey
Dr Marion Hersh
Ms Ruth Holliday
Ms Bee Hughes
Mr John James
Dr Aris Katzourakis
Ms Helen Kelsall
Ms Naina Kent
Ms Rhiannon Lockley
Ms Claire Marris
Dr Marian Mayer
Mr Richard McEwan
Ms Lesley McGorrigan
Ms Jo McNeill
Dr Justine Mercer (vice president)
Ms Rachel Minshull
Ms Linda Moore
Mr Chris O'Donnell
Ms Juliana Ojinnaka
Dr Robyn Orfitelli
Dr Adam Ozanne
Mr Bijan Parsia
Mrs Sally Pellow
Mr Ben Pope
Mr Saleem Rashid
Ms Julia Roberts
Dr Leon Rocha (resigned 12/8/21)
Dr Steve Sangwine (honorary treasurer)
Dr Victoria Showunmi
Ms Holly Smith
Mr John Paul Sullivan
Dr Ann Swinney
Mr Sean Vernell
Dr Chloe Vitry (resigned 6/8/21)
Dr Lena Wånggren
Ms Saira Weiner
Ms Stephanie Williams

General Secretary

Dr Jo Grady

Trustees

Mr Philip Burgess
Dr Alastair Hunter
Ms Angela McConnell
Mr Martin Ralph
Dr Angela Roger

General Fund

(see notes 13 to 18)

	£	£
Income		
From Members: Contributions and Subscriptions		22,173,779
From Members: Other income from members (specify)		
Donations		130,412
Total other income from members		130,412
Total of all income from members		22,304,191
Investment income (as at page 12)		30,676
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	283,241	
Total of other income (as at page 4)		283,241
Total income		22,618,108
Interfund Transfers IN		
Expenditure		
Benefits to members (as at page 5)		714,586
Administrative expenses (as at page 10)		17,178,944
Federation and other bodies (specify)		
Subscriptions to TUC		240,825
Subscriptions to Education International		136,218
European Trade Union Committee for Education		34,041
Irish Congress of Trade Unions		13,728
Education International Europe Region		9,662
Other subscriptions		33,074
Total expenditure Federation and other bodies		467,548
Taxation		4,250
Total expenditure		18,365,328
Interfund Transfers OUT		2,325,000
Surplus (deficit) for year		4,252,780
Amount of general fund at beginning of year		37,678,905
Amount of general fund at end of year		39,606,685

Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£
Federation and other bodies	
Total federation and other bodies	
Any Other Sources	
Insurance commission	5,289
Miscellaneous	12,859
Donations from non-members	12,629
University facility fees	104,614
University subventions	7,388
Profit on sale of fixed assets	140,462
Total other sources	283,241
Total of all other income	283,241

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	593,928
	593,328	Advisory Services	
Representation – Non Employment Related Issues		Other Cash Payments	
	600	Education and Training services	47,015
Communications		Negotiated Discount Services	
Dispute Benefits		Other Benefits and Grants (specify)	
		Equality, helath & safety & pensions events	26,196
		Hardship payments	47,447
carried forward	593,928	Total (should agree with figure in General Fund)	714,586

(See notes 21 and 23)

Fund 4		Fund Account	
Name:	Investment Reserve	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Revaluation of quoted investents		249,150
	less deferred tax on unrealised gain		-47,338
		Total other income as specified	201,812
		Total Income	201,812
		Interfund Transfers IN	
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	
		Interfund Transfers OUT	
		Surplus (Deficit) for the year	201,812
		Amount of fund at beginning of year	1,014,728
		Amount of fund at the end of year (as Balance Sheet)	1,216,540
		Number of members contributing at end of year	N/A

Fund 5		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total Income	
		Interfund Transfers IN	
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	
		Interfund Transfers OUT	
		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 21 and 23)

Fund 8		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	
	Interfund Transfers OUT		
	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 9		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
		Total Expenditure	
	Interfund Transfers OUT		
	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		

Political fund account

(see notes 24 to 33)

£

£

Political fund account 1		To be completed by trade unions which maintain their own political fund	
	Income	Members contributions and levies	145,995
		Investment income (as at page 12)	
	Other income (specify)		
		Total other income as specified	
		Total income	145,995
Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period			
		Expenditure A (as at page i)	
		Expenditure B (as at page ii)	
		Expenditure C (as at page iii)	
		Expenditure D (as at page iv)	
		Expenditure E (as at page v)	
		Expenditure F (as at page vi)	
		Non-political expenditure (as at page vii)	145,903
		Total expenditure	145,903
		Surplus (deficit) for year	92
		Amount of political fund at beginning of year	15,607
		Amount of political fund at the end of year (as <u>Balance Sheet</u>)	15,699
		Number of members at end of year contributing to the political fund	71,959
		Number of members at end of the year not contributing to the political fund	54,570
		Number of members at end of year who have completed an exemption notice and do not contribute to the political fund	51,900
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	
		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	

Political fund account expenditure (b)

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates

Expenditure of money on the provision of any services or property for use by or on behalf of any political party	
Name of political party to which payment was made	Total amount paid during the period
	£
Total	

Political fund account expenditure (c)

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates.

Expenditure in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office

Title and Date of election	Name of political party/organisation	Name of candidate, organisation or political party (see 33(iii))	£
Total			

Political fund account expenditure (e)

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates.

The expenditure of money on the holding of any conference or meeting by or on behalf of a political party or of any other meeting the main purpose of which is the transaction of business in connection with a political party

Name of political party	£
Total	

Political fund account expenditure (f)

Expenditure under section 72 (1) (a) of the Trade Union and Labour Relations (consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000 during the period to which return relates

On the production, publication or distribution of any literature, document, film, sound recording or advertisement the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote for a political party or candidate

Name of organisation or political party	£
Total	

Expenditure from the political fund not falling within section 72 (1) of the trade union & labour relations (consolidation) act 1992

For expenditure not falling within section 72 (1) the required information is-

(a) the nature of each cause or campaign for which money was expended, and the total amount expended in relation to each one	£

Total expenditure

(b) the name of each organisation to which money was paid (otherwise than for a particular cause of campaign), and the total amount paid to each one £

Trades Union Congress - proportion of affiliation	90,000
TU Coordinating Group affiliation	4,730
Fairshare Educational Foundation - Share Action membership	2,000
Wales TUC	1,653
Public Service Pensioners' Council	417
The Peoples Assembly	350
Cuba Solidarity Campaign	200
National Pensions Convention	2,250
CODIR £500 - Results UK £500	1,000
Campaign Against Climate Change	300

Total expenditure 102,900

(c) the total amount of all other money expended £

Conferences	6,924
DeHavilland - political monitoring service	14,784
IER annual donation	3,045
Palestine Solidarity Campaign donation	1,000
Fundraise Nurse Kids	250
Durham Miners Redhills Appeal	9,000
The World Transformed Partnership	2,500
Publicity advertising	500
Stop Fire and Rehire campaign donation	5,000

Total expenditure 43,003

Total of all expenditures 145,903

Analysis of administrative expenses and other outgoings excluding amounts charged to political fund accounts

(see notes 34 and 35)

		£
Administrative Expenses		
Remuneration and expenses of staff		11,948,283
Salaries and Wages included in above	9,028,314	
Auditors' fees		36,646
Legal and Professional fees		738,010
Occupancy costs		1,421,568
Stationery, printing, postage, telephone, etc.		263,054
Expenses of Executive Committee (Head Office)		23,285
Expenses of conferences		40,060
Other administrative expenses (specify)		
Equipment & systems maintenance		1,046,349
Campaigns & policy		158,710
Bargaining & negotiations		101,005
Higher & further education		118,652
Ballot		341,046
Miscellaneous		172,957
Other Outgoings		
Interest on:		
Bank loans (including overdrafts)		1
USS Discount unwind		62,021
Depreciation		536,085
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Payments to charities		950
Other donations		165,399
Pension scheme		84,000
Total		17,258,081
Charged to:	General Fund (Page 3)	17,178,944
	Fighting Fund	79,137
	Pension Fund	
	Investment Reserve	
Total		17,258,081

Analysis of officials' salaries and benefits

(see notes 36 to 46 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits		Total £	
			Pension Contributions £	Other Benefits		
				Description		Value £
General Secretary	104,841	13,251	22,121		140,213	

Analysis of investment income

(see notes 47 and 48)

	Political Fund £		Other Fund(s) £
Rent from land and buildings			
Dividends (gross) from:			
Equities (e.g. shares)			14,201
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			16,475
Other investment income (specify)			
			30,676
		Total investment income	30,676
		Credited to:	
		General Fund (Page 3)	30,676
		Fighting Fund	
		Pension Fund	
		Investment Reserve	
		Political Fund	
		Total Investment Funds	30,676

Balance sheet as at

31st August 2021

(see notes 49 to 52)

Previous Year		£	£
13,807,585	Fixed Assets (at page 14)		13,202,580
	Investments (as per analysis on page 15)		
1,248,750	Quoted (Market value £ (1,497,900)		1,497,900
180,000	Unquoted		180,000
	Total Investments		1,677,900
	Other Assets		
	Loans to other trade unions		
652,299	Sundry debtors		590,995
30,714,370	Cash at bank and in hand		35,032,536
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
50	Building Society deposit		50
	Total of other assets		35,623,581
31,366,719		Total assets	50,504,061
46,603,054			
37,678,905	General fund (page 3)		39,606,685
1,661,612	Fighting Fund		3,143,745
-6,096,000	Pension Fund		-950,000
1,014,728	Investment Reserve		1,216,540
15,607	Political Fund Account		15,699
	Liabilities		
	Amount held on behalf of central trade union political fund		
£6,096,000	Pension liability		950,000
£3,876,293	Pension liability - multi-employer scheme		3,739,977
£13,962	Tax payable		4,249
£2,170,139	Creditors & accrued expenses		2,558,020
£171,808	Provision for deferred taxation		219,146
£12,328,202		Total liabilities	7,471,392
£46,603,054		Total assets	50,504,061

Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year	17,484,869	89,690	3,209,717			20,784,276
Additions			109,834			109,834
Disposals	-222,878		-49,198			-272,076
Revaluation/Transfers						
At end of year	17,261,991	89,690	3,270,353			20,622,034
Accumulated Depreciation						
At start of year	4,307,930	40,361	2,628,400			6,976,691
Charges for year	349,698	1,793	193,509			545,000
Disposals	-54,986		-47,251			-102,237
Revaluation/Transfers						
At end of year	4,602,642	42,154	2,774,658			7,419,454
Net book value at end of year	12,659,349	47,536	495,695			13,202,580
Net book value at end of previous year	13,176,939	49,329	581,317			13,807,585

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)	1,497,900	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)	1,497,900	
Market Value of Quoted Investment	1,497,900	
Unquoted		
Equities	180,000	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)	180,000	
Market Value of Unquoted Investments		

Analysis of investment income (controlling interests)

(see notes 60 and 61)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
------------------------------	--

If YES name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)

Are the shares which are controlled by the union registered in the names of the union's trustees?

Yes <input type="checkbox"/>	No <input type="checkbox"/>
------------------------------	-----------------------------

If NO, state the names of the persons in whom the shares controlled by the union are registered.

Company name	Names of shareholders

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds	Political Funds £	Total Funds £
Income			
From Members	24,276,557	145,995	24,422,552
From Investments	30,676		30,676
Other Income (including increases by revaluation of assets)	3,306,053		3,306,053
Total Income	27,613,286	145,995	27,759,281
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	18,855,561	145,903	19,001,464
Funds at beginning of year (including reserves)	34,259,245	15,607	34,274,852
Funds at end of year (including reserves)	43,016,970	15,699	43,032,669
Assets			
Fixed Assets			13,202,580
Investment Assets			1,677,900
Other Assets			35,623,581
		Total Assets	50,504,061
Liabilities		Total Liabilities	7,471,392
Net Assets (Total Assets less Total Liabilities)			43,032,669

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members			
From Investments			
Other Income (including increases by revaluation of assets)			
Total Income			
Expenditure (including decreases by revaluation of assets)			
Total Expenditure			
Funds at beginning of year (including reserves)			
Funds at end of year (including reserves)			
Assets			
Fixed Assets			
Investment Assets			
Other Assets			
Total Assets			
Liabilities			
Total Liabilities			
Net Assets (Total Assets less Total Liabilities)			

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?	Yes
If Yes How many ballots were held: <input style="width: 50px;" type="text" value="57"/>	
For each ballot held please complete the information below:	
Ballot 1	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Ballot 2	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Ballot 3	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" type="text"/> ³
1-3 should total "Number of votes cast"	
Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" type="text"/>
If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot	<input style="width: 60px;" type="text"/>

Ballot 4

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballot 5

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballot 6

Number of individual who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question 1

Number of individuals answering "No" to the question 2

Number of invalid or otherwise spoiled voting papers returned 3

1-3 should total "Number of votes cast"

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot

Ballots and Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

Information on Industrial Action Ballots

Name of Organisation:		UNIVERSITY & COLLEGE UNION			Reporting Period	31/08/2021		
Did the union hold any ballots in respect of industrial action during the return period?				<u>Yes</u>	For each ballot held please complete the information below			
If yes, how many ballots were held?				<u>57</u>				
Ballot	Number of individuals who were entitled to vote in the ballot	Number of votes cast in the ballot	Number of Individuals answering "Yes" to the question	Number of Individuals answering "No" to the question	Number of invalid or otherwise spoiled voting papers returned	Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot?	Does 226(2B) of the 1992 Act apply to this ballot?	If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot?
1	404	267	204	61	2	Yes	No	
2	404	267	235	31	1	Yes	No	
3	758	286	170	115	1	No	No	
4	758	286	223	62	1	No	No	
5	975	469	311	151	7	No	No	
6	975	469	404	64	1	No	No	
7	814	548	364	183	1	Yes	No	
8	814	548	492	55	1	Yes	No	
9	384	153	97	55	1	No	No	
10	384	153	107	43	3	No	No	
11	262	151	107	40	4	Yes	No	
12	262	151	142	9	0	Yes	No	
13	1,204	591	378	210	3	No	No	
14	1,204	591	479	109	3	No	No	
15	585	353	247	105	1	Yes	No	
16	585	353	318	35	0	Yes	No	

17	583	303	171	131	1	Yes	No	
18	583	303	226	73	4	Yes	No	
19	306	195	136	58	1	Yes	No	
20	306	195	177	17	1	Yes	No	
21	845	379	297	79	3	No	No	
22	845	379	319	55	5	No	No	
23	871	486	350	133	3	Yes	No	
24	871	486	441	45	0	Yes	No	
25	842	296	178	117	1	No	No	
26	842	296	231	65	0	No	No	
27	713	419	329	90	0	Yes	No	
28	713	419	362	51	6	Yes	No	
29	1,242	743	622	121	0	Yes	No	
30	1,242	743	668	72	3	Yes	No	
31	728	396	307	86	3	Yes	No	
32	728	396	348	47	1	Yes	No	
33	7	6	5	1	0	Yes	No	
34	7	6	6	0	0	Yes	No	
35	450	136	86	50	0	No	No	
36	450	136	111	24	1	No	No	
37	450	133	72	60	1	No	No	
38	450	133	101	30	2	No	No	
39	739	416	290	126	0	Yes	No	
40	739	416	350	66	0	Yes	No	
41	127	38	25	13	0	No	Yes	No
42	127	38	35	3	0	No	Yes	No
43		641	567	72	2	Yes	No	
44		641	615	21	5	Yes	No	
45	558	296	199	94	3	Yes	No	
46	558	296	238	51	7	Yes	No	
47	167	89	87	1	1	Yes	Yes	Yes
48	167	89	89	0	0	Yes	Yes	Yes
49	105	74	69	5	0	Yes	Yes	Yes

50	124	80	72	8	0	Yes	Yes	Yes
51	632	411	393	17	1	Yes	Yes	Yes
52	249	174	163	11	0	Yes	Yes	Yes
53	146	93	76	17	0	Yes	Yes	Yes
54	159	96	84	12	0	Yes	Yes	Yes
55	285	152	128	24	0	Yes	Yes	Yes
56	207	124	94	30	0	Yes	Yes	Yes
57	91	56	50	6	0	Yes	Yes	Yes

(see note 81)

***Categories of Nature of Trade Dispute**

- A: terms and conditions of employment, or the physical conditions in which any workers require to work;
- B: engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;
- C: allocation of work or the duties of employment between workers or groups of workers;
- D: matters of discipline;
- E: a worker's membership or non-membership of a trade union;
- F: facilities for officials of trade unions;

- G: machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

Did Union members take industrial action during the return period in response to any inducement on the part of the Union? YES/NO

Yes

If **YES**, for each industrial action taken please complete the information below:

Industrial Action 1

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 2

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 3

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

use a continuation page if necessary

Industrial Action 4

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 5

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 6

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 7

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Industrial Action 8

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken: to

3. Number of days of industrial action:

4. Nature of industrial action.

Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

Information on Industrial Action

Name of Organisation:		UNIVERSITY & COLLEGE UNION		Reporting Period	31/08/2021
Did Union members take industrial action during the return period in response to any inducement on the part of the union?			<u>Yes</u>	If YES, for each industrial action taken please complete the information below	
Industrial Action	Nature of the trade dispute for which action was taken	Dates of the industrial action taken	Number of days of industrial action	Nature of industrial action	Categories of nature of Trade Dispute A: Terms and conditions of employment, or the physical conditions in which any workers are required to work B: Engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers C: Allocation of work or the duties of employment between workers or groups of workers D: Matters of discipline E: A worker's membership or non-membership of a trade union F: Facilities for officials of trade unions G: Machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures
1	A	22/02/2021-23/02/2021	2	Strike Action	
2	A	04/01/2021-15/06/2021	113	Action Short of a Strike	
3	A	08/06/2021-03/07/2021	19	Action Short of a Strike	
4	A	04/01/2021-30/04/2021	83	Action Short of a Strike	
5	A	10/05/2021-31/08/2021	82	Action Short of a Strike	
6	A	24/05/2021-14/08/2021	24	Strike Action	
7	A	09/06/2021-11/06/2021	3	Strike Action	
8	A	04/05/2021-31/08/2021	86	Action Short of a Strike	
9	A	24/03/2021	1	Strike Action	
10	A	11/05/2021-23/06/2021	4	Strike Action	

Notes to the accounts

(see notes 82 and 83)

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

Please see the attached notes - Pages 22-1 to 22-9

UNIVERSITY AND COLLEGE UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

**STATEMENT OF RESPONSIBILITIES OF THE
UNION AND MEMBERS OF THE NATIONAL EXECUTIVE COMMITTEE**

The National Executive Committee is the principal executive committee of the Union and consists of the Officers of the Union (Vice-President; President-elect; President; Immediate Past-President; Honorary Treasurer), the General Secretary and the ordinary members of the Committee elected for constituencies defined in the Union's Rules.

Trade Union law requires the Union and members of the National Executive Committee to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Union and of the surplus or deficit of the Union for that period. In preparing those financial statements the Union and members of the National Executive Committee are responsible for preparing accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In doing so the National Executive Committee is required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Union will continue in operation.

The Union and members of the National Executive Committee are responsible for keeping proper accounting records such as are necessary to give a true and fair view of the state of affairs of the Union and to explain its transactions. The Union and members of the National Executive Committee must also establish and maintain a satisfactory system of control of its accounting records, its cash holdings and all its receipts and remittances and hence are responsible for safeguarding the assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

1. Taxation

Analysis of charge in year

	Year ended 31.8.2021	Year ended 31.8.2020
	£	£
Current tax		
Provision for UK corporation tax on surplus for the year.	4,250	13,962
Adjustments in respect of previous provision.	--	--
Total current tax charge.	<u>4,250</u>	<u>13,962</u>
Deferred tax	<u>47,338</u>	<u>12,626</u>
Total tax charge.	<u>£51,588</u>	<u>£26,588</u>

Factors affecting the tax charge for the year

	Year ended 31.8.2021	Year ended 31.8.2020
	£	£
Surplus on accumulated funds before taxation.	<u>£5,739,255</u>	<u>£4,329,977</u>
Surplus on accumulated funds before taxation multiplied by the main rate of UK corporation tax at 19%.	1,090,459	822,696
Effects of:		
Income not chargeable to taxation.	(4,695,342)	(4,755,243)
Expenses not deductible for tax purposes.	<u>3,609,133</u>	<u>3,946,510</u>
Current tax charge.	<u>£4,250</u>	<u>£13,963</u>

Deferred taxation

	Year ended 31.8.2021	Year ended 31.8.2020
	£	£
At 1st September.	171,808	159,182
Movement in year: deferred tax charge recognised in Investment Reserve Fund.	<u>47,338</u>	<u>12,626</u>
At 31st August.	<u>£219,146</u>	<u>£171,808</u>

The movement in the provision for deferred taxation from 1st September 2020 to 31st August 2021 of £47,338 represents the deferred tax provision on unrealised gains on the revaluation of quoted investments at the year end recognised in Investment Reserve Fund (2020 - charge £12,626).

UNIVERSITY AND COLLEGE UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021
(continued)

2. Pension Schemes

Introduction:

The University and College Union participates in the Universities Superannuation Scheme (USS) and also operates a defined benefits scheme, the NATFHE Pension and Life Assurance Scheme. Both schemes are described more fully within this note.

The deficit disclosed in these financial statements in respect of the NATFHE Pension and Life Assurance Scheme was evaluated by the scheme's actuary at 31 August 2021 as £1,750,000 and at 31 August 2020 as £6,096,000.

The former NATFHE agreed to pay additional contributions per month for a period of 15 years from 1 June 2006. These additional monthly amounts were payable in accordance with a schedule of contributions agreed between the Trustees of the NATFHE Pension and Life Assurance Scheme and the Employer (NATFHE). The UCU agreed to continue these payments from 1 June 2006 and the payments were revised from 1 July 2009 as part of a recovery plan agreed between the Trustees of the NATFHE Pension and Life Assurance Scheme and

The recovery plan payments were subsequently amended after the completion of each of the triennial valuations carried out on 1 April 2011, 1 April 2014, 1 April 2017 and 1 April 2020.

Following completion of the latest triennial valuation of the NATFHE Pension and Life Assurance Scheme on 1 April 2020 a revised recovery plan was agreed between the Trustees of the NATFHE Pension and Life Assurance Scheme and the University and College Union on 27 July 2021. The payments due in accordance with the plan consist of a single payment of £950,000 payable by 30 July 2021, a single payment of £55,000 payable by 19 August 2021, a single payment of £50,000 payable by 19 September 2021 and monthly payments of £65,000 from 1 September 2021 to 1 August 2030 payable by the 19th of the month to which the payment relates (with the final payment payable by 19 July 2030).

The Trustees of the NATFHE Pension and Life Assurance Scheme and the University and College Union also agreed a "Side Agreement" on 27 July 2021 for contingent payments to be made to the Scheme based on the Union's net operating surplus over the next three years in accordance with the following table:

Tier of net operating surplus.	Percentage of net operating surplus tier payable to Scheme (subject to maximum).	Maximum tiered amount payable to the Scheme in respect of any year (£).	Maximum cumulative total amount payable to the scheme in respect of the agreed three year period (£).
£0 to £500,000	0%	£0	£0
£500,001 to £1,000,000	25%	£125,000	£125,000
£1,000,001 to £1,500,000	35%	£175,000	£300,000
£1,500,001 to 2,000,000	50%	£250,000	£550,000
£2,000,001 to £2,500,000	50%	£250,000	£800,000
£2,500,001 and above	0%	£0	£800,000

Any contingent payments payable to the Scheme under the "Side Agreement" for the years ended 31 August 2021 to 31 August 2023 inclusive are to be paid by way of a single lump sum payment by 28 February following the end of the year in which the relevant surplus arose.

The future accrual of benefits under the NATFHE Pension and Life Assurance Scheme ceased from 1st November 2006.

From 1st November 2006 the former employees of NATFHE commenced payment of contributions to the USS and ceased to make contributions to the NATFHE Pension and Life Assurance Scheme.

NATFHE PENSION AND LIFE ASSURANCE SCHEME
FRS102 Section 28 - POST-EMPLOYMENT BENEFITS

The University and College Union "the employer" operates the NATFHE Pension and Life Assurance Scheme which is governed by a Trust Deed dated 1 April 1974, as subsequently amended, and is administered by Trustees, nominated by the former NATFHE and by members of the scheme. The scheme is a defined benefit scheme. The scheme is closed to new members.

The NATFHE Pension and Life Assurance Scheme is subject to triennial valuations and the last triennial valuation was carried out as at 1 April 2020. The next valuation is due at 1 April 2023.

The valuation carried out as at 1 April 2020 revealed a deficit of £8.193m and that the Scheme had assets sufficient to cover 81% of its technical provisions as at that date.

The scheme's actuary was asked to provide figures relevant to the scheme as at 31 August 2020 and 31 August 2021 for the purposes of complying with FRS102.

UNIVERSITY AND COLLEGE UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021
(continued).**

2. Pension Schemes (continued)

The figures provided in these financial statements are based on the following actuarial assumptions:

	<u>At 31.8.2021</u>	<u>At 31.8.2020</u>
Discount rate *	1.60% pa	1.60% pa
Inflation assumption (RPI) **	3.55% pa	3.20% pa
Rate of increase in salaries	3.80% pa	3.45% pa
Pension increases:		
Rate of increase in pensions in payment - 5% pa fixed pension increases	5.00% pa	5.00% pa
Rate of increase in pensions in payment - RPI pension increases	3.55% pa	3.20% pa
Rate of increase in pensions revaluation in deferment	3.55% pa	3.20% pa
Standard mortality tables were used as follows:		
Post-retirement mortality	S3PA	S3PA
	CMI 2019 projection based on individual year of birth, 1.25% pa long term improvement ***	CMI 2019 projection based on individual year of birth, 1.25% pa long term improvement ***
Tax-free cash	No allowance	No allowance

* Under FRS102 the discount rate should be based upon the yield available on high quality corporate bonds (usually taken as AA rated in the UK) of appropriate term and currency. The discount rate used at the review date in 2020 was based upon an estimate of the cashflows arising with a similar duration to that of the scheme's liabilities using the Merrill Lynch nominal AA corporate bond spot and indicated that a discount rate of between 1.55% and 1.70% was appropriate. The discount rate used at the review date in 2020 was 1.60%. A similar approach has been taken in establishing the discount rate used at the review date in 2021. The yield is based on the Merrill Lynch nominal AA corporate bond spot curve at the review date, using a duration of 17 years for the Scheme's liabilities (2020 - 18 years duration). A discount rate of between 1.55% and 1.75% is appropriate and the rate used in 2021 of 1.60% falls within this range and is considered appropriate by the scheme's actuary. The discount rate used for both 2020 and 2021 of 1.60% reflects the changes to the yields on bonds being offset by the effect of updating the duration of the scheme's liabilities.

** The Bank of England publishes implied inflation data which has been used in evaluating the single rate of inflation that would arise based on the cashflows arising with a similar duration to that of the scheme's liabilities. Based on this analysis for 2020 a market-implied RPI inflation assumption of 3.2% pa was considered to be appropriate. For 2021 a market-implied inflation rate has been derived from a breakeven RPI inflation assumption with reference to the Bank of England implied inflation curve and this gives an RPI inflation assumption of 3.55%. In September 2019, the UK Statistics Authority announced that it intends to change the RPI inflation statistic to bring RPI into line with CPIH (the CPI index with housing costs included). On 25 November 2020, the UK Government confirmed that the changes to RPI are expected to proceed in 2030.

***CMI - Continuous Mortality Investigation into the mortality of Self-Administered Pension Schemes.

No allowance was made for withdrawals from active service before normal retirement date. 90% of members were assumed to be married when they die with husbands being three years older than their wives. Members retiring between their 60th and 65th birthdays with accrued service arising before 1 April 2003 will receive an un-reduced pension in respect of that service. Members with pension service accrued after 1 April 2003 will receive a reduced pension derived from the scheme's early retirement factors. The figures provided in these financial statements assume that those members with pre 1 April 2003 service still employed by UCU (known as Special Deferred members) will retire at age 62 years. 90% of deferred members are assumed to be married at retirement. Any other deferred members with pre 1 April 2003 service are assumed to retire at age 60 years. Members who joined the scheme after 1 April 2003 are assumed to retire at age 65. These assumptions are consistent with those used last year.

Under the mortality tables and projections adopted, the assumed future life expectancy at age 65 is as follows:

	<u>At 31.8.2021</u>	<u>At 31.8.2020</u>
Male currently aged 45	23.3 years	23.2 years
Female currently aged 45	25.8 years	25.7 years
Male currently aged 65	22.0 years	21.9 years
Female currently aged 65	24.3 years	24.2 years

Major asset categories as a percentage of total assets are as follows:

	<u>At 31.8.2021</u>	<u>At 31.8.2020</u>
Equities	44%	41%
Bonds	34%	41%
Gilts	20%	18%
Cash	2%	0%
Total	<u>100%</u>	<u>100%</u>

The actual return on the Scheme's assets net of expenses over the year to the Review Date was £3,777,000 (2020 - £986,000).

The assets do not include any investment in the Employer.

UNIVERSITY AND COLLEGE UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021
(continued).

2. Pension Schemes (continued)

Reconciliation of Assets and Defined Benefit Obligation:	At 31.8.2021	At 31.8.2020
	£'000	£'000
Fair value of assets at 1st September 2020	39,032	38,552
Interest on assets	628	689
Contributions from employer*	1,610	660
Benefits paid	(1,215)	(1,166)
Return on plan assets less interest	3,149	297
	<hr/>	<hr/>
Fair value of assets at 31st August 2021	43,204	39,032
	<hr/>	<hr/>
Contingent contributions payable by the Employer for the year ended 31 August 2021	800	--
	<hr/>	<hr/>
	£44,004	£39,032

* The Employer expects to contribute £830,000 to the Scheme during the year to 31 August 2022 in accordance with the Schedule of Contributions.

Defined Benefit Obligation at 1st September 2020	(45,128)	(46,217)
Interest cost	(712)	(821)
Past service cost	(1)	--
Benefits paid	1,215	1,166
Experience gain on defined benefit obligation	1,171	475
Changes in demographic assumptions	--	923
Changes in financial assumptions	(1,499)	(654)
	<hr/>	<hr/>
Present value of Defined Benefit obligations at 31st August 2021	£(44,954)	£(45,128)

Amounts recognised in the Balance Sheet:

Fair value of assets at 31st August 2021	43,204	39,032
Present value of defined benefit obligations at 31st August 2021	(44,954)	(45,128)

(Deficit) and net defined benefit liability at 31st August 2021

	<hr/>	<hr/>
	(1,750)	(6,096)

Contingent contributions payable by the Employer for the year ended 31 August 2021	<hr/>	<hr/>
	800	--

Net pension scheme (liability) on the defined benefit pension scheme	<hr/>	<hr/>
	£(950)	£(6,096)

Analysis of the amount charged to financial expenses in the Income and Expenditure Account:

	Year ended	Year ended
	31.8.2021	31.8.2020
	£'000	£'000
Interest on pension scheme assets	628	689
Interest on pension scheme liabilities	(712)	(821)
	<hr/>	<hr/>
Net financial expense	£(84)	£(132)

The projected net financial expense for the year to 31st August 2022 amounts to £22,000 (2021 - £93,000). Interest on pension scheme liabilities is projected to be £710,000 (2021 - £713,000) and interest on assets is projected to be £688,000 (2021 - £620,000).

Analysis of the amount credited (or charged) to remuneration and expenses of staff in the Income and Expenditure Account:

	Year ended	Year ended
	31.8.2021	31.8.2020
	£'000	£'000
Past service cost*	<hr/>	<hr/>
	£(1)	£ --

* Past service cost reflects the actuary's estimated allowance for the increase in future cost of Guaranteed Minimum Pensions (GMP) required by the equalisation of pension benefits between males and females that accrued since 17 May 1990 and the effect on the NATFHE Pension & Life Assurance Scheme's liabilities at the review date. This estimate follows the court judgement given on 26 October 2018 in the case of Lloyds Banking Group Pensions Trustees Ltd v Lloyds Bank PLC (and others) which provided clarity on the requirement for GMP equalisation.

Detailed calculations will be required in subsequent accounts in evaluating the full cost of GMP equalisation after taking professional advice and in consideration of any follow up court judgements or DWP guidance.

UNIVERSITY AND COLLEGE UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

(continued).

2. Pension Schemes (continued)

Analysis of amount credited in Pension Fund Account (Fund 3) in respect of the actuarial gain on the NATFHE Pension and Life Assurance Scheme:	Year ended <u>31.8.2021</u> £'000	Year ended <u>31.8.2020</u> £'000
Gain on scheme assets in excess of interest	3,149	297
Experience gain arising on the scheme liabilities	1,171	475
Gains from changes to demographic assumptions	--	923
(Losses) from changes in financial assumptions	<u>(1,499)</u>	<u>(654)</u>
Actuarial gain recognised in the Pension Fund Account (Fund 3)	<u>£2,821</u>	<u>£1,041</u>
Movement in scheme deficit during the year:	Year ended <u>31.8.2021</u> £'000	Year ended <u>31.8.2020</u> £'000
Deficit in scheme at 1 September 2020	(6,096)	(7,665)
Movement in year:		
Contributions received from Employer in the year	1,610	660
Net financial expense	(84)	(132)
Past service cost	(1)	--
Actuarial gain	<u>2,821</u>	<u>1,041</u>
Deficit in scheme at 31 August 2021	<u>(1,750)</u>	<u>(6,096)</u>
Contingent contributions payable by the Employer for the year ended 31 August 2021	<u>800</u>	<u>--</u>
Deficit as reduced by contingent contributions payable by the Employer for the year ended 31 August 2021	<u>£(950)</u>	<u>£(6,096)</u>

The asset values are derived from the bid values of the funds invested.

No allowance for deferred taxation or incapacity benefits has been made.

No allowance has been made in these figures for possible effects of the cost that might be incurred in respect of the scheme's liability to pay the Pension Protection Fund Levy.

**USS INSTITUTIONS - ACTUARIAL VALUATION AS AT 31 MARCH 2018
FRS102 Section 28 - POST-EMPLOYMENT BENEFITS**

The University and College Union participates in the Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. The University and College Union is required to contribute a specified percentage of payroll costs to the pension scheme to fund the benefits payable to the Union's employees. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice. The employer contribution rate was 16% up until 31 March 2016, 18% up until 31 March 2019, 19.5% up until 30 September 2019 and 21.1% thereafter.

The actuarial valuation of the scheme at 31 March 2018 was carried out using the projected unit method. The next actuarial valuation is due to take place with an effective date no later than 31 March 2021 and the Trustee has undertaken to carry out an earlier valuation as at 31 March 2020. The result of that valuation was not available before the 31st August 2021 but reference to the 31 March 2020 valuation is fully disclosed in a note to these accounts in respect of a Post Balance Sheet Event (see note 7).

The 2018 valuation was the fifth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

Past Service Funding Position: Technical Provisions.	<u>Valuation at 31 March 2018</u>	<u>Valuation at 31 March 2017</u>
Scheme assets	£63.7bn	£60.0bn
Total scheme liabilities	£67.3bn	£67.5bn
FRS 102 total scheme deficit	£3.6bn	£7.5bn
FRS 102 total funding level	95.0%	89.0%

The actuarial method to be used in the calculation of the technical provisions is the Projected Unit method with a one-year control period.

The current life expectancies on retirement at age 65 are:

	<u>2021</u>		<u>2020</u>	
	At age 65 years.	At age 45 years.	At age 65 years.	At age 45 years.
Males	24.6 years	26.6 years	24.4 years	26.3 years
Females	26.1 years	27.9 years	25.9 years	27.7 years

UNIVERSITY AND COLLEGE UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

(continued).

2. Pension Schemes (continued)

	2021	2020
UCU specific rates used in deficit contribution model:		
Discount rate	1.6%	1.6%
Salary inflation rate	3.80%	3.45%
Amounts recognised in the Balance Sheet in respect of the pension scheme liability on the multi-employer defined benefit pension scheme		
Present value of deficit contributions payable to USS at 1.9.2020.	3,876,293	5,712,752
Interest payable as contribution deficit unwinds	62,021	102,830
Changes in expected contributions to USS	(26,040)	(1,787,216)
Deficit contributions treated as paid to USS	<u>(172,297)</u>	<u>(152,073)</u>
Present value of deficit contributions payable to USS at 31.8.2021.	<u>£3,739,977</u>	<u>£3,876,293</u>

Following completion of the 2018 valuation, the trustee ascertained, that in order to correct the technical provisions shortfall in assets of £3.6bn, the employers should make deficit contributions of 2% p.a. of total salaries in addition to the contributions towards the accrual of future service benefits including contributions to the Defined Contribution section from 1st October 2019 until 30th September 2021 at which point the rate will increase to 6%. If contributions are payable at this level from 1st October 2019 then, based on the assumptions made for the recovery plan, the deficit would be expected to be corrected by 31st March 2028.

The key assumptions used in calculating the technical provisions as at 31 March 2018 (with comparatives at 31 March 2017) are:

Financial assumptions:	Valuation at 31 March 2018:	Valuation at 31 March 2017:
Investment return (discount rate)	Years 1-10: CPI plus 0.14% reducing linearly to CPI less 0.73% Years 11-20: CPI plus 2.52% reducing linearly to CPI plus 1.55% by year 21. Years 21+: CPI plus 1.55%	Years 1-10: CPI less 0.53% reducing linearly to CPI less 1.32% Years 11-20: CPI plus 2.56% reducing linearly to CPI plus 1.7% by year 21. Years 21+: CPI plus 1.7%
Market derived price inflation	In line with the difference between the Fixed Interest & Index Linked yield curves	In line with the difference between the Fixed Interest & Index Linked yield curves
Inflation risk premium	0.3% p.a.	0.3% p.a.
Price inflation - Retail Prices Index	Market derived price inflation less Inflation risk premium	Market derived price inflation less Inflation risk premium
RPI / CPI gap	1.0% p.a.	1.0% p.a.
Price inflation - Consumer Prices Index	RPI assumption less RPI / CPI gap	RPI assumption less RPI / CPI gap
Pension increases in payment	CPI assumption (for both pre and post 2011 benefits)	CPI assumption (for both pre and post 2011 benefits)

Demographic assumptions:	Valuation at 31 March 2018:	Valuation at 31 March 2017:
Mortality base table	Pre-retirement: Male member's mortality: 71% of AMC00 (duration 0) Female member's mortality: 112% of AFC00 (duration 0) Post-retirement: Male member's mortality: 97.6% of SAPS S1NMA "light" Female member's mortality: 102.7% of RFV00	Pre-retirement: Male member's mortality: 71% of AMC00 (duration 0) Female member's mortality: 112% of AFC00 (duration 0) Post-retirement: Male member's mortality: 96.5% of SAPS S1NMA "light" Female member's mortality: 101.3% of RFV00
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8%pa for males and 1.6%pa for females.	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8%pa for males and 1.6%pa for females.
Commutation	No allowance	No allowance

Mortality assumptions:	Valuation at 31 March 2018:		Valuation at 31 March 2017:	
	Cohort	Period	Cohort	Period
Life expectancy for a male aged 65 now	24.4	22.5	24.5	22.5
Life expectancy at 65 for a male aged 45 now	26.3	n/a	26.5	n/a
Life expectancy for a female aged 65 now	25.9	24.0	26.0	24.1
Life expectancy at 65 for a female aged 45 now	27.7	n/a	27.8	n/a

Statement of Funding Principles:

The statutory funding objective is that the scheme has sufficient and appropriate assets to meet the amount required, on actuarial calculation, to make provision for the scheme's liabilities (the technical provisions).

The statement of funding principles will be reviewed and, if necessary, revised, before being taken into account at subsequent valuations and it reflects the guiding principles on risk management adopted by the trustee.

If the assets of the scheme are less than the technical provisions at the effective date of any actuarial valuation, a recovery plan will be put in place which may require additional contributions from the employers (and potentially the members) to meet the shortfall. Any shortfall should be met over an appropriate period dependent upon the circumstances.

There is no specific allowance within the 2018 valuation for the effect of equalising Guaranteed Minimum Pensions between 17th May 1990 and 5th April 1997. Any additional funding costs required to uplift benefits will be met by either the Scheme's assets or future contributions from the employer. It is expected that the costs will be immaterial in the context of the scheme as a whole.

UNIVERSITY AND COLLEGE UNION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

(continued)

2. Pension Schemes (continued)

Early retirement

Allowance for early retirements will reflect emerging experience of retirements as monitored at each actuarial valuation and any adjustment for future expectations which is considered appropriate. For the 31 March 2018 valuation it has been assumed that ex-final salary active members will retire in line with the following decrement table (with all others assumed to retire at 65). Benefits relating to service accrued prior to 1 October 2011 are assumed to be paid with no reduction, and an allowance has been made for benefits accrued after 30 September 2011 to be reduced from the payable age of 65.

		<u>% Leaving</u>
Age:	60	30
	61	10
	62	15
	63	15
	64	20

If the assets of the scheme are less than the technical provisions at the effective date of any actuarial valuation, a recovery plan will be put in place, which may require additional contributions from the employers (and potentially the members) to meet the shortfall. The trustee has agreed that any such funding shortfalls should be met over an appropriate period and tailored to both scheme and employer circumstances. Additional contributions payable are expressed as a percentage of pensionable payroll.

The contributions payable under the recovery plan will be calculated using the same assumptions as those used to calculate the technical provisions, with the exception of the following during the period of the recovery plan:

- If, following a review of the investment strategy and any consequential changes to it and the Statement of Investment Principles after completion of the valuation, the assumed rate of investment return may also change at subsequent funding updates to reflect the different expected investment returns from the new asset mix.

- The growth in aggregate payroll of the scheme's membership used in the recovery plan is assumed to be CPI + 2%.

USS is a "last man standing" scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The trustee's role is to set risk and return parameters which reflect the strength of the sponsoring employers and the nature of the scheme's liabilities. These parameters, taken together with the anticipated returns, form the basis of the trustee's funding strategy. These parameters are informed by advice from its internal investment team, its investment consultant and the scheme actuary, as well as an independent assessment of the support available from the sponsoring employers. The trustee remains confident that it can continue to take a long-term view of scheme funding, backed as it is by a robust Higher Education (HE) sector.

At 31 March 2018, USS had over 190,000 active members and the UCU had 185 active contributing members participating in the scheme. At 31 August 2021 UCU had 204 active contributing members (2020 - 210 members).

	Year ended 31.8.2021	Year ended 31.8.2020
	£	£
The pension cost charged / (credited) to the General Fund in respect of contributions paid to USS is		
Employers normal pension contributions to USS	1,648,108	1,570,837
Changes in expected contributions to USS	(26,040)	(1,787,216)
Deficit contributions treated as paid to USS	<u>(172,297)</u>	<u>(152,073)</u>
	<u>£1,449,771</u>	<u>£(368,452)</u>

The contribution rate payable by the University and College Union was 18% of pensionable salaries up until 31 March 2019, 19.5% up until 30th September, 2019 and 21.1% thereafter.

3. Operating Leasing Commitments

The operating lease rentals charged in the income and expenditure account were:

	Year ended 31.8.2021	Year ended 31.8.2020
	£	£
Land and buildings.	352,760	274,957
Other leases - Plant and machinery.	<u>336,814</u>	<u>307,301</u>
	<u>£689,574</u>	<u>£582,258</u>

At 31st August, 2021 the University and College Union's future minimum operating lease commitments payable are analysed over the lease term as follows:

	Land and buildings		Other	
	31.8.2021	31.8.2020	31.8.2021	31.8.2020
	£	£	£	£
Within one year	323,535	251,767	312,398	321,614
Within two to five years	1,029,458	618,043	514,436	820,578
Over five years	<u>723,285</u>	<u>192,331</u>	<u>--</u>	<u>--</u>
	<u>£2,076,278</u>	<u>£1,062,141</u>	<u>£826,834</u>	<u>£1,142,192</u>

UNIVERSITY AND COLLEGE UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021

(continued)

4. Capital Commitments

There were no capital commitments contracted for but not provided for at 31 August 2021 (2020 - £nil).

5. Related Party Transactions

UCU is a participating institution of the Universities Superannuation Scheme and makes pension contributions to the scheme in respect of the employee members of UCU. The appointment of directors to the board of the trustee is determined by the trustee company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

During the year ended 31st August 2021 employers normal pension contributions payable to USS by UCU were £1,648,107 (2020 - £1,570,837) and the balance of contributions payable by UCU to USS as at 31st August 2021 was £232,773 (2020 - £232,218).

Members of the UCU make payments as Gift Aid payments via UCU to Education Support Partnership (ESP) at the same time as they pay their membership subscriptions to the UCU. ESP is a company limited by guarantee and a registered charity (company registration number 09311354 and charity registration number 1161436). ESP was incorporated on 14th November 2014 as Education Sector Support UK (ESSUK). ESSUK changed its name to ESP on 24th July 2015 and was formally launched in September 2015. The objects of the charity are to promote health and wellbeing and to offer benevolence services to the education workforce including those retired from the Education Sector. It also offers a wide range of services to staff working in Further and Higher Education and the education sector in schools. The Trustees and Board of ESP are appointed in accordance with the Articles of Association of the company and up to 21 representatives of member organisations form an Advisory Forum to advise the Board of Trustees.

Members of UCU previously made Gift Aid payments via UCU to "Recourse" (formerly the "College and University Support Network" (CUSN)) at the same time as they paid their subscriptions to the UCU. "Recourse" (formerly CUSN) is a registered charity (charity registration number 1116382) and was incorporated on 12th July 2006. The charity changed its name from CUSN to "Recourse" on 14th July 2010 following a rebranding exercise. "Recourse" was also a Company Limited by Guarantee (company registration number 05874222) and was a wholly owned subsidiary company of the Teachers Support Network (TSN). On 31st March 2015 the activities, assets and liabilities of "Recourse" and TSN were transferred to Education Sector Support UK (ESSUK) at which point "Recourse" and TSN effectively became dormant. The company "Recourse" was dissolved on 18th April 2017. TSN was dissolved on 14th November 2017. "Recourse" was governed and administered by the Trustees and National Council of TSN and UCU had the right to appoint five members to the National Council of TSN (preferably from within the National Executive Committee of UCU) and in addition subscribing members of UCU had the right to elect members of the National Council of TSN.

During the year ended 31st August 2021 Gift Aid payments payable to ESP (formerly "Recourse" and CUSN) were received from members of UCU and amounted to £262,008 (2020 - £278,939). The balance payable by UCU to ESP as at 31st August 2021 was £39,594 (2020 - £68,366).

UCU bears the cost of the professional fees and other costs relating to the administration of the NATFHE Pension and Life Assurance Scheme. During the year ended 31st August 2021 total costs payable by UCU in connection with the administration of the Scheme were £318,633 (2020 - £294,366).

In August 2019 Jo Grady joined the General Council of the TUC as the newly elected General Secretary of UCU. UCU is a member union of the TUC and the UCU's affiliation for 2021 was £330,825 (2020 - £345,332)

6. Future Developments

UCU continues to face significant challenges in the Further and Higher Education sectors and in respect of the effects of the Covid-19 virus. The potential impact of any policies implemented that may derive from the effects of the restrictions imposed as a result of the on-going Covid-19 pandemic are likely to impact employment in both sectors. The Union continues to defend its members' interests in relation to the USS, equality, working conditions, workload, and job security. The Union has a long term strategy, the formation of which involves the members of the Union and includes the elected representatives of the trade union representing the Union's staff. UCU continues to monitor and update that strategy to address the issues that the Union and its members face.

7. Post Balance Sheet Event

The actuary of the USS completed his valuation of the Scheme as at 31st March 2020 and presented his valuation to the Trustee of the Scheme on 30 September 2021.

The actuarial method used in the calculation of the technical provisions is the Projected Unit method with a one-year control period

The main results of the actuarial valuation at 31 March 2020 are:

Past Service Funding Position: Technical Provisions.	<u>Valuation at 31 March 2020</u>	<u>Valuation at 31 March 2018</u>
Scheme assets	£66.5bn	£63.7bn
Total scheme liabilities	£80.6bn	£67.3bn
FRS 102 total scheme deficit	£14.1bn	£3.6bn
FRS 102 total funding level	83.0%	95.0%

The results of the valuation shown are based on the implementation of recommendations proposed by the Joint Negotiating Committee (JNC) with regard to the overall contribution rates payable by members and by the sponsoring employers and in consideration of any changes required to the benefit structure.

If the recommendations of the JNC are not implemented by way of deed by 28 February 2022 then the actuary expects that the deficit in the scheme would be £18.4bn, with scheme liabilities of £84.9bn.

UNIVERSITY AND COLLEGE UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021
(continued).

7. Post Balance Sheet Event (continued)

The USS employer's contribution rate payable by the University and College Union was 21.1% from 1 September 2019 until 30 September 2021 and rose to 21.4% from 1 October 2021. The member's contribution rate was 9.6% from 1 September 2019 until 30 September 2021 and rose to 9.8% from 1 October 2021.

In the event that the JNC recommendation is not implemented (which would come into force should the JNC fail to reach a conclusion regarding benefit reform by 28 February 2022) then it is anticipated that the employer's contribution rate will need to increase to 23.7% from 1 April, 2022 increasing thereafter every 6 months up to 38.2% from 1 October 2025. The member's contribution rate would follow a similar pattern requiring an increase in rate to 11% from 1 April, 2022 increasing thereafter every 6 months up to 18.8% from 1 October 2025.

In view of the publication on 30 September 2020 of the actuarial valuation at 31 March 2020 the University and College Union has reassessed the Union's share of the deficit in the USS. The figures given below are indicative of the Union's share of the deficit in the Scheme and the effect that the figures would have had on the figures disclosed in note 2, but, no revision of the figures given in the accounts for the year ended 31 August 2021 is required as this constitutes a non-adjusting post balance sheet event.

	2021	2020
UCU specific rates used in deficit contribution model:		
Discount rate	1.6%	1.6%
Salary inflation rate	3.80%	3.45%
Estimated effect on the amounts recognised in the Balance Sheet in respect of the pension scheme liability on the multi-employer defined benefit pension scheme:		
Present value of deficit contributions payable to USS at 1.9.2020.	3,876,293	5,712,752
Interest payable as contribution deficit unwinds	62,021	102,830
Changes in expected contributions to USS as reassessed	6,599,157	(1,787,216)
Deficit contributions treated as paid to USS	(172,297)	(152,073)
Present value of deficit contributions payable to USS at 31.8.2021 as reassessed.	£ 10,365,174	£3,876,293

Present value of deficit contributions payable to USS at 31.8.2021 as reported in the Balance Sheet £3,739,977.

Other effects:

The pension cost charged to the General Fund (see note 2) in respect of contributions paid to USS for the year ended 31 August 2021 would have been increased from £1,449,771 to £8,074,968.

Total expenditure shown in the Income and Expenditure Account would have been increased for the year ended 31 August 2021 from £18,365,328 (as reported) to £24,990,525 and the surplus for the year of £4,252,780 (as reported) would have become a deficit of £2,372,417

Total assets in the Balance Sheet would have been reduced from £50,504,061 (as reported) to £43,878,864.

Accounting policies



(see notes 84 and 85)

Please see the attached accounting policies - Pages 23-1 to 23-2

Signatures to the annual return

(see notes 86 & 87)

Including the accounts and balance sheet contained in the return. Please copy and paste your electronic signature here

Secretary's Signature:		Chairman's Signature:	
			(or other official whose position should be stated)
Name:	Dr Jo Grady	Name:	Ms Vicky Blake - President
Date:	4 March 2022	Date:	4 March 2022

Checklist

(see notes 88 to 89)

(please tick as appropriate)

Has the return of change of officers been completed? (see Page 2 and Note 12)	Yes	<input checked="" type="checkbox"/>	No	
Has the list of officers in post been completed? (see Page 2 and Note 12)	Yes	<input checked="" type="checkbox"/>	No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	Yes	<input checked="" type="checkbox"/>	No	
Has the auditor's report been completed? (see Pages 20 and 21 and Notes 2 and 77)	Yes	<input checked="" type="checkbox"/>	No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes	<input checked="" type="checkbox"/>	No	
A member statement is: (see Note 80)	Enclosed		To follow	<input checked="" type="checkbox"/>
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes	<input checked="" type="checkbox"/>	To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes	<input checked="" type="checkbox"/>	No	

UNIVERSITY AND COLLEGE UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021

1. Principal Accounting Policies

The financial statements comply with relevant accounting standards. The principal accounting policies, which have been consistently applied throughout the year, are set out below.

(a) **Accounting convention**

The financial statements are prepared in accordance with applicable accounting standards including FRS 102 "the Financial Reporting Standard" applicable in the UK and Republic of Ireland. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

(b) **Going Concern**

The Union meets its day-to-day working capital requirements through its bank facilities. The Union's forecasts and projections, taking account of reasonably possible changes in operational performance, show that the Union should be able to operate within the level of its current facilities. After making enquiries, the Executive have a reasonable expectation that the Union has adequate resources to continue in operational existence for the foreseeable future. The Union therefore continues to adopt the going concern basis in preparing its financial statements.

(c) **Critical Accounting Judgements and Key Sources of Uncertainty**

The preparation of the financial statements requires the Union's management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Depreciation.

UCU's management considers the depreciation rates used to evaluate the cost of the Union's assets and the useful life of those assets (as set out below under note 1(e)). Any changes to the rates used, the useful life and residual value of those assets may have a significant effect on the book value of those assets and the amounts shown as depreciation in these financial statements. The Union's management reviews the appropriateness of the depreciation policies used annually.

Employee benefits.

The pension scheme liability as at 31st August 2021 in respect of the NATFHE Pension and Life Assurance Scheme has been calculated in accordance with the details provided by the Scheme's actuary and in consideration of the disclosure requirements under FRS102. The Scheme's liabilities have been calculated by updating the valuation calculations carried out for the Scheme's triennial valuation as at 1st April 2020. Any changes in the assumptions used in evaluating the Scheme's liability may have a significant effect on the amount shown in these financial statements.

The deficit contribution liability shown in these financial statements in respect of the Union's share of the contribution funding deficit in the Universities Superannuation Scheme is based on a deficit recovery plan model provided to the USS and made available to participating institutions. The Union's management is required to make appropriate assessments of the rate of salary growth and the discount rate used in determining the Union's share of the deficit contribution liability. Any changes in the parameters used in the model may have a significant effect on the amounts shown in these financial statements in accordance with FRS102 and therefore constitute a material source of uncertainty.

Provisions for liabilities.

Provisions for liabilities included at the year end have been calculated using the best available information at the time of preparing the financial statements, taking account of information received subsequently. An element of estimation is therefore required when calculating the provisions at the year end.

Taxation.

The taxation charge for the year comprises current and deferred tax. An assessment of the provision for deferred taxation is required to be made by the Union's management, taking account of the likely timing and level of future taxable income and expenses in relation to the deferred tax assets and liabilities of the Union.

(d) **Branches and Local Associations**

For the purpose of the Trade Union and Labour Relations (Consolidation) Act 1992 the Union is regarded as a trade union with branches. The "branches" of the Union comprise of Local Associations of UCU or Branches of UCU. The assets, liabilities and transactions of the "branches" for the year ended 31st August, 2021 are included in these financial statements.

(e) **Depreciation**

Depreciation is provided on all tangible fixed assets, other than land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Freehold and long leasehold property.	2%.
Fixtures and fittings.	10% or the remaining period of the lease.
Plant and machinery.	25%.
Furniture.	10% to 12.5%.
Office equipment.	20%.
Computer equipment and software.	33%.
Motor vehicles (leased).	Over the period of the lease.

The rate of depreciation is reduced proportionately in the year of acquisition of an asset.

(f) **Subscriptions**

Subscriptions are accounted for on an accruals basis, although no account is taken of individual members' subscriptions that may be in arrears.

UNIVERSITY AND COLLEGE UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021
(continued)

(g) **Pension costs**

The UCU continued to make payments to the NATFHE Pension and Life Assurance Scheme to reduce the deficit that existed in that scheme from 1st June 2006. FRS 102 requires the sponsoring employer to account for the NATFHE Pension and Life Assurance Scheme deficit as a liability on its balance sheet mirrored by a pension reserve.

The expected return on assets in the NATFHE Pension and Life Assurance Scheme is reflected by the interest on assets item calculated using the discount rate (i.e. the returns available on high quality corporate bonds) with no allowance made for any outperformance expected from the Scheme's actual asset holding.

Movements on the NATFHE Pension and Life Assurance Scheme's asset or liability, to the extent that they arise from the current service cost of pensions or relate to the interest on pension fund assets net of interest charges on pension fund liabilities, are reflected in the Income and Expenditure Account, the former as a component of employee costs and the latter as a component of financial expenses.

Movements on the NATFHE Pension and Life Assurance Scheme assets and liabilities arising from changes in actuarial assumptions including actual returns on pension fund assets net of expected returns and experience gains and losses arising on Fund liabilities are reflected in these financial statements through the Income and Expenditure Account. The pension scheme liability is shown in the Balance Sheet.

The former Association of University Teachers (AUT) became a participating institution of the Universities Superannuation Scheme (USS) from 1st March 2005. The scheme is a hybrid pension scheme, providing benefits (for all members), as well as defined contribution benefits. The scheme is externally funded and was contracted out of the State Second Pension (S2P) until 5 April 2016. The Assets of the scheme are held in a separate trustee-administered fund. The University and College Union (UCU) became a participating institution of USS on 1st June 2006 following the amalgamation of AUT and NATFHE.

Because of the mutual nature of the USS scheme, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The UCU is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits" UCU therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Income and Expenditure Account as a component of employee costs represents the contributions payable to the scheme in respect of the accounting year.

Under FRS102 the Union (as a participating institution of the USS) is required to recognise a liability for the contributions payable to the USS because the USS scheme is in deficit and a funding plan (The Recovery Plan) has been agreed. FRS102 requires that where an employer participates in a defined benefit multi-employer plan and there is insufficient information available to use defined benefit accounting and there is an obligation to fund past deficits within the scheme, the institution must recognise a liability for the contractual contributions payable to the scheme to the extent that there is a deficit in the scheme, and account for the resulting movement in the liability in the Income and Expenditure Account. As a result, the amount charged or credited to the Income and Expenditure Account as a component of employee costs represents the movement in the discounted fair value of the contractual contributions payable to the Scheme by UCU under the funding plan agreement in respect of the accounting year.

The Union's share of the deficit arising in the USS Scheme is based upon a deficit recovery plan model made available to participating institutions via the USS. Movements in the employer's share of the deficit contribution liability due to the USS Scheme are charged or credited to the Income and Expenditure Account as part of the costs of remuneration and expenses of staff. The Union's share of the deficit contribution liability due to the USS Scheme is disclosed in the Balance Sheet as the present value of the contributions payable. As the discount rate used in calculating the present value of the deficit contribution liability unwinds this element is shown as part of the finance costs (interest payable) in the applicable period in the Income and Expenditure Account.

(h) **Operating Leases**

Rental payments under operating leases are charged to the Income and Expenditure Account as payments to the lessor fall due on a straight line basis over the lease term.

(i) **Investments**

Quoted investments held are managed by professional investment managers and brokers and transactions are undertaken under powers delegated to them and they are stated at fair value based on current bid prices where quoted on an active market. Movements in fair value are included in the Investment Reserve Fund (Fund 4) as they occur. On disposal, relevant gains and losses recognised previously in the Investment Reserve Fund are transferred to the Income and Expenditure Account. Unquoted investments are stated at cost as there is no active market available, no reliable basis of valuation is available and other valuation techniques are not considered appropriate.

(j) **Value added tax (VAT)**

The figures included in these financial statements are exclusive of VAT to the extent that input VAT is partially or fully recoverable or output VAT is payable.

(k) **Deferred Tax**

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for taxation purposes. Deferred tax is provided for on all relevant material reversing timing differences at the rate of corporation tax applicable to the Union's activities at the financial statement date.

(l) **Holiday Pay Accrual**

FRS 102 requires short term employee benefits, such as holiday pay, to be charged to the Income and Expenditure Account as the employee service is received. As a result holiday pay accruals are recognised and charged to the Income and Expenditure Account as they are received.

Checklist for auditor's report

(see notes 90 and 96)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

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 related? (See section 36(1) and (2) of the 1992 Act and notes 92 and 93)

Please explain in your report overleaf or attached.

2. 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 note 92)

Please explain in your report overleaf or attached

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Please see the attached auditor's report - Pages 25-1 to 25.2

Signature(s) of auditor or auditors:

Knox Cropper LLP

Name(s):

Knox Cropper LLP

Profession(s) or Calling(s):

Chartered Accountants and Statutory Auditor

Address(es):

65 Leadenhall Street

Postcode

EC3A 2AD

Date

4 March 2022

Contact name for inquiries and telephone number:

Greg Stevenson
020 7332 6400

N.B. When notes to the account 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
UNIVERSITY AND COLLEGE UNION**

Opinion

We have audited the financial statements of the University and College Union for the year ended 31st August 2021 which comprise the Funds Accounts, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Union's affairs as at 31st August 2021 and of the Union's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of sections 28, 32 and 36 of the Trade Union and Labour Relations (Consolidation) Act 1992, and the rules of the Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members of the National Executive Committee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Union's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Members of the National Executive Committee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of the Honorary Treasurer, other than the financial statements and our auditor's report thereon. The Members of the National Executive Committee are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Union and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Honorary Treasurer.

We have nothing to report in respect of the following matters in relation to which 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 by the Union; 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
- a satisfactory system of control has not been maintained over the Union's transactions; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Members of the National Executive Committee

As explained more fully in the Statement of Responsibilities of the Union and Members of the National Executive Committee [set out on page 22-1], the Members of the National Executive Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Members of the National Executive Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members of the Executive Committee are responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Members of the Executive Committee either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
UNIVERSITY AND COLLEGE UNION
(continued)**

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Union through discussions with Members of the Executive Committee and other management, and from our knowledge and experience of the Trade Union sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the Union, including, but not limited to the Trade Union and Labour Relations (Consolidation) Act 1992, taxation and employment legislation. In addition we considered laws and regulations that do not have a direct effect on the financial statements but compliance with might be fundamental to the Union's operations including data protection, health and safety and environmental legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Union's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with the Certification Officer, HMRC, relevant regulators, and the Union's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Members of the Executive Committee and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Members of the Union, as a body, in accordance with the Union's rules. Our audit work has been undertaken so that we may 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 its Members as a body, for our audit work, for this report or for the opinions we have formed.

**Knox Cropper LLP
Chartered Accountants and Statutory Auditor
65 Leadenhall Street, London, EC3A 2AD**

Knox Cropper LLP is eligible for appointment as auditor of the Union by virtue of its eligibility for appointment as auditor of a company under Section 1212 of the Companies Act 2006.

Membership audit certificate

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

(See notes 97 to 103)

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

- 1 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?

YES


- 2 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 1 or 2 above 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)

Signature of assurer	
Name	Simon Hearn
Address	Civica Election Services, 33 Clarendon Road, London N8 0NW
Date	10/12/2021
Contact name and telephone number	Simon Hearn, Managing Director 020 8365 8909

Membership audit certificate

Section two

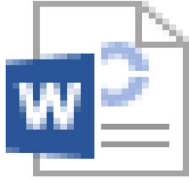
For a trade union with no **more than 10,000 members** at the end of the reporting period preceding the one to which this audit relates.

To the best of your knowledge and belief has the trade union during this reporting period complied with its duty to compile and maintain a register of the names and addresses of its members and secured, so far as is reasonably practicable, that the entries in the register are accurate and up-to-date?

Yes / No

If "No" Please explain below:

Signature	
Name	
Office held	
Date	



AR21 guidance

Double-click on icon to open guidance