

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	Universities and Colleges Employers Association		
Year ended:	31 July 2023		
List no:	1581E		
Head or Main Office address:	Woburn House		
	20 Tavistock Square		
	London		
Postcode	WC1H 9HU		
Website address (if available)	www.ucea.ac.uk		
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:	Raj Jethwa (Chief Executive)		
Telephone Number:	020 7383 2444		
Contact name for queries regarding the completion of this return	Matt Lloyd		
Telephone Number:	07498 202 872		
E-mail:	m.lloyd@ucea.ac.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:

returns@certoffice.org

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Return of Members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	Totals
4				4

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
Director	Professor Sir F MacCormac	J Taylor	31 December 2022
Director	Professor E Peck	Professor N Canagarajah	31 December 2022
Director	H C Allum	Professor I Gillespie	01 March 2023
Director	J Cope	Professor S B Palmer	31 July 2023

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year		£	£
	Income		
	From Members Subscriptions, levies, etc	2,128,395	2,128,395
	Investment income Interest and dividends (gross)		
	Bank interest (gross)	47,508	47,508
	Other (specify)		
	Total Investment Income	47,508	47,508
	Other Income Rents received		
	Insurance commission		
	Consultancy fees		
	Publications/Seminars		
	Miscellaneous receipts (specify)		
	Total of other income	12,592	12,592
	Total income		2,188,495
	Interfund Transfers IN		
	Expenditure		
	Administrative expenses Remuneration and expenses of staff	2,118,817	2,118,817
	Occupancy costs		
	Printing, Stationery, Post		
	Telephones		
	Legal and Professional fees		
	Miscellaneous (specify)		
	Total of Admin expenses		2,118,817
	Other Charges Bank charges		
	Depreciation		
	Sums written off		
	Affiliation fees		
	Donations		
	Conference and meeting fees		
	Expenses		
	Miscellaneous (specify)		
	Total of other charges		
	Taxation	9,030	9,030
	Total expenditure		2,127,847
	Interfund Transfers OUT		
	Surplus/Deficit for year		60,648
	Amount of fund at beginning of year		1,504,509
	Amount of fund at end of year		1,565,157

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 4		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		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)	

Account 5		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		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)	

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		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)	

Account 7		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		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)	

Balance Sheet as at []

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at Page 8)		
	Investments (as per analysis on page 9)		
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		
	Total Investments		
	Other Assets		
	Sundry debtors	87,222	87,222
	Cash at bank and in hand	2,497,262	2,497,262
	Stocks of goods		
	Others (specify)		
	Total of other assets	2,584,484	2,584,484
	Total Assets		2,584,484
1,504,509	Revenue Account/ General Fund	1,565,157	
	Revaluation Reserve		
	Liabilities		
	Creditors	263,234	
	pension scheme liability	756,093	
	Total Liabilities		1,019,327
	Total Assets		2,584,484

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period				
Additions during period				
Less: Disposals				
Less: Depreciation				
Total to end of period				
Book Amount at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets				

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Total Unquoted (as Balance Sheet)	
	Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

Analysis of investment income (Controlling interests)

(see note 23)

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

Yes		No	X
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If Yes name the relevant companies:

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

Are the shares which are controlled by the association registered in the association's name

Yes		No	
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If NO, please state the names of the persons in whom the shares controlled by the association are registered.

Company name	Names of shareholders
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Unincorporated Employers' Associations

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

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

Company name	Names of shareholders
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Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
		£
Income		
From Members	2,128,395	2,128,395
From Investments	47,508	47,508
Other Income (including increases by revaluation of assets)	12,592	12,592
Total Income	2,188,495	2,188,495
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	2,127,847	2,127,847
Funds at beginning of year (including reserves)	1,504,509	1,504,509
Funds at end of year (including reserves)	1,565,157	1,565,157
ASSETS		
Fixed Assets		
Investment Assets		
Other Assets		2,584,484
Total Assets		2,584,484
Liabilities		
Total Liabilities		1,019,327
Net Assets (Total Assets less Total Liabilities)		1,565,157

Summary Sheet

(see notes 24 to 33)

		All 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)			

Notes to the accounts

(see note 34)

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

A large, empty rectangular box with a black border, intended for entering notes to the accounts. The box is currently blank.

Accounting policies

(see notes 84 and 85)



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:	<i>Raj Jethwa</i>	Chairman's Signature:	#VALUE!
			(or other official whose position should be stated)
Name:	Raj Jethwa	Name:	George Boyne
Date:	07 December 2023	Date:	07 December 2023

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

Checklist for auditor's report

(see notes 41 to 44)

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 relate? (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

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 43)

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 attached.

Signature(s) of auditor or auditors:

Neil Wilkinson

Name(s):

Neil Wilkinson

Profession(s) or Calling(s):

Chartered Accountants and Registered Auditors

Address(es):

Knox Cropper LLP

153-155 London Road

Hemel Hempstead

Hertfordshire

Postcode

HP3 9SQ

Date

Contact name for inquiries and telephone number:

Neil Wilkinson 01442 218309

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

REGISTERED NUMBER: 02914327 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 31 July 2023**

for

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION**

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

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for the Year Ended 31 July 2023**

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**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION**

**Company Information
for the Year Ended 31 July 2023**

DIRECTORS:

Professor G Baldwin
Professor M E Smith
Professor J Higham
J Palca
Professor A Tickell
Professor E Treasure
Professor G Boyne
Professor D Green
M Parker
Professor C Bailey
Mr M Burch
Professor K Cox
Professor K Sloan
Mr J Taylor
Professor N Canagarajah
Professor I M M Gillespie
Professor S B Palmer

REGISTERED OFFICE:

Woburn House
20 Tavistock Square
London
WC1H 9HU

REGISTERED NUMBER:

02914327 (England and Wales)

BANKERS:

National Westminster Bank Plc
PO Box 83
Tavistock House
Tavistock Square
London
WC1H 9XA

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Report of the Directors
for the Year Ended 31 July 2023**

The Directors present their annual report and the audited financial statements for the year ended 31 July 2023. The administrative information on pages one to three forms part of this report, which is also the Directors' report for the purposes of the Companies Act.

Organisation

The Universities and Colleges Employers Association (UCEA) is a company limited by guarantee and the members of the company are Universities UK (UUK), the Committee of University Chairs (CUC), Guild HE and Universities Scotland. It is one of a number of agencies established on behalf of Higher Education Institutions (HEIs) in the UK to carry out various executive and advisory functions.

Our subscribers

HEIs are invited annually to subscribe to UCEA in order to make use of the services offered. UCEA also offers associate membership to other sector organisations. In 2022/23 membership totalled 172 organisations (161 HE institutions and 11 associate members), with two associate members leaving and one joining during the year.

UCEA's purpose and Plan

UCEA's purpose was revised in 2023: UCEA is the leading voice on employment and reward matters in the UK Higher Education sector. We support our members to be employers of choice through collaboration, advocacy and expert advice.

UCEA also represents and seeks to enhance the collective voice of higher education employers on key issues and collaborates with other sector bodies where this will increase impact. The core services provided to members are summarised as:

- Representing higher education employers' interests and assisting in effective employment practice.
- Supporting and delivering negotiations and effective employee relations.
- Gathering and sharing knowledge and information from within and beyond higher education.
- Providing stimuli and opportunities for sector-wide issues to be explored and better understood, in the UK and in international contexts.
- Delivering and supporting effective communications with stakeholders and partner organisations in the UK, its nations and beyond.

UCEA's current Strategic Plan 2021-2024, *Agility in a Time of Uncertainty*, was published in April 2021. It addresses the highly uncertain landscape facing the HE sector and wider society due to the Covid-19 pandemic. In early 2023, the Board agreed to extend the period covered by the Strategic Plan until 31 July 2024.

Agility in a Time of Uncertainty contains four strategic priorities:

1. Promoting constructive employment relations
2. Supporting employer aspirations to enhance the employee experience
3. Supporting members through our influence and engagement
4. Taking forward UCEA in support of our members

The summary below sets out UCEA's key activities and achievements through 2022-23.

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Report of the Directors
for the Year Ended 31 July 2023**

Summary of the Year

2022-23 has been an incredibly busy year for UCEA as we faced exceptional industrial relations challenges. As the threat of the pandemic receded, new external factors came to the fore, including the cost-of-living crisis and a period of ongoing high inflation and rising interest rates, disruption from the war in Ukraine, the ongoing effects of the UK's departure from the European Union and the mixed funding position faced by HEIs. This led to an unprecedented decision to bring forward the 2023-24 New JNCHES round by six months, however we still faced dispute and industrial action from the HE trade unions.

1. Promoting constructive employment relations

• National Conversation on Pay Bargaining

UCEA conducted a National Conversation on Pay Bargaining from June 2021 to spring 2023, engaging with members and stakeholders on the future of collective bargaining. In conducting the National Conversation, UCEA:

- Engaged comprehensively with members, by holding five in-depth roundtables and regular updates via HRD Insights events with Directors of Human Resources from September 2021 - October 2022 and ensuring that heads of institutions' views have been sought via regular briefings with the UCEA Chair and Chief Executive.
- Engaged with stakeholders, including the mission groups and relevant sector agencies via bespoke meetings and by UCEA officers attending regular events.
- Sharing contextual and briefing documents with HRDs and senior management teams during 2021 and 2022 and publishing a number of opinion pieces on our public webpages.
- Holding a formal written consultation from December 2022 to February 2023 on both the principles of a collective bargaining system for higher education and a structure for conducting the bargaining.

UCEA will use the insight from this engagement to develop a new approach to our mandate-setting process.

• 2023-24 Pay round

The 2023-24 New JNCHES pay negotiations were brought forward and conducted over an accelerated timetable. The process was split into two phases to cover the pay uplift and then non-pay matters. This split was agreed so that the negotiations on pay could be concluded early in order to deliver the uplift at an earlier stage in the light of cost-of-living pressures.

UCEA representing 144 HEIs made a final offer which was an uplift to the 2022-23 pay spine of up to 8% for the lowest points of the pay spine, with a minimum uplift of 5% for all those above Spinal Column Point 26. Nearly half of the uplift was delivered six months early, in February 2023, with the remaining portion implemented from 1 August 2023. This offer, worth 5.24% on the total paybill was lower than the joint trade union claim of RPI + 2%, which cumulatively amounted to around 13% at the time of the negotiations. The trade unions were unable to move from this position during the negotiations.

Phase two of the negotiations was facilitated by Acas and led to agreed terms of reference between UCEA and the joint trade unions, including UCU, for taking forward joint work on key employment issues in the following areas: contract types; equality pay gaps; pay spine review and workload. UCU then subsequently rejected the terms of reference in a consultative ballot of its members with the effect that it has not been possible to make joint progress in these areas of work with trade unions.

**Report of the Directors
for the Year Ended 31 July 2023**

- Industrial action

In October 2022, UCU secured a mandate for industrial action in the form of strike action and action short of strike (ASOS) in its aggregated ballots of 145 HEIs in relation to the New JNCHES 2022-23 pay outcome. The mandate, which originally expired in April 2023, was extended for six months until 30 September 2023 in a further aggregated re-ballot over the same area of dispute. This meant UCU's industrial action for 2022-23 crossed into the subsequent 2023-24 pay round. Significantly, UCU enacted its mandate for a marking and assessment boycott in April 2023 which led to a significant unprecedented period of disruption for many, but not all UCEA members. UCEA provided support to all HEIs facing the marking and assessment boycott and other forms of action from UCU.

All other sector trade unions, with the exception of GMB, took limited periods of strike action following disaggregated ballots, connected to the 2022-23 New JNCHES pay dispute, although the impact of the action was limited.

2. Supporting employer aspirations to enhance the employee experience

- Employee Experience

'Supporting employer aspirations to enhance the employee experience' was the second priority of UCEA's strategic plan, *Agility in a time of uncertainty*, published in 2021. The following progress was made in delivering our ambition regarding employee experience, including developing a narrative for the sector as employers of choice:

- Providing information and thought leadership to members regarding employee experience. This included:
 - o Publishing employee experience in higher education - a guide
 - o Publishing Total Reward and Employee Value Proposition - A UCEA Guide and toolkit
 - o Enhancing employee experience in HE in person event, held in September
 - o Peer support roundtable events
 - o Total Reward including an Employee Value Proposition workshop
- Providing data to the sector regarding our offer as employers, including:
 - o Intersectional pay gaps, in the field from June to September 2023, with findings available in November 2023
 - o Benefits of working in higher education 2023, with survey data to be published in November 2023
 - o Benefits of working in higher education 2021 survey published in July 2022
 - o Contributing to the HEPI report, Comparative Study of HE Academic Staff Terms and Conditions

UCEA remains the HE sector representative on the TPS and LGPS Advisory boards. This year we have particularly focussed on the outcome of the TPS and NHSPS valuations and have lobbied hard for government to recognise the impact the anticipated increase in the employer contribution rate will have on HEIs and to mitigate this either through additional funding or changes to the scheme regulations. We have also provided support to those HEIs that wish to pursue the subsidiary company model in order to manage their pension costs, and we have engaged with HESA and Research England to remove some of the reporting obstacles in using this model for academic staff.

We continue to provide high quality data on HE pay and labour market issues, pay benchmarking data to assist in pay ratio examination and a pay gaps benchmarking tool.

3. Supporting members through our influence and engagement

As in previous years members received frequent, timely communications materials covering key matters and UCEA ensured international and sector-level media coverage included employer-focused responses with regular interviews and joint press conferences, with UUK. UCEA continued to produce regular Updates, Bulletins, Newsletters, Headlines, Briefings and revised and new Infographics.

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Report of the Directors
for the Year Ended 31 July 2023**

Throughout this pay round UCEA has focused on ensuring consistent messaging to support employers. Feedback from members has remained positive with HEIs confirming that they have adapted and disseminated our materials and messages as appropriate and relevant to their institution. Although UCEA is not involved in senior pay determination, our work has included factual information and messaging relating to executive pay in HE. We provide statements, infographics and briefings for member HE institutions to use and communicate accordingly. Our material aims to keep communications focused, factual and consistent for staff, student and media queries to help ensure consistency of messaging across the sector.

We have responded to a number of consultations on workforce issues and we have worked, where relevant, with Universities UK and Universities Scotland to provide background information and data for Parliamentary briefings. Our infographics are updated annually and provide useful data on a range of workforce topics. For example, our 'Pay in HE' infographics demonstrate that average salaries in the sector on a like-for-like basis tend to exceed salaries in the wider economy. A number of our blogs have highlighted the benefits of working in HE.

4. Taking forward UCEA in support of our members

Many of UCEA's challenges and achievements over the past year have related to pay and associated issues. It has been another challenging year for the sector, still trying to emerge from the pandemic effectively while a range of employment issues come to the fore. We have continued to prioritise our effort and resources to support those areas of work where our members have the greatest needs, alongside our other work supporting the priorities in UCEA's Plan.

UCEA had 172 members in 2022-23. Membership subscriptions account for more than three-quarters of UCEA's income, with the remainder largely coming from discretionary services purchased by members during the year, such as training and conference places or benchmarking data.

With nationwide travel unrestricted post-pandemic, we were very pleased to make formal membership visits to 11 universities over the year, holding key meetings with senior colleagues across the country. However, having learnt the value of virtual membership meetings in recent years, we held numerous virtual visits where an in-person visit was not possible or practical.

UCEA's triennial member satisfaction survey was undertaken during winter 2022-23, and once again the results were very positive, despite the pressure faced by the whole sector in recent years, with 87% of our members satisfied or very satisfied with UCEA overall.

UCEA has hosted a series of regular virtual meetings with HR Directors, as well as hosting the largest programme of in-person events since the pandemic. Free online members meetings and events included 4 pay survey webinars, our popular 'Getting the most from UCEA membership' event, 21 online HRD Insights events and 7 Heads of Institutions meetings, an in-person launch event for our Employee Experience work and our in-person Annual Members' meeting. Additionally, as income-generating events we hosted 8 in-person conferences and workshops, 19 online courses, workshops and webinars, an Employee Experience Peer Support group and 5 network meetings. A total of 68 events. In addition, we delivered 5 in-house training courses.

To upgrade IT resilience, enhance productivity and improve access to UCEA's systems for those colleagues not in Woburn House, we moved our servers to a secure cloud facility. We also successfully renewed our Cyber Essentials accreditation. The rolling programme of IT hardware renewal continued, and we began to explore how the use of AI can support and improve our operations.

**Report of the Directors
for the Year Ended 31 July 2023**

Proposed transfer of USS employer representation role

UCEA and UUK have been working together to develop a joint proposal for the transfer of responsibility for USS employer representation to UCEA, following a recommendation in the second Joint Expert Panel report, published in December 2019.

Both organisations believe that the transfer fits well with UCEA's current role, representing the HE sector in collective pay negotiations with trade unions and on the public service pension schemes, as well as having a wider focus on benefits and reward. This move will create a single employer body responsible for pay and pensions in HE. We believe this change will bring benefits to employers, scheme members and the sector as a whole.

From March to June 2023, we delivered a joint engagement exercise with USS employers and other key stakeholders. The purpose of the engagement was to share our vision for the transfer of the USS employer representation role, discuss the added value of a new model for USS employers and set out how this will work. The engagement also explained how the representation role will be funded.

We are planning for the UCEA and UUK Boards to make the final decision regarding the transfer of the employer representative role in October and November respectively. We will then engage with the USS Joint Negotiating Committee, seeking a vote on the required rule change in early 2024, with ratification from the USS Trustee shortly thereafter. The transfer would then take place in Spring 2024.

UCEA Governance and risk management

The UCEA Board met 14 times during the year, a larger number of meetings than usual, predominantly due to the ongoing industrial action and challenging external environment. The Board's work was supported by three standing committees which cover Finance & Audit and Remuneration, as well as the Negotiating Committee which leads pay bargaining on behalf of UCEA members. Meetings were held in a mixture of in-person, hybrid and fully virtual formats through audio/video conferencing. The Finance & Audit Committee members during the year were HC Allum, Professor G Baldwin, G Boyne, M Burch, J Cope, Professor Sir F McCormac, Professor M E Smith, Professor K Sloan, with co-opted member J Charge. The Remuneration Committee members were Professor G Boyne, Professor E Peck, Professor M E Smith, J Cope, J.Higham and J Palca.

The Board's Strategic Away Day was held in person in December 2022 and allowed the directors to focus on UCEA's strategic direction and challenges faced by the wider HE sector. The Board considered an updated purpose and set of organisational values for UCEA which had been developed by the executive. Following a review, these were adopted for use across the organisation in summer 2023. A light review of UCEA's governing documents was also undertaken, to ensure they were in line with the current legal framework, as well as to correct some historical anomalies. The revised Articles of Association were adopted at the AGM in December 2022. UCEA monitored risk throughout the year on an established cycle of review at Board and executive level.

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Report of the Directors
for the Year Ended 31 July 2023**

DIRECTORS

Directors

The members of the UCEA Board (the Directors of the Company) and the member by whom they were nominated are shown below for the year from 1 August 2021 to 31 July 2022:

	Joined/left in the year	Appointing body
Professor G Boyne (Chair from 12 October 2022) University of Aberdeen		UUK
Professor G Baldwin (Deputy Chair) University of Central Lancashire		UUK
J Cope (Chair of Finance and Audit Committee and Deputy Chair) London South Bank University	Resigned 31 July 2023	CUC
HC Allum University of the West of Scotland	Resigned 1 March 2023	CUC
Professor C Bailey Queen Mary, University of London		UUK
Professor M E Smith (Chair until 11 October 2022) Southampton University		UUK
M Burch University of Brighton		CUC
Professor N Canagarajah University of Leicester	Joined 1 January 2023	UUK
Professor K Cox University of Kent		UUK
Professor J Higham St George's, University of London		UUK
Professor D Green University of Worcester		GuildHE
Professor I Gillespie University of Dundee	Joined 1 January 2023	Universities Scotland
Professor Sir F McCormac University of Stirling	Resigned 31 December 2022	Universities Scotland
J Palca City, University of London		CUC
Professor S Palmer Brunel University	Joined 1 March 2023	CUC
M Parker Liverpool John Moores University		CUC

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Report of the Directors
for the Year Ended 31 July 2023**

Professor E Peck Nottingham Trent University	Resigned 31 December 2022	UUK
Professor K Sloan Harper Adams University		GuildHE
Mr J Taylor Cardiff Metropolitan University	Joined 1 August 2022	CUC
Professor A Tickell University of Sussex		UUK
Professor E Treasure Aberystwyth University		UUK

No member of the UCEA Board had a beneficial interest in any contracts with the company.

SENIOR MANAGEMENT

Chief Executive
Raj Jethwa

Company Secretary
Roshan Israni

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Report of the Directors
for the Year Ended 31 July 2023**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

A resolution proposing the re-appointment of the auditors Knox Cropper LLP will be submitted at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



Professor G Boyne - Director

11 October 2023

**Report of the Independent Auditors to the Members of
The Universities and Colleges
Employers' Association**

Opinion

We have audited the financial statements of The Universities and Colleges Employers' Association (the 'company') for the year ended 31 July 2023 which comprise the Income Statement, Balance Sheet and 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 company's affairs as at 31 July 2023 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

**Report of the Independent Auditors to the Members of
The Universities and Colleges
Employers' Association**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page eight, the directors 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 directors determine 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
The Universities and Colleges
Employers' Association**

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006, and the Corporation Tax Act 2010.
- We understood how the Company is complying with those frameworks via communication with those charged with governance, together with the review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with Revenue Recognition and Management override of Controls.
- Our approach included agreeing the company's recognition of income to the terms of the underlying contract, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through 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 Report of the Auditors.

**Report of the Independent Auditors to the Members of
The Universities and Colleges
Employers' Association**

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Neil Wilkinson

Neil Wilkinson (Senior Statutory Auditor)
for and on behalf of Knox Cropper LLP
Chartered Accountants and Statutory Auditors
153 -155 London Road
Hemel Hempstead
Hertfordshire
HP3 9SQ

11 October 2023

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Income Statement
for the Year Ended 31 July 2023**

	Notes	2023		2022	
		£	£	£	£
TURNOVER			2,140,987		1,960,345
Staff costs	4	1,510,909		1,750,996	
Other operating expenses		581,684		457,196	
			2,092,593		2,208,192
OPERATING SURPLUS/(DEFICIT)			48,394		(247,847)
Interest receivable and similar income			47,508		19,504
			95,902		(228,343)
Other finance costs			26,224		11,149
SURPLUS/(DEFICIT) BEFORE TAXATION			69,678		(239,492)
Tax on surplus/(deficit)	5		9,030		3,706
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR			60,648		(243,198)

The notes form part of these financial statements

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Balance Sheet
31 July 2023**

	Notes	2023 £	2022 £
CURRENT ASSETS			
Debtors	10	87,222	70,847
Cash at bank		<u>2,497,262</u>	<u>2,489,715</u>
		2,584,484	2,560,562
CREDITORS			
Amounts falling due within one year	11	<u>263,234</u>	<u>365,947</u>
NET CURRENT ASSETS		<u>2,321,250</u>	<u>2,194,615</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,321,250	2,194,615
PROVISIONS FOR LIABILITIES	13	<u>756,093</u>	<u>690,106</u>
NET ASSETS		<u>1,565,157</u>	<u>1,504,509</u>
RESERVES			
Income and expenditure account		<u>1,565,157</u>	<u>1,504,509</u>
		<u>1,565,157</u>	<u>1,504,509</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 11 October 2023 and were signed on its behalf by:



Professor G Boyne - Director

The notes form part of these financial statements

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Notes to the Financial Statements
for the Year Ended 31 July 2023**

1. STATUTORY INFORMATION

The Universities and Colleges Employers' Association is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Following a review of forecasts and projections, the Directors are satisfied that the company will continue operations for the foreseeable future and hence the accounts have been drawn up on a going concern basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 20% on cost
Computer equipment	- 33% on cost

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

2. ACCOUNTING POLICIES - continued

**Pension costs and other post-retirement benefits
Universities Superannuation Scheme**

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution 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", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Superannuation Arrangements of the University of London

The company participates in the Superannuation Arrangements of the University of London (SAUL), which is a funded, defined benefit scheme. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets as at 31 March 2020 was £3,612 million representing 94% of the liabilities. The market value of SAUL's assets at 30 April 2021 was £4,369 million representing 109% of the estimated liabilities.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The company accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

Although there was a Technical Provisions deficit at 31 March 2020, allowing for post valuation experience to 30 April 2021, SAUL had a Technical Provisions surplus. Therefore, no deficit contributions were required following the 2020 valuation and there is no defined benefit liability (i.e. the present value of any deficit contributors due to SAUL) to be recognised by the company.

Income

Income received from subscriptions is recognised in the period to which the subscription relates.

Income received from seminars and remuneration surveys provided to subscribing members is recognised at the time of supply.

All income is recognised net of VAT.

Vat

Expenditure is stated net of VAT. Irrecoverable VAT is charged as a separate expense within the accounts.

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2023**

2. ACCOUNTING POLICIES - continued

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	1,117,437	1,046,798
Social security costs	120,951	110,642
Other pension costs	<u>272,521</u>	<u>593,556</u>
	<u>1,510,909</u>	<u>1,750,996</u>

The average number of employees during the year was as follows:

	2023	2022
	<u>19</u>	<u>19</u>

Included in wages and salaries is the remuneration of the Chief Executive, of £159,635 (2022: £150,612). None of the directors are remunerated.

Following the 2020 actuarial valuation of the USS pension scheme, there has been a significant increase in the deficit resulting in a revised deficit recovery plan. Included in pensions costs above is £91,235 (2022: £429,273), relating to the changes in the assumptions underlying the revised deficit recovery plan (see notes 7 and 13).

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2023**

5. TAXATION

Analysis of the tax charge

The tax charge on the surplus for the year was as follows:

	2023	2022
	£	£
Current tax:		
UK corporation tax	<u>9,030</u>	<u>3,706</u>
Tax on surplus/(deficit)	<u>9,030</u>	<u>3,706</u>

UK corporation tax has been charged at 19% (2022 - 19%).

6. OTHER OPERATING EXPENSES

	2023	2022
	£	£
Administration	51,907	31,998
Meeting & Board expenditure	13,616	22,125
Remuneration surveys expenditure	81,038	64,346
Research and data collection	6,430	6,278
Communications	28,079	10,733
IT support	71,371	77,939
Seminars & International Conference expenditure	51,436	16,522
Premises costs	139,647	135,265
Other professional charges	41,566	30,628
JNCHES expenditure	4,326	500
Pension strategy project	13,022	1,371
Recruitment, training & secondment	26,631	11,531
Irrecoverable VAT	52,615	47,960
	<u>581,684</u>	<u>457,196</u>

7. **PENSION SCHEMES**

a) Universities Superannuation Scheme (USS)

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date), and was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The company participates in the salary sacrifice pension scheme. The staff costs (note 4) shows the pensionable salary which includes the employee salary sacrifice element. The company contribution rate payable is currently 21.6% of pensionable salaries, which decreases to 21.4 from 1 April 2024.

As at 31 July 2023 the company had 13 active members participating in the scheme.

The total pension cost (excluding the salary sacrifice pension element, changes in assumptions for calculating the pension scheme liability and deficit funding contributions) for the company was £190,605 (2022: £178,258). Deficit recovery contributions due within one year for the company are £51,472 (2022: £43,722).

At 31 July 2023 the liability provided for in respect of the USS pension deficit amounted to £756,093 (2022: £690,106). A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

- Discount rate 3.8% (2022: 3.8%)
- Pensionable salary growth 5% for the year to 2024 and 2% thereafter (2022: 2.1%)

b) Superannuation Arrangements of the University of London (SAUL)
General description of the pension scheme

The company participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and was contracted out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings ("CARE") basis.

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2023**

The company is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding Policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2021 and are due to be reviewed at SAUL's next formal valuation in 2023.

At the 31 March 2020 valuation SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience up to 30 April 2021. As SAUL was in surplus on its Technical Provisions basis at the date, no deficit contributions were required. However, the Trustee and the Employers have agreed that the ongoing Employers' contribution will increase from 19% to a rate of 21% of CARE Salaries from 1 January 2023.

As at 31 July 2023 the company had 6 active members participating in the scheme.

The total pension cost for the company (excluding the salary sacrifice pension element) was £45,152 (2022: £29,747).

8. MEMBERS

The company is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum and Articles of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. The members of the company are the Universities UK (UUK), the Committee of University Chairmen (CUC), GuildHE (formerly the Standing Conference of College Principals) and Universities Scotland.

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2023**

9. TANGIBLE FIXED ASSETS

	Improvements to property £	Computer equipment £	Totals £
COST			
At 1 August 2022 and 31 July 2023	<u>72,882</u>	<u>111,742</u>	<u>184,624</u>
DEPRECIATION			
At 1 August 2022 and 31 July 2023	<u>72,882</u>	<u>111,742</u>	<u>184,624</u>
NET BOOK VALUE			
At 31 July 2023	<u>—</u>	<u>—</u>	<u>—</u>
At 31 July 2022	<u>—</u>	<u>—</u>	<u>—</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	28,408	20,682
Other debtors	<u>58,814</u>	<u>50,165</u>
	<u>87,222</u>	<u>70,847</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	54,764	83,758
Taxation and social security	42,279	43,447
Other creditors	<u>166,191</u>	<u>238,742</u>
	<u>263,234</u>	<u>365,947</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	74,600	74,600
Between one and five years	<u>174,067</u>	<u>248,667</u>
	<u>248,667</u>	<u>323,267</u>

**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)**

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2023**

13. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Other provisions	<u>756,093</u>	<u>690,106</u>
		Pension scheme liability
		£
Balance at 1 August 2022		690,106
Unwinding of discounted amount		26,224
Deficit funding contribution		(51,472)
Changes in assumptions		<u>91,235</u>
Balance at 31 July 2023		<u>756,093</u>

