



UK Independence Party

United Kingdom Independence Party Limited
(A company limited by guarantee)

Report and Accounts
Year ended
31 December 2016

United Kingdom Independence Party Limited
(A company limited by guarantee)


Report and accounts

Year ended

31 December 2016

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Company Number 

United Kingdom Independence Party Limited
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Party Information

Party officers registered at 31 December 2016 under Political Parties, Elections and Referendums Act 2000 ('PPERA') were:

Central Party

Party Leader:
Paul Nuttall MEP

Nominating Officer:
Christopher Adams

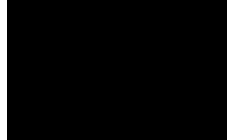
Party Chairman:
Paul Oakden

Company Secretary:
John Bickley

Registered Treasurer:
John Bickley

Registered Office / Party Headquarters:
Lexdrum House Unit 1
King Charles Business Park
Old Newton Road, Heathfield
Newton Abbot, Devon
TQ12 6UT

Auditors:
CK Partnership Limited



United Kingdom Independence Party Limited
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Report and Accounts

For the year ended 31 December 2016

Introduction – Foreword by the Party Chairman

2016 really was a year of two halves for our party. It saw the culmination of UKIP's 23 year campaign to leave the European Union. Spearheaded by our party membership, a referendum on Britain's membership of the EU took place on June 23rd, leading to an historic vote to leave. The year ended with the party electing its third Leader in five months and outlining a mission to restructure, reorganise and refocus the party for the future.

Campaigning in the early part of the year saw UKIP shed her traditional colours to support one of the two groups who were vying for the official designation to lead the Leave Campaign, GO and Vote Leave. January and February particularly saw both groups actively trying to recruit UKIP members, including MEP's and senior members of the Leadership/Management teams.

Despite this, UKIP was able to maintain its presence in the election, primarily by focusing on its core messages around immigration and border control. Led by Nigel Farage, who had been principally responsible for Britain having her referendum, UKIP engaged in a high profile advertising campaign and referendum tour, taking our party and its Leader into the heart of the campaign and engaging more directly with the electorate than any other group on either side of the campaign.

This strategy led to an increase in both membership and donations. Whilst this income did not match what had been donated a year earlier in the 2015 General Election, it did provide UKIP with sufficient funds to both campaign and build-up a small reserve.

Under the direction of my predecessor, Steve Crowther, the Management Team recognised the need to learn from past experience and so worked to ensure that the party campaigned within its means and kept a mindful eye on the future.

Shortly after the referendum result it was announced that both the Leader, Nigel Farage and the Chairman Steve Crowther were to stand down from their respective positions.

A Leadership election was called at the beginning of August, culminating at the end of September with the result announced at the annual conference in Bournemouth. At a cost of approximately £30,000, the party had sufficient reserve to shoulder some of the cost, with the excess coming directly from candidates.

The period that followed saw UKIP face and successfully navigate its way through expected, and unexpected challenges both organisationally and financially.

Having been elected as Leader in Bournemouth, Diane James chose to resign from the post after just eighteen days, without having confirmed her Leadership officially. As such, Nigel Farage continued as Interim Leader as the party prepared to spend further monies to support a second Leadership contest.

Such a tumultuous period led to an understandable but concerning drop off in the amount being donated to the party. This led to UKIP finding itself in an unenviable position of needing to fund a second Leadership Election, whilst managing the reality of less money coming into the party; neither

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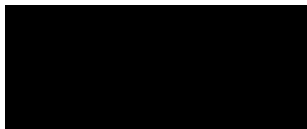
of those things had been predicted or in our forecast. Added to this was the departure of a number of Members who had joined solely to help get Britain out of the EU and had incorrectly believed that it was "job done".

Solid and responsible fiscal management ensured that despite this, the party maintained a stable cash position and was able to plan effectively for a future under a third 2016 Leader. This was helped by Alan Bown funding an in-house call centre at the end of the year which had a significant impact on party renewal figures.

It also included good judgement on the investment made by the central party in by-elections which took place throughout the year. Money was allocated based on realistic expectations rather than a spending allowance.

Our successful traversing of several potential pitfalls throughout 2016 is down in large part to the Party Treasurer, John Bickley, whose professionalism and fiscal probity have significantly aided the party in remaining financially prudent throughout the year.

We have been extremely fortunate to have those few donors who have stuck with UKIP through its more troubled times. The combination of their generosity, sound fiscal management and the boundless loyalty of a huge swathe of our membership has ensured that we can present these accounts, reflecting a party which has been capable of navigating through the unexpected and successful in protecting the long term viability of our organisation.



Paul Oakden, Party Chairman
26 June 2017

United Kingdom Independence Party Limited
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Company Number [REDACTED]

Directors' Report

For the year ended 31 December 2016

The directors present their report and accounts for the year ended 31 December 2016.

Principal activities and business review

The company is limited by guarantee without share capital. The guarantee of the members is limited to a contribution of £1 each in the event of the company being wound up. The Company's principal activity during the year continued to be that of The Party.

Directors and their interests

All elected members of the National Executive Committee of United Kingdom Independence Party, as well as the Party Chairman and Party Leader, are appointed as directors of the company and each director is a guarantor of the company. The directors serving during the year, and at the time this report was approved, were as follows:

V Ayling (resigned 04/08/2016)
J Bickley
A Bown
R Chandran (appointed 16/05/2016, resigned 17/09/2016)
R T Coke (resigned 31/03/2017)
S J Crowther (resigned 31/07/2016 re-appointed 16/12/2016)
N Farage (resigned 28/11/2016)
K Fanning (appointed 16/12/2016)
M Hamilton (resigned 16/05/2016)
E Jones
C Jones (resigned 16/05/2016)
M Mason
M McGough (appointed 16/03/2016, resigned 04/08/2016 re-appointed 16/12/2016)
F Mills (appointed 16/12/2016)
R McWhirter (resigned 16/12/2016)
P Nuttall (appointed 28/11/2016)
P Oakden (appointed 01/08/2016)
P Oakley (appointed 16/12/2016)
A Patel (appointed 16/12/2016)
T Slivnik (resigned 09/09/2016)
A Smyth (resigned 08/09/2016)
P Wauchope

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Accounting Units

The number of Accounting Units registered with the Electoral Commission at 31 December 2016 was 408 (2015: 401).

Membership

Party membership as at 31 December 2016 was 34,293 (2015: 40,276).

Directors' Report

For the year ended 31 December 2016 (Continued)

Corporate governance

The National Executive Committee is the governing body of the UK Independence Party Ltd and is responsible for all operational matters including fund-raising, membership, and rules for candidate selection and compliance with the legislative requirements of the party. It is made up of representatives from members of the party, who are elected to serve terms of up to three years. There is no restriction on re-election to the National Executive Committee.

The National Executive Committee meets approximately once a month as needs demand and works closely with the senior management of the party, elected representatives and the voluntary membership.

The following is a complete list of the party's committees during 2016.

Committee Name	Chairman
National Executive Committee	Paul Oakden
The following are sub-committees of the Party's National Executive Committee:	
Finance and Remuneration Committee	Party Treasurer
Policy Committee	Mark Reckless
Technology Committee	Rob McWhirter

Sovereign Draw Ltd

During the year under review, Sovereign Draw Ltd, of which United Kingdom Independence Party Ltd owns 80%, donated £16,000 (2015 £17,007) to the central party. This has been included in donations income.

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Company Number [REDACTED]

Directors' Report (continued)
For the year ended 31 December 2016

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- So far as he/she is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware; and
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions in part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

This report [REDACTED] 6.17 and signed on its behalf:

J J Bickley
Company Secretary

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Report of the Party Officers
For the year ended 31 December 2016

Treasurer's Financial Review

The accounts show only funds of the company, which is registered as the central party of United Kingdom Independence Party with the Electoral Commission. Other Accounting Units (branches and regions) are registered as separate Accounting Units with the Electoral Commission and have separate financial identities and produce their own financial statements. Their accounts are reported separately to the Electoral Commission if their turnover is sufficiently large to make this necessary. Although this report only refers to the company, it is appropriate to thank the officers in all Accounting Units for their diligence.

The company ended the year 2016 with an annual surplus of £365,429 (2015 deficit £851,276) and had a negative balance of £174,681 in the General Fund (2015 £540,110).

In accordance with the party's policy of transparency, accountability and rigorous compliance with Political Parties, Elections and Referendums Act 2000 (PPERA) and other relevant legislation, ongoing development of controls and procedures is continuing.

Special thanks are due as ever to all those who have contributed to the financing of the party in such

[REDACTED]

1

Registered Treasurer

26 June 2017

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1

United Kingdom Independence Party Limited
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Company Number [REDACTED]

Statement of Treasurer's Responsibilities
For the year ended 31 December 2016

The company is the Central Party of a political party, so the Treasurer of the company is required by Political Parties, Elections and Referendums Act 2000 (PPERA) to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the company 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 accounts on a going concern basis unless it is inappropriate to presume that the party will continue in business

Section 41 PERA requires the Treasurer to keep proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with PERA. The Treasurer is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

United Kingdom Independence Party Limited
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Company Number [REDACTED]

Report of the Independent auditors to the Treasurer of the United Kingdom Independence Party Limited

For the year ended 31 December 2016

Sir,

We have audited the financial statements of the United Kingdom Independence Party Limited for the year that ended 31 December 2016, which comprise the Income Statement, the Statement of Financial Position, the statement of Cash Flows, the statement of total recognised gains and losses and the related notes. The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard) and the accounting policies set out in Note 1.

This report is made solely to the registered treasurer of the United Kingdom Independence Party Limited in accordance with the Party's rules and section 43 Political Parties, Elections and Referendums Act 2000 (PPERA). Our audit work has been undertaken so that we might state to the Treasurer those matters we are required to state 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 auditors

The responsibilities of the registered treasurer for preparing the annual report and the financial statements in accordance with applicable law and UK accounting standards are set out in the Statement of Treasurer's Responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with PERA and the Statement of Accounts guidance and other directions issued by The Electoral Commission there under. We also report to you if in our opinion the Overview is not consistent with the financial statements, if the party has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the report of the Party Officers. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

United Kingdom Independence Party Limited
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Company Number [REDACTED]

Report of the Independent auditors to the Treasurer of the United Kingdom Independence Party Ltd (continued)

For the year ended 31 December 2016

Basis of audit opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the Party's affairs as at 31 December 2016 and of its surplus for the year then ended and have been properly prepared in accordance with the accounting policies set out in Note 1 and the requirements of Political Parties, Elections and Referendums Act 2000 (PPERA).

[REDACTED]
Ravi Koppa (Senior Statutory Auditor)
CK Partnership Limited
Registered Auditors
[REDACTED]

26 June 2017

United Kingdom Independence Party Limited
(A company limited by guarantee)

Company Number [REDACTED]

Independent auditors report to the Members of United Kingdom Independence Party Limited

Members,

We have audited the accounts of United Kingdom Independence Party Limited for the year ended 31 December 2016 which comprise the Income statement, the Statement of Financial Position, the Statement of Total Recognised Gains and Losses, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of Directors Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit opinion

A description of the scope of an audit of financial statements is provided on the APB's website at [REDACTED]

Opinion on the accounts

In our opinion the accounts:

- Give a true and fair view of the state of the companies affairs as at 31 December 2016 and of its surplus for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

United Kingdom Independence Party Limited
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Company Number [REDACTED]

Independent auditors report to the Members of United Kingdom Independence Party Limited
(continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the accounts and the director's report in accordance with the small companies' regime.

[REDACTED]
Ravi Koppa
(Senior Statutory Auditor)
For and on behalf of
CK Partnership Limited
Accountants and Statutory Auditors



26 June 2017

United Kingdom Independence Party Limited
(A Company Limited by Guarantee)

Company Number [REDACTED]

Income Statement
For the year ended 31 December 2016

Income	Note	2016 £	2015 £
Donation Income	2	1,872,776	3,913,702
Membership and Subscription Income		912,804	1,017,868
Income from Fundraising Activities	3	64,817	75,959
Income from Commercial Activities	4	-	-
Income from Legacies (not reportable)		-	6,290
Investment Income	5	-	-
Income from Conferences		-	-
Notional Income	2,6	435,815	482,935
Transfers in from branches		1,311	24,000
Grants Received		-	269,609
Other Income	19	70,203	25,803
Total Income		3,357,726	5,816,166
Less Expenditure			
Cost of Fundraising Activities	3	116,813	119,574
Cost of Commercial Activities	4	-	-
Notional Expenditure	6	435,815	482,935
Staff Costs	7	558,973	1,227,250
Management and Administration Costs	18	743,371	1,326,566
Depreciation and Amortisation	8	10,386	18,420
Profit/Loss on Sale of Fixed Assets		5,723	-
Campaign Expenditure	9	936,518	3,296,878
Conference Expenditure		-	-
Transfers out to Accounting Units		33,500	108,259
Other Expenditure	10	151,198	87,560
Total Expenditure		2,992,297	6,667,442
(Deficit) / Surplus before taxation	11	£365,429	(£851,276)

Statement of Total recognised Gains and Losses
For the year ended 31 December 2016

	2016 £	2015 £
(Deficit) Surplus for the year	365,429	(851,276)
Total recognised (Deficit) Surplus related to the year	<u>£365,429</u>	<u>(£851,276)</u>
Balance on general fund brought forward	(540,110)	284,916
Notional donation of fixed asset	-	26,250
Less / Add (Deficit) Surplus for year	365,429	(851,276)
Balance on general fund carried to Balance Sheet	<u>(174,681)</u>	<u>(540,110)</u>

United Kingdom Independence Party Limited
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Company Number [REDACTED]

Statement of Financial Position
As at 31 December 2016

	Note	£	2016 £	£	2015 £
Fixed Assets					
Tangible Assets	12		31,160		55,258
Investments	13		108		108
Current Assets					
Stocks			-		-
Debtors	14	59,895		72,110	
Cash at bank and in hand		132,188		154,049	
		<u>192,083</u>		<u>226,159</u>	
Creditors falling due within one year	15	(398,032)		(821,635)	
Creditors falling due after one year			(205,949)		(595,476)
			<u>(£174,681)</u>		<u>(£540,110)</u>
Total assets less current liabilities					
Reserves					
General Fund	16		(174,681)		(540,110)
			<u>(£174,681)</u>		<u>(£540,110)</u>

The accounts were approved by the Finance and Remuneration Sub-Committee of the Party's National Executive Committee, and also by the Party's National Executive Committee on 26 June 2017

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

[REDACTED]

Signed
John Bickley Director
26 June 2017

Cash Flow Statement
For the year ended 31 December 2016

		2016 £	2015 £
Surplus / (Deficit)	Note		
Surplus / (Deficit) before and after taxation		365,429	(851,276)
Depreciation charge and loss on disposal	8	16,109	18,420
Decrease/(Increase) in stocks		-	23,441
Decrease/(Increase) in debtors	14	12,215	241,347
(Decrease)/Increase in creditors	15	(423,603)	499,508
Net cash flow from operating activities		<u>(£29,850)</u>	<u>(£68,560)</u>
Capital Expenditure	12	(11,811)	(25,863)
Proceeds from Sale of Assets		19,800	
Purchase of shares in subsidiary company	13	-	(100)
(Decrease) Increase in cash in the year		<u><u>(£21,861)</u></u>	<u><u>(£94,523)</u></u>
Cash at bank and in hand			
Balance at 1 January 2016		154,049	248,572
(Decrease) Increase in cash in the year		(21,861)	(94,523)
Balances at 31 December 2016		<u><u>£132,188</u></u>	<u><u>£154,049</u></u>

United Kingdom Independence Party Limited
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Company Number [REDACTED]

Notes to the Financial Statements
For the year ended 31 December 2016

1. Accounting policies

Accounting convention

United Kingdom Independence Party Limited is incorporated by law and thus bound by Companies Act 2006. The party is also required to prepare financial statements in accordance with the Political Parties, Elections and Referendums Act 2000 ("PPERA"), accordingly the statements follow the format recommended by the Electoral Commission.

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

Depreciation

Depreciation is provided on all tangible fixed asset bought and costing over £500 at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its useful expected life as follows:

Computer, office equipment and vehicles – 25% on reducing balance.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Financial accounting

The company's accounts do not include the income and expenditure of regional, branch or constituency associations. Financial administration of the substantial activities at by-elections and constituency campaigns are dealt with at the appropriate level.

Income

Subscriptions are included in the accounts as and when received. An insignificant number of long-term memberships have been received and these are not refundable in any circumstances.

Expenditure

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

Notional Income and Expenditure

Notional income and expenditure is defined in PERA. Where an organisation or individual bears the cost of goods or services for which the party otherwise would have been liable, that cost is referred to as notional expenditure and the party is deemed to have received notional income of an equal amount.

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Company Number [REDACTED]

Notes to the Financial Statements (Continued)
For the year ended 31 December 2016

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the company can meet its financial obligations as and when they fall due. The directors and the National Executive Committee are confident that funds will be available to meet the company's liabilities as they fall due.

2. Donation income

Under section 62 PPERA single or aggregated donations from an individual greater than £7,500 in any calendar year are reportable to The Electoral Commission. During the year the company received cash donations of £1,872,776 (2015 - £3,913,702), of which £796,251 (2015 - £2,463,267) was reportable to The Electoral Commission. In addition the party received donations in kind of £435,815 (2015 - £482,935), of which £435,815 (2015 - £481,561) was reportable. The party's administrative staff checks the permissibility of all donors (as defined by section 54 PPERA) who make individual donations of more than £500.

3. Fundraising income and expenditure

Fundraising income and costs of fund raising activities related to raffles, tickets and prizes. All of these took place at United Kingdom Independence Party Conferences and other meetings. There were no specific fund raising events that are held separately. It should be noted that, while income from fundraising activities seems low when compared to the cost of such activities, most of the commercial benefit from fundraising activities results in higher membership and donation income.

4. Income from and Costs of commercial activities

Income from commercial activities, when it arises, relates to sales of merchandise. The costs of commercial activities relate to the cost of goods purchased. These costs do not include related costs of storage and postage, or any allocation of staff or other administrative costs.

5. Investment income

Investment income, when it arises, consists of bank interest income.

6. Notional income and expenditure

	2016	2015
	£	£
Goods received	23,475	184,768
Services received	412,340	298,167
Total notional income received during the year	<u>435,815</u>	<u>482,935</u>

United Kingdom Independence Party Limited
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Notes to the Financial Statements (Continued)
For the year ended 31 December 2016

7. Staff costs and remuneration

Staff Numbers			2016	2015
	Full Time	Part Time	Total	Total
Party Officers	2	0	2	3
Administrative Staff	19	10	29	80
	<u>21</u>	<u>10</u>	<u>31</u>	<u>83</u>

Staff Costs	2016	2015
Salaries	507,489	1,122,095
Social Security	44,414	100,548
Pension	600	4,607
Penalties & Interest Charges	1,072	-
Agency staff	5,398	-
	<u>558,973</u>	<u>1,227,250</u>

No staff member's emoluments exceeded £50,000. The positions of Leader and Nominating Officer are not currently salaried. The Party Chairman received a salary of £20,000 in his role as the Party Chairman and £30,000 as Party Director.

8. Depreciation of fixed assets

The depreciation charge relates to depreciation of tangible fixed assets (Note 12).

9. Campaign expenditure

	2016	2015
	£	£
By election expenses	52,213	79,760
Other election expenses	30,251	4,253
European election costs	-	-
Parliamentary election costs - Scotland	53,245	1,927,221
Candidate expenses	-	1,183,340
Referendum related expenses	790,809	55,751
Policy Development Grant direct expenses	-	-
Leaflets and information booklets	10,000	46,553
	<u>£936,518</u>	<u>£3,296,878</u>

Notes to the Financial Statements (Continued)

For the year ended 31 December 2016

10	Other Expenditure	2016	2015
		£	£
	Membership fees (EU Group)	35,205	67,594
	EU Group Contributions	1,510	-
	Policy Development (direct costs)	14,519	19,966
	Leaflets	32,793	-
	Miscellaneous purchases	1,191	-
	Leadership Election costs	48,324	-
	Chairmans' Conference expenses	17,656	-
		<u>£151,198</u>	<u>£87,560</u>

11	Surplus / (Deficit) before and after taxation	£	£
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The Deficit before and after taxation is stated after charging:

Auditors' remuneration

Audit services	19,208	23,100
Non audit services	-	-

Operating lease charges

Property	51,048	25,885
Equipment	22,948	14,583

<u>Depreciation</u>	10,386	18,420
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12 Tangible Fixed Assets

	Computers and Office Equipment	Motor Vehicles	Totals
Cost	£	£	
At 1 January 2016	78,348	47,625	125,973
Additions	2,213	9,598	11,811
Disposals	-	(36,625)	(36,625)
At 31 December 2016	<u>80,561</u>	<u>20,598</u>	<u>101,159</u>
Depreciation			
At 1 January 2016	52,951	17,764	70,715
Charge for year	6,902	3,484	10,386
Disposals	-	(11,102)	(11,102)
At 31 December 2016	<u>59,853</u>	<u>10,146</u>	<u>69,999</u>
Net book value			
At 31 December 2015	<u>£25,397</u>	<u>£29,861</u>	<u>55,258</u>
At 31 December 2016	<u>£20,708</u>	<u>£10,452</u>	<u>31,160</u>

Notes to the Financial Statements (Continued)
For the year ended 31 December 2016

	2016	2015
	£	£
13 Investment in Subsidiary Company		
8 £1 shares in Sovereign Draw Ltd	8	8
100 £1 shares in UKIP Trading Ltd	100	100
	<u>108</u>	<u>108</u>
14 Debtors		
Debtors	8,500	7,965
UKIP Trading Ltd	32,101	37,252
Sovereign Draw Ltd	3,547	
Prepayments	15,747	26,893
	<u>£59,895</u>	<u>£72,110</u>
15 Creditors falling due within one year		
Trade creditors	103,196	268,656
Sundry creditors	-	-
Accruals	17,152	29,957
VAT	-	381
Loans to the party	265,000	481,996
Taxation and Social Security	12,684	40,645
	<u>£398,032</u>	<u>£821,635</u>
Included in loans to the party is a loan for £65,000 which is repayable in monthly instalments of £5,000, the other loan of £200,000 is repayable within 12 months, on demand by the lender. Both loans are non-interest bearing loans.		
16 General Fund		
Balance at 1 January 2016	(540,110)	284,916
Surplus for the year	365,429	(851,276)
Notional donation fixed asset		26,250
Balance at 31 December 2016	<u>(£174,681)</u>	<u>(£540,110)</u>
17 Contingent Liabilities		
The treasurer and directors consider that there are no contingent liabilities.		

Additional Notes to the Financial Statements for management purposes

For the year ended 31 December 2016

		2016	2015
		£	£
18	Management and Administration Costs		
	Rent, rates and associated costs	82,384	77,693
	Room hire	7,387	8,822
	Motoring expenses	18,568	22,846
	Travelling and entertaining	43,170	116,218
	Printing, stationery and postage	87,028	122,226
	Telephone, fax and internet	29,756	43,428
	Website and advertising	36,111	32,927
	Office costs, sundries and computer supplies		
	Computers	18,945	49,446
	Office expenses Head Office	5,326	8,174
	Office expenses London Office	3,715	29,559
	Sundry expenses	14,500	11,708
		42,486	98,887
	Independence News	69,894	60,322
	Audit and accountancy	19,208	23,100
	Legal, professional and consultancy fees	229,557	606,774
	Equipment hire	22,948	14,583
	Repairs and renewals	1,715	20,851
	Bank and cardnet charges	34,385	59,235
	Insurance	18,774	18,654
		<u>£743,371</u>	<u>£1,326,566</u>
19	Other Income		
	Merchandise Income	13,868	3,870
	Meeting income	3,900	-
	Candidate deposits	10,114	13,475
	NEC Deposits (non refundable)	9,100	4,800
	Leadership Election deposits	20,525	-
	Sundry Income	12,696	3,658
		<u>£70,203</u>	<u>£25,803</u>