

SDLP

**REPORT TO THE ELECTORAL
COMMISSION**

WITH

ANNUAL ACCOUNTS 2018

Administrative Information

Party Officers:

Leader:	Colum Eastwood MLA
Chief Whip/Whip:	Colin McGrath MLA
Chairperson:	Colin McGrath MLA
Vice Chairperson:	Gerard McDonald
International Secretary:	Leah Rea
Hon/Registered Treasurer	Chris McCartan
Nominating Officer	Catherine Matthews

Party Headquarters: 121 Ormeau Road Belfast, BT7 1SH

Committees:

Management Committee:	Colin McGrath MLA (chair)
Organisation Committee:	Gerard McDonald (chair)
Election Planning Committee	Leah Rea (chair)
Assembly Group:	Colin McGrath MLA (chair)
Association of SDLP Councillors:	Malachy Quinn (chair)
Youth Group:	Paul McErlean (chair)
Women's Group:	Caoimhe McNeill (chair)
LGBT+ Group:	Matthew Carson

Elected Representatives

Members of the Legislative Assembly

North Belfast:	Nichola Mallon
South Belfast:	Claire Hanna
East Derry:	John Dallat
South Down:	Sinead Bradley Colin McGrath
Foyle:	Mark H Durkan Colum Eastwood
Lagan Valley:	Pat Catney
Mid-Ulster:	Patsy McGlone
Newry and Armagh:	Justin McNulty
West Tyrone:	Daniel McCrossan

Local Government Councillors

Antrim and Newtownabbey: Thomas Burns, Roisin Lynch, Ryan Wilson and Noreen McClelland.

Armagh, Banbridge and Craigavon: Mealla Campbell, Thomas O'Hanlon, Seamus Doyle, Declan McAlinden, Sharon Haughey-Grimley and Joe Nelson.

Belfast: Donal Lyons, Tim Attwood, Brian Heading and Paul McCusker.

Causeway Coast and Glens: Roisin Loftus, Orla Beattie, Angela Mulholland, Stephanie Quigley, John Deighan and Margaret Anne McKillop.

Derry and Strabane: Brian Tierney, Angela Dobbins, James McKeever, Hugh Hastings, Shauna Cusack, John Boyle, Sinead McLaughlin and Martin Reilly.

Fermanagh and Omagh: Paul Blake, Garbhan McPhillips, John Coyle, Brendan Gallagher, Rosemarie Shields and Mary McGarrity.

Lisburn and Castlereagh: Brian Hanvey, John Gallen, Mairia Cahill and Johnny McCarthy.

Mid and East Antrim: Declan O'Loan.

Mid Ulster: Martin Kearney, Sharon McAleer, Denise Mullen, Christine McFlynn and Malachy Quinn.

Newry Mourne and Down: Michael Carr, Gillian Fitzpatrick, Declan McAteer, Gareth Sharvin, Dermot Curran, John Trainor, Pete Byrne, Kate Loughran, Gary Stokes, Terry Andrews, Mark Murnin, Brian Quinn, Laura Devlin and Michael Savage.

North Down and Ards: Joe Boyle.

Headquarters staff

Ann McDonagh, Finance Officer

Assembly staff

Catherine Matthews, Parliamentary Assembly Group Manager

Janine Irvine, Administrator

Heather Wilson, Press Officer

Accounting Units

The Party has 20 accounting units registered with the Electoral Commission. There were no additions or deletions during the reporting period.

Auditors: **Daly, Park & Co**
 Chartered Accountants



Introduction

The SDLP had hoped that 2018 would have seen the Good Friday Agreement's Institutions restored and working in the way that was envisaged by the Agreement. Disappointingly this did not happen and it denies the people of Northern Ireland the representation they deserve at a time when we face crises in our health service, education and welfare reform to name but a few.

Brexit remains unresolved. The SDLP is a pro-European party and we will do everything within our power to resist the re-emergence of a border on the island of Ireland. We supported the deal agreed by Theresa May PM with the European Union which held to the principles of the Good Friday Agreement and allowed us to continue to trade with the EU and avoid a hard border in Ireland.

The SDLP vision is a 'reconciled people living in a united, just and prosperous new Ireland' and we will continue to work to make our vision a reality.

Westminster Parliamentary By-election

The party contested the Westminster Parliamentary by-election held on the 3 May 2018. Our candidate Daniel McCrossan increased the Party vote by 5% and it was clear from canvassing in the constituency that the electorate were very concerned that the Northern Ireland Assembly was not up and operating.

Local Government

Preparations for the 2019 local government elections began in 2018. The party invited those interested in standing as a candidate to submit their names and interviews were held throughout 2018 followed by selection conventions in the local council areas.

A number of sitting councillors decided not to run in 2018 and we would like to place on record our sincere thanks to those councillors for their service to the community and to the SDLP.

We would like to place on record our thanks to councillors: Maura Hickey, Patricia Rodgers Tina Gardiner and Conor Quinn who stepped down from council in 2018. Angela Mulholland, Causeway Coast and Glens, Paul Blake Enniskillen, Sinead McLaughlin, Derry and Strabane, Maria Cahill, Lisburn and Castlereagh were co-opted to fill the vacancies.

Brexit

Throughout 2018, the SDLP continued to engage in the Brexit negotiations with the Irish and British governments and our counterparts in Europe. The deal agreed with the EU and the British PM provided an opportunity for Northern Ireland to continue trading with the rest of Europe and to ensure no border in Ireland. The Westminster Parliament has rejected the deal on a number of occasions but as yet there is no clear proposals coming forward from the Brexiteers as to what their plan is to leave Europe and to avoid a border in Ireland.

The SDLP remains opposed to a hard brexit and the re-emergence of a hard border on the island of Ireland. We believe that the best way to achieve this is to remain in the European Union. Failing that, Northern Ireland must retain unfettered access to the Single Market and the EU Customs Union, avoiding the need for customs or regulatory checks at the border. We will support any means of resisting a hard border, including a second referendum.

Party Conferences/Events

On the Friday evening before conference the Party held a dinner in the Titanic Hotel to celebrate the 20th Anniversary of the Good Friday Agreement. This was an extraordinary evening with the John Hume Peace Medals being awarded to Seamus Mallon, Bertie Ahern and Mark Durkan for the work which they had done to secure the Good Friday Agreement.

Prior to this John Hume Peace awards were made to founding members of the SDLP Dublin Group Mackie Moyna (now deceased) and Paddy McKillen.

The Party's held its Annual Conference on 7th April 2018 in the Titanic Quarter. The format of the conference was changed to allow for a number of panel debates on social Justice, Brexit and the Good Friday Agreement alongside motions on a number of areas.

Motions on the issue of abortion were to be debated at conference. However, the party's Management Committee agreed that in order to allow members to participate fully in the debate of this sensitive issue that we hold a special conference. This was arranged for 19 May 2018 in Walsh's Hotel and was very well attended by the party membership. Five motions were presented to Conference and the decision made by the party members was that the SDLP is a pro-life party. Individual members may comment and vote according to their own conscience.

Assembly Group

The Assembly Group is chaired by Colin McGrath MLA and whilst the Assembly has not been restored each of our MLAs have been given areas of responsibility to work on and develop as Party Spokespersons.

Nichola Mallon	Social Justice
Colin McGrath	Children and Young People
Mark Durkan	Health and Mental Wellbeing
Sinead Bradley	Infrastructure and Investment
Dolores Kelly	Policing and Legacy
Justin McNulty	Community Development, Reconciliation and Sport
John Dallat	Environment and tourism
Pat Catney	Business and Enterprise
Patsy McGlone	Rural Affairs
Daniel McCrossan	Economy
Claire Hanna	Brexit and Finance

Conferences/Roundtable discussions

SDLP representatives have attended political parties' conferences in Ireland, Britain and Europe. This provided the opportunity to engage across the island on Brexit, the Future of Devolution and the Good Friday Agreement.

These events and conferences provide an invaluable networking tool for engagement with the whole spectrum of policy-makers including politicians, think-tanks and NGOs. We attended various events at which we liaised on European and International affairs with other social democrats working in parliaments worldwide. Many leading GB think-tanks, including those that are known to directly influence government policy, held fringe events throughout the week on public policy issues.

International Affairs

Brexit has dominated the agenda during the past year. Representatives from the Party have attended various meetings with political representatives in Europe to discuss the implications of Brexit on the island of Ireland.

Representatives have also attended a number of events/political training sessions organised by the Party of European Socialists.

Finance

The party continues to keep expenditure under control and at the same time provide the services that we require as a political party. The loss of the policy grant from the Electoral Commission has presented us with further financial challenges and we have had to make cuts in a number of areas. When staff left our employment, we did not replace them and we are working with a much reduced pool of staff.

The party headquarters on the Ormeau Road was sold in December 2018 but we continue to rent the ground floor as the Party headquarters.

In the current political impasse, it is difficult to raise funds but we will make every effort to raise the funds necessary to ensure that the party can function as required.

Colin McGrath
Chairperson

Social Democratic and Labour Party (SDLP)

Report of the Party Officers for the year ended 31 December 2018

Financial Review

The accounts indicate a loss of £100,128 as a result of total expenditure incurred during the year of £259,702 being in excess of total income received during the year of £161,274.

Income dropped by £75,703 as compared to the 2017 calendar year. The prime reason behind this being due to the loss of the Electoral Commission policy grant during the year ended 31st December 2018.

Expenditure incurred during the year has at the same time increased. This is due to the loss on the disposal of fixed assets. Every effort must be made in the coming year to increase income and keep a tight control on expenditure.

Social Democratic & Labour Party ('SDLP')

Report and financial statements

for the year ended 31 December 2018

Social Democratic & Labour Party ('SDLP')

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Social Democratic & Labour Party ('SDLP')

Year ended 31 December 2018

Responsibilities of the Management Committee

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

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

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

Social Democratic & Labour Party ('SDLP')

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

We have audited the financial statements of the Social Democratic and Labour Party for the year ended 31 December 2018 on pages 4 to 11 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of Management Committee and auditors

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

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

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

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

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

Basis of audit opinion


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

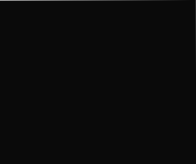
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Social Democratic & Labour Party ('SDLP')

Opinion

In our opinion the financial statements give a true and fair view of the state of the party's affairs as at 31 December 2018 and of its deficit for the year then ended and have been properly prepared in accordance with the accounting policies set out on page 7 and the requirements of the Political Parties, Elections and Referendums Act 2000.


Daly Park & Company Ltd
Chartered Accountants & Registered Auditors



24 June 2019

Social Democratic & Labour Party ('SDLP')

**Income and expenditure account
for the year ended 31 December 2018**

		2018	2017
	Notes	£	£
Income			
Donations & fund-raising	2	53,659	68,851
Membership subscriptions, affiliation fees & services	3	68,627	61,638
Electoral Commission policy grant		15,301	106,488
Conference income		22,535	-
Other sundry income		1,152	-
Total Income		161,274	236,977
 Expenditure			
Costs of fundraising		18,643	1,219
Campaign expenses	4	3,716	29,375
Running costs	5	119,276	169,188
Conferences		21,346	680
Interest payable		7,914	6,871
Bank charges		6,281	5,656
Depreciation		991	1,321
Loss on disposal of fixed assets		80,018	-
Other expenses		1,517	5,618
Total Expenditure		259,702	219,928
 Surplus/(deficit) for the year before taxation	 6	 (100,128)	 17,049
Tax on loss on ordinary activities		-	-
Surplus/(deficit) for the year after taxation		<u>(100,128)</u>	<u>17,049</u>

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

Social Democratic & Labour Party ('SDLP')

**Balance sheet
as at 31 December 2018**

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	7		2,973		278,964
Current assets					
Debtors	8	8,387		9,519	
Cash at bank and in hand		2,907		90,470	
		<u>11,294</u>		<u>99,989</u>	
Creditors: amounts falling due within one year	9	<u>(48,456)</u>		<u>(304,835)</u>	
Net current liabilities			<u>(37,162)</u>		<u>(204,846)</u>
Total assets less current liabilities			<u>(34,189)</u>		74,118
Creditors: amounts falling due after more than one year	10		<u>(40,315)</u>		<u>(48,547)</u>
Net (liabilities)/assets			<u><u>(74,504)</u></u>		<u><u>25,571</u></u>
Financed by					
SDLP Capital Account					
Revaluation reserve	11		157,435		157,435
Retained earnings	11		<u>(231,939)</u>		<u>(131,864)</u>
			<u><u>(74,504)</u></u>		<u><u>25,571</u></u>

The financial statements on pages 4 to 11 were approved by the Management Committee of the Social Democratic and Labour Party on 24 June 2019 and were signed on it's behalf by Colin McGrath, the Authorised Treasurer.



Colin McGrath
Authorised Treasurer

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

Social Democratic & Labour Party ('SDLP')

**Cash flow statement
for the year ended 31 December 2018**

	2018		2017	
	£	£	£	£
Cash generated from operations				
Operating loss	(100,128)		17,049	
Depreciation & loss on disposal of assets	81,009		1,321	
Increase/(Decrease) in debtors	1,132		(1,431)	
(Decrease) in trade creditors	(7,591)		(12,808)	
Increase/(Decrease) in creditors	(5,642)		(2,015)	
		<u>(31,220)</u>		2,116
Proceeds from sales of tangible fixed assets	<u>194,982</u>		<u>-</u>	
		194,982		-
		<u>-</u>		<u>-</u>
Net increase in cash in the year		163,762		2,116
Cash at bank and in hand less overdrafts at beginning of year		<u>(213,963)</u>		<u>(216,079)</u>
Cash at bank and in hand less overdrafts at end of year		<u>(50,201)</u>		<u>(213,963)</u>
Consisting of:				
Cash at bank and in hand		2,907		90,470
Overdrafts		(2,590)		(245,682)
Loans		<u>(50,518)</u>		<u>(58,750)</u>
		<u>(50,201)</u>		<u>(213,962)</u>

Social Democratic & Labour Party ('SDLP')

Notes to the financial statements for the year ended 31 December 2018

1. Accounting policies

1.1. Basis of preparation

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

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

Against this background, the Management Committee has reviewed the projected budgets for the SDLP for 2018 and is hopeful that sufficient donation income and other funding will be generated for it to meet its financial obligations and remain within its overdraft facility. On this basis, the Management Committee considers that it is appropriate to prepare the financial statements on a going concern basis.

1.2. Income recognition

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

1.3. Expenditure

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

1.4. Tangible fixed assets

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

1.5. Leases

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

Social Democratic & Labour Party ('SDLP')

**Notes to the financial statements
for the year ended 31 December 2018**

..... continued

2. Subscriptions & donations

	2018	2017
	£	£
Donations from individuals & cos. in Ireland & UK	10,900	49,556
Fund-raising events	29,369	12,295
Annual Draw	8,798	-
CS Fund	4,592	7,000
	<u>53,659</u>	<u>68,851</u>

3. Membership subscriptions, affiliation fees & services

	2018	2017
	£	£
Membership fees	16,514	21,550
Elected members' services	52,113	40,088
	<u>68,627</u>	<u>61,638</u>

4. Campaign expenses

	2018	2017
	£	£
Election campaigns	3,716	29,375
	<u>3,716</u>	<u>29,375</u>

Social Democratic & Labour Party ('SDLP')

**Notes to the financial statements
for the year ended 31 December 2018**

..... continued

5. Running costs

	2018	2017
	£	£
Organisational & Development Costs	-	10,978
Salaries & wages	77,455	106,455
Stationery & office expenses	4,588	9,837
Telecommunications & postage	4,586	5,838
Affiliation fees & subscriptions	30	40
Meetings & hospitality	3,751	4,771
Staff expenses, training & development	2,559	1,702
Insurance	8,395	9,885
Advertising & Media	200	100
Rent, rates & maintenance	4,041	6,207
Light, heat & power	2,292	4,272
Computer & office equipment maintenance	3,544	4,721
Audit & Accountancy	2,700	2,700
Consultancy fees	5,123	1,744
Profit/loss on exchange	12	62
	<u>119,276</u>	<u>169,188</u>

Staff costs consist of:-

	2018	2017
	£	£
Salaries & wages	69,220	92,298
Employers' national insurance	5,843	8,952
Staff pension costs	2,392	5,205
	<u>77,455</u>	<u>106,455</u>

6. Surplus/(deficit) for the year before taxation

	2018	2017
	£	£
The surplus/(deficit) for the year is stated after charging:		
Loss on disposal of tangible fixed assets	80,018	-
- auditors' remuneration	2,700	2,700
- depreciation	991	1,321
	<u>83,709</u>	<u>4,021</u>

Social Democratic & Labour Party ('SDLP')

**Notes to the financial statements
for the year ended 31 December 2018**

..... continued

7. Tangible fixed assets	Leasehold building £	Furniture & equipment £	Total £
Cost/revaluation			
At 1 January 2018	275,000	119,864	394,864
Disposals	(275,000)	-	(275,000)
At 31 December 2018	<u>-</u>	<u>119,864</u>	<u>119,864</u>
Depreciation			
At 1 January 2018	-	115,900	115,900
Charge for the year	-	991	991
At 31 December 2018	<u>-</u>	<u>116,891</u>	<u>116,891</u>
Net book values			
At 31 December 2018	<u>-</u>	<u>2,973</u>	<u>2,973</u>
At 31 December 2017	<u>275,000</u>	<u>3,964</u>	<u>278,964</u>

The Party's Headquarters at 121 Ormeau Road Belfast, valued at £275,000, was sold in July 2018 for £190,000, resulting in a loss of disposal of £85,000.

8. Debtors	2018 £	2017 £
Sundry debtors	<u>8,387</u>	<u>9,519</u>

Social Democratic & Labour Party ('SDLP')

**Notes to the financial statements
for the year ended 31 December 2018**

..... continued

9. Creditors: amounts falling due within one year		2018	2017	
		£	£	
Bank overdrafts		2,590	245,682	
Bank loan		10,203	10,203	
Other loans		5,500	10,000	
Trade creditors		24,533	32,124	
Other taxes and social security costs		726	2,009	
Expense accruals		4,904	4,817	
		<u>48,456</u>	<u>304,835</u>	
10. Creditors: amounts falling due after more than one year		2018	2017	
		£	£	
Bank loan		<u>40,315</u>	<u>48,547</u>	
11. Reserves	Revaluation reserve	Profit and loss account	Total	Total
	£	£	£	£
At 1 January 2018	157,435	(131,811)	25,624	25,624
Retained surplus/(deficit) for the year		(100,128)	(100,128)	(100,128)
At 31 December 2018	<u>157,435</u>	<u>(231,939)</u>	<u>(74,504)</u>	<u>(74,504)</u>

12. Accounting units and similar affiliated organisations

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