

## CLP Treasurer

The CLP Treasurer plays key role in every constituency, ensuring the local party complies with the party funding laws as well as helping the CLP to build the financial resources it needs to run effective campaigns by setting budgets and fundraising targets.

This guidance is designed to give an overview of your role and a summary of your responsibilities throughout the year. However if you do have any questions then the Governance and Legal Unit are on hand to help out. Email them at [legal\\_queries@labour.org.uk](mailto:legal_queries@labour.org.uk) and they will be happy to assist.

### Key responsibilities

#### The Legal Bit

As CLP Treasurer your main responsibilities are:

- To keep accurate financial records throughout the year,
- Produce an Annual Statement of Accounts
- Identify and check donations and loans received/taken out by the CLP and report them to head office at the end of each quarter.

It should be noted that these duties are statutory requirements and are set out in the Political Parties Elections and Referendums Act 2000 (PPERA) which regulates all aspects of the Party's finances from CLPs up to the national Party. The Treasurer shares the legal responsibility for the CLP's finances with the CLP Chair who is also the Deputy Treasurer.

The Party must keep an up-to-date list of all CLP Registered Treasurers and Chairs so make sure that any changes are updated promptly on Members Centre or contact the Governance and Legal Unit at [legal\\_queries@labour.org.uk](mailto:legal_queries@labour.org.uk). We'll send you regular updates and reminders and you can contact us anytime for advice or guidance.

#### Keeping Accounts

It is really important that as the CLP treasurer you keep an accurate record of the CLP accounts throughout the year. Not only will this ensure you maintain a good grasp of the finances but it will also make it easier for you to compile your Statement of Annual accounts at the end of the year.

A few points to note:

- The Party's financial year runs from **1 January to 31 December** – not AGM to AGM
- Keep your records up to date so you can make regular reports – at least quarterly and ideally monthly - to your General Meeting and to your Executive Committee
- The Treasurer should be a signatory on all bank accounts held by the CLP – general, premises, campaign etc. and receive the bank statements. The CLP's signatories on the

bank accounts should be 3 or 4 current officers with 2 signatures being required on cheques etc.

- The Annual Statement of Accounts should be prepared and approved by the CLP General Meeting in the first quarter of the following year and forwarded to the Governance and Legal Unit by 30 April. Look out for the template annual accounts provided by the Governance and Legal Unit.
- CLPs with income and/or expenditure greater than £25,000 must also send a copy of the annual accounts to the Electoral Commission by 30 April. Failure to do this by the deadline will result in the commission imposing sanctions which usually involves a fine.
- Audit – CLPs should appoint 2 members to act as auditors at its AGM who should audit the accounts before they are approved by the General Meeting.

### Reporting donations and loans

- All donations and loans of more than £500 must be reported in your CLP's Quarterly Donation and Loan Report to Head Office. Amounts of £500 or less don't need to be reported.
- You should submit a nil report if there were not donations or loans of more £500.
- Branches are part of the CLP so you must also report any donations or loans of more than £500 made to a Branch. You also need to include total branch income and expenditure in your annual accounts, so be sure to keep in regular contact with all Branch Treasurers.
- Donations may be cash or non-cash. Things like printed materials supplied by a trade union or the Labour Group, free use of office space or an event venue, gifts of equipment publications, free use of premises, gifts of equipment etc., count as donations.
- Once donations and loans are reported to Head Office they are formally recorded in a central register held by the Governance and Legal Unit.
- In turn, the national Party will report donations and loans of more than £1,500 from the same donor or lender in a calendar year the Electoral Commission which will be published on their website. The addresses of individuals are not published.

### Know your donor or lender

When we accept amounts of more than £500 we have a legal duty to check that the donor or lender is permissible. There are number of factors that determine whether the donor is permissible.

### **Individuals**

For an individual to be a permissible donor they must be on a UK electoral register at the time they make a donation or loan. (UK does not include the Channel Islands or the Isle of Man).

## Companies

For a company to be a permissible donor it must be incorporated within the EU and registered and trading in the UK.

## Other Permissible Donors

UK Trade Unions, the Co-op Party and Labour Groups are all permissible donors.

Other points to consider when checking the permissibility of a donor:

- The checks on donors must be carried out within 30 days of the donation being received – ideally before the money is banked or the non-cash donation accepted. If you find a donor or lender is not permissible after the 30 days have elapsed you cannot return the donation – it must be forfeited to the Electoral Commission.
- Lenders must be checked before the loan is made. There is no 30 days grace.
- Your CLP must not accept donations or loans from charities or organisations funded by public money.
- When a donation or loan is offered or made the CLP should always take into account the political implications as well as confirming it is legally permissible. Ask the question: is there a risk that the party's reputation will be damaged if we accept money from this individual or company?

It is really important that these checks are made accurately so if you are in any doubt about whether you should accept a donation or have any other queries about donations and loans, you can contact the Governance and Legal Unit at [legal\\_queries@labour.org.uk](mailto:legal_queries@labour.org.uk) and they will assist.

## Activity

### Budgets and Fundraising

As the CLP Treasurer it is important to have a plan. You'll need a budget for the year including campaigns and elections so that everyone is clear how much money is needed to meet the current year's expenditure and to build a campaign fund for future elections. Don't forget to include a contingency for the unexpected like a council by-election.

You'll also need a fundraising plan. Work with the Fundraising Officers to set targets and a schedule of events and activities which can range from encouraging members to make regular donations by direct debit to curry evenings, quizzes, an annual dinner etc.

In your regular reports to the General Meeting make sure you keep members informed of how the CLP is doing measured against the budget

## Useful links and contact details

CLP treasurers are often the unsung heroes of local parties - juggling limited resources and making sure the CLP operates within the law. But you are not on your own.

- The Governance and Legal Unit at Head Office is available to provide advice and guidance on all aspects of CLP finance at [legal\\_queries@labour.org.uk](mailto:legal_queries@labour.org.uk)
- To contact your regional office, visit [labour.org.uk/pages/scottish-welsh-and-regional-offices](http://labour.org.uk/pages/scottish-welsh-and-regional-offices)
- To find out about online training opportunities, go to [members.labour.org.uk/about-labour-training](http://members.labour.org.uk/about-labour-training)
- and you can subscribe to our regular training emails by visiting [labour.org.uk/w/training-emails](http://labour.org.uk/w/training-emails)
- Guidance for Treasurers can be accessed on Membersnet here> [members.labour.org.uk/treasurers-and-donations](http://members.labour.org.uk/treasurers-and-donations)
- Keep up to date with our latest campaigns by visiting [members.labour.org.uk/campaign-resources](http://members.labour.org.uk/campaign-resources)

## Dates for your diary

<b>QUARTER 1</b> <b>1st January- 31st March</b>	<b>January</b>	<b>10th January</b> - Deadline for Submitting previous year quarter 4 donation report
	<b>February</b>	
	<b>March</b>	<b>31st March</b> - Deadline for submitting annual accounts to Governance and Legal Unit from previous year
<b>QUARTER 2</b> <b>1st April- 30th June</b>	<b>April</b>	<b>10th April</b> - Deadline for submitting Quarter 1 donation report <b>30th April</b> - Deadline for submitting accounts with income or expenditure of more than £25,000 to Electoral Commission
	<b>May</b>	
	<b>June</b>	
<b>QUARTER 3</b> <b>1st July- 30th September</b>	<b>July</b>	<b>10th July</b> - Deadline for submitting Quarter 2 donation report
	<b>August</b>	
	<b>September</b>	
<b>QUARTER 4</b> <b>1st October - 31st December</b>	<b>October</b>	<b>10th October</b> - Deadline for submitting Quarter 3 donation report
	<b>November</b>	
	<b>December</b>	