

Company Registration Number SC314764



**APUC LIMITED
COMPANY LIMITED BY GUARANTEE
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2024**

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

Contents	Pages
Officers and professional advisers	2
The directors' report	3-4
Independent auditor's report to the members	5-8
Consolidated statement of income and retained earnings	9
Consolidated balance sheet	10
Company balance sheet	11
Notes to the financial statements	12-21
The following pages do not form part of the financial statements	
Detailed income and expenditure account	22-23

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**OFFICERS AND PROFESSIONAL ADVISERS
FOR THE YEAR ENDED 31 JULY 2024**

The Board of Directors

J McGeorge (Further and higher education sector) – Director and Chairman
M Cook (Further and higher education sector)
T Elliott (Further and higher education sector) (appointed 16 October 2023)
L Hamill (Further and higher education sector)
G Lines (Non-Sector)
P McNaull (Non-sector)
H Paul (Non-Sector)
P Smith (Further and higher education sector)
V Strachan (Further and higher education sector)
J Thomson (Further and higher education sector) (resigned 31 August 2023)
A J Warren (Chief Executive)

Non-Sector directors and the Chief Executive receive remuneration which is detailed in Note 5 on Page 16.

Company Secretary	M Caithness
Registered Office	Unit 27 Stirling Business Centre Wellgreen STIRLING FK8 2DZ
Auditor	Chiene + Tait LLP (trading as CT) Chartered Accountants & Statutory Auditor 61 Dublin Street EDINBURGH EH3 6NL
Bankers	Bank of Scotland PO Box 17235 EDINBURGH EH11 1YH
Solicitors	Thorntons Solicitors 33 Yeaman Shore DUNDEE DD1 4BJ

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**THE DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2024**

The directors present their report and the financial statements of the company and the group for the year ended 31 July 2024.

Principal activities

APUC Limited is the Procurement and Supply Centre of Expertise for all of Scotland's Universities and Colleges. It aims to maximise the value of Scotland's investment in further and higher education by working in partnership with institutions to support and enable sustainable innovation in procurement, effective compliance and shared service optimisation. It provides a core team for delivery of collaborative activity for all member institutions and focussed specific shared service resources for delivery of services within institutions. In addition to this report, APUC issues a corporate Annual Report (issued after the November Board meeting each year for the academic year just passed) on activities each year which can be found on-line at <http://www.apuc-scot.ac.uk/#!/corpinfo>

Permanent Establishment of New Ways of Working

After examining the positives and negatives experienced during remote and hybrid working of staff during the Covid-19 situation, APUC made several changes to enable a continuation of some degree of remote working moving forward. This comprises of staff working up to two days per week from home (if they wish to, they may work in the office full time if they wish, and some do), with the remainder of the working week taking place in the office. This is now in a steady state situation and is working well, bringing the best blend of collaborative office working and remote working.

Directors

The directors who served the company during the year are shown on page 2.

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and 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). 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 the group and the surplus or deficit of the group 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 estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**THE DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2024 (cont)**

company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the directors are aware:

- there is no relevant audit information of which the company and the group's auditor are unaware; and
- each director has taken all steps that he/she ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company provisions

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

A handwritten signature in blue ink, appearing to be 'J McGeorge', written over a large, faint circular stamp or watermark.

Signed on behalf of the directors
J McGeorge, Chairman
Approved by the directors on 26 November 2024

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APUC LIMITED
FOR THE YEAR ENDED 31 JULY 2024**

Opinion

We have audited the financial statements of APUC Limited (the 'parent company') and its subsidiary (the 'group') for the year ended 31 July 2024 which comprise the consolidated statement of income and retained earnings, the consolidated balance sheet, the company 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 FRS 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 group and of the parent company's affairs as at 31 July 2024, and of the group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's or the parent 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.

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APUC LIMITED
FOR THE YEAR ENDED 31 JULY 2024 (cont)**

Other information

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

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 exemptions in preparing the directors report and from the requirement to prepare a strategic report.

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APUC LIMITED
FOR THE YEAR ENDED 31 JULY 2024 (cont)**

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the group's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the management of the parent entity and the directors;
- review of minutes of board meetings throughout the period, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

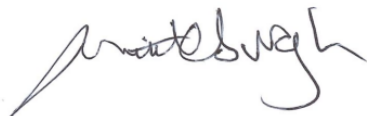
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APUC LIMITED
FOR THE YEAR ENDED 31 JULY 2024 (cont)**

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy Chittleburgh (Senior Statutory Auditor)
For and on behalf of
CT
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

26 November 2024

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 JULY 2024

		2024	2023
	Note	£	£
Turnover	1	4,766,156	4,625,063
Administrative expenses	3	4,390,962	4,537,645
Operating Surplus	4	<u>375,194</u>	<u>87,418</u>
Interest receivable		42,298	16,855
Surplus on ordinary activities before taxation		<u>417,492</u>	<u>104,273</u>
Tax on ordinary activities	6	9,957	3,810
Surplus for the year and total comprehensive income		<u>407,535</u>	<u>100,463</u>
Retained earnings at the start of the year		629,019	528,556
Retained earnings at the end of the year		<u>1,036,554</u>	<u>629,019</u>
Effect on the financial statements of the change in the provision for the USS pension deficit			
Surplus for the year and total comprehensive income as above		407,535	100,463
(Decrease) / Increase in provision for USS pension deficit	12	(405,249)	(87,082)
Underlying surplus		<u>2,286</u>	<u>13,381</u>

All activities of the group are from continuing operations.

The notes on pages 12 to 21 form part of these financial statements.

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2024

	Note	£	2024 £	£	2023 £
Fixed assets					
Tangible assets	7		16,117		24,252
Current assets					
Debtors	9	523,956		450,064	
Cash at bank	10				
- Unrestricted		2,002,557		1,732,859	
- Pension guarantee		652,164		644,160	
		<u>3,178,677</u>		<u>2,827,083</u>	
Creditors: amounts falling due within one year	11	1,324,835		1,142,946	
Net current assets			1,853,842		1,684,137
Total assets less current liabilities			<u>1,869,959</u>		<u>1,708,389</u>
Creditors: amounts falling due after more than one year	12		833,405		1,079,370
NET ASSETS			<u>1,036,554</u>		<u>629,019</u>
Reserves					
Income and expenditure account			1,036,554		629,019
			<u>1,036,554</u>		<u>629,019</u>
Effect on the financial statements of the provision for the USS pension deficit					
Reserves as above			1,036,554		629,019
USS pension deficit	12		-		405,249
Underlying reserves			<u>1,036,554</u>		<u>1,034,268</u>

These financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

These financial statements were approved by the directors and authorised for issue on 26 November 2024, and are signed on their behalf:

A Warren
 Chief Executive



J McGeorge
 Chairman



Company No: SC314764

The notes on pages 12 to 21 form part of these financial statements.

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

COMPANY BALANCE SHEET
AS AT 31 JULY 2024

	Note	£	2024 £	£	2023 £
Fixed assets					
Tangible assets	7		16,117		24,252
Investments	8		<u>1</u>		<u>1</u>
			16,118		24,253
Current assets					
Debtors	9	521,538		447,792	
Cash at bank	10				
- Unrestricted		2,001,697		1,732,583	
- Pension guarantee		<u>652,164</u>		<u>644,160</u>	
		3,175,399		2,824,535	
Creditors: amounts falling due within one year	11	<u>1,510,879</u>		<u>1,327,063</u>	
Net current assets			1,664,520		1,497,472
Total assets less current liabilities			<u>1,680,638</u>		<u>1,521,725</u>
Creditors: amounts falling due after more than one year	12		833,405		1,079,370
NET ASSETS			<u>847,233</u>		<u>442,355</u>
Reserves					
Income and expenditure account			847,233		442,355
			<u>847,233</u>		<u>442,355</u>
Effect on the financial statements of the provision for the USS pension deficit					
Reserves as above			847,233		442,355
USS pension deficit	12		-		405,249
Underlying reserves			<u>847,233</u>		<u>847,604</u>

These financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

These financial statements were approved by the directors and authorised for issue on 26 November 2024, and are signed on their behalf:

A Warren
 Chief Executive

Company No: SC314764



J McGeorge
 Chairman



The notes on pages 12 to 21 form part of these financial statements.

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

1. Accounting policies

Statement of compliance and basis of preparation

APUC Limited is a company limited by guarantee. The address of the registered office is Unit 27, Stirling Business Centre, Wellgreen, STIRLING, FK8 2DZ. The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The principal activities of the group are disclosed on page 3.

Going concern

The financial statements have been prepared on the going concern basis.

The company has secured funding from the Universities and Colleges in Scotland of £2.428m for 2024-2025 (£2.428m 23-24). They have prepared budgets and cashflow projections which indicate that they will be able to operate within the agreed funding level.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company for the year ended 31 July 2024 and of its subsidiary company, UCSS Limited.

The company meets the definition of a qualifying entity under FRS102 and has taken advantage of the exemptions under section 408 of the Companies Act 2006 not to prepare an individual income and expenditure account for the parent company. The surplus for the year dealt with in the financial statements of the company was £404,878 (2023: £97,873). The underlying deficit for the year taking into account the change in the provision for the USS pension deficit was £371 (2023: Surplus £10,791).

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

Cash flow statement

The company is the parent of a small group and has voluntarily prepared consolidated financial statements. The company is exempt under the requirements of the FRS102 from publishing a consolidated cash flow statement.

Turnover

The turnover shown in the income and expenditure accounts represents income and grants received and receivable during the year.

Fixed assets

All fixed assets are initially recorded at cost. Assets costing less than £5,000, unless the costs when grouped are greater than £5,000, are written off to the income and expenditure account in the year of purchase.

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)

Accounting policies (cont)

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	7 years
Computer equipment	-	3 years

Income and grants

Income and grants of a revenue nature are credited to the income and expenditure account in the year which they accrue. Grants for the purchase of fixed assets are treated as deferred income and credited to the income and expenditure account over the estimated useful life of the relevant assets.

Pensions

APUC Limited participates in the 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. APUC Limited 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", APUC Limited therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme. Since APUC Limited has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, APUC Limited 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 income and expenditure accounts. In addition, APUC Limited have set aside a cash amount of £652,164 to cover any potential section 75 debt due to the Universities Superannuation Scheme in the event of an employment cessation event occurring. The initial cash amount of £600k was set aside in 2011.

UCSS Limited offers its employees the benefits of Group Stakeholder Pension Schemes with Scottish Widows and Friends Life. Employers contributions to the scheme match the employees contribution up to a maximum of 5% of gross pay. In addition, employees have the option to forego 1% of their salary for an additional 1% employer contribution. The amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

Operating lease charges

Rentals payable under operating leases are charged to the income and expenditure account in the period to which they relate.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)

Accounting policies (cont)

measured subsequently at amortised cost using the effective interest method, less any impairment.

Reserves

APUC Group's Reserves Policy is to maintain a suitable financial reserve that could be used for appropriate investment, operational contingency funding or for the orderly winding up of the company. The policy defines that the level of underlying reserves should be equivalent to the level in actual cash terms that is required to operate the core part of the business for between 3-6 months, which currently would equate to a reserve range of £607k to £1,213k. The underlying reserves figure excludes the USS pension deficit liability. As indicated from the figures on page 10, the underlying reserves figure is at an appropriate level within this range.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

Creditors

Short term creditors are measured at the transaction price.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)**

Accounting policies (cont)

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference

2. Critical accounting judgements

FRS102 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 income or expenditure in accordance with section 28 of FRS102. The directors are satisfied that the scheme provided by 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.

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)

3. Administration expenses	2024	2023
	£	£
Staff	3,810,796	3,926,686
Non-executive directors' remuneration	9,900	9,625
Premises	81,993	73,946
Administration	488,273	527,388
	<u>4,390,962</u>	<u>4,537,645</u>

4. Operating surplus	2024	2023
	£	£
Operating surplus is stated after charging:		
Depreciation of owned fixed assets	8,135	15,372
Operating lease payments	53,057	44,859
Auditor's fees	16,416	10,920

5. Staff costs	2024	2023
	£	£
Salaries	3,586,816	3,404,227
Social security costs	388,326	372,440
Employer pension contributions	250,224	253,398
USS Pension deficit	(414,570)	(103,379)
	<u>3,810,796</u>	<u>3,926,686</u>

The average monthly number of employees (headcount)	<u>90</u>	<u>87</u>
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The directors' aggregate emoluments in respect of qualifying services were:

Aggregate emoluments		
Executive director	129,145	122,424
Non-Sector directors' remuneration	9,900	9,625
Value of company pension contributions under defined benefit scheme	21,530	25,333
	<u>160,575</u>	<u>157,382</u>

The number of directors at the year end who accrued benefits under the company pension schemes was:

Defined benefit scheme	<u>1</u>	<u>1</u>
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APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)

6. Taxation

	2024 £	2023 £
Analysis of tax charge for the period		
<i>Current tax</i>		
UK Corporation tax for the period	10,103	4,225
<i>Deferred tax</i>		
Origination and reversal of timing differences	(146)	(415)
Tax on surplus on ordinary activities	<u>9,957</u>	<u>3,810</u>

Tax Reconciliation

Tax on surplus on ordinary activities for the year is lower (2023: lower) than the standard rate of corporation tax in the UK of 25% (2023:19%). The differences are reconciled below:

Surplus per accounts	<u>417,492</u>	<u>104,273</u>
Income tax calculated at 25% (2023: 19%)	104,373	19,812
Fixed asset differences	2,034	2,922
Income not taxable for tax purposes	(95,063)	(18,509)
Marginal relief	(1,241)	-
Deferred tax movement	(146)	(415)
Tax charged for the period	<u>9,957</u>	<u>3,810</u>
Deferred tax debtor		
Asset at start of period	2,272	1,857
Credited to profit and loss account	146	415
Asset at end of period	<u>2,418</u>	<u>2,272</u>

Deferred tax has been provided for in these accounts at 19% (2023:19%).

7. Tangible fixed assets – group and company

	Fixtures & Fittings £	Computer Equipment £	Total £
Cost			
As at 1 Aug 2023	38,006	49,976	87,982
Additions	-	-	-
As at 31 Jul 2024	<u>38,006</u>	<u>49,976</u>	<u>87,982</u>
Depreciation			
As at 1 Aug 2023	25,905	37,825	63,730
Charge for the year	2,170	5,965	8,135
As at 31 Jul 2024	<u>28,075</u>	<u>43,790</u>	<u>71,865</u>
Opening net book value	<u>12,101</u>	<u>12,151</u>	<u>24,252</u>
Closing net book value	<u>9,931</u>	<u>6,186</u>	<u>16,117</u>

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)

8. Investments – company	2024	2023
	£	£
Investment in subsidiary	<u>1</u>	<u>1</u>

The investment represents the cost of the parent undertaking's shareholding (1 ordinary £1 share) in its wholly owned subsidiary, UCSS Limited, a company registered in Scotland. The principal activity of UCSS Limited is the provision of procurement services.

9. Debtors		2024		2023
	Group	Company	Group	Company
	£	£	£	£
Other debtors	424,622	422,204	386,259	383,987
Prepayments and accrued income	99,334	99,334	63,805	63,805
	<u>523,956</u>	<u>521,538</u>	<u>450,064</u>	<u>447,792</u>

10. Cash at bank		2024		2023
	Group	Company	Group	Company
	£	£	£	£
Unrestricted	2,002,557	2,001,697	1,732,859	1,732,583
Pension guarantee	652,164	652,164	644,160	644,160
	<u>2,654,721</u>	<u>2,653,861</u>	<u>2,377,019</u>	<u>2,376,743</u>

The funds held for the pension guarantee are held in a bank account in the name of APUC Limited but controlled by the University guarantors of the pension guarantee fund. In January 2011 APUC Limited signed a guarantee in favour of the University of Aberdeen to cover a potential section 75 debt due to the Universities Superannuation Scheme from APUC Limited in the event of an employment cessation event occurring.

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)

11. Creditors: amounts falling due within one year

	2024		2023	
	Group	Company	Group	Company
	£	£	£	£
Amounts owed to group undertakings	-	393,504	-	396,787
Trade creditors	6,548	6,548	21,127	21,127
Corporation tax	10,103	9,334	4,225	3,202
PAYE & social security	97,420	21,034	102,092	20,106
Superannuation USS	11,855	11,855	14,872	14,872
Scottish Widows Pension	4,955	-	5,096	-
UCRSS Aviva Pension	21,763	-	20,180	-
Deferred income	381,913	381,913	432,951	432,951
VAT	2,748	2,748	12,711	12,711
Supplier rebates	534,284	534,284	349,316	349,316
Accruals & other creditors	166,932	128,059	81,696	55,514
Holiday pay	86,314	21,600	98,680	20,477
	<u>1,324,835</u>	<u>1,510,879</u>	<u>1,142,946</u>	<u>1,327,063</u>

12. Creditors: amounts falling due after more than one year – group and company

	2024	2023
	£	£
Deferred income	181,240	29,961
Pension guarantee	652,165	644,160
Provision for USS pension deficit	-	405,249
	<u>833,405</u>	<u>1,079,370</u>

13. Operating lease commitments

Land & buildings - annual commitments:		
Less than one year	21,766	23,210
Two to five years	<u>7,500</u>	<u>20,000</u>

APUC Limited has rental commitments for premises at Stirling Business Centre, Stirling, Edinburgh College, Edinburgh and Glasgow Caledonian University, Glasgow.

14. Ultimate controlling party

The company has no ultimate controlling party.

15. Related party transactions

During the year recharged expenses and management charges paid to UCSS Limited amounted to £3,446,504 (2023: £3,295,091). At the year end an amount of £393,504 (2023: £396,787) due to UCSS Limited is included in creditors.

During the year the company invoiced, on a commercial basis, a number of universities and colleges of which the directors of the company are also senior executives.

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)

16. Company limited by guarantee

The company is limited by guarantee of members and does not have a share capital. The liability of members is limited to £1. On winding up of the company, any surplus assets that exist must be transferred to another body or bodies having objects similar to those of the company.

17. Pensions

Defined Benefit Scheme

The total cost charged to the income and expenditure account is £102,857 (2023: £119,300).

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 provision basis. APUC Limited was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the income and expenditure account.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

Since APUC Limited 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 Key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

APUC LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024 (Cont)

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8%pa for males and 1.6%pa for females

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

Defined Contribution Schemes

UCSS Limited offers its employees the benefits of Group Stakeholder Pension Schemes with Scottish Widows and with Friends Life. Employers' contributions to the schemes match the employee's contribution up to a maximum of 5% of gross pay. In addition, employees have the option to forego 1% of their salary for an additional 1% employer contribution. Details for each scheme are as follows:

Scottish Widows	2024	2023
Number of active employees	10	10
Value of contributions during the year	£24,781	£24,385
Outstanding contributions at year-end	£4,955	£5,095
Friends Life	2024	2023
Number of active employees	70	69
Value of contributions during the year	£122,624	£111,201
Outstanding contributions at year-end	£21,763	£20,178