

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	Universities and Colleges Employers Association				
Year ended:	31 July 2025				
List No:	1581E				
Head or Main Office:	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)				
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 Office as below or by telephone to: 0330 1093602

You should send the annual return to the following 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
3				3

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 Jane Harrington	01 August 2024
Director	Professor Iain Gillespie		01 April 2025

Officers in post

(see note 10)

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

Name of Officer	Position held
Professor G Boyne	Director - Chair of Board
Professor SB Palmer	Director - Deputy Chair of Board
Professor J Higham	Director - Deputy Chair of Board
Professor C Bailey	Director
C Booth	Director
A Burman	Director
Professor N Canagarajah	Director
Professor D Green	Director
Professor N Juster	Director
Professor W Larnar	Director
Professor J Harrington	Director
M Parker	Director
Professor A Schofield	Director
Professor K Sloan	Director
J Taylor	Director
Professor E Welch	Director
M Williams	Director
Raj Jethwa	Chief Executive
Roshan Israni	Company Secretary

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)	

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

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
		£
Income		
From Members	2,051,355	2,051,355
From Investments	145,824	145,824
Other Income (including increases by revaluation of assets)	2,089,117	2,089,117
Total Income	4,286,296	4,286,296
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	2,883,309	2,883,309
Funds at beginning of year (including reserves)	2,331,730	2,331,730
Funds at end of year (including reserves)	3,734,717	3,734,717
ASSETS		
	Fixed Assets	
	Investment Assets	
	Other Assets	4,326,987
	Total Assets	4,326,987
Liabilities	Total Liabilities	592,270
Net Assets (Total Assets less Total Liabilities)		3,734,717

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members	2,051,355	2,051,335
From Investments	145,824	145,824
Other Income (including increases by revaluation of assets)	2,089,117	2,089,117
Total Income	4,286,296	4,286,296
Expenditure (including decreases by revaluation of assets)	2,883,309	2,883,309
Total Expenditure	2,883,309	2,883,309
Funds at beginning of year (including reserves)	2,331,730	2,331,730
Funds at end of year (including reserves)	3,734,717	3,734,717
ASSETS		
Fixed Assets		
Investment Assets		
Other Assets		4,326,987
Total Assets		4,326,987
Liabilities		
Total Liabilities		592,270
Net Assets (Total Assets less Total Liabilities)		3,734,717

Notes to the accounts

(see note 34)

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



Accounting policies

(see notes 35 & 36)



Signatures to the annual return

(see notes 37 and 38)

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: <i>[Signature]</i>
Name: Raj Jethwa	Name: Nishan Canagarajah <small>(or other official whose position should be stated)</small>
Date: 09 December 2025	Date: 09 December 2025

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	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, HP3 9SQ	
Date:	09 December 2025	
Contact name for enquiries and telephone number:	Neil Wilkinson 01442 218309	

N.B. When notes to the accounts 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 2025
for
THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION**

**Contents of the Financial Statements
for the Year Ended 31 July 2025**

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**THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION**

**Company Information
for the Year Ended 31 July 2025**

DIRECTORS:	Professor C Bailey C Booth A Burman Professor N Canagarajah Professor D Green Professor J Harrington Professor J Higham Professor N Juster Professor W Lamer Professor A Long Professor S Olivier Professor S B Palmer M Parker Professor A Schofield Professor K Sloan J Taylor Professor E Welch M Williams
REGISTERED OFFICE:	Woburn House 20 Tavistock Square London WC1H 9HU
REGISTERED NUMBER:	02914327 (England and Wales)
BANKERS:	National Westminster Bank Plc 94 Moorgate London EC2M 6UR

**Report of the Directors
for the Year Ended 31 July 2025**

The Directors present their annual report and the audited financial statements for the year ended 31 July 2025. 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) and Guild HE. Universities Scotland was previously a member of the company but, following structural changes, is now part of Universities UK. This change was reflected through an update to UCEA's Articles of Association in December 2024. UCEA 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 2024/25 membership totalled 169 organisations (159 HE institutions and 10 associate members), following the merger of two member institutions and one associate member leaving during the year.

UCEA's purpose and Plan

UCEA's purpose is reflected in the following statement: 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 new Strategic Plan, Facilitating transformational change, Enhancing the employee experience, was published in July 2024 with a three-year duration. The plan contains five strategic priorities:

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

The summary below sets out UCEA's progress against the priorities and key activities and achievements through 2024-25.

Summary of the Year

UCEA has once again experienced a very busy year in support of our members. The 2025-26 New JNCHES pay round drew a series of challenges despite no immediate industrial action. The deteriorating financial picture for many universities in the face of reduced income, lower internal student recruitment and increasing cost pressures, particularly in relation to Teachers' Pension Scheme (TPS), all had an impact on the HE workforce. Against this backdrop, UCEA engaged in negotiations with sector trade unions over an extended timetable in order to develop our full and final offer for the 2025-26 pay round. UCEA continued its focus on work relating to enhancing the employee experience which is even more critical at a time of significant transformation activity being undertaken by UCEA's members. UCEA also worked with UUK and sector mission groups to support our members affected by the TPS contribution increases. The USS Employer representative role was embedded within UCEA and in its first year of operation has been a success.

1. Supporting employer aspirations to enhance the employee experience

All Employee Experience (EX) work was refreshed on the public and members' areas of the website, including the Five Pillar Action Plan, as part of UCEA's strategic priority on EX. Each Pillar is supported with insightful resources and materials, with new infographics, blogs, reports and case studies. In support of our EX programme, UCEA has:

- Refreshed and refocussed our Employee Experience reference group.
- Published a new 'Benefits of Working in HE' infographic
- Supported the sector in taking action to reduce equality pays gaps including case studies and member events and other reports
- Commissioned The People Insight/UCEA report: 'A Tale of Two Perspectives: Bridging the Gap in HE EX'
- Worked to develop a positive narrative for employment in the sector
- Launched a new Reward Network for UCEA members
- Held an Employee Value Proposition (EVP) event to help members develop their own EVPs.
- Held a range of peer support round table events.
- Continued to host an Organisational Change forum peer support network, accompanied by the development of extensive linked guidance
- Published a series of blogs
- Progressed work on improving employment practices regarding contract types, including fixed-term and variable hours, with further work and case studies to follow
- Progressed work to support the sector with approaches to address issues connected to workload

Additionally, UCEA collects data on the terms and conditions offered to employees across the higher education sector and advises on their pay and reward strategies. UCEA also provides annual benchmarking on senior (Senior Staff Remuneration Survey) and non-senior pay (Salary Survey of Higher Education Staff), each have over 100 HEI users and more HEIs commission UCEA to give custom benchmarking for their institution's needs.

2. Promoting constructive employment relations

2025-26 Pay round

The New JNCHES 2025-26 pay round negotiation meetings started on 31 March and concluded on 15 May 2025.

UCEA, representing 138 HEIs in the pay round made a full and final offer of a pay uplift of 1.4% on all points on the pay spine from 1 August 2025, and the deletion of Spine Points 5 and 6 by 31 July 2026.

Where adjustments had been made by HEIs to comply with the current National Living Wage (NLW) rate, applicable from 1 April 2025, the uplift was to be applied in addition to the hourly rate of pay of £12.21 (the April 2025 / current NLW rate). This offer was lower than the joint trade union claim which was for a pay increase on all pay points of at least RPI (as at August 2025) + 3.5%, or a flat rate increase on each spine point of at least £2,500 (whichever is greater).

**Report of the Directors
for the Year Ended 31 July 2025**

Following receipt of UCEA's offer on 20 May, all five sector trade unions rejected the offer and confirmed they were invoking the New JNCHES Dispute Resolution Procedure (DRP). The DRP meetings were held on 30 June and 2 July. UCEA's offer on pay did not change during this DRP stage and the full and final offer was reconfirmed on 4 July. Following confirmation that no party was intending to invoke the optional final stage of the DRP, UCEA issued an implementation instruction to New JNCHES participating employers on 17 July.

UCEA's offer included joint work under the terms of reference agreed in the 2024-25 pay round covering: the pay spine review; contract types; workload and equality pay gaps with this work being taken forward on a staggered basis starting from July 2025. The offer to progress this joint work has been paused following the decision of four of the five sector trade unions (UCU, EIS, UNISON and Unite) to progress with statutory ballots for industrial action in response to UCEA's offer. The trade unions are intending to coordinate their industrial action ballot timetables over a six-week period opening on 20 October and closing on 28 November. UCU and EIS' ballots will be aggregated. UNISON and Unite's ballots will be disaggregated.

Work under the terms of reference for contract types, workload and equality pay gaps will now be taken forward by UCEA, but without trade union input, with the purpose of developing good employment policy and practice using the expertise of the already formed sector reference groups as part of the work under our employee experience strategic priority.

Employment Rights Bill

UCEA has represented the sectors' view to changes being proposed under the Employment Rights Bill by responding to government consultations as and when they are published. To date, UCEA has responded to the four published consultations, and we have also submitted a response to the Business and Trade Committee inquiry.

Our focus has primarily been on preparing our members for the Bill passing into legislation through the development of resources, which include recommended preparatory actions.

3. Providing leadership on sector pensions

USS employer representative role

This was the first year of UCEA undertaking the USS Employer Representative role, which transferred from UUK on 1 August. This transfer has created a single employer body responsible for pay and pensions in HE, bringing benefits to employers, scheme members and the sector as a whole.

UCEA held a series of employer engagement meetings with USS employers on preparations for the 2026 valuation, and on the priority workstreams following the 2023 valuation. UCEA representatives met regularly with UCU and USS at the joint Stability Working Group, which set up a sub-group to give focussed attention to exploring Conditional Indexation to deliver improved stability. We have taken steps to progress a Review of USS governance, working towards a joint proposal with UCU, while initiating the project's first phase independently. Regular engagement events for USS employers continue, preparing for decisions as the work develops for the 2026 Valuation.

UCEA continues to serve as the HE sector representative on the TPS Scheme Advisory Board and is a member of the Local Government Pension Scheme (LGPS) Cost Management, Benefit Design and Administration Committee. This year we have continued to lobby government for mitigations to TPS participation.

Separately UCEA agreed that as a service to its member institutions it would support the procurement of a sector-wide DC scheme set up under a Framework Agreement which any HEI can choose to offer staff subject to statutory regulations and accompanying scheme rules. This has led to the development of the FlexHE pension arrangement with Aviva.

4. Supporting members through our influence and engagement

We issued members with frequent, timely communications materials covering key matters and UCEA ensured national and sector-level media coverage included employer-focused responses offering regular interviews and press conferences. We produced our ongoing series of Updates, Bulletins, Newsletters, Headlines, Briefings, case studies and Infographics.

Regular communications with members as well as with CUC, UUK, GuildHE, NUS, the Russell Group and other sector bodies continued through the year. UCEA also responded to significant parliamentary enquiries and supported UUK with the lobbying of Ministers around HEIs' participation in the TPS and LGPS and the request for funding assistance towards clinical academic pay and pensions. We liaised with and met the UUK Communications and Parliamentary Teams to enable us to jointly brief the relevant Parliamentarians. UCEA's Chief Executive also gave evidence to the Education Select Committee at a hearing on Higher Education and Funding.

Obtaining balanced media coverage at national level was achieved regularly, with prepared reactive responses central to our media strategy. UCEA remained active on social media through LinkedIn and BlueSky. Our social media has been driven by our evolving EX work, as we also continue to share important facts and figures, challenge incorrect data, share UCEA news releases, and related national HE news stories.

Throughout the 2025/26 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 and, given the sensitive nature of the extended pay round, only accordingly. 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.

5. Taking forward UCEA in support of our members

UCEA had 169 members in 2024-25. Membership subscriptions remained UCEA's primary income stream, followed by the new USS Employer Levy, with the remainder provided from discretionary services purchased by members during the year, including training and conference places or pay benchmarking data and analyses.

We continued our cycle of formal, in-person membership visits, nearly doubling last year's total to 20 universities over the year, meeting with Heads of Institution, HR Directors and other key leaders at member HEIs around the UK. A number of other informal visits and meetings took place at member institutions. We also held numerous virtual visits and meetings with HEIs' senior leaders.

UCEA maintained our popular series of regular virtual meetings with HR Directors and Heads of Institution, as well as a broad programme of in-person events. Free online members meetings and events included three pay survey webinars, our popular 'Getting the most from UCEA membership' event, 19 online HRD Insights events including an online launch of UCEA's work on contract types and six Heads of Institutions meetings, two events looking at USS and our in-person Annual Members' meeting. Additionally, as income-generating events we hosted three in-person conferences and workshops, 13 online courses, workshops and webinars, ten network meetings, and we delivered 4 in-house training courses. In total this represented 62 events.

We continued our rolling programme of IT equipment and software renewal to ensure we are able to work efficiently and to high standards. We renewed our Cyber Essentials accreditation and implemented MFA security to bolster security in the face of ongoing cyber-attacks in the sector and beyond.

UCEA Governance and risk management

The UCEA Board met seven times during the year. The Board's work was supported by four standing committees: the Finance & Audit Committee, the Remuneration Committee, the Negotiating Committee (which leads pay bargaining on behalf of UCEA members), and the new Pensions Committee (which provides oversight and strategic direction to all our work on sector pensions). Meetings were held in a mixture of in-person, hybrid and fully virtual formats through audio/video conferencing. Board members are nominated by UUK, GuildHE and CUC to represent the diversity of HEIs around the UK.

UCEA ended the year with a significant surplus, however this is largely due to the receipt of a restricted grant (comprising of £934k of funds which had already been raised from USS employers by UUK) for the purposes of undertaking the USS Governance Review. This grant will be drawn down over the subsequent years as the review is carried out, with the first significant expenditure planned for autumn 2025.

The Finance & Audit Committee members during the year were Professor C Bailey, C Booth, Professor G Boyne, M Parker, R Jethwa, Professor K Sloan, with co-opted member J Charge.

The Remuneration Committee members were Professor G Boyne, Professor J. Higham, Professor K Sloan and J Taylor.

The Negotiating Committee members were M Ayres, Professor G Boyne, Professor N Canagarajah, D Duncan, and J Taylor.

The Pensions Committee members were C Booth, Professor G Boyne, Professor D Green, Professor N Juster, Professor S Palmer and Professor A Schofield.

The Board's annual Strategic Away Day was held in person in December 2024. The directors discussed UCEA's priorities and activities over the period of the current strategic plan considering the challenging financial climate for higher education and likely employment issues on the horizon. UCEA monitored and reported on risk throughout the year on an established cycle of review at Finance & Audit Committee, Board and executive level.

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

**Report of the Directors
for the Year Ended 31 July 2025**

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 2024 to 31 July 2025:

	Joined/left in the year	Appointing body
Professor G Boyne University of Aberdeen		UUK
Professor C Bailey Queen Mary, University of London		UUK
C Booth University of Liverpool		CUC
A Burman University of Northampton		CUC
Professor N Canagarajah University of Leicester		UUK
Professor I Gillespie University of Dundee	Resigned 1 April 2025	UUK
Professor D Green University of Worcester		GuildHE
Professor J Higham University of Suffolk		UUK
Professor N Juster University of Lincoln		UUK
Professor W Lerner Cardiff University		UUK
Professor J Harrington University of Greenwich	Joined 1 August 2024	UUK
Professor S Palmer Brunel, University of London		CUC
M Parker Liverpool, John Moores University		CUC
Professor A Schofield Lancaster University		UUK
Professor K Sloan Harper Adams University		GuildHE
J Taylor Cardiff Metropolitan University		CUC
Professor E Welch University of Bristol		UUK
M Williams University of Cumbria		CUC

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

Report of the Directors
for the Year Ended 31 July 2025

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.

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 each director ought to have taken as a director in order to make themselves 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 N Canagarajah - Director

8 October 2025

Opinion

We have audited the financial statements of The Universities and Colleges Employers' Association (the 'company') for the year ended 31 July 2025 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 2025 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. and the 1992 Act

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.

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.

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, Management override of Controls and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team
- 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, and the review of government support scheme grants received to ensure they were not fraudulently claimed.
- 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.

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.

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 (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

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

**Income Statement
for the Year Ended 31 July 2025**

	Notes	2025		2024	
		£	£	£	£
TURNOVER			4,140,472		2,336,124
Staff costs	4	1,895,269		1,586,902	
Other operating expenses		938,151		809,151	
			<u>2,833,420</u>		<u>2,396,053</u>
OPERATING SURPLUS/(DEFICIT)			1,307,052		(59,929)
Release USS pension deficit	5		-		756,093
			1,307,052		696,164
Interest receivable and similar income			<u>145,824</u>		<u>90,692</u>
SURPLUS BEFORE TAXATION			1,452,876		786,856
Tax on surplus	6		<u>49,893</u>		<u>20,283</u>
SURPLUS FOR THE FINANCIAL YEAR			<u>1,402,983</u>		<u>766,573</u>

The notes form part of these financial statements

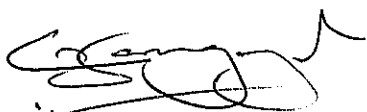
THE UNIVERSITIES AND COLLEGES
EMPLOYERS' ASSOCIATION (REGISTERED NUMBER: 02914327)

Balance Sheet
31 July 2025

	Notes	2025 £	2024 £
CURRENT ASSETS			
Debtors	11	227,542	448,485
Cash at bank		<u>4,099,445</u>	<u>2,613,923</u>
		4,326,987	3,062,408
CREDITORS			
Amounts falling due within one year	12	<u>592,274</u>	<u>730,678</u>
NET CURRENT ASSETS		<u>3,734,713</u>	<u>2,331,730</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,734,713</u>	<u>2,331,730</u>
RESERVES			
Income and expenditure account		<u>3,734,713</u>	<u>2,331,730</u>
		<u>3,734,713</u>	<u>2,331,730</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 8 October 2025 and were signed on its behalf by:



Professor N Canagarajah - Director

The notes form part of these financial statements

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 2023 was £3,096 million representing 105% of the 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 surplus at 31 March 2023, no deficit contributions were required following the 2023 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.

Income received from grants arise from UUK, which is a member of the company, and are accounted for in accordance with the conditions of the grant.

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.

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

	2025	2024
	£	£
Wages and salaries	1,508,377	1,245,168
Social security costs	161,377	132,531
Other pension costs	<u>225,515</u>	<u>209,203</u>
	<u>1,895,269</u>	<u>1,586,902</u>

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

2025	2024
<u>24</u>	<u>20</u>

Included in wages and salaries is the remuneration of the Chief Executive, of £224,551 (2024: £219,150). None of the directors are remunerated.

5. EXCEPTIONAL ITEMS

	2025	2024
	£	£
Release USS pension deficit	<u>-</u>	<u>756,093</u>

Following the 2023 actuarial valuation of the USS pension scheme, the scheme is now in a surplus position. The above amount is the release of the pension deficit provision. See note 8.

6. TAXATION

Analysis of the tax charge

The tax charge for the year was as follows:

	2025	2024
	£	£
Current tax:		
UK corporation tax	<u>49,893</u>	<u>20,283</u>
Tax on surplus	<u>49,893</u>	<u>20,283</u>

The organisation is a mutual trading company for tax purposes and is liable to tax on non-member income. The above charge represents the tax on the surplus arising on non-member income.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2025

7. OTHER OPERATING EXPENSES

	2025	2024
	£	£
Administration	39,445	59,542
Meeting & Board expenditure	14,480	12,992
Remuneration surveys expenditure	74,849	77,555
Research and data collection	5,004	5,387
Communications	13,053	15,400
IT support	101,709	109,996
Seminars & International Conference expenditure	26,472	44,007
Premises costs	142,310	156,824
Other professional charges	40,715	47,971
JNCHES expenditure	4,887	12,513
Pension strategy project	82,875	15,775
Recruitment, training & secondment	33,375	37,152
Irrecoverable VAT	54,319	77,315
USS direct set up costs	115,557	136,722
USS actuarial consultancy	189,100	-
	<u>938,150</u>	<u>809,151</u>

8. PENSION SCHEMES

a) Universities Superannuation Scheme (USS)

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (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 2023 valuation was the seventh 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 £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

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 14.5% of pensionable salaries.

As at 31 July 2025 the company had 18 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 £181,677 (2024: £166,121).

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 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 2023. 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 2024 and are due to be reviewed at SAUL's next formal valuation in 2026.

At the 31 March 2023 valuation SAUL was 105% funded on its Technical Provisions basis. As SAUL was in surplus on its Technical Provisions basis, no deficit contributions were required. The Trustee and the Employers have agreed that the ongoing Employers' contributions will fall from a rate of 21% of CARE Salaries to 19% of CARE Salaries from 1 September 2024.

As at 31 July 2025 the company had 7 active members participating in the scheme.

The total pension cost for the company (excluding the salary sacrifice pension element) was £43,839 (2024: £43,083).

9. 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.

10. TANGIBLE FIXED ASSETS

	Improvements to property £	Computer equipment £	Totals £
COST			
At 1 August 2024 and 31 July 2025	<u>72,882</u>	<u>111,742</u>	<u>184,624</u>
DEPRECIATION			
At 1 August 2024 and 31 July 2025	<u>72,882</u>	<u>111,742</u>	<u>184,624</u>
NET BOOK VALUE			
At 31 July 2025	<u> -</u>	<u> -</u>	<u> -</u>
At 31 July 2024	<u> -</u>	<u> -</u>	<u> -</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	64,508	370,084
Other debtors	<u>163,034</u>	<u>78,401</u>
	<u>227,542</u>	<u>448,485</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	47,498	103,950
Taxation and social security	98,968	134,907
Other creditors	<u>445,808</u>	<u>491,821</u>
	<u>592,274</u>	<u>730,678</u>

13. LEASING AGREEMENTS

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

	2025 £	2024 £
Within one year	74,600	74,600
Between one and five years	<u>24,867</u>	<u>99,467</u>
	<u>99,467</u>	<u>174,067</u>