

PLAID CYMRU
Report and Audited
Consolidated Financial Statements
For the year ended 31 December 2015

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Overview of Party & Political Activities for the year ended 31 December 2015

The following paragraphs outline relevant administrative information and Party & Political activities undertaken in the year.

Party Headquarters

Plaid Cymru – The Party of Wales
Ty Gwynfor
Marine Chambers
Anson Court
Atlantic Wharf
Cardiff
CF10 4AL

Aims

As the National Party of Wales, Plaid Cymru's aims are:

- To secure independence for Wales in Europe.
- To ensure economic prosperity, social justice and the health of the natural environment, based on decentralist socialism.
- To build a national community based on equal citizenship, respect for different traditions and cultures and the equal worth of all individuals, whatever their race, nationality, gender, colour, creed, sexuality, age, ability or social background. These are the Party's core values.
- To create a bilingual society by promoting the revival of the Welsh language.
- To promote Wales's contribution to the global community and to attain membership of the United Nations.

Organisation

Membership

Procedures governing applications to become a member of Plaid Cymru – The Party of Wales are described in the Party's Standing Orders. Plaid Cymru's membership is £24 a year, £9 for those who are unwaged. 50% of this income is returned to constituencies.

Conference

Conference is the highest authority of the Party and since February 2012 it has been decided that it will be open to all members. Conference is responsible for determining the Party's policy and for the election of National Officers.

Constituencies

The constituency is Plaid Cymru's primary level of organisation and are responsible for the party's activity within each of the National Assembly Constituencies in Wales. Constituencies receive a 50% quarterly repayment of subscriptions paid by each of their members.

Branches

A branch is a structure of the Party's organisation responsible for the Party's activity within a defined area of operation below constituency level. The primary purpose of a branch is to deliver, in the local context, the Party's political strategy.

National Sections

Members of the Party wishing to cater for specific interests may form sections, which may apply to the National Council for recognition as official National Sections of the Party. As at 31 December 2015, there are 4 official National Sections as follows:

- Plaid Cymru Youth
- Women's Section
- Trade Union Section ("Undeb")
- Councillors' Association

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Overview of Party & Political Activities for the year ended 31 December 2015

Accounting Units

Plaid Cymru has 43 accounting units separate from its central organisation in order to enable each constituent organisation to be responsible for its own financial affairs. The number of accounting units was reduced in 2010 when the sections and regions were absorbed into the national accounting unit (The Central Party).

National Council

National Council is the governing body of the Party between conferences and meets at least three times a year. In addition to hearing reports from National Officers, the National Council also has the power to make policy. The membership of the National Council is comprised of representatives from Constituency Committees, Sections, National Executive Committee, Elected Representatives, National Officers and County Council leaders.

National Executive Committee

Plaid Cymru's National Executive Committee ("NEC") is responsible for agreeing the strategic and political direction of the Party; ensuring that decisions of Conference and National Council are implemented; managing the Party's organisation and finances; scrutinising the work of all individuals and teams charged with the implementation of the strategy; organising and directing national campaigns; the employment and direction of staff and the ownership and management of the Party's national assets. Members of NEC are elected by Annual National Conference for two year terms.

Leaders Team

The Leaders Team is responsible for overseeing the day-to-day political tactics of the Party and the executive implementation of the Party's strategy. Members include Plaid Cymru's Leader, Chair, Parliamentary Group Leader, European Group Leader and Chief Executive. The Leaders Team may co-opt further members subject to ratification by the NEC.

Elected Representatives

Plaid Cymru fields candidates in elections to Welsh local authorities, the National Assembly of Wales, the House of Commons and the European Parliament.

As of June 2015, Plaid Cymru representation at each is as follows-

- 11 Members of the National Assembly of Wales
- 3 Members of Parliament
- 1 Member of the European Parliament
- 175 Local Authority Councillors

Plaid Cymru staff

Plaid Cymru is served by 4 full-time staff and 4 part-time staff based at its Headquarters in Cardiff. The Party's Chief Executive is appointed by and accountable to the National Executive Committee. Rhuanedd Richards left her role as Chief Executive on May 27th 2016 and the party is in the process of appointing her successor.

The Party's key financial officers and full-time staff as of May 2016 are:

Officers

- Chair – Alun Ffred Jones
- Treasurer – Dafydd Trystan (Acting)
- Director of Fundraising – Elin Tudur
-

Staff

- Chief Executive - Rhuanedd Richards
- Finance Officer – Illyd ap Dafydd
- Policy Co-ordinator – Heledd Brooks-Jones
- Administrative Manager - Gwennol Haf
- Data and Membership Officers - Shaughan Feakes/ Emyr Williams
- Head of Campaigns and Deputy CEO - Geraint Day
- Head of Strategic Communications – Math Wiliam
- Campaigns Officer – Armon Gwilym

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Report of the Party Officers For the year ended 31 December 2015

CHIEF EXECUTIVE'S REVIEW

The activity of the party in 2015 centred around the UK General Election and preparation for the Welsh General Election in 2016.

May's election brought challenges and opportunities. It was disappointing not to gain any extra Parliamentary seats despite running energetic campaigns in a number of constituencies. On the other hand, the campaign proved to be invaluable in relation to raising the profile of the leader and the party, largely because of Leanne Wood's inclusion in the televised leaders' debates.

The period after the election was one of brief reflection, and allowed the party to take stock and learn lessons ahead of the 2016 election. Targets were set for constituencies in relation to increasing their activity levels, the process of selecting candidates was finalised, and organisers were employed for a fixed term period. The latter point of action proved to be very valuable indeed.

In September 2015, Plaid Cymru launched a policy consultation, 'A Road Map for Wales', ahead of the Assembly elections, outlining its vision for a fairer, more prosperous Wales. The Leader and Shadow Cabinet embarked on a tour of Wales in order to communicate the party's message and to engage in a conversation with electors on their hopes for the next Assembly term.

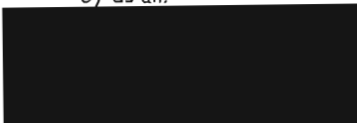
A well-attended, successful Annual Conference in Aberystwyth also provided a platform to share and discuss the team's ideas. Attendance at that conference was higher than at any conference for over a decade which certainly, created the right environment in which to begin the impending election campaign.

Activity in the final months of the year was mainly focused on finalising the plans for the election campaign and completing the work on the 2016 manifesto. Despite this, a number of operational changes were also made in the central office. New IT and computer systems were introduced to help modernise our communication methods and a new membership system was put in place.

Party membership at the end of 2015 was at its highest level since the 2012 leadership election and the financial situation was relatively healthy ahead of the Assembly poll.

Once again in 2015, the small team of staff in Tŷ Gwynfor, continued to achieve far and beyond what anybody could reasonably expect of them and I am grateful to each and every one of them for their hard work. I'm also grateful to our national officers, our activists, elected representatives and to our members for all the support they have given the staff throughout the year.

Finally, I would like to take this opportunity to note the sad passing of the party's Treasurer, Glyn Erasmus, at the beginning of 2016. Glyn made a tremendous contribution to Plaid Cymru and was a diligent and enthusiastic national officer who embraced the opportunity to provide the internal challenge necessary to maintain a healthy organisation. He is sorely missed by us all.



Rhuanedd Richards
Chief Executive

Date: 26 / 5 / 16

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Treasurer's Report for the year ended 31 December 2015


It is with great sadness that I write the Treasurer's report for 2015. Our National Treasurer, Glyn Erasmus suddenly passed away. His loss is felt across the party and I should like to extend our condolences to Carol and the family and our grateful thanks for the exceptional work Glyn carried out as National Treasurer. Quietly, diligently, logically Glyn brought our finances to order.

He was supported in his work by the excellent Finance and Resources Committee. I should like to thank the Committee for their work and for their support to me as I have taken on the role of Treasurer for the remainder of Glyn's term of office.

I should also like to formally note our thanks to Rhuanedd Richards. Rhuanedd has served with distinction as the Party's Chief Executive Officer since 2011. She announced in early 2016 her intention to move on after the National Assembly election, and her successor Gareth Clubb was appointed in the Summer of 2016. He will assume the post in September 2016, and robust interim arrangements have been put in place to manage the party's operations and finances until his arrival.

It will come as little surprise to those who knew Glyn, that the Party's finances at the end of December 2015 were in a robust position. Income has increased and expenditure is tightly controlled. As we move to the next five year period of the Party's development I am convinced that we need to further enhance our work in supporting party activities across the country - where possible with matched funding and similar schemes. That partnership between the constituencies and the national party - tentatively begun with the introduction of direct debit memberships in 2004 is beginning to build a very sound resource base for the party - such that we are now discussing with our member how we can invest to secure greater success in the future, rather than whether we can pay the bills or the bank charges.

Glyn, would I have no doubt be very proud of the progress made under his leadership.


Dr Dafydd Trystan Davies
National Treasurer

Date:

7/7/16

**Statement of Treasurer's Responsibilities
for the year ended 31 December 2015**

The Treasurer of the Party is required by the Political Parties, Elections and Referendums Act 2000 to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the party and of its surplus or deficit for that period. In preparing those financial statements, the treasurer 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 Treasurer is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the party and to enable them to ensure that the financial statements comply with the Act. The Treasurer is 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.

Section 43 of the Act requires that the treasurer is responsible for delivery of the statement of accounts to The Electoral Commission by the required deadline.

The Treasurer has taken all steps he ought to have taken to make them aware of any information required by the auditor for the purpose of their audit and to establish that the auditor is aware of that information. The Treasurer is not aware of any relevant information of which the auditor is unaware.

To the Treasurer of Plaid Cymru

We have audited the financial statements of Plaid Cymru for the year ended 31 December 2015 which comprise the Consolidated Income and Expenditure account, the Central Party Income and Expenditure Account, the Consolidated Balance Sheet, the Central Party Balance Sheet, the Consolidated Cash Flow Statement and related notes. These financial statements have been prepared under the accounting policies set out on pages 13 to 15.

This report is made solely to the registered Treasurer of Plaid Cymru 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 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 registered treasurer and auditor

The responsibilities of the registered Treasurer 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 Treasurer's Responsibilities.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland). These Standards require us to comply with the Auditing Practice's Boards' Ethical Standards for Auditors.

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 Party Officers; and the overall presentation of the financial statements.

In addition, we read all other financial and non-financial information contained in the Report of the Party Officers to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of Plaid Cymru's Consolidated and Central Party's affairs as at 31 December 2015 and of Plaid Cymru's Consolidated and Central Party's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Political Parties, Elections and Referendums Act 2000 and the Statement of Accounts guidance and other direction issued by The Electoral Commission thereunder.

Opinion on other matters

In our opinion the information given in the Overview of Party & Political Activities for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters which we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of information specified by law are not made; or
- we have not received all of the information and explanations we require for our audit.

[REDACTED]

KTS OWENS THOMAS LIMITED
Chartered Accountants and Registered Auditor

[REDACTED]

7 July 2016

Date:

PLAID CYMRU**Consolidated Income and Expenditure Account
for the year ended 31 December 2015**

	Note	2015 £	2014 £
INCOME	1		
Donation income	2	156,346	131,726
Membership and subscription fees		185,282	135,274
Income from fundraising activities	3	60,111	22,809
Income from commercial activities	4	21,329	29,085
Income from legacies		6,893	124,100
Investment income	5	14,700	13,567
Grant income	6	137,285	151,478
Income from conferences		80,016	63,241
Notional income	7	-	10
Other income	9	100,605	96,295
Total Income		762,567	767,585
EXPENDITURE			
Costs of fundraising activities	10	25,415	9,080
Costs of commercial activities		31,099	16,965
Notional expenditure		-	10
Staff costs	11	294,397	288,101
Depreciation		7,113	11,952
Campaign expenditure	12	186,291	86,008
Interest and charges payable	14	18,427	9,038
Conference expenditure		57,089	45,000
Other expenditure	13	155,907	169,603
Total Expenditure		775,738	635,757
(Deficit)/Surplus before taxation		(13,171)	131,828
Taxation	15	(1,589)	-
Net (deficit)/surplus for the year	20	(14,760)	131,828

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

The notes on pages 13 to 22 form part of these financial statements.

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Central Party Income and Expenditure Account for the year ended 31 December 2015

	Note	2015 £	2014 £
INCOME	1		
Donation income	2	138,543	130,539
Membership and subscription fees		183,012	133,309
Income from fundraising activities	3	55,385	22,809
Income from commercial activities	4	21,329	29,085
Income from legacies		6,893	124,100
Investment income	5	14,700	13,567
Grant income	6	137,285	151,478
Income from conferences		80,016	63,241
Notional income	7	-	10
Other income	9	100,605	95,777
Total Income		737,768	763,915
EXPENDITURE			
Costs of fundraising activities	10	25,415	9,080
Costs of commercial activities		31,099	16,635
Notional expenditure		-	10
Staff costs	11	294,397	288,101
Depreciation		7,113	11,952
Campaign expenditure	12	178,875	84,908
Interest and charges payable	14	18,292	8,860
Conference expenditure		52,440	44,640
Other expenditure	13	154,458	162,333
Total Expenditure		762,089	626,519
(Deficit)/Surplus before taxation		(24,321)	137,396
Taxation	15	(1,589)	-
Net (deficit)/surplus for the year	20	(25,910)	137,396


The income and expenditure account has been prepared on the basis that all operations are continuing operations.

The notes on pages 13 to 22 form part of these financial statements.

PLAID CYMRU**Consolidated Balance Sheet
as at 31 December 2015**

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	16	355,770	343,746
CURRENT ASSETS			
Debtors	17	66,815	86,246
Cash at bank and in hand		<u>174,537</u>	<u>179,297</u>
		241,352	265,543
CREDITORS			
Amounts falling due within one year	18	(72,052)	(69,459)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>169,300</u>	<u>196,084</u>
TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET ASSETS		<u><u>525,070</u></u>	<u><u>539,830</u></u>
RESERVES			
General reserve	20	521,838	536,598
Policy development unit reserve	20	<u>3,232</u>	<u>3,232</u>
RESERVES	20	<u><u>525,070</u></u>	<u><u>539,830</u></u>

The financial statements were approved by the Party Officers on 2/7/16 and signed on their behalf by:


Dr Dafydd Trystan Davies
Treasurer

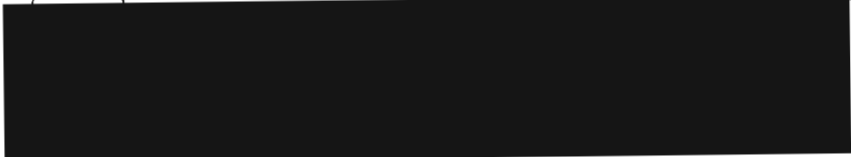
The notes on pages 13 to 22 form part of these financial statements.

PLAID CYMRU

Central Party Balance Sheet as at 31 December 2015

	Note	2015 £	2014 £
FIXED ASSETS	16		
Tangible assets		355,770	343,746
CURRENT ASSETS			
Debtors	17	66,815	86,246
Cash at bank and in hand		152,249	166,859
		<u>219,064</u>	<u>253,105</u>
CREDITORS			
Amounts falling due within one year	18	(70,852)	(66,959)
		<u></u>	<u></u>
NET CURRENT ASSETS		<u>148,212</u>	<u>186,146</u>
TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET ASSETS		<u>503,982</u>	<u>529,892</u>
RESERVES			
General reserve	20	500,750	526,660
Policy development unit reserve	20	3,232	3,232
		<u></u>	<u></u>
RESERVES	20	<u>503,982</u>	<u>529,892</u>

The financial statements were approved by the Party Officers on 21/7/16 and signed on their behalf by:


Dafydd Idris Davies
Treasurer

The notes on pages 13 to 22 form part of these financial statements.

PLAID CYMRU**Consolidated Cash Flow Statement
31 December 2015**

	Note	2015 £	2014 £
Net cash inflow from Party Activities	21	32,804	76,135
Returns on Investments and Servicing of Finance			
Interest paid	14	(18,427)	(9,038)
Taxation			
Tax paid		-	(882)
Capital Expenditure and Financial Investment			
Purchase of tangible fixed assets		(19,137)	-
(Decrease)/Increase in cash in the year	23	<u>(4,760)</u>	<u>66,215</u>

The notes on pages 13 to 22 form part of these financial statements.

I. ACCOUNTING POLICIES

Basis of preparation

Plaid Cymru is not incorporated in law and thus not bound by the Companies Act 2006. The party is required to prepare financial statements in accordance with the Political Parties, Elections and Referendum Act 2000 ("PPERA").

The financial statements have been prepared under the historical cost convention modified by the revaluation of certain assets. The financial statements reflect the Statement of Accounts Guidance Notes issued by The Electoral Commission and are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective December 2015).

In common with other political parties, Plaid Cymru relies on membership and fundraising income to meet a large proportion of its expenditure, including most of its non recurring expenditure. The Party also receives donations from supporters of the Party. The nature of such income is that there is some unpredictability associated with it.

The Treasurer has reviewed the expenditure budgets and cashflow projections for the Party for the period to August 2017 and is satisfied that sufficient membership, fundraising income and funds from other sources will be available for the Party to meet its financial obligations and to achieve its organisational and political objectives. On this basis the Treasurer considers that it is appropriate to prepare the accounts on a going concern basis.

Basis of consolidation

In February 2010, Plaid Cymru reduced the number of accounting units in Wales through a process of merger and consolidation. Most of the units merged together with the local accounting units, and are still accountable to the Electoral Commission on an individual basis. These accounting units are not consolidated into these accounts. The merger process left 5 regional committees and 4 sections of the Party to be taken under the control of Plaid Cymru, the Central Political Party. The regions and sections included in these consolidated accounts are:

- Councillors Association
- Plaid Cymru Youth (formerly Cymru X)
- Womens Section
- Undeb Section
- South Wales Central Committee
- Mid and West Wales Committee
- South Wales East Committee
- South Wales West Committee
- North Wales Committee

The Central Party holds no investment in these committees and sections.

The accounts for the regions and sections consolidated are produced mainly on a cash accounting basis rather than an accruals basis. It is not considered that a restatement of these results to an accruals basis would have a material impact on the results for the year.

1. ACCOUNTING POLICIES (continued)

Income

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

- The Party is entitled to the asset;
- There is reasonable certainty that the asset will be received; and
- The value of the asset can be measured with reasonable certainty.

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

- Donations of monetary assets, and liquid investments, and fundraising income are recognised at market value in the income and expenditure account on receipt. Donations of notional income are recognised on receipt at the relevant market value of the item or service received with an expense of the same amount being recognised contemporaneously;
- When donations are received that have conditions in respect of the nature of expenditure to be applied, income is recognised when the conditions attached to that donation are fully met;
- Grants are recognised in the income and expenditure account when the conditions for receipt have been met;
- Membership and subscription fees that are not in arrears are recognised in the income and expenditure account in the period to which they relate;
- Legacies are recognised when the personal representatives of the deceased have notified the Party of the legacy, they have obtained grant of representation and there are no significant matters outstanding concerning the precise division of the estate; and
- Interest receivable and rental income are recognised in the income and expenditure account on an accruals basis.
- Conference and commercial income is recognised in the income and expenditure account on an accruals basis.

Investment Properties

The investment properties comprise both land and buildings held as long term investments by the Party. They are carried at professional valuations or, if recently acquired, at cost.

No depreciation or amortisation is provided in respect of investment properties. The properties are subject to an annual impairment review carried out by the officers of the Party.

Every fifth year, a full professional valuation is completed. In addition, if the annual impairment reviews identify material difference then a full valuation will be conducted. The Party considers that this accounting policy results in the financial statements giving a true and fair view.

Tangible Fixed Assets

Tangible fixed assets are included in the accounts at historic cost or valuation. Depreciation is provided on all tangible fixed assets other than freehold land and investment properties at the following annual rates in order to write off each asset over its estimated useful life:

Long leasehold property	- 2% straight line per annum
Fixtures and equipment	- 25% straight line per annum
Improvements to property	- 10% straight line per annum

The need for any fixed asset impairment write down is assessed by comparison of the carrying value of the asset against the higher of its realisable value or value in use.

1. ACCOUNTING POLICIES (continued)

Basis of Taxation

The Party is treated as an unincorporated association for tax purposes and is therefore liable to corporation tax on its investment income. It also bears tax on any investment transactions that give rise to capital gains. No deferred tax is recognised as any investment income is taxed on the same basis as it is recognised in the income and expenditure account.

Value Added Tax

The party is registered for Value Added Tax (VAT) purposes but it is only liable on chargeable transactions. A partial exemption formula has been agreed with HM Revenue & Customs and VAT has been recovered. The value of VAT that is unrecoverable is included within the relevant expenditure categories in the Income and Expenditure account.

Operating Leases

Rentals payable and receivable under operating leases are charged or credited to the Income and Expenditure account on a straight line basis over the terms of the leases.

Defined Contribution Pension Scheme

Contributions to the party's defined contribution pension scheme are charged to the income and expenditure account in the year in which they become payable.

Liquid Resources

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and long term deposits.

2. DONATION INCOME

Consolidated & Central

During the year, the party accepted donations greater than £550 (2014: greater than £550) from permissible donors (as defined by section 54 of the Act) totalling £22,200 (2014: £71,000).

Under the Political Parties, Elections and Referendums Act 2000, single or aggregated donations for an individual greater than £7,500 in any calendar year are reportable to the Electoral Commission. No such value of donations has been received by the party from an individual in the current or prior year.

3. INCOME FROM FUNDRAISING ACTIVITIES

	Consolidated		Central	
	2015	2014	2015	2014
	£	£	£	£
Local elections and campaigns	32,244	-	32,244	-
500 club	12,703	12,095	12,703	12,095
Presidents club	674	652	674	652
Other fundraising activities	14,490	10,062	9,764	10,062
	<u>60,111</u>	<u>22,809</u>	<u>55,385</u>	<u>22,809</u>

**Notes to the Financial Statements
for the year ended 31 December 2015**

4. INCOME FROM COMMERCIAL ACTIVITIES

	Consolidated & Central	
	2015	2014
	£	£
Merchandise and events	14,444	26,601
Summer school income	6,885	2,484
	<u>21,329</u>	<u>29,085</u>

5. INVESTMENT INCOME

	Consolidated & Central	
	2015	2014
	£	£
Rental income (external tenants)	<u>14,700</u>	<u>13,567</u>

6. GRANT INCOME

	Consolidated & Central	
	2015	2014
	£	£
Policy development unit grants	<u>137,285</u>	<u>151,478</u>

7. NOTIONAL INCOME

	Consolidated & Central	
	2015	2014
	£	£
Interest received	<u>-</u>	<u>10</u>

8. (DEFICIT)/SURPLUS BEFORE TAX

The (deficit)/Surplus before tax is stated after charging:

	Consolidated & Central	
	2015	2014
	£	£
Auditors' remuneration - audit services	5,000	5,000
Auditors' remuneration - non-audit services	1,200	1,449
Operating lease - equipment	5,570	3,321
Depreciation	<u>7,113</u>	<u>11,952</u>

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Notes to the Financial Statements for the year ended 31 December 2015

9. OTHER INCOME

	Consolidated		Central	
	2015	2014	2015	2014
	£	£	£	£
Commissions	1,029	2,151	1,029	2,151
External staff salary contributions	21,379	22,398	21,379	22,398
Sundry income	10,342	5,643	10,342	5,125
Constituency, branch and section registrations	67,855	66,103	67,855	66,103
	<u>100,605</u>	<u>96,295</u>	<u>100,605</u>	<u>95,777</u>

10. COSTS OF FUNDRAISING ACTIVITIES

	Consolidated & Central	
	2015	2014
	£	£
Appeals and donations	20,415	4,130
500 club prizes	5,000	4,950
	<u>25,415</u>	<u>9,080</u>

11. STAFF COSTS AND STAFF REMUNERATION

The average number of staff employed by the central party during the year was 15 (2014: 12)

The average number of staff employed by the regions and committees during the year was nil (2014: 1)

Staff costs for the above persons comprise:

	Consolidated & Central	
	2015	2014
	£	£
Wages and salaries	250,781	235,382
Social security costs	21,781	20,815
Other pension costs	21,835	31,904
	<u>294,397</u>	<u>288,101</u>

12. CAMPAIGN EXPENDITURE

	Consolidated		Central	
	2015	2014	2015	2014
	£	£	£	£
European and Westminster elections	69,088	77,968	69,088	76,868
Assembly elections	111,203	-	103,787	-
Research expenditure	6,000	8,040	6,000	8,040
	<u>186,291</u>	<u>86,008</u>	<u>178,875</u>	<u>84,908</u>

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Notes to the Financial Statements for the year ended 31 December 2015

13. OTHER EXPENDITURE

	Consolidated		Central	
	2015	2014	2015	2014
	£	£	£	£
Travelling expenses	12,336	16,504	12,336	10,154
Rent, rates and utilities	21,606	16,970	21,174	16,970
Insurances	1,932	2,425	1,932	2,425
Postage, printing and stationery	15,087	13,536	14,461	13,536
Telephone, fax and e-mail	8,092	7,121	8,092	7,121
Training	3,457	3,145	3,457	3,145
Equipment leasing and repair charges	36,092	29,269	36,092	29,269
Office cleaning	3,555	3,098	3,555	3,098
Policy development research and direct costs	24,139	25,432	24,139	25,432
Licences and subscriptions	2,635	3,039	2,635	3,039
Press expenditure	4,383	3,946	4,383	3,946
Sundries	8,440	24,165	8,440	23,965
Accountancy	1,200	1,449	1,200	1,449
Audit	5,000	5,000	5,000	5,000
Professional fees	1,024	2,380	633	1,660
Provision against doubtful debts	6,929	12,124	6,929	12,124
	<u>155,907</u>	<u>169,603</u>	<u>154,458</u>	<u>162,333</u>

14. INTEREST AND CHARGES PAYABLE

	Consolidated		Central	
	2015	2014	2015	2014
	£	£	£	£
Bank charges	18,427	9,031	18,292	8,853
Bank interest	-	7	-	7
	<u>18,427</u>	<u>9,038</u>	<u>18,292</u>	<u>8,860</u>

**Notes to the Financial Statements
for the year ended 31 December 2015**

15. TAXATION

	Consolidated & Central	
	2015	2014
	£	£
Corporation tax	<u>1,589</u>	<u>-</u>

The provision is made in respect of corporate tax arising in the period on Party activities which are subject to such tax.

Factors that may affect future tax charges

The value of the investment properties is not materially different to historical cost. Consequently, a significant tax liability is not expected to crystallise should the properties be sold. However, a sale of property that may give rise to a significant liability is not envisaged in the foreseeable future.

16. TANGIBLE FIXED ASSETS – CONSOLIDATED AND CENTRAL PARTY

	Long leasehold property £	Investment property £	Fixtures and equipment £	Total £
COST OR VALUATION				
At 1 January 2015	234,335	122,997	142,944	500,276
Additions	-	-	19,137	19,137
At 31 December 2015	<u>234,335</u>	<u>122,997</u>	<u>162,081</u>	<u>519,413</u>
DEPRECIATION				
At 1 January 2015	21,811	-	134,719	156,530
Charge for year	4,687	-	2,426	7,113
At 31 December 2015	<u>26,498</u>	<u>-</u>	<u>137,145</u>	<u>163,643</u>
NET BOOK VALUE				
At 31 December 2015	<u>207,837</u>	<u>122,997</u>	<u>24,936</u>	<u>355,770</u>
At 31 December 2014	<u>212,524</u>	<u>122,997</u>	<u>8,225</u>	<u>343,746</u>

The long Leasehold Property known as Units 13 & 14, Admirals Landing, Atlantic Wharf, Cardiff was re-valued on 12 July 2010 by independent valuer Hiron Morgan & Yapp.

Cost or valuation at 31 December 2015 is represented by:

	Long leasehold property £
Valuation in 2015	<u>234,335</u>

**Notes to the Financial Statements
for the year ended 31 December 2015**

**16. TANGIBLE FIXED ASSETS – CONSOLIDATED AND CENTRAL PARTY:
CONTINUED**

If the long Leasehold Property had not been re-valued, it would have been included at a historical cost of £321,304. An impairment of £86,969 was recognised in the financial statements for the year ended 31 December 2010.

The investment property at 75 Britton Ferry Road, Neath was re-valued on 11 April 2011 by John Francis, an independent valuer, resulting in an increase in the valuation of £5,260. The increase was recognised in the financial statements for the year ended 31 December 2011. This property was valued by officers of the Party on 31 December 2015 and market value at that date is not considered to be materially different to that shown in these financial statements.

The investment property at 1 Griffiths Buildings, Newbridge was re-valued on 22 November 2013 by Hirons Morgan & Yapp, an independent valuer, resulting in a reduction in the valuation of £8,386. This decrease was charged to the Consolidated Central Party Income and Expenditure accounting the year ended 31 December 2013 as the reduction in the valuation was considered to be permanent. This property was valued by officers of the Party on 31 December 2015 and the market value at that date is not considered to be materially different to that shown in these financial statements.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated & Central	
	2015	2014
	£	£
Trade debtors	36,084	1,563
Amounts owed by accounting units	14,938	8,669
Legacies	6,458	62,000
Prepayments and VAT recoverable	9,335	14,014
	<u>66,815</u>	<u>86,246</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Central	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	18,844	14,615	17,644	14,615
Other creditors	468	7,298	468	4,798
Taxation and social security	8,739	6,269	8,739	6,269
Accruals and deferred income	44,001	41,277	44,001	41,277
	<u>72,052</u>	<u>69,459</u>	<u>70,852</u>	<u>66,959</u>

19. LOANS: CONSOLIDATED AND CENTRAL

During the year, the Party reported no loans to The Electoral Commission under PPERA. The Party has not been required to report any other loans received in this financial year nor in the previous financial year. The threshold for the Party to report such loans is £7,500.

Notes to the Financial Statements
for the year ended 31 December 2015

20. RECONCILIATION OF RESERVES – CONSOLIDATED

	General reserve	Policy development unit reserve	Total
	£	£	£
At 1 January 2014	404,770	3,232	408,002
Surplus for the year	131,828	-	131,828
At 1 January 2015	536,598	3,232	539,830
Deficit for the year	(14,760)	-	(14,760)
At 31 December 2015	521,838	3,232	525,070

RECONCILIATION OF RESERVES - CENTRAL PARTY

At 1 January 2014	389,264	3,232	392,496
Surplus for the year	137,396	-	137,396
At 1 January 2015	526,660	3,232	529,892
Deficit for the year	(25,910)	-	(25,910)
At 31 December 2015	500,750	3,232	503,982

21. NET CASH INFLOW FROM PARTY ACTIVITIES

	Consolidated & Central	
	2015	2014
	£	£
(Deficit)/Surplus before taxation	(13,171)	131,828
Decrease/(Increase) in debtors	19,431	(59,837)
Increase/(Decrease) in creditors	1,004	(16,846)
Depreciation	7,113	11,952
Interest and charges	18,427	9,038
Net cash inflow from party activities	32,804	76,135

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Notes to the Financial Statements for the year ended 31 December 2015

22. RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET DEBT

	Consolidated & Central	
	2015	2014
	£	£
(Decrease)/Increase in cash in the year	(4,760)	66,215
Net cash inflow/(outflow) from movement in net debt	-	-
Change in net debt arising from cash flows	(4,760)	66,215
Opening net debt	179,297	113,082
Closing net debt	174,537	179,297

23. ANALYSIS OF NET DEBT

	1 January	Cash flow	31 December
Consolidated	2015	2014	2015
	£	£	£
Cash at bank and in hand	179,297	(4,760)	174,537
Total	179,297	(4,760)	174,537

24. OPERATING LEASE COMMITMENTS

The following annual operating lease payments are committed to be paid:

	Other operating leases	
	2015	2014
	£	£
Expiring		
In over 5 years	4,288	4,288
	4,288	4,288

The maximum exposure of the Party under operating lease commitments is £17,152 over the remaining term of the lease.

25. RELATED PARTY TRANSACTIONS

During the year, the Party received short term loans from fellow constituencies and Party members of £nil (2014: £nil). At the balance sheet date, £nil (2014: £2,000) remained outstanding and is disclosed within other creditors (note 18).

During the year the Party sold conference event tables to Deryn Consulting Limited, a company of which a Plaid member is a director and shareholder. Sales of £4,038 (2014: £nil) were made and at the balance sheet date, £1,060 (2014: £160) was due to the Party.

26. POST BALANCE SHEET EVENTS

Since the year end the Party has been notified that it is eligible to receive a legacy relating to a death in 2015. The legacy has not been recognised in the financial statements as the criteria for recognition has not been met and the amount that the Party is entitled to cannot be reliably measured.