

Social Democratic & Labour Party ('SDLP')

Report and financial statements

for the year ended 31 December 2010

Social Democratic & Labour Party ('SDLP')

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Social Democratic & Labour Party ('SDLP')

Year ended 31 December 2010

Responsibilities of the Management Committee

The Management Committee of the SDLP is required by the Political Parties, Elections and Referendums Act 2000 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the SDLP and of its surplus or deficit for that period. In preparing those financial statements, the Management Committee is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the party will continue in business.

Section 41 of the Act requires that the Management Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the SDLP and to enable them to ensure that the financial statements comply with the Act. The Management Committee are also responsible for safeguarding the assets of the party and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Social Democratic & Labour Party ('SDLP')

**Report of the Auditors to the Management Committee of the
Social Democratic & Labour Party ('SDLP')**

We have audited the financial statements of the Social Democratic and Labour Party for the year ended 31 December 2010 on pages 4 to 11 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of Management Committee and auditors

The responsibilities of the Management Committee for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Management Committee's Responsibilities on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the accounting policies set out on page 7. We also report to you if, in our opinion, the Management Committee's Financial Review is not consistent with the financial statements, if the party has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We have read the Report of the Party Officers and have considered whether it is consistent with the audited financial statements. We have considered the implications for our report if we become aware of any apparent misstatements or material inconsistencies within the financial statements. Our responsibilities do not extend to any other information.

Our report has been prepared pursuant to the requirements of the Political Parties, Elections and Referendums Act 2000 and for no other purpose. No person is entitled to rely upon this report by virtue of and for the purpose of the Political Parties, Elections and Referendums Act 2000 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Management Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the party's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Social Democratic & Labour Party ('SDLP')

Opinion

In our opinion the financial statements give a true and fair view of the state of the party's affairs as at 31 December 2010 and of its surplus for the year then ended and have been properly prepared in accordance with the accounting policies set out on page 7 and the requirements of the Political Parties, Elections and Referendums Act 2000.


Daly Park & Company Ltd
Chartered Accountants & Registered Auditors
6 Trevor Hill
Newry
Co Down
BT34 1DN

18 June 2011

Social Democratic & Labour Party ('SDLP')

**Income and expenditure account
for the year ended 31 December 2010**

		2010	2009
	Notes	£	£
Income			
Donations & fund-raising	2	75,915	125,730
Membership subscriptions, affiliation fees & services	3	56,944	80,307
Electoral Commission policy grant		137,974	165,505
Conference income		76,113	27,162
Other sundry income		-	125
Total Income		<u>346,946</u>	<u>398,829</u>
 Expenditure			
Costs of fundraising		11,145	14,079
Campaign expenses	4	62,749	107,562
Running costs	5	262,117	334,638
Conferences		61,565	28,034
Interest payable		7,367	4,736
Depreciation		5,019	6,692
Other expenses		3,276	3,842
Total Expenditure		<u>413,238</u>	<u>499,583</u>
 Surplus/(deficit) for the year before taxation	 6	 (66,292)	 (100,754)
Tax on loss on ordinary activities		-	-
Surplus/(deficit) for the year after taxation		<u>(66,292)</u>	<u>(100,754)</u>

The notes on pages 7 to 11 form an integral part of these financial statements.

Social Democratic & Labour Party ('SDLP')

**Balance sheet
as at 31 December 2010**

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Tangible assets	7		132,621		137,640
Current assets					
Debtors	8	7,676		21,761	
Cash at bank and in hand		47,955		40,665	
		<u>55,631</u>		<u>62,426</u>	
Creditors: amounts falling due within one year	9	<u>(308,383)</u>		<u>(253,904)</u>	
Net current liabilities			<u>(252,752)</u>		<u>(191,478)</u>
Deficiency of assets			<u>(120,131)</u>		<u>(53,838)</u>
Financed by					
SDLP Capital Account					
Balance at 1 January 2009			53,839		46,916
Net surplus/(deficit) for the year			<u>(66,292)</u>		<u>100,754</u>
Balance at 31 December 2009			<u>(120,131)</u>		<u>(53,838)</u>

The financial statements on pages 4 to 11 were approved by the Management Committee of the Social Democratic and Labour Party on 18 June 2011 and were signed on its behalf by Gerry Cosgrove, the Authorised Treasurer.



Gerry Cosgrove
Authorised Treasurer

The notes on pages 7 to 11 form an integral part of these financial statements.

Social Democratic & Labour Party ('SDLP')

**Cash flow statement
for the year ended 31 December 2010**

	2010		2009	
	£	£	£	£
Operating loss	(66,292)		(100,754)	
Depreciation	5,019		6,692	
(Increase)/Decrease in debtors	14,085		28,924	
Increase/(Decrease) in creditors	<u>19,258</u>		<u>10,475</u>	
		(27,930)		(54,663)
Application of cash				
Purchase of tangible fixed assets	<u>-</u>		<u>(12,739)</u>	
		-		<u>(12,739)</u>
Net decrease in cash in the year		(27,930)		(67,402)
Cash at bank and in hand less overdrafts at beginning of year		<u>(166,504)</u>		<u>(99,102)</u>
Cash at bank and in hand less overdrafts at end of year		<u>(194,434)</u>		<u>(166,504)</u>
Consisting of:				
Cash at bank and in hand		47,955		40,665
Overdrafts		<u>(242,390)</u>		<u>(207,169)</u>
		<u>(194,435)</u>		<u>(166,504)</u>

Social Democratic & Labour Party ('SDLP')

Notes to the financial statements for the year ended 31 December 2010

1. Accounting policies

1.1. Basis of preparation

The SDLP is not incorporated in law and is not bound by the Companies (Northern Ireland) Order 1986. The SDLP is required to prepare financial statements in accordance with the Political Parties, Elections and Referendums Act 2000 ('PPERA'). Accordingly, the financial statements have been prepared under the historical cost convention and are in accordance with the applicable accounting standards and the Statement of Accounts Guidance Notes issued by the Electoral Commission.

The SDLP relies on donation income to meet a large proportion of its expenditure, including most of its non-recurring expenditure. Donation income is inherently unpredictable, but the Management Committee is hopeful that sufficient donations will be received to meet the needs of the SDLP.

Against this background, the Management Committee has reviewed the projected budgets for the SDLP for 2009 and is hopeful that sufficient donation income and other funding will be generated for it to meet its financial obligations and remain within its overdraft facility. On this basis, the Management Committee considers that it is appropriate to prepare the financial statements on a going concern basis.

1.2. Income recognition

Donations and constituency income are recognised when received in the form of cash. Membership levies and affiliation fees are included when received. The SDLP does not have any trading activity. However, certain services are provided to elected representatives and these are charged at cost. Invoiced services are recognised within fund-raising income when the service is provided. Amounts receivable at the year end are recorded as trade debtors. Work carried out by the SDLP by volunteers who provide their own time free of charge is not treated as a donation-in-kind.

1.3. Expenditure

Expenditure is recognised in the period in which it is incurred and amounts payable at the year end is recorded as trade creditors.

1.4. Tangible fixed assets

Properties are stated at cost or at valuation, where appropriate. Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write down the cost of these assets concerned, generally over 4 years for computers and 5 years for other office furniture and equipment. Depreciation is normally charged on a straight-line basis.

1.5. Leases

Rentals payable under operating leases are charged to the income and expenditure account when incurred. Assets are not acquired under finance leases.

Social Democratic & Labour Party ('SDLP')

**Notes to the financial statements
for the year ended 31 December 2010**

..... continued

2. Subscriptions & donations	2010	2009
	£	£
Donations from individuals & cos. in Ireland & UK	36,922	83,672
Fund-raising events	-	2,865
Annual Draw	24,926	39,193
CS Fund	14,067	-
	<u>75,915</u>	<u>125,730</u>
3. Membership subscriptions, affiliation fees & services	2010	2009
	£	£
Membership fees	27,911	36,950
Elected members' services	29,033	43,357
	<u>56,944</u>	<u>80,307</u>
4. Campaign expenses	2010	2009
	£	£
European Parliament elections	62,749	107,562
	<u>62,749</u>	<u>107,562</u>

Social Democratic & Labour Party ('SDLP')

**Notes to the financial statements
for the year ended 31 December 2010**

..... continued

5. Running costs	2010	2009
	£	£
Salaries & wages	174,172	225,577
Stationery & office expenses	18,893	19,928
Delegates' costs	200	334
Telecommunications & postage	8,954	7,557
Affiliation fees & subscriptions	4,750	5,400
Meetings & hospitality	7,269	11,476
Staff expenses, training & development	8,796	11,220
Insurance	6,910	6,400
Advertising & Media	2,826	14,572
Printing, leaflets & brochures	3,393	1,934
Rent, rates & maintenance	796	4,210
Light, heat & power	5,254	5,097
Cleaning	1,640	1,213
Youth Group	-	1,462
Computer & office equipment maintenance	5,189	4,256
Audit & Accountancy	2,400	2,000
Legal and professional fees	-	3,588
Consultancy fees	2,500	8,414
CS Fund expenses	6,389	-
Memorabilia expenses	1,786	-
	<u>262,117</u>	<u>334,638</u>
Staff costs consist of:-	2010	2009
	£	£
Salaries & wages	152,036	200,906
Employers' national insurance	14,476	19,733
Other costs	7,660	4,938
	<u>174,172</u>	<u>225,577</u>
6. Surplus/(deficit) for the year before taxation	2010	2009
	£	£
The surplus/(deficit) for the year is stated after charging:		
- auditors' remuneration	2,400	2,000
- depreciation	5,019	6,692
	<u>7,419</u>	<u>8,692</u>

Social Democratic & Labour Party ('SDLP')

**Notes to the financial statements
for the year ended 31 December 2010**

..... continued

7. Tangible fixed assets	Adaptations to building	Leasehold building	Furniture & equipment	Total
	£	£	£	£
Cost				
At 1 January 2010	22,534	117,565	117,476	257,575
At 31 December 2010	<u>22,534</u>	<u>117,565</u>	<u>117,476</u>	<u>257,575</u>
Depreciation				
At 1 January 2010	22,534	-	97,401	119,935
Charge for the year	-	-	5,019	5,019
At 31 December 2010	<u>22,534</u>	<u>-</u>	<u>102,420</u>	<u>124,954</u>
Net book values				
At 31 December 2010	<u>-</u>	<u>117,565</u>	<u>15,056</u>	<u>132,621</u>
At 31 December 2009	<u>-</u>	<u>117,565</u>	<u>20,075</u>	<u>137,640</u>

8. Debtors	2010 £	2009 £
Electoral Commission : policy grant due	7,541	12,560
Sundry debtors	135	9,201
	<u>7,676</u>	<u>21,761</u>

9. Creditors: amounts falling due within one year	2010 £	2009 £
Bank overdrafts	242,390	207,169
Other taxes and social security costs	4,417	4,336
Expense accruals	61,576	42,399
	<u>308,383</u>	<u>253,904</u>

Social Democratic & Labour Party ('SDLP')

**Notes to the financial statements
for the year ended 31 December 2010**

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10. Accounting units and similar affiliated organisations

The SDLP is constituted under section 26 of the Political Parties, Elections and Referendums Act 2000 as a central organisation with accounting units. There are 20 accounting units in total. Details of these units are available from party headquarters.