

**The Green Party of England  
and Wales**

Report and Financial Statements

Year ended 31 December 2015

**The Green Party of England and Wales**  
**Financial statements for the year ended 31 December 2015**

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**The Green Party of England and Wales**  
**Administrative information**

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**Party officers (registered officers under PPERA\*)**

Leader	Natalie Bennett
Registered Treasurer	Emma Carter
Nominating officer	Chris Rose

\* Political Parties, Elections and Referendums Act 2000

**Party Headquarters**

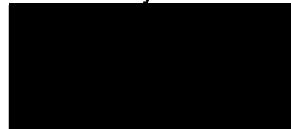
The Biscuit Factory  
Block A (Unit 201)  
100 Clements Road  
London  
SE16 4DG

**Banks**



**Auditors**

MHA MacIntyre Hudson



**Executive**

The Party's Executive (GPEx) is responsible for the day to day running of the Party. Elections are held in the summer of each year for half of the posts, with the elected Officer's term of office being two years. Each elected member is responsible for a specific area of the Party's operations. The members of the Executive are:

Leader	Natalie Bennett	
Deputy Leaders	Shahrar Ali and Amelia Womack	
Party Chair	Richard Mallender	
Registered Treasurer	Richard Mallender	(stood down December 2015)
	Philip Igoe	(appointed December 2015)
		(stood down February 2016)
	Emma Carter	(appointed March 2016)

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**The Green Party of England and Wales**  
**Administrative information**

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**Executive (continued)**

Campaigns Co-ordinator	Howard Thorp Chris Jarvis	(stood down January 2016) (co-opted February 2016)
Elections Co-ordinator	Judy Maciejowska	
Equality & Diversity Co-ordinator	Shan Oakes Jack McGlen Charlene Concepcion	(stood down September 2015) (stood down September 2015) (elected September 2015)
External Communications Co-ordinator	Penny Kemp (job share) Clare Phipps and Matt Hawkins	
Finance Co-ordinator	Philip Igoe Emma Carter	(stood down February 2016) (co-opted March 2016)
Internal Communications Co-ordinator	Peter Barnett  Clifford Fleming	(stood down September 2015)  (elected September 2015) (stood down May 2016)
International Co-ordinator	Derek Wall	
Local Party Support	Emily Blyth Thomas French	(stood down September 2015) (elected September 2015)
Management Co-ordinator	Mark Cridge John Coyne	(stood down June 2015) (co-opted June 2016)
Policy Development Co-ordinator	Sam Riches Samantha Pancheri	(job share) (elected September 2015)
Publications Co-ordinator	Martin Collins Dee Searle	(stood down September 2015) (elected September 2015)
Trade Union Liaison	Romayne Phoenix	(elected September 2015) (stood down May 2016)
Wales Green Party Leader	Pippa Bartolotti Alice Hooker-Stroud	(stood down December 2015) (elected, in post from January 2016)
Young Greens Co-Chairs	Siobhan MacMahon Clifford Fleming Sophie Van der Ham  Hannah Ellen Clare Tom Bolitho	(stood down October 2015) (stood down October 2015) (elected October 2015) (stood down March 2016) (elected October 2015) (co-opted March 2016)

## The Green Party of England and Wales

### Administrative information

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#### Conference

Conference is the sovereign representative body of the Party with the power to determine its policies. In addition to setting the Party's policies, Conference also receives reports from the Committees. Conference is organised by the Conference Committee and two are held each year.

#### Other Committees

In addition to the Executive the following committees operate within the Party, with the terms of reference for each being contained within the Party's constitution. The chairs/convenors of the respective committees are:

Regional Council	Mike Shone Mike Shipley Freda Davis	(stood down June 2015) (elected June 2015)
Administration and Finance Committee (AFCOM)	Philip Igoe Emma Carter	(stood down February 2016) (co-opted March 2016)
Policy Committee	Sam Riches Sam Pancheri	(elected September 2015)
Campaigns Committee	Howard Thorp Chris Jarvis	(stood down January 2016) (co-opted February 2016)
Green World Editorial Board	Laura Burley Tom Williams	(stood down September 2015) (elected October 2015)
Disputes Resolution Committee	Ben Sweeney Bernard Ekbery	(stood down September 2015) (elected September 2015)
International Committee	Derek Wall	
Disciplinary Committee	Leo Littman	(elected January 2016)
Equality and Diversity Committee	Charlene Concepcion	(elected September 2015)
Conferences Committee	Ricky Knight	
Standing Orders Committee	Doug Rouxel	

#### Elected representatives

##### Member of Parliament

Caroline Lucas (Re-elected May 2015)

##### European Parliament

Jean Lambert  
Keith Taylor  
Molly Scott Cato

##### London Assembly

Jenny Jones (stood down May 2016)  
Darren Johnson (stood down May 2016)  
Sian Berry (elected May 2016)  
Caroline Russell (elected May 2016)

## **The Green Party of England and Wales Administrative information**

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### **Staffing**

The key members of staff for the year, and up to the date of signing, were:

Chief Executive (CEO)	Nick Martin (appointed December 2015)
Fundraising & Operations Director	Tom Beckett (left December 2015)
Campaigns Director	Chris Luffingham (left September 2015)
Head of Finance	Diane Sharp (appointed August 2015)
National Election Agent	Chris Rose
Membership Administrative Officer	Adam Stacey (left March 2016)
HR & Office Manager	Kate Barnett
Digital Manager	Peter McAndrew
Fundraising and Membership Manager	Halita Obineche (appointed October 2015)
Press and Communications Manager	Archie Thomas
Policy Communications Manager	Tom Sharman (left February 2016)
Conference Co-ordinator	Louisa Greenbaum

The Fundraising & Operations and Campaigns Directors were appointed in early 2014 in preparation for the 2014 European and 2015 General Elections. Their roles replaced that of the outgoing CEO. Towards the end of 2015 these posts were once again replaced by an incoming CEO.

### **Membership**

As at 31 December 2015 there were 63,219 Members of the Party (2014 30,900).

### **Accounting units**

As at 31 December 2015 the Party had 264 (2014 - 220) Accounting Units registered with the Electoral Commission.

## **The Green Party of England and Wales**

### **Report of the Party officers for the year ended 31 December 2015**

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#### **Party Leader, Natalie Bennett**

The year 2015 saw the Green Party membership more than double in size, in what was known as the "Green surge", and we won a place at two of the televised leader debates after strong public backing. We won 1.1 million votes in the general election, more than in every previous general election added together, and stood in 93% of seats (well above the 75% target set the previous September). Under the first-past-the-post electoral system this failed however to produce extra seats, although we saw a 23% swing to us in Bristol West, with second places also in Sheffield Central and Liverpool Riverside, and Caroline Lucas significantly increased her majority in Brighton Pavilion.

#### **Deputy Leaders, Amelia Womack and Shahrar Ali**

In 2015, we had as a key focus nationwide, campaigning for the general election. We visited target constituencies, supported local parties and candidates, addressed rallies on platforms organised by anti-austerity, environmental and social justice campaign groups. We continued to raise the Party's profile and policies through broadcast and social media and played a full part in steering Party strategy through GPEx, political committee and conferences. Planning and preparation continued for the London and Welsh Assembly elections (in which we were candidates) and the European Referendum. An important campaign of the year was a visit to the Calais jungle to learn about and express solidarity with the plight of refugees.

#### **Wales Green Party Leader, Pippa Bartolotti**

The main focus for 2015 has been the Welsh Assembly elections. Increased membership and a higher profile caused by our inclusion in both Welsh Leader Debates allowed for reasonable buoyancy of hopes for the election of at least one candidate on the Regional List. We employed 2 more part time staff – a Press Officer and Campaigns Manager with financial assistance from National Party, for which we are grateful.

The 2015 General Election was good training ground for our 36 candidates and their teams, and we are pleased that the majority will be going forwards into the Welsh Assembly elections with a good degree of experience.

#### **Chair, Richard Mallender**

Following the surge in membership last year we have focussed efforts on serving the needs of those new to the party while also preparing for the London and Welsh Assembly elections and many local elections around England & Wales.

We have restructured our staff with the appointment of a new Chief Executive Officer, who replaced the outgoing Directors and relocated to new premises at the end of March 2016. I look forward to continued development of the Party's capacity at all levels; locally, regionally and nationally.

#### **Policy Development Co-ordinators, Sam Riches and Samantha Pancheri**

The Policy Development Co-ordinator (a role which was shared for the first three and final four months of 2015) was assisted by members of Policy Committee to fulfil a number of key functions in policy development, supporting our elected members on policy issues and advising on the Party response to events. We have given guidance to members on the preparation of conference motions, and helped to interpret party policy for members of the public, our press team and local councillors. We were assisted by paid staff - a Policy Communications Manager and two Policy Officers - for most of 2015.

## **The Green Party of England and Wales**

### **Report of the Party officers for the year ended 31 December 2015**

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#### **Elections Co-ordinator, Judy Maciejowska**

In 2015 I coordinated and worked with staff to implement our General Election strategy. I visited our target constituencies including Brighton Pavilion and Bristol West. I helped Bristol West with their plans for setting up a campaign management structure and worked with other officers over the selection of a slate of candidates in 90% of seats. I managed the production and publication of the Party's general election manifesto and advised staff on the management of the Freepost leaflet. After the election I worked on future strategic plans and interviewed candidates for the posts of Head of Communication and Head of Party Development (no appointments were made). I convened meetings of the Elections Committee and took part in all GPEx (Green Party Executive) collective duties.

#### **External Communications Co-ordinators, Penny Kemp, Clare Phipps and Matt Hawkins**

The general election of 2015 was a busy time for the media team. We dealt with the BBC and lawyers to ensure we got representation in the televised debates. Our groundbreaking election broadcast got rave reviews and broke all records for political advertising. Media scrutiny was more intense than ever before and we work with a much smaller media team than any of the other Parties.

Members of the media team deserve our heartfelt thanks for the tremendous effort they have given to the Green Party over the year. We were sad that despite the record number of votes, we only managed to retain our MP. Yet Caroline Lucas is an exceptional MP, increasing her majority and winning numerous awards for her dedication and commitment to environmental and social justice. We were proud to play our part in that and prepare for the assembly and local elections in 2016.

#### **Internal Communications Co-ordinator, Clifford Fleming**

Since being elected in 2015 I have prioritised making Green Activist a regular newsletter to members, now received monthly. Central communications have been streamlined. Where possible communications will now come from as local as possible to members - either from local parties, regional parties or liberation groups.

I have led on the Co-Option (appointment not election) of Green Party Executive members - including that of Finance Coordinator, Campaigns Coordinator, and Management Coordinator.

A focus of mine has also been on creating a plan for updating the Members' Website, which has been passed on to staff to implement over the coming year.

#### **Equality & Diversity Co-ordinator, Charlene Concepcion**

We have been engaged in a number of projects. We launched the BME strategy which has looked at the challenges and ways forward in engaging BME members and supporters. We are now looking more broadly at Equality and Diversity strategy, training and policy.

We have supported the Equality and Diversity Committee, which now includes representatives from liberation groups in the Party and continued to support the development of these groups and newer groups. We have worked with Conferences Committee to help improve inclusivity and accessibility at Conference.

Additionally, we have given advice on complaints regarding equality and diversity.



## **The Green Party of England and Wales**

### **Report of the Party officers for the year ended 31 December 2015**

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#### **International Co-ordinator, Derek Wall**

2015 saw the Green Party of England and Wales make a successful bid to host the Global Greens Congress which will take place in Liverpool in spring 2017. We supported the General Election work of the Party. Work was also done to promote solidarity with Rojava, the autonomous mainly Kurdish area of Syria which is advocating a feminist, ecological and self-governing society. Delegates attended the European Green Party Councils in Croatia and France. Through the Westminster Foundation for Democracy we ran training events for the East African Federation of Green Parties.

#### **Publications Co-ordinator, Dee Searle**

The Publications Coordinator is responsible for ensuring a cost-effective, strategic approach to Green Party publications which accords with the Party's policy and broader strategy, and is aligned with both External and Internal Party Communications. For most of 2015, the role was fulfilled on an interim basis following the resignation of the original incumbent due to personal circumstances. I was elected to the position in September 2015.

A priority for the latter part of 2015 was to renegotiate the external publishing contract for Green World magazine. The objective was to transfer the publication from print to a mainly digital format, with the aim of saving money, reaching more members, reflecting topical issues and integrating with other member communication vehicles such as Green Activist. The transfer has been achieved and received a largely positive reception.

## **The Green Party of England and Wales**

### **Report of the Party officers for the year ended 31 December 2015**

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#### **Financial Review**

The Party's income grew dramatically in 2015 as membership surged and the Party raised funds to contest a record number of seats at the General Election in May. Altogether the Party's income grew from £1,841,344 in 2014 to £3,048,921 in 2015, an increase of 66%. The principal drivers of this growth were an increase in membership income from £431,411 to £1,058,749 and an increase in donations from £930,100 to £1,526,449. The growth in membership also led to a substantial increase in income from the Party's affinity schemes with green businesses and from Conferences which were attended by record numbers of members and supporters.

Factors which led to increased income, namely an increased membership and profile, also resulted in increased expenditure. The Party's expenditure therefore grew as funds were applied to the General Election campaign, enabling us to field a record number of 500 candidates, and to additional staff to manage the Party's growth. A number of factors meant that this growth in expenditure outpaced the growth in income, with the result that the Party incurred a major deficit and the Party's balance sheet was negative at the end of 2015. The scale of growth in membership and donations put great pressure on the Party's administrative systems and it was not until the autumn of 2015 that investment in systems and procedures established tight control over transactions, and to the creation of a network of regional campaign coordinators. Grants to local parties rose as the Party invested in setting up many new local parties throughout the country, and in the creation of a network of regional campaign coordinators. And the cost of running the Party's spring and autumn conferences rose sharply as the growth in membership wishing to attend Conference meant that we had to hire larger venues with better facilities than in the past.

The largest single item of expenditure, at £1,176,979 or 39% of total income, was on staffing. As membership and participation in elections grew the Party invested extensively in campaigns and policy staff, in an expansion of its digital and communications teams, and in the creation of a 15 strong network of regional campaign staff. Following the General election there was a small drop in membership and a fall away in the value of donations and fundraising appeals. The Party took some time to adjust to this post-election environment approving reductions in staffing levels and expenditure at the end of 2015.

Since the year end the Party has been running a balanced budget and is confident that this will remain the case. The Party is forecasting a reduction in the negative balance on the balance sheet by the end of 2016. At the start of 2016 significant savings were made in the Party's staffing budgets as we shifted from a General Election to a long-term staffing structure. A number of non-priority national party programmes were also suspended to ensure that the Party's finances would stabilise. Strict financial controls and robust systems are now in place and there is close scrutiny of monthly budgets and cash flow by the finance team, by GPEX, and by AFCom (the party's Administration and Finance Committee). GPEX has adopted a plan for sustainable growth in its finances in the year ahead including a commitment to both expand and diversify its funding base to reduce the overall level of reliance on membership income. The Party has prepared and reviewed budgets and cash flow projections to the end of 2017 and is satisfied that it will be able to meet all its liabilities, principally the payment of capitations to regional and local parties, and on this basis the Party considers it appropriate to prepare the accounts on a going concern basis.

**The Green Party of England and Wales**  
**Report of the Party officers for the year ended 31 December 2015**

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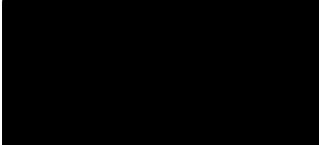
**Statement of Registered Treasurer's Responsibilities**

The Registered Treasurer is responsible for preparing the financial statements in accordance with applicable law and regulations. The Political Parties, Elections and Referendums Act 2000 requires the Registered Treasurer of the Party to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Party and of the surplus or deficit for that period. In preparing those financial statements, the Registered Treasurer is required to:

- select suitable accounting policies and then prepare them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, providing details and explanations of any departures 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 operation.

Section 41 of the Act requires that the Registered Treasurer is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Party at that time and to enable her to ensure that the financial statements comply with the Act. Section 45 of the Act requires that the Registered Treasurer is responsible for delivery of the statement of accounts to The Electoral Commission by the required deadline.

**Emma Carter**  
Registered Treasurer  
30 June 2016



## **Independent Auditor's Report to the Registered Treasurer of The Green Party of England and Wales**

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We have audited the financial statements of The Green Party of England and Wales for the year ended 31 December 2015 which comprise the Income and Expenditure Account (incorporating a statement of Income and Retained Earnings), the Balance Sheet, the Statement of Cash Flows and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (September 2015)

This report is made solely to the Registered Treasurer of The Green Party, in accordance with the Party's rules and section 43 of the Political Parties, Elections and Referendums Act 2000. Our audit work has been undertaken so that we might state to the Treasurer those matters we are required to state to him/her 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 Treasurer, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Registered Treasurer and auditors**

As described in the Statement of Registered Treasurer's Responsibilities on page 10, the Treasurer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We are required to comply with the Auditing Practices Board's ethical standards for auditors.

We have been appointed as auditors under section 43 of the Political Parties, Elections and Referendums Act 2000 in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with applicable law.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Party's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Treasurer; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Party Officers to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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## Independent Auditor's Report to the Registered Treasurer of The Green Party of England and Wales

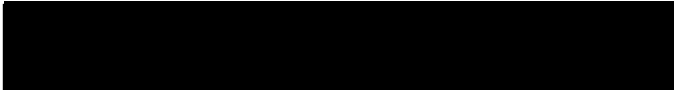
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### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the Party's affairs as at 31 December 2015 and of its income and expenditure in the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Political Parties, Elections and Referendums Act 2000.

  
**MHA MacIntyre Hudson**  
Chartered Accountants and Statutory Auditor

  
Date: 4 July 2016 .

**The Green Party of England and Wales**  
**Income and Expenditure Account (Incorporating a Statement of Income and Retained Earnings)**  
**For the year ended 31 December 2015**

	Notes	General Fund £	Green-quest Fund £	Leader's Project Fund £	Climate Sense Appeal	Total 2015 £	Total 2014 £
<b>Income</b>							
Membership income		1,058,749	-	-	-	1,058,749	431,411
Donations		1,487,326	368	300	38,455	1,526,449	930,100
Income from fundraising activities	2	19,802	-	-	-	19,802	7,382
Commission income	3	56,363	-	-	-	56,363	11,629
Income from publications and other materials		1,063	-	-	-	1,063	4,436
<b>Campaign Income</b>							
Freepost sales		154,925	-	-	-	154,925	186,531
Green Campaign Shop		77,743	-	-	-	77,743	11,174
Income from legacies		-	-	-	-	-	189,678
Interest receivable net of tax		1,216	-	-	-	1,216	955
Conference income		129,173	-	-	-	129,173	59,625
Other income		23,438	-	-	-	23,438	8,423
<b>Total Income</b>		<b>3,009,798</b>	<b>368</b>	<b>300</b>	<b>38,455</b>	<b>3,048,921</b>	<b>1,841,344</b>
<b>Expenditure</b>							
Cost of appeals and donations		114,584	-	-	-	114,584	54,912
Cost of fundraising activities		16,771	-	-	-	16,771	2,914
Cost of publications and other materials	4	90,560	-	-	-	90,560	52,554
Campaign expenditure	5	1,003,824	-	-	3,983	1,007,807	528,392
Green Campaign Shop costs		81,393	-	-	-	81,393	16,278
Bank and credit card charges		69,907	-	-	957	70,864	31,802
Cost of Conferences		212,177	-	-	-	212,177	76,109
Regional and local party capitations		245,096	-	-	-	245,096	101,899
Local party support		27,933	-	-	-	27,933	12,716
Staff costs	6	1,171,204	-	-	5,775	1,176,979	530,193
Office and premises costs		186,869	-	-	-	186,869	134,179
Management and administration		263,877	-	-	-	263,877	146,962
External communications		30,996	-	-	-	30,996	22,001
Equality project		1,824	-	-	-	1,824	316
<b>Total Expenditure</b>		<b>3,517,015</b>	<b>-</b>	<b>-</b>	<b>10,715</b>	<b>3,527,730</b>	<b>1,711,227</b>
(Deficit)/surplus for the year		£ (507,217)	£ 368	£ 300	£ 27,740	£ (478,809)	£ 130,117
Total funds brought forward		£ 208,038	£ 34,282	£ 650	£ Nil	£ 242,970	£ 112,853
<b>Total funds carried forward</b>		<b>£ (299,179)</b>	<b>£ 34,650</b>	<b>£ 950</b>	<b>£ 27,740</b>	<b>£ (235,839)</b>	<b>£ 242,970</b>

The annexed notes form part of these financial statements

**The Green Party of England and Wales**  
**Balance Sheet**  
**as at 31 December 2015**

	Notes	£	2015 £	£	2014 £
<b>Fixed assets</b>					
Tangible assets	10		4,322		5,234
<b>Current assets</b>					
Stocks		16,887		-	
Debtors	11	80,571		30,053	
Cash at bank and in hand		<u>65,549</u>		<u>526,856</u>	
		163,007		556,909	
<b>Creditors: amounts falling due within one year</b>					
	13	(403,168)		(319,173)	
<b>Net current (liabilities)/assets</b>			<u>(240,161)</u>	<u>(319,173)</u>	<u>237,736</u>
<b>Total assets less current liabilities</b>			<u>(235,839)</u>		<u>242,970</u>
<b>Net (liabilities)/assets</b>			<u>£ (235,839)</u>		<u>£ 242,970</u>
<b>Funds</b>					
	14				
Fixed Assets Fund			4,322		5,234
Greenquest Fund			34,650		34,282
Leader's Project Fund			950		650
Climate Sense Appeal			27,740		-
General Fund			(303,501)		202,804
<b>Total funds</b>			<u>£ (235,839)</u>		<u>£ 242,970</u>

The financial statements were approved and authorised for issue by the Party's Executive on 30 June 2016.

  
**Emma Carter**  
Registered Treasurer

The annexed notes form part of these financial statements

**The Green Party of England and Wales**  
**Statement of Cash Flows**  
**For the year ended 31 December 2015**

	2015 £	2014 £
<b>Cash flow from operating activities (see below)</b>	<u>(444,168)</u>	<u>300,871</u>
<b>Cash flow from investing activities</b>		
Payments to acquire tangible fixed assets	(1,468)	(4,864)
Interest received	1,216	955
Net cash flow from investing activities	<u>(252)</u>	<u>(3,909)</u>
<b>Cash flow from financing activities</b>	-	-
<b>Net (decrease) /increase in cash and cash equivalents</b>	(461,307)	296,959
Cash and cash equivalents at 1 January 2015	<u>526,856</u>	<u>229,897</u>
Cash and cash equivalents at 31 December 2015	<u><u>65,549</u></u>	<u><u>526,856</u></u>
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand	49,487	376,408
Short term deposits	<u>16,062</u>	<u>150,448</u>
<b>Cash and cash equivalents at 31 December 2015</b>	<u><u>65,549</u></u>	<u><u>526,856</u></u>

**Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2015 £	2014 £
Net (expenditure)/income for year	(478,809)	130,117
Interest receivable	(1,216)	(955)
Depreciation of tangible fixed assets	2,380	3,021
(Increase)/decrease in debtors	(50,518)	13,693
Increase/(decrease) in creditors	83,995	154,995
Net cash flow from operating activities	<u><u>(444,168)</u></u>	<u><u>300,871</u></u>

The annexed notes form part of these financial statements



**The Green Party of England and Wales**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2015**

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**1 Accounting policies**

***Basis of preparation of financial statements***

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (September 2015) and the Statement of Accounts Guidance Notes issued by The Electoral Commission.

The Party has adopted FRS 102 for the first time in the year ended 31 December 2015. In preparing the accounts, the Executive has considered whether in applying the accounting policies required by FRS 102 a restatement of comparative items was needed. No restatements were required as those items identified as potentially requiring adjustment were not deemed to be material.

The Green Party is a political party within the United Kingdom, constituted under the Political Parties, Elections and Referendums Act 2000. The financial statements are prepared in sterling which is the functional currency of the Party. The Party's Headquarters and principal place of business is given on page 2.

***Going concern***

As can be seen in the accounts, the Party experienced growth in expenditure that outpaced growth in income in 2015, with the result that the Party incurred a substantial deficit and the Party's balance sheet was negative at the end of 2015. As discussed in the Report of the Party Officers in detail, there were a number of factors that contributed to this deficit.

Since the year end the Party has been running a balanced budget for 2016. On the basis of these changes we are projecting a balanced budget for 2016 as a whole. The full effect of the restructuring of costs and financial controls will be seen in the budget for 2017 – on a standstill budget in terms of membership income the reduced cost budget would result in a surplus of around £90,000 in 2017.

Strict financial controls and robust systems are now in place and there is close scrutiny of monthly budgets and cash flow by the finance team, by GPEX, and by AFCom (the party's Administration and Finance Committee). GPEX has adopted a plan for sustainable growth in its finances in the year ahead including a commitment to both expand and diversify the Party's funding base to reduce the overall level of reliance on membership income. The Party has adopted the following key principles for a sustainable financial plan:

1. No financial commitments should be made unless it can be shown that they are fully funded.
2. The Party will seek to protect the core infrastructure necessary for it to support services to members, campaigns, and its capacity to manage and grow income.
3. As part of its organisational plan for 2016-18 the Party has a credible strategy to grow its income from all sources and to reduce levels of reliance on members' dues.

The Party has prepared and reviewed budgets and cash flow projections to the end of 2017 and is satisfied that it will be able to meet all its liabilities as they fall due, principally the payment of capitations to regional and local parties, and on this basis the Party considers it appropriate to prepare the accounts on a going concern basis.

/Continued ...

**The Green Party of England and Wales**  
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**Accounting policies (continued)**

**Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Party's accounting policies:

No significant judgements, further to that surrounding going concern as noted under the Basis of preparation paragraph above, have been made by management in preparing these financial statements.

The following principal accounting policies have been applied:

***Income recognition***

Income is recognised when all of the following conditions have been met:

- The Party is entitled to the assets;
- It is probable that the asset will be received; and
- The value of the asset can be measured with reliability.

Applying these criteria to specific types of income results in the following treatment:

- Donations of monetary assets are recognised in the Income and Expenditure Account on receipt.
- Membership subscriptions are recognised in the Income and Expenditure Account on a cash basis. Membership income shown in the accounts is the total amount of subscriptions before deducting the capitations due to local and regional parties.
- Interest receivable is recognised in the Income and Expenditure Account on the accruals
- Revenue from the Party's sale of publications and other materials is recognised in the Income and Expenditure Account as the benefit of the goods or services is transferred to the customer.
- Legacy income is included in the Income and Expenditure Account when it becomes probable that the legacy will be received and its value can be measured with sufficient reliability (for example if advance notification of a distribution is received from the executors).
- Freepost sales are recognised in the Income and Expenditure Account on receipt.
- All other income including affiliation fees/commission is recognised on the accruals basis.

***Expenditure recognition***

All expenditure is accounted for on the accruals basis, this includes irrecoverable VAT.

/Continued ...

**The Green Party of England and Wales  
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**Accounting policies (continued)**

***Website costs***

Website development costs are capitalised to the extent that the website will generate a lasting economic benefit to the Party.

***Fixed assets and depreciation***

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost over their expected useful lives, as follows:

Office furniture and equipment	-	5 years
Website	-	3 years
Computer equipment	-	3 years

Only items costing over £500 are capitalised.

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

***Cash and cash equivalents***

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

***Creditors***

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

***Stocks***

Stock is valued at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

***Taxation***

The Party is an unincorporated volunteer association and is therefore liable to corporation tax on its investment income. No deferred tax is recognised in the Party's accounts as any investment income is taxed on the same basis as it is recognised in the income and expenditure account.

***Operating leases policy***

Payments made under operating leases are charged to the Income and Expenditure Account on a straight-line basis over the period of the lease.

***Pension arrangements***

The Party contributes to staff member's personal pension funds and costs are charged to the Income and Expenditure Account when due.

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<b>2 Income from fundraising activities</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Monthly draw	3,900	4,732
Other fundraising income	15,902	2,650
	<u>19,802</u>	<u>7,382</u>

**3 Commission income**

Commissions are received from affinity schemes with Good Energy Limited, The Phone Co-op Limited, Ecotricity, Ecology Building Society, Investing Ethically, Affiliate Window, Recycle 4 Charity and Rapanui Clothing Ltd.

**4 Cost of publications and other materials**

The Green World budget is set by the Executive as part of the overall budgeting process. The publication is a member benefit and is primarily funded by membership subscriptions, with some costs funded by income from advertising, subscriptions, and bulk sales.

<b>5 Campaign expenditure</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Freepost expenses	180,070	189,718
General/European election costs	574,462	180,190
Non election campaigns expenditure	45,708	31,333
Grants to local and regional parties	181,729	43,195
Other campaign expenses	25,838	83,956
	<u>1,007,807</u>	<u>528,392</u>

<b>6 Staff numbers (FTE) and costs</b>	<b>2015</b>	<b>2014</b>
Management	3.3	2.6
Election agent	0.7	0.7
External communications	5.2	1.9
Administration & Finance	8.3	5.0
Fundraising	1.8	1.0
Policy	3.3	1.0
Conferences	1.4	1.0
Campaigns	5.8	4.7
Regional	15.8	4.6
	<u>45.6</u>	<u>22.5</u>

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**Staff numbers (FTE) and costs (continued)**

	2015 £	2014 £
Wages and salaries	1,074,779	472,036
Social security costs	96,227	52,483
Pension contributions	5,973	5,674
	<u>1,176,979</u>	<u>530,193</u>

	2015 £	2014 £
Key management personnel remuneration	<u>113,551</u>	<u>51,218</u>

Key management personnel are considered to be members of GPEx, the Party's Chief Executive and, prior to the appointment of the Chief Executive, the Fundraising & Operations Director and the Campaigns Director. GPEx members received no remuneration in that capacity in 2015 (2014-£nil). The Leader and Deputy Leaders do receive allowances in their Leadership capacity.

<b>7 Taxation</b>	2015 £	2014 £
Taxation on investment income	<u>303</u>	<u>279</u>

The investment income is shown net of taxation in the Income and Expenditure Account.

<b>8 Deficit/surplus for the year</b>	2015 £	2014 £
The deficit for the year is stated after charging:		
Auditors remuneration - audit services statutory accounts		
Current year	14,460	9,600
Prior year underprovision	5,160	1,500
Auditors remuneration - non statutory audit services	8,130	6,200
Operating lease charge - property	77,853	30,360
Depreciation	2,380	3,021
	<u>                    </u>	<u>                    </u>

**The Green Party of England and Wales**  
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<b>9 Auditor's remuneration</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Statutory audit fees		
Current year	14,460	9,600
Prior year underprovision	5,160	1,500
Non statutory audit services	8,130	6,200
	<u>27,750</u>	<u>17,300</u>

<b>10 Tangible fixed assets</b>	<b>Office equipment</b>	<b>Website</b>	<b>Computer equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 January 2015	12,859	49,190	52,026	114,075
Additions	-	-	1,468	1,468
At 31 December 2015	<u>£ 12,859</u>	<u>£ 49,190</u>	<u>£ 53,494</u>	<u>£ 115,543</u>
<b>Depreciation</b>				
At 1 January 2015	12,054	49,190	47,597	108,841
Charge for the year	456	-	1,924	2,380
At 31 December 2015	<u>£ 12,510</u>	<u>£ 49,190</u>	<u>£ 49,521</u>	<u>£ 111,221</u>
<b>Net book value</b>				
At 31 December 2015	<u>£ 349</u>	<u>£ Nil</u>	<u>£ 3,973</u>	<u>£ 4,322</u>
At 31 December 2014	<u>£ 805</u>	<u>£ Nil</u>	<u>£ 4,429</u>	<u>£ 5,234</u>

<b>11 Debtors</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	19,167	5,467
Prepayments	15,822	13,755
Sundry debtors	41,482	8,481
Greenquest loans	4,100	2,350
	<u>80,571</u>	<u>30,053</u>

The Greenquest loans are interest free and made to local and regional parties to fund election deposits and development activity.

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<b>12 Cash and cash equivalents</b>	<b>2015</b>	<b>2014</b>
	£	£
Cash at bank and in hand	<u>65,549</u>	<u>526,856</u>

<b>13 Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	£	£
Trade creditors	49,200	80,522
Deferred income	3,650	8,864
Other taxes and social security costs	35,358	19,888
Other creditors and accruals	53,466	45,747
Capitations payable to local and regional parties	261,494	164,152
	<u>403,168</u>	<u>319,173</u>

**14 Reconciliation of movement in funds**

	<b>Brought Forward</b>	<b>Surplus/ (Deficit)</b>	<b>Transfers</b>	<b>Carried Forward</b>
	£	£	£	£
Fixed Assets Fund	5,234	(2,380)	1,468	4,322
Greenquest Fund	34,282	368	-	34,650
Leader's Project Fund	650	300	-	950
Climate Sense Campaign Fund	-	27,740	-	27,740
General Fund	202,804	(504,837)	(1,468)	(303,501)
	<u>242,970</u>	<u>(478,809)</u>	<u>-</u>	<u>(235,839)</u>

The Fixed Assets Fund has been established to represent funds tied up in fixed assets. £1,468 has been transferred from the General Fund to represent purchases during the year.

The Greenquest fund exists to provide loans and grants to approved local and regional party projects. Its income comes from donations and interest received on the balance of funds not loaned which are held in a designated bank account.

The Leader's Project fund was established to support the work of the Party Leader.

The Climate Sense Campaign Fund was launched in the run up to COP21 that took place in Paris in November 2015. The purpose of the fund is to support our Campaign for policies that make Climate Sense in the UK and across Europe.

The General Fund represents the balance available, after the balances available to the specific funds listed above, to spend on the Party's operational activities. The balance at 31 December 2015 is negative, but steps are being taken to rectify this, as detailed in the Report of the Party Officers on page 9.

**The Green Party of England and Wales**  
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**15 Operating lease commitments**

During the year the Party had annual operating lease commitments on office space to the sum of £17,323. (2014 - £33,896). The commitments came to an end on 31st March 2016, when a move to new premises was undertaken. The Party also had an operating lease commitment on equipment with £508 being payable within one year and £2,034 payable within five years. (2014- £108 payable within one year, £nil payable within five years)

**16 Related party transactions**

£18,188 (2014: £13,627) was reimbursed to a total of 23 individuals who were members of the Party Executive (GPEx) or Key management personnel. The reimbursed expenditure related to travel costs and subsistence.

**17 Financial instruments**

The carrying amounts of the Party's Financial instruments are as follows:

	2015 £	2014 £
Financial assets		
Debt instruments measured at amortised cost:		
Trade debtors	19,167	5,467
Sundry debtors	41,482	8,481
Greenquest loans	4,100	2,350
Short-term deposits	16,062	150,448
Cash at bank and in hand	49,487	376,408
	<u>130,298</u>	<u>543,154</u>
Financial liabilities		
Measured at amortised cost:		
Trade Creditors	49,200	80,522
Other creditors and accruals	53,466	45,747
Capitations payable	261,494	164,152
Other taxes and social security costs	35,358	19,888
	<u>399,518</u>	<u>310,309</u>

**18 Reportable donations**

During the year the National Party accepted donations totalling £354,142, that were reportable to the Electoral Commission.

The total donation income for the the year, totalling £1,526,449, is greater than this as a result of donations received that were below the PPERA reporting threshold of £7,500.