

## EDINBURGH SOUTH LIBERAL DEMOCRATS

### Statement of Accounts for the Financial Year from 1<sup>st</sup> January to 31<sup>st</sup> December 2006

#### Introduction

This Statement of Accounts reflects the political and financial activities in 2006 of the Edinburgh South Liberal Democrats whose address is:

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Edinburgh South Liberal Democrats are an accounting unit of the Liberal Democrats whose registered address is 4 Cowley Street, London SW1P 3NB.

For the purposes of the Political Parties Elections Referendum Act 2000, Stephen Peters was chair and Tim McKay was the registered treasurer throughout 2006. These accounts were prepared by Tim McKay, in accordance with the applicable accounting standards and guidance issued by the Electoral Commission. He can be contacted at the above address or by email at [timmkay@blueyonder.co.uk](mailto:timmkay@blueyonder.co.uk)

#### Review of Political Activities

2006 was a relatively quiet year after the General Election campaign in 2005. This is reflected in a steep drop in the level of our campaign expenditure and the level of grants received as well as a smaller drop in the level of donations received.

#### Membership

At the end of the year membership of Edinburgh South was 319

#### Branches

Edinburgh South has Ward organisations but no local branches as such. All income and expenditure is centrally co-ordinated.

#### Committees

The Edinburgh South **Executive** is responsible for managing the day to day business of the Association. They met regularly during the year and a written Treasurer's report was presented to each of these meetings.

The **Fundraising Committee** met on an ad hoc basis as required to organise five very successful events during the course of the year.

Despite there being no campaigns in the course of the year the **Campaign Committee** met on a regular bi-monthly basis to prepare for the 2007 Scottish Parliamentary and Local Government campaigns.

## Review of Financial Activities

The realisation that we were due to pay a substantial roof repair bill towards the end of the year provided yet another challenging year, from a financial perspective, for the association.

Despite this the Executive managed to nearly maintain the level of income and ignoring the roof repair bill the association has come through the year with a substantial cash surplus. The reported deficit was entirely down to the roof repair which cost £13,481 in total.

## Income

Most income streams were much in line with last year, however rental income is higher than last year as Mike Pringle (the local MSP) was renting office space for the full course of the year rather than just part of the year as in 2005.

As a result of there being no General Election and thus no election appeal in 2006 the association received much less in the form of grants from the Federal Party Campaigns Department. As a result of this the level of donations has also fallen, however the effort put in by Mike Pringle (the local MSP) has meant that donations are only £2,000 less than in 2005.

Note that these accounts have excluded any grant applications in respect of 2006 where the money had not been received by the year end. It is expected that the situation with regard to appeals and grant income will reverse next year when the Scottish Parliamentary elections are held.

## Expenditure

As 2005 was a General Election year expenditure on Campaigning and General Administration last year was much higher than 2006.

Other expenditure was much in line with last year, although there were no salary costs as we did not employ anyone in the course of the year.

The Association owns its own offices, which meant that it did not pay rent, however there were substantial repair bills in the year due to water leaking from the flat above.

## Balance Sheet

The £68,000 included as the Property asset cost is based on a professional surveyor's valuation of the constituency office carried out in 2003.

*Steve Burns*

*Tim McKay*  
17th April 2007.

**Edinburgh South Liberal Democrats**  
**Balance Sheet as at 31<sup>st</sup> December 2006**

<u>Fixed Assets</u>	<u>Notes</u>	<u>2005</u>	<u>2006</u>
		£	£
Property	1	65,280	63,920
Fixtures and Fittings	1	3,600	2,400
Information Technology	1	2,005	1,831
Investments		Nil	Nil
<b>Total Fixed Assets</b>		<b>70,885</b>	<b>68,151</b>
<u>Current Assets</u>			
Debtors and Prepayments		687	808
Cash in Bank (and in hand)		1,342	--
<b>Total Current Assets</b>		<b>2,029</b>	<b>808</b>
<b>less</b> <u>Creditors falling due in less than one year</u>			
Creditors and Accruals	6	(2,149)	(2,237)
Overdraft	4		(4,994)
<b>Net Current Assets/ Liabilities</b>		<b>(120)</b>	<b>(6,423)</b>
<b>Total Assets less Current Liabilities</b>		<b>70,765</b>	<b>61,728</b>
<b>Creditors due in more than one year</b>		<b>0</b>	<b>0</b>
<b>Provision for Liabilities and charges</b>		<b>0</b>	<b>0</b>
<b>Net Assets</b>		<b><u>70,765</u></b>	<b><u>61,728</u></b>
<b>Financed by:</b>			
Accumulated Fund		73,923	70,765
Excess expenditure over income after taxation		(3,158)	(9,037)
<b>Total funds</b>		<b><u>70,765</u></b>	<b><u>61,728</u></b>

**Edinburgh South Liberal Democrats  
Income and Expenditure Account  
For the Year Ended 31 December 2006**

		2005	2006
<u>Income</u>	Note	£	£
Donations		12,629	10,653
Subscriptions		1,037	694
Rental Income		4,800	10,150
Fundraising	2	4,783	5,491
Advertising	3	3,571	3,412
Appeals		250	Nil
Grants receivable		8,961	1,294
European 3701 Funding		Nil	406
VAT Refund		533	Nil
Bank Interest Received		28	133
Sundry income		55	270
<b>Total income</b>		<b>36,647</b>	<b>32,503</b>
 <b><u>Expenditure</u></b>			
Roof repair bill		Nil	13,481
Fundraising expenditure	2	2,134	2,319
Salaries		3,369	Nil
Rates and Water		2,990	3,164
Insurance	5	Nil	995
Light and Heat		718	938
Repairs and Renewals		383	2,313
Campaigning		10,941	1,575
Postage and general Admin		2,391	1,376
Telephone and Internet		583	714
Printing and Stationery		12,664	11,345
Depreciation		3,562	3,476
Bank Interest Paid		69	17
Sundry Expenditure		Nil	16
<b>Total expenditure</b>		<b>39,804</b>	<b>41,532</b>
<b>Excess income over expenditure before taxation</b>		<b>(3,157)</b>	<b>(9,029)</b>
Tax on investment income		1	8
<b>Excess expenditure over income after taxation</b>		<b>(3,158)</b>	<b>(9,037)</b>

## Notes to the Accounts

### 1. Fixed Assets

Changes to the tangible asset base of the Association during the year:

	Property	Fixtures & Fittings	Information Technology	Total
	£	£	£	£
<b>Asset Cost</b>				
Balance brought forward	68,000	6,000	4,262	78,262
Additions	0	0	742	742
Disposals	0	0	0	0
Balance carried forward	68,000	6,000	5,004	79,004
<b>Depreciation</b>				
Method	Straight line over 50 years	Straight line over 5 years	Reducing balance at 33% pa	
Balance brought forward	2,720	2,400	2,257	7,377
Disposals	-	-	-	-
Charge for year	<b>1,360</b>	<b>1,200</b>	<b>916</b>	<b>3,476</b>
Balance carried forward	4,080	3,600	3,173	10,853
Net Book Value brought forward	65,280	3,600	2,005	70,885
Net Book Value carried forward	<b>£63,920</b>	<b>£2,400</b>	<b>£1,831</b>	<b>£68,151</b>

Note that the depreciation method for IT has changed to reducing balance.

### 2. Fundraising

Fundraising income has in both years been shown gross with the associated costs shown separately as an expense.

### 3. Advertising

The advertising income raised was used to defray the costs of printing the literature handed out during the year.

### 4. Overdraft

As a result of the expenditure on the roof repair mentioned above the association is in the process of negotiating a term loan. In the meanwhile we have agreed an overdraft facility of up to £8,000 at 3% above base rate.

### 5. Insurance

The Nil figure in the accounts for 2005 was a result of a double payment made in 2004.

### 6. Creditors

Creditors and accruals include an amount of £1,000 in respect of a loan from a member of the local party. This loan stood at £2,000 last year.