

2024 Financial Statement

General Secretary's Report on the Union's Finances

For the year ended 31 December 2024



The following pages contain the financial statements for the Union for the year to 31 December 2024.

2024 provided another outstanding demonstration of the hard work and commitment of Usdaw activists with more than 97,000 new members recruited – an increase of nearly 6,000 on the previous year and breaking the Union's record for membership recruitment for the second consecutive year.

Overall membership increased by more than 8,000 and density levels increased in each of Usdaw's 'Big 4' retail agreements: Tesco, Sainsbury's, Morrisons and the Co-op Group.

Usdaw activists also made a huge difference on 4 July as Labour were returned to power with a resounding majority after 14 long years in opposition. Of the 23 key seats targeted by Usdaw, Labour won 21, showcasing the effectiveness of the Union's campaigning strategy.

The return of a Labour Government willing to listen to and work with us will boost Usdaw's efforts to deliver on its mission statement to win for members and improve workers' lives.

Turning to the finances, the results for the 12 months to 31 December 2024 show that Usdaw has posted a healthy operating surplus with income exceeding expenditure by £4.3 million.

The increase in the market value of the Union's investments, plus the proceeds from the sale of assets including Usdaw's former Glasgow and Edinburgh offices, contributes to a total surplus of £10.5 million.

Despite these positive financial results, there is still a note of caution, as in previous years, that the Union's income from membership contributions has not increased significantly in more than ten years.

It is vital that Usdaw continues its recent outstanding recruitment efforts to build membership levels back up to a level that ensures the Union can remain strong and independent.

Delegates will note that legal costs recovered in 2024 exceeded costs paid, which was a consequence of Usdaw's landmark victory in the Supreme Court challenging Tesco's proposal in 2021 to fire staff at its Daventry and Lichfield distribution centres and rehire them on lower pay. A similar case involving workers at the Livingston site was stayed in the Scottish Courts. After a long legal battle, this was a significant win, not just for Usdaw but for the whole of the Trade Union Movement.

Branch and Federation funds stood at a healthy £13.5 million at the year end and political funds stood at £0.3 million, with the latter funds supporting the Union's successful efforts to return Labour to power in July's General Election.

All in all, this was a highly successful year for Usdaw and one which I hope members feel very proud of. The National Executive Council and I thank all the Union's members, activists and staff for their contribution to 2024's fantastic achievements and hope that you share our optimism for a bright future for Usdaw.

Important note

Delegates and Branch Secretaries who require information on the Financial Statements should send questions to Head Office at least SIX days prior to the Annual Delegate Meeting, so that a full reply can be provided.

Summary of Union Finances

Summary of Financial Results

Income and Expenditure – 12 Months to 31 December 2024

General Funds

	£000s
Contribution Income	35,644
Other Income	3,600
Total Income	39,244
Provision of Benefits	(649)
Legal Costs	156
Personnel Costs	(18,801)
Operating Expenditure	(15,075)
Total Expenditure	(34,369)
Operating Surplus	4,875
Profit / (Loss) on Sale of Fixed Assets	1,479
Net interest on defined benefit pension liability	(806)
Change in Market Value of Investments	5,440
Transfers	422
Surplus	11,410

Branch and Federation Funds

	£000s
Contribution Income	4,223
Total Income	4,223
Expenditure	(3,486)
Transfers	(515)
Surplus	222

Political Funds

	£000s
Contribution Income	1,511
Total Income	1,511
Expenditure	(2,688)
Deficit	(1,177)

Regional Recruitment Funds

	£000s
Expenditure	(85)
Transfers	93
Surplus	8

Net Assets – 31 December 2024

	£000s
Fixed Assets	16,141
Investments	89,565
Current Assets	10,532
Creditors	(1,551)
Net Assets (excluding pension liability)	114,688
Pension Liability	-
Net Assets (including pension liability)	114,688
Allocated to:	
General Funds	100,814
Branch and Federation Funds	13,546
Political Funds	283
Regional Recruitment Funds	44
Total	114,688

Usdaw Financial Statements

For the year ended 31 December 2024

Advisors

Auditors

Crowe UK LLP, 55 Ludgate Hill, London, EC4M 7JW

Bankers

Unity Trust Bank plc, 4 Brindleyplace, Birmingham B1 2JB

Insurance Advisors

Berns Brett Limited, The Old Court House, 191 High Road, South Woodford, London E18 2QF

Legal Advisors

Allan McDougall McQueen LLP

3 Coates Crescent, Edinburgh EH3 7AL

Bates Wells & Braithwaite Ltd

29 Lower Brook Street, Ipswich IP4 1AQ

Beecham Peacock LLP

7 Collingwood Street, Newcastle Upon Tyne NE1 1JE

Pattinson & Brewer

2nd Floor, Mermaid House Street, London EC4V 3DB

Thompsons Solicitors (Northern Ireland) LLP

171 Victoria Street, Belfast BT1 4HS

Thompsons Solicitors LLP

Congress House, Great Russell Street, London WC1B 3LW

Thompsons Scotland Limited

285 Bath Street, Glasgow G2 4HQ

Watkins and Gunn Solicitors

19 Cowbridge Road East, Cardiff CF11 9AB

Property Advisors

Graham + Sibbald, 72 - 75 Marylebone High Street, London W1U 5JW

Pension Scheme Advisors

Aon, 40 Spring Gardens, Manchester M2 1EN

Tax Advisors

Crowe UK LLP, 55 Ludgate Hill, London, EC4M 7JW

Statement of Responsibilities of the National Executive Council for the Year Ended 31 December 2024

The legislation relating to trade unions requires the Union to submit a return for each calendar year to the Certification Officer for Trade Unions and Employers' Associations. This return contains accounts, which must give a true and fair view of the state of affairs of the Union at the year end and of its transactions for the year then ended. The accounts set out on the following pages have been prepared on the same basis and are used to complete the return to the Certification Officer for Trade Unions and Employers' Associations.

In relation to the Union of Shop, Distributive and Allied Workers these requirements are the responsibility of the National Executive Council. The accounts of the Union have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). In preparing the accounts the National Executive Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the accounts on the going concern basis unless it is inappropriate to do so.

The National Executive Council is responsible for keeping proper accounting records and establishing and maintaining a satisfactory system of control over its records and transactions in order to comply with the Trade Union and Labour Relations (Consolidation) Act 1992. They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Union is also responsible for the maintenance and integrity of the corporate and financial information included on the Union's website. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Opinion

We have audited the financial statements of USDAW for the year ended 31 December 2024 which comprise the Summary of Financial Results, Statement of Comprehensive Income, Statement of Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the notes to the financial statements, including 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 USDAW's affairs as at 31 December 2024 and of its transactions for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations Act 1992.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

The National Executive Council is responsible for the other information contained within the Annual Report. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report 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.

Matters on Which We Are Required to Report by Exception

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept;
- a satisfactory system of control over its accounting records, cash holdings and receipts and remittances has not been maintained; or
- the financial statements are not in agreement with the accounting records and returns.

Responsibilities of Officers

As explained more fully in the Statement of Responsibilities of the National Executive Council on page 3, the National Executive Council is 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 National Executive Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

We have been appointed as auditor under section 33 of the Trade Union and Labour Relations Act 1992 and report in accordance with section 36 of that Act.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to Which the Audit Was Considered Capable of Detecting Irregularities, Including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Union operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Trade Union and Labour Relations Act 1992 together with the financial reporting standards. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Union's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Union for fraud. The laws and regulations we considered in this context for the UK operations were health and safety legislation, employment legislation and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the officers and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the National Executive Council about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of Our Report

This report is made solely to USDAW's members as a body. Our work has been undertaken so that we might state to the Union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Union and the Union's members as a body, for our audit work, or for the opinion we have formed.

Crowe U.K. LLP, Statutory Auditor
London UK

Statement of Comprehensive Income for the Year Ended 31 December 2024

	Note	2024	2023
		£ 000s	£ 000s
Income			
Membership Contributions.....	1	41,377	40,395
Other Income.....	2	3,600	2,279
		-----	-----
		44,977	42,674
Expenditure			
Provision of Benefits.....	3	649	690
Political Expenditure.....	4	2,688	1,446
Legal Costs.....	5	(156)	389
Personnel Costs.....	6	18,801	21,068
Operating Expenses.....	7	18,647	14,913
		-----	-----
		(40,629)	(38,506)
Operating Surplus.....		4,348	4,168
Profit/(Loss) on Sale of Fixed Assets.....		1,479	--
Net Interest on Defined Benefit Pension Liability.....	8	(806)	(563)
Change in Market Value of Investments.....	11	5,440	3,923
		-----	-----
Surplus/(Deficit) for the Financial Year before Taxation.....		10,461	7,528
Taxation.....	9	--	--
		-----	-----
Surplus/(Deficit) for the Financial Year after Taxation.....		10,461	7,528
		=====	=====
Statement of Other Comprehensive Income for the year ended 31 December 2024			
Surplus for the Financial Year.....		10,461	7,528
Actuarial Gain/(Loss) recognised in the Pension Scheme.....	15	17,757	(10,935)
		-----	-----
Total Recognised Gain/(Loss) Relating to the Financial Year.....		28,218	(3,407)
		=====	=====

The notes on pages 13 to 20 form part of these financial statements.

Balance Sheet As At 31 December 2024

	Note	2024		2023	
		£	£	£	£
		000s	000s	000s	000s
Fixed Assets					
Tangible Assets	10		16,141		17,324
Investments	11		89,565		84,948
			-----		-----
			105,707		102,272
Current Assets					
Debtors	12	2,281		3,605	
Cash at Bank and in Hand	13	8,251		4,134	
		-----		-----	
		10,532		7,739	
Creditors Falling Due in Less Than One Year					
.....	14	(1,551)		(2,030)	
		-----		-----	
Net Current Assets			8,981		5,709
			-----		-----
Net Assets Excluding Pension Liability			114,688		107,981
Pension Liability	15		--		(21,513)
			-----		-----
Net Assets Including Pension Liability			114,688		86,468
			-----		-----
Represented by					
General Revenue Account			100,814		71,647
Branch Revenue Account			13,335		13,112
Federation Funds Account			211		213
Regional Recruitment Fund			44		36
			-----		-----
			114,405		85,008
Political Fund No.1 Account			70		976
Political Fund No.2 Account			213		363
Regional Political Funds			--		121
			-----		-----
			114,688		86,468
			-----		-----

The National Executive Council approved these accounts on 4 April 2025

Signed Jane Jones, President
 Paddy Lillis, General Secretary

The notes on pages 13 to 20 form part of these financial statements.

Statement of Changes in Equity for the Year Ended 31 December 2024

	General Revenue Account £000s	Branch Revenue Account £000s	Federation Funds Account £000s	Regional Recruitment Fund £000s	Political Fund No.1 Account £000s	Political Fund No.2 Account £000s	Regional Political Funds £000s	Total £000s
At 1 January 2024.....	71,647	13,112	213	36	976	363	121	86,468
Surplus/(Deficit) for the Financial Year.....	11,410	223	(2)	8	(906)	(150)	(121)	10,461
Actuarial Gain recognised in the Pension Scheme.....	17,757	--	--	--	--	--	--	17,757
	-----	-----	-----	-----	-----	-----	-----	-----
At 31 December 2024	100,814	13,335	211	44	70	213	--	114,688
	=====	=====	=====	=====	=====	=====	=====	=====
At 1 January 2023.....	74,858	13,389	197	47	694	578	112	89,875
Surplus/(Deficit) for the Financial Year.....	7,724	(277)	16	(11)	282	(215)	9	7,528
Actuarial Loss recognised in the Pension Scheme.....	(10,935)	--	--	--	--	--	--	(10,935)
	-----	-----	-----	-----	-----	-----	-----	-----
At 31 December 2023	71,647	13,112	213	36	976	363	121	86,468
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The notes on pages 13 to 20 form part of these financial statements.

Cash Flow Statement for the Year Ended 31 December 2024

	Note	2024		2023	
		£	£	£	£
		000s	000s	000s	000s
Operating Surplus			4,348		4,168
Depreciation	10		2,190		2,161
Profit on Sale of Fixed Assets			1,479		(256)
Decrease/(Increase) in Debtors	12		1,324		(672)
(Decrease)/Increase in Creditors	14		(479)		(211)
Pension Costs Charged to Income and Expenditure	15		4,974		3,074
Pension Contributions by Employer	15		(7,423)		(8,556)
			-----		-----
Net Cash Inflow from Operating Activities			6,413		(292)
 Cashflows from Investing Activities					
Proceeds on the Sale of Tangible Assets	10	2,130		284	
Payments to Acquire Tangible Assets	10	(1,249)		(2,031)	
Proceeds from the Sale of Investments	11	12,264		18,204	
Payments to Acquire Investments	11	(11,441)		(14,531)	
Fixed-term Deposits	13	(4,000)		--	
		-----		-----	
 Net Cash Inflow/(Outflow) from Investing Activities			(2,296)		1,926
 Movement in Cash and Cash Equivalents in the Year			4,117		1,634
At Beginning of Year			4,134		2,500
			-----		-----
At End of Year			8,251		4,134
			-----		-----

The notes on pages 13 to 20 form part of these financial statements.

Accounting Policies for the Year Ended 31 December 2024

The following accounting policies have been consistently applied in dealing with items which are considered material in relation to the Union's financial statements.

Basis of Preparation

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"). The financial statements have been prepared under historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the financial statements. The financial statements have been prepared in sterling, which is the functional currency of the Union. The monetary amounts of these financial statements are rounded to the nearest pounds.

Trade Unions are governed by the Trade Union and Labour Relations (Consolidation) Act 1992. Under that Act the accounts of Trade Unions are required to give a true and fair view. Therefore, the accounts of Trade Unions are prepared under FRS102. However, as a Trade Union is not a company the Regulations that form the basis of disclosures under FRS102 have been adapted as considered necessary to ensure the accounts give a true and fair view to the members of the Trade Union.

The Union is a public benefit entity.

Income is recorded on an accruals basis. Expenditure is charged to the Income and Expenditure Account on an accruals basis including irrecoverable VAT.

Going Concern

The National Executive Council has considered the future performance of the Union and its ability to continue as a going concern. It has considered severe but plausible downside sensitivity scenarios, on the operational and financial performance of the Union. As part of this analysis, management has considered mitigating actions within their control should these scenarios occur around liquidating funds from fixed asset investments and other measures to protect cash balances. These forecasted cash flows, considering the ability and intention of the National Executive Council to implement mitigating actions should they need to, provide sufficient headroom in the forecast period.

The National Executive Council is therefore satisfied that, for the foreseeable future, the Union can meet its projected expenditure and working capital requirements. The Union currently enjoys a stable membership base and holds sufficient cash and liquid assets to draw upon. Consequently, the financial statements have been prepared on a going concern basis.

General Revenue Account

All monies received on behalf of the Union in respect of contributions, donations or otherwise, form one central Fund (the General Revenue Account) for general purposes and a separate Fund for political purposes.

Branch Revenue Account

In accordance with the Union's Rule Book, each branch is allocated a proportion of the industrial contributions paid by the members of that branch to provide a fund (the Branch Revenue Account) from which to meet the expenses incurred in connection with the work of the branch.

Federation Funds

In accordance with the Union's Rule Book, branches may form Federations. Federation funds are drawn from annual affiliation fees levied upon participating branches and from grants made from the General Revenue Account at the discretion of the National Executive Council.

Political Funds

The objects of the Union include the furtherance of political objects. Monies received on behalf of the Political Fund are credited directly to the Fund. Any payments in respect of such objects are made directly out of the Political Fund.

Political Funds Account No.2

In accordance with the Union's Rule Book, the Political Fund of the Union is divided into two accounts, Account No.1 and Account No.2, the latter of which is created by the allocation of the amount prescribed by the Rule Book from the political contribution paid by the political members of each branch.

Regional Recruitment Fund

The objects of the Union include the recruitment of new members in each of the Union's seven Regions. A fund for this purpose is comprised of donations made voluntarily by Branches.

Members' Contributions

Members' contributions are accounted for on an accruals basis and recognised in the period in which they are due.

Investment and Other Income

All investment and other income is credited to the relevant fund when receivable.

Legal Costs

The Union is at any time involved in numerous legal cases on behalf of its members. There is an inherent risk that substantial costs and disbursements could be incurred on any case. Legal costs and disbursements are charged to the financial statements as incurred, together with an estimate for additional costs or recoveries which they reasonably believe may occur in the following or subsequent years.

Corporation Tax

Taxation for the year is chargeable on investment income, capital gains and other non-trading taxable income, less provident benefits, and on any trading profits. There is no charge for the year as provident benefits exceed the investment income and capital gains, and there are no profitable trading activities.

Deferred Tax

Deferred tax is recognised in respect of all timing differences, which are differences between the taxable profits and total comprehensive income that arises from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The Union has adopted a reinvestment policy whereby all realised proceeds on the disposal of investments are reinvested into other chargeable assets, thereby eliminating any current tax liability and thereby the need for the recognition of a deferred tax liability. Where the proceeds are not fully invested no current tax liability is considered likely to arise due to expenditure on provident benefits exceeding any chargeable gains that might arise.

Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, except freehold land, to write off the cost less estimated residual value in equal annual instalments over the estimated useful economic lives of the assets as follows:

Freehold Land	Nil
Buildings	5%
Fixtures and Fittings	20%
Motor Vehicles	25%
Computer Equipment	33.3%

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Assets are reviewed for impairment whenever events or changes in circumstances, such as planned disposal of properties, indicate that the carrying amount may not be recoverable.

Fixed Asset Investments

Quoted investments are stated at fair value, which is determined by reference to the quoted market price at the year end date.

Unquoted investments are held at either original cost or current value as determined by either an independent third party or the latest external transaction price as approved by the board of the bank (Unity Trust Bank).

The Statement of Comprehensive Income includes the net gains and losses arising on the revaluation and disposals throughout the year.

The Union does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Union is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Post-Retirement Benefits

The Union operates a staff superannuation scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Union.

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in the income and expenditure accounts as a total of the net pension scheme expenditure.

Remeasurements, comprising actuarial gains and losses and the return on the net defined benefit liability (excluding amounts included in the net interest) are recognised immediately in other comprehensive income in the period in which they occur. Remeasurements are not reclassified to income and expenditure in subsequent periods.

The pension scheme deficit is recognised in full. The movement in the deficit is split between operating charges, finance items and actuarial gains and losses in the statement of other comprehensive income.

Contributions to the Union's defined contribution pension scheme are charged to profit or loss in the year in which they become payable.

Unpaid Pension Contributions

Any unpaid contributions to the scheme which are payable as at the balance sheet date are recognised as a creditor due within one year.

Financial Instruments

The Union only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like other debtors and creditors.

Debt instruments that are payable or receivable within one year, typically other creditors or debtors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised within the operating surplus or loss. The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial instrument has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term investments with original maturities of three months or less, and bank overdrafts. This excludes cash held as part of the Union's investment portfolios which is included within fixed asset investments.

Leases

Operating lease rentals are charged to the Statement of Comprehensive Income in equal instalments over the period of the lease.

Critical Accounting Assumptions and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and judgements are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable. Revision to accounting estimates are recognised in the period in which the estimates are revised, and any future period affected.

The main areas where judgements and estimates may have a significant effect on the amounts included in the financial statements are:

Deferred tax - Under HMRC rules affecting the taxation of trade unions, a corporation tax liability does not arise on chargeable gains arising from the disposal of properties and investments where such gains are reinvested into other chargeable assets in the same accounting period. Where the proceeds are not fully reinvested, no corporation tax liability is considered likely to arise due to the availability of sufficient excess expenditure on provident benefits. Accordingly, in the opinion of the management, the revaluation of investments does not give rise to a timing difference and to deferred tax liabilities.

Defined benefit pension scheme - the cost of each of the defined benefit pension schemes is determined using an actuarial valuation. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining what rates to use the Union sought additional advice from experienced advisors who liaised with its actuaries to advise on appropriate estimates to use. For example, with regard to the discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates. Any changes in any of the above estimates could have a significant impact on the surplus or deficit of the Scheme managed by the Union.

Listed investments and Unity Trust Bank Plc - the basis of calculation and assumption used for market value. The valuation of listed investments has been provided by the investment management company. The value of the Unity Trust Bank shares is based on the latest market value paid for additional shares in the period.

Tangible assets - the basis of calculation and assumption used to perform revaluation and useful economic life of assets used in calculating depreciation. The Union reviews non-current assets each year for impairment, in line with accounting standards.

Notes to the Financial Statements for the Year Ended 31 December 2024

	2024 £ 000s	2023 £ 000s
1 – Membership Contributions		
Industrial		
General	35,644	35,133
Branch	4,223	3,740
	-----	-----
Total Industrial	39,866	38,873
Political	1,511	1,522
	-----	-----
	41,377	40,395
	=====	=====
2 – Other Income		
Arena/Network Sales and Advertising	137	204
Affinity Partners Commission	85	133
Other Branch Income	--	121
Investment Income	3,378	1,821
	-----	-----
	3,600	2,279
	=====	=====
3 – Benefits		
Sickness	239	266
Maternity/Paternity	40	40
Death	356	368
Disablement and Distress Grant	11	13
Convalescent Homes	2	3
Dispute	3	--
Assault at Work Grant	(1)	--
	-----	-----
	649	690
	=====	=====
4 – Political Expenditure		
National/Regional Labour Party Affiliation Fees	1,091	883
Labour Party Donation	1,255	125
Conferences/Meetings	176	302
Elections	7	4
Affiliation Fees	47	90
Other Expenses	112	42
	-----	-----
	2,688	1,446
	=====	=====
5 – Legal Costs		
Solicitors Costs	75	348
Legal Costs Recovered	(251)	--
Legal Disbursements	20	41
	-----	-----
	(156)	389
	=====	=====

Notes to the Statements for the Year Ended 31 December 2024

	2024	2023
	£	£
	000s	000s
6 – Personnel Costs		
Salaries	14,246	14,001
Employer's National Insurance	1,585	1,560
Cost of Defined Benefit Scheme (see note 15)	1,793	3,143
Cost of Defined Contribution Scheme	159	86
Taxable Emoluments	269	297
Other Personnel Costs	749	1,981
	-----	-----
	18,801	21,068
	=====	=====

The Union operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Union in an independently administered fund. The pension charge represents contributions payable by the Union to the fund. Contributions amounting to £nil (2023: £nil) were payable to the fund at year end and are included in creditors.

7 – Other Operating Expenses	2024	2023
	£	£
	000s	000s
7a – Administration and Office Costs		
Office Accommodation Costs	2,673	2,376
Depreciation	2,190	2,161
Profit on Sale of Motor Vehicles	--	(256)
Audit Fees	131	121
Professional Fees	915	529
Computer Expenses	977	1,193
Post and Carriage	374	246
Office Relocation	--	7
Ballot Expenses	283	307
Other Administration Costs	887	972
Other Expenses	244	(909)
	-----	-----
	8,674	6,747
	=====	=====

7b – Conference and Executive Expenses		
Annual Delegate Meeting	462	443
President and National Executive Council	120	114
Regional Council	67	57
Regional Conferences	120	169
TUC Conferences	227	193
Other Conferences	463	242
	-----	-----
	1,459	1,218
	=====	=====

7c – Affiliation Fees		
British TUC	1,130	1,071
Irish Congress of Trade Unions	52	52
Scottish TUC	78	76
Welsh TUC	11	--
International Affiliations	92	31
Other Affiliations	46	58
	-----	-----
	1,410	1,288
	=====	=====

Notes to the Statements for the Year Ended 31 December 2024

	2024	2023
	£	£
	000s	000s
7d – Travel Expenses		
Motor Cars.....	571	465
Travel and Meetings.....	723	306
	-----	-----
	1,294	771
	=====	=====
7e – Campaigns and Communications		
Journal Costs.....	312	333
Campaign Costs	296	272
	-----	-----
	608	605
	=====	=====
7f – Education and Training Costs		
Training Courses	66	88
Summer Schools.....	105	98
Other Education and Training Costs	10	13
	-----	-----
	180	199
	=====	=====
7g – Recruitment and Development Costs		
Academy.....	534	437
Stand Down.....	858	519
Other Recruitment and Development Costs	60	66
Regional Recruitment Fund	85	63
	-----	-----
	1,537	1,085
	=====	=====
7h – Branch and Federation Expenditure		
Branch Admin Costs	1,815	1,324
Branch Education and Training Costs.....	832	851
Branch Meeting and Conference Costs.....	767	771
Branch Recruitment and Development Costs	3	1
Federation Expenditure.....	69	53
	-----	-----
	3,486	3,000
	=====	=====
Total Other Operating Expenses	18,647	14,913
	=====	=====
Allocated to:		
General Revenue Account.....	15,075	11,850
Branch Revenue Account.....	3,417	2,947
Federation Funds Accounts	69	53
Regional Recruitment Fund	85	63
	-----	-----
	18,647	14,913
	=====	=====

Notes to the Statements for the Year Ended 31 December 2024

	2024 £	2023 £
8 – Net Interest on Defined Benefit Pension Liability		
Interest Income on Pension Scheme Assets.....	6,124	6,339
Interest Expense on Defined Benefit Obligation.....	(6,930)	(6,902)
	-----	-----
	(806)	(563)
	=====	=====

9 – Taxation

Current Tax

The Union is subject to UK corporation tax on its results. In the year to 31 December 2024, there were sufficient provident benefits available to reduce the annual charge to £nil (2023: £nil).

Deferred Tax

The Union is also aware that additional corporation tax could be due if it were to dispose of all of the assets in its investment portfolio in any one particular year. However, as at 31 December 2024 there were sufficient provident benefits available to mitigate any potential tax due, hence no provision has been made in the year to 31 December 2024 for deferred tax.

	Land and Buildings £ 000s	Fixtures and Fittings £ 000s	Motor Vehicles £ 000s	Computer Equipment £ 000s	Total £ 000s
10 – Fixed Assets					
Cost					
At 1 January 2024.....	29,943	3,525	2,161	386	36,015
Additions.....	--	1,149	65	35	1,249
Disposals.....	(877)	--	(1,253)	--	(2,130)
	-----	-----	-----	-----	-----
At 31 December 2024.....	29,066	4,673	973	422	35,133
	=====	=====	=====	=====	=====
Depreciation					
At 1 January 2024.....	15,306	1,273	1,737	375	18,690
Charge for the Year.....	1,078	877	215	20	2,190
Disposals.....	(729)	--	(1,159)	--	(1,888)
	-----	-----	-----	-----	-----
At 31 December 2024.....	15,655	2,150	793	395	18,992
	=====	=====	=====	=====	=====
Net Book Value					
At 31 December 2024.....	13,411	2,524	180	27	16,141
	=====	=====	=====	=====	=====
At 31 December 2023.....	14,637	2,252	430	12	17,324
	=====	=====	=====	=====	=====

Notes to the Statements for the Year Ended 31 December 2024

	Market Value b/fwd at 01/01/24 £ 000s	Purchases £ 000s	Disposal Proceeds £ 000s	Change in Market Value £ 000s	Market Value c/fwd at 31/12/24 £ 000s
11 – Investments					
ASI Multi-Manager Diversity Fund	6,890	103	--	234	7,227
Partners Group Multi-Asset Credit Funds	24,038	1,105	(8,264)	(1,953)	14,926
M&G Alpha Opportunities Fund	10,908	233	--	900	12,042
Apollo Total Return Fund	14,059	--	--	1,152	15,210
IFSL Trade Union Unit Trust TU Income	14,472	--	--	284	14,756
Black Rock ICS Sterling Liquidity Heritage Fund	6,483	10,000	(4,000)	169	12,652
	-----	-----	-----	-----	-----
Total Pooled Investment Vehicles	76,850	11,441	(12,264)	786	76,813
Unquoted Equities	8,098	--	--	4,654	12,752
	-----	-----	-----	-----	-----
Total Investments	84,948	11,441	(12,264)	5,440	89,565
	=====	=====	=====	=====	=====

	Market Value b/fwd at 01/01/23 £ 000s	Purchases £ 000s	Disposal Proceeds £ 000s	Change in Market Value £ 000s	Market Value c/fwd at 31/12/23 £ 000s
ASI Multi-Asset Distribution Fund	1,833	--	(1,862)	29	--
ASI Multi-Manager Diversity Fund	6,519	28	--	343	6,890
Partners Group Multi-Asset Credit Funds	25,316	--	(2,142)	864	24,038
M&G Alpha Opportunities Fund	9,910	476	--	522	10,908
Apollo Total Return Fund	12,974	--	--	1,085	14,059
IFSL Trade Union Unit Trust TU Income	--	14,027	--	445	14,472
Black Rock ICS Sterling Liquidity Heritage Fund	20,048	--	(14,200)	635	6,483
	-----	-----	-----	-----	-----
Total Pooled Investment Vehicles	76,600	14,531	(18,204)	3,923	76,850
Unquoted Equities	8,098	--	--	--	8,098
	-----	-----	-----	-----	-----
Total Investments	84,698	14,531	(18,204)	3,923	84,948
	=====	=====	=====	=====	=====

12 – Debtors

	2024 £ 000s	2023 £ 000s
Contribution Debtors	1,388	2,626
Other Debtors	303	743
Prepayments	443	40
Consumables	167	196
VAT Debtor	(20)	--
	-----	-----
	2,281	3,605
	=====	=====

Notes to the Statements for the Year Ended 31 December 2024

	2024	2023
	£	£
	000s	000s
13 – Cash at Bank		
Bank Balances	4,251	4,134
Fixed-term Deposits.....	4,000	--
	-----	-----
	8,251	4,134
	=====	=====
By Fund:		
General Funds	8,207	4,072
Net Branch Funds	(18)	--
Federation Funds.....	62	62
	-----	-----
	8,251	4,134
	=====	=====
14 – Creditors		
Trade Creditors	981	831
Accruals.....	77	144
Other Creditors	493	1,055
	-----	-----
	1,551	2,030
	=====	=====

15 – Pension Costs

Employees of the Union who are 18 years old and over, and have completed two years' continuous employment, are eligible to join the Usdaw Staff Superannuation Fund. As at 31 December 2024 the scheme had 252 (2023: 286) active members, was paying pensions to 548 (2023: 507) retired members and recognised additional future pension commitments in respect of 155 (2023: 163) deferred pensioners. This is a funded pension scheme providing benefits paid on final pensionable pay. The assets of the scheme are held separately from those of the Union.

The results of the latest funding valuation at 31 December 2020 have been adjusted to the new balance sheet date, taking account of experience over the period since 31 December 2023, changes in market conditions, and differences in the financial and demographic assumptions. The major assumptions used by the actuary were:

	2024	2023
Discount Rate	5.5%	4.5%
RPI Inflation	3.0%	2.9%
CPI Inflation	2.6%	2.5%
Rate of General Long-Term Increase in Salaries.....	3.0%	2.9%
Increases to Pensions and Deferred Pensions:		
- Option A Members	5.0%	5.0%
- Option B Members (pension accrued before 6 April 2007).....	2.5%	2.5%
- Option B Members (pension accrued after 6 April 2007).....	1.9%	1.8%

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

For the year ending 31 December 2024 the mortality assumption is 100% of S4PxA tables with improvements in line with CMI 2023 projections with smoothing factor (Sk) of 7.0 and long-term rate of improvement of 1.0%per annum.

For the year ending 31 December 2023 the mortality assumption was 100% of S3PxA tables with improvements in line with CMI 2022 projections with smoothing factor (Sk) of 7.0 and long-term rate of improvement of 1.0%per annum.

Notes to the Statements for the Year Ended 31 December 2024

Scheme Assets

The fair value of the scheme's assets, which are not intended to be realised in the short-term and may be subject to significant change before they are realised and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus are inherently uncertain, were:

	2024	2023
	£	£
	000s	000s
Diversified Growth Fund.....	22,997	16,826
Equities.....	27,373	23,086
Property.....	14,175	14,102
Index-linked Gilts.....	27,312	30,027
Corporate Bonds.....	21,582	23,383
Credit.....	20,522	28,805
Other.....	5,726	951
Total Assets.....	139,687	137,179
Present Value of Liabilities.....	(137,924)	(158,692)
Unrecognised Asset.....	(1,763)	--
Asset/(Liability) Recognised on the Balance Sheet.....	--	(21,513)

Analysis of Amount Charged to Operating Surplus

	2024	2023
	£	£
	000s	000s
Current Service Cost		
Admin Expenses.....	2,737	2,913
Admin Expenses.....	124	161
Total Operating Charge.....	2,861	3,074

Analysis of Amount Recognised in Other Comprehensive Income

	2024	2023
	£	£
	000s	000s
Asset Gain/(Loss) During the Year.....	(1,392)	(1,343)
Changes in Assumptions Underlying the Present Value of the Scheme Liabilities.....	20,912	(9,592)
Impact of Asset Ceiling.....	(1,763)	--
Total Amounts Charged to Other Comprehensive Income.....	17,757	(10,935)

Changes in the Present Value of the Defined Benefit Obligations are as follows:

	2024	2023
	£	£
	000s	000s
Opening Defined Benefit Obligation.....	158,692	148,048
Service Cost.....	2,737	2,913
Interest Cost.....	6,930	6,902
Actuarial Loss/(Gain).....	(20,912)	9,592
Contributions by Scheme Members.....	1	4
Benefits Paid.....	(9,524)	(8,767)
Closing Defined Benefit Obligation.....	137,924	158,692

Notes to the Statements for the Year Ended 31 December 2024

Changes in the Fair Value of Scheme Assets are as follows:

	2024	2023
	£	£
	000s	000s
Opening Fair Value of Scheme Assets	137,179	132,551
Interest Income on Assets.....	6,124	6,370
Gain/(Loss) on Assets.....	(1,392)	(1,374)
Contributions by Employer.....	7423	8,556
Contributions by Scheme Members.....	1	4
Benefits Paid.....	(9,524)	(8,767)
Admin Expenses	(124)	(161)
	-----	-----
Closing Fair Value of Scheme Assets	139,687	137,179
	-----	-----

The Union is expected to make an additional contribution of £3.387 million (2023: £3.193 million) to its defined benefit pension scheme next year.

16 — Key Management Personnel

Key management personnel comprises the Central Officials, Regional Officers, National Officers and Central Office Department Heads. The total remuneration cost for these roles paid in the year was £1.967 million (2023: £2.157 million) which includes gross salaries, employer's pension contributions and Benefits in Kind.

17 — Operating Leases

At 31 December 2024 the Union's future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
	000s	000s
Within one year.....	568	231
Between two and five years	2,411	741
Over five years	--	15
	-----	-----
	2,979	987
	-----	-----

During the year ended 31 December 2024 a total of £0.403M lease payments were recognised in expenditure (2023: £0.092M).

Due to the Union operating a partial exemption VAT scheme, whereby they cannot reclaim all their VAT, the above figures are shown inclusive of VAT.

18 — Capital Commitments

At 31 December 2024, the Union had capital commitments totalling £nil (2023: £nil).

19 — Contingent Liabilities

At 31 December 2024, the Union had capital commitments totalling £nil (2023: £nil).



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