

# Preparing Your Annual Accounts

# Accounts Template

Seven sections:

1. **Read Me** - please read before completing
2. **Input Sheet 1** - setting up the template
3. **Input Sheet 2** - income
4. **Input Sheet 3** - expenses
5. **Input Sheet 4** - balance sheet
6. **Trial Balance** - checking your figures
7. **Accounts to Print** - don't forget to complete the overview boxes!

➡ [Template](#) ⬅

# Read Me

Please read this section before working on the template!

See also the accounts [guide](#)

## This template is for local parties, regions, states, AOs etc.

Complete the four input sheets (**white boxes only**). Then in the "Accounts to Print" tab, add brief notes for the **four overview sections**. Enter values in pounds and pence.

Email a copy of the completed spreadsheet together with signed accounts to [compliance@libdems.org.uk](mailto:compliance@libdems.org.uk)

**DO NOT POST** a paper copy of the accounts. The minimum to email over is: this spreadsheet + the signature page signed by either the current or accounting year treasurer.

### Input Sheet 1 – Organisational Details

What you enter on this sheet populates all the other pages in the spreadsheet, so **please do this sheet first**.

### Input Sheet 2 – Income

Enter on this sheet the local party income in the categories provided.

Report branch income as a total by branch.

### Input Sheet 3 – Expenditure

Enter on this sheet the local party expenses in the categories provided.

Report branch expenditure as a total by branch.

### Input Sheet 4 – Balance Sheet

Enter in this sheet the local party + branch assets, liabilities and reserves. For cash accounting, this is usually just the bank account + the opening reserves.

If you get stuck with reserves, stock etc. please contact [compliance@libdems.org.uk](mailto:compliance@libdems.org.uk) for help

### Trial Balance

Use this to check that your figures balance after completing *Input Sheets 2-4*.

### Accounts to Print

These are produced from the values entered in *Input Sheets 1-4*.

The accounts produced are for your exec to approve and send to your local party ideally in February.

The accounts are also for your AGM in the autumn.

**NOTE:** the inspection of the accounts isn't required for the Electoral Commission but must be done before the AGM. It is good practice to get the accounts inspected before submitting to HQ by **15th March** but don't delay sending the accounts to them while you wait for an inspection.

**REMEMBER:** Complete the **four overview notes** in the "Accounts To Print" tab once finishing *Input Sheets 1-4*. If your accounts are published on the public register, the media and opposition can view your notes, so keep them to a minimum.

# Input Sheet 1

This is where you set-up the template.

We'll now go through each section.

**Input Sheet 1 - Organisational Details**

Reporting Year 2023  
Comparative Year 2022

**Accounting Unit Name**  Liberal Democrats  
NOTE - accounting unit names are as registered with the Electoral Commission. If you can't pick the correct name, contact [compliance@libdems.org.uk](mailto:compliance@libdems.org.uk)

**Elected Representatives**

- Names of Lib Dem MPs / MSPs / MSs / AMs / Elected Mayors etc - NOTE: don't include people on regional lists

(name)	<input type="text" value="(pick from list)"/>	If none, leave as (name) and (pick from list)
(name)	<input type="text" value="(pick from list)"/>	

- Number of Lib Dem councillors on principal councils (number not names of cllrs) in your organisation's area

(number)	<input type="text" value="(name of council)"/>	exclude the word "Council" from the name of the Council If none leave as (number) and (name of council)
(number)	<input type="text" value="(name of council)"/>	
(number)	<input type="text" value="(name of council)"/>	
(number)	<input type="text" value="(name of council)"/>	

**Responsible Officers**

(name)	<input type="text" value="2023 Chair"/>
(name)	<input type="text" value="2023 Treasurer"/>

If your chair / treasurer changed mid year, record in the name section as follows:  
e.g. for change on 30th June: John Smith (until 30th June); Mavis Brown (from 1st July)

**Branches**

Number of constitutional branches: 0		Q. Does this branch have a bank account(s)? Yes/No
name of branch 1	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 2	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 3	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 4	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 5	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 6	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 7	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 8	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 9	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 10	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 11	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>
name of branch 12	<input type="text"/>	<input type="text" value="pick from list: Yes No or n/a"/>

**Accounting Notes - accounting method**

This statement of accounts uses  accounting method

NOTE - Cash accounting: recording as you receive or pay money;  
Accruals accounting: recording income and expenditure when it is incurred, even if it is paid later.  
Therefore cash accounting has no debtors or creditors, while accruals accounting does

**REMEMBER: Complete the four overview notes in the "Accounts To Print" tab once finishing Input Sheets 1-4**

< > READ ME Input Sheet 1 Input Sheet 2 Input Sheet 3 Input Sheet 4 Trial Balance Accounts To Print

# Name of Accounting Unit

The screenshot shows a spreadsheet interface for 'Input Sheet 1 - Organisational Details'. The form includes the following sections:

- Accounting Unit Name:** A dropdown menu is open, showing a list of constituencies including Aberavon and Neath, Aberconwy, Aberdeen Central, South and North Kincardine, Aberdeen Donside, Aberdeenshire East, Aberdeenshire West, Adur and Worthing, AIDC, Amber Valley, and Angus and Mearns.
- Elected Representatives:** Fields for names of Lib Dem MPs, MSPs, MSs, AMs, and Elected Mayors.
- Responsible Officers:** Fields for the names of the Chair and Treasurer.

Additional text in the spreadsheet provides instructions: 'NOTE - accounting unit names are as registered with the Electoral Commission', 'If none leave as (name) and (pick from list)', and 'If none leave as (number) and (name of council)'. A footer bar contains navigation tabs: READ ME, Input Sheet 1, Input Sheet 2, Input Sheet 3, Input Sheet 4, Trial Balance, and Accounts To Print.

All Local Parties, Regions, States and some groups are registered as 'accounting units' of the Liberal Democrats. These must all produce and send accounts to HQ by 15th March (unless over £250k income / expenditure).

→ Pick your name from the list (contact The Compliance Team if this doesn't work)

# Officers, Elected Representatives etc

7	<b>Elected Representatives</b>		
8	- Names of Lib Dem MPs / MSPs / MSs / AMs / Elected Mayors etc - <b>NOTE:</b> don't include people on regional lists		
9	<i>Jamie James</i>	<i>Member of Parliament</i>	If none, leave as <i>(name)</i> and <i>(pick from list)</i>
10	<i>(name)</i>	<i>(pick from list)</i>	
11	- Number of Lib Dem councillors on principal councils ( <b>number not names of cllrs</b> ) in your organisation's area		
12	<i>8</i>	<i>Cheeseshire County</i>	exclude the word "Council" from the name of the Council
13	<i>5</i>	<i>Dibley District</i>	If none leave as <i>(number)</i> and <i>(name of council)</i>
14	<i>(number)</i>	<i>(name of council)</i>	
15	<i>(number)</i>	<i>(name of council)</i>	
16	<b>Responsible Officers</b>		
17	<i>Mary May (until 31st Aug); Jack Jackson (from 1st Sept)</i>	<b>Chair</b>	
18	<i>Robin Robinson</i>	<b>Treasurer</b>	
19	If your chair / treasurer changed mid year, record in the name section as follows:		
20	e.g. for change on 30th June: <i>John Smith (until 30th June); Mavis Brown (from 1st July)</i>		

→ Name any Parliamentarians / Elected Mayors / Assembly Members directly representing your area (exclude regional list)

→ Enter the number of Councillors, as at year-end

→ Name the Chair and Treasurer for the year

# Branches

<b>Branches</b>		<b>Q. Does this branch have a bank account(s)? Yes/No</b>
Number of constitutional branches: 2		
name of branch 1	Teddybury Town	pick from list: Yes No or n/a
name of branch 2	Valleyton Village	pick from list: Yes No or n/a
name of branch 3		pick from list: Yes No or n/a
name of branch 4		pick from list: Yes No or n/a
name of branch 5		pick from list: Yes No or n/a
name of branch 6		pick from list: Yes No or n/a
name of branch 7		pick from list: Yes No or n/a
name of branch 8		pick from list: Yes No or n/a
name of branch 9		pick from list: Yes No or n/a
name of branch 10		pick from list: Yes No or n/a
name of branch 11		pick from list: Yes No or n/a
name of branch 12		pick from list: Yes No or n/a

→ List all constitutional branches of the Local Party and specify whether they have a bank account or not

# Accounting Method

## Accounting Notes - accounting method

This statement of accounts uses (pick from list) accounting method

**NOTE** - Cash accounting: recording as you receive or pay money;

Accruals accounting: recording income and expenditure when it is incurred, even if it is paid later.

Therefore cash accounting has no debtors or creditors, while accruals accounting does

This is the final part of Input Sheet 1.

- Cash accounting - report what went in and out of the bank and ignore things not yet paid
- Accruals accounting - adjust for unpaid bills, items paid for in advance, people who owe you money etc



# Input Sheet 2

Here is where income is reported.

Report the previous year using the same accounting methodology as for this reporting year. This applies to all income, expenditures and balance sheet entries.

(Sometimes the previous year's figures will be different to the accounts submitted last year.)

Input Sheet 2 - Income			
1	(pick from list) Liberal Democrats Accounts		
2	Local Party figures at the top, branch figures at the bottom		
3			
4			
5	<b>Membership</b>	(Year)	(Year)
6	Service fees received from State Party / HQ	<input type="text"/>	<input type="text"/>
7			
8	<b>Donations</b>	(Year)	(Year)
9	Cash / cheque / card etc. donations	<input type="text"/>	<input type="text"/>
10	Notional / Gifts in Kind	<input type="text"/>	<input type="text"/>
11	Total donations	£0.00	£0.00
12	NOTE 1 - exclude money received from other Liberal Democrat parties,		
13	but include council group contributions, councillor tithes, standing orders etc.		
14	NOTE 2 - Gifts in Kind: e.g. someone paying for leaflets out of their own money		
15	and not being reimbursed / free use of an office / prizes donated for free etc.		
16			
17			
18	<b>Fundraising income</b>	(Year)	(Year)
19	Income before deduction of expenses	<input type="text"/>	<input type="text"/>
20	NOTE - fundraising income should be before the deduction of expenses such as		
21	hall hire, prizes etc.		
22	<b>Fundraising events</b>		
23	List fundraising events here, e.g. annual dinner; quiz night;	<input type="text"/>	NOTE - you don't need to list the profits from each event, just what events occurred
24	pizza and politics	<input type="text"/>	
25			
26	<b>Investment income</b>	(Year)	(Year)

## Input Sheet 2 (continued)

**Membership** - report the amount of money received from your State (HQ) that hits your bank. Don't include money not received or gross up for 'digital deduction'. Membership associations like Lib Dem Women, ALDC etc report their own membership subs received here instead.

**Affiliations** - this is in the Electoral Commission template for the Labour Party to use. Not applicable to Lib Dems.

**Donations** - split these totals between monetary donations (cash etc) and items given for free, including discounts over 10%. See notes in template.

## Input Sheet 2 (continued)

**Fundraising** - this is reported in two places: the amount, plus a brief written note for fundraising activities done in the reporting year only.

For example: *'annual dinner and six raffles'*

**Investment Income** - not used much nowadays: in the past, interest received from bank accounts would go here. Property / equipment / a printing unit owned via the local party isn't investment income but shown later on. Investments include assets owned with a view to sell or convert into cash at a later date.

## Input Sheet 2 (continued)

**Transfers** - list totals for money received from other parts of the Lib Dems that are registered as accounting units or branches of accounting units. This doesn't include council groups for instance but does include grants from Region, ALDC etc.

### **Property / Service Income**

- Report rent and other income from Local Party owned property and assets (under a holding trustee, since Local Parties can't own property / assets in their own name)
- If you have an in-house printing unit (not a printing society), report its sales here
- Also include any invoices to an election agent as it is a sale of services to the agent

## Input Sheet 2 (continued)

**Miscellaneous Income** - any income you haven't already included. Report using the categories given. You may need to include a note for misc income if it's revealing things you don't need to put in the public domain unless you have to.

### **Branch Income**

After listing them on Input Sheet 1, branch names should appear here.

All branches with a separate account must be included as their money is part of the Local Party. Only administration is delegated not the ownership. Leave blank if nothing to report.

# Input Sheet 3

This sheet is for expenses.

Please see note for Input Sheet 2 regarding previous year's values.

Some of the headings here are different because we're using Electoral Commission headings that include a wider scope.

Input Sheet 3 - Expenditure		
(pick from list) Liberal Democrats Accounts		
Local party figures at the top, branch figures at the bottom		
1		
2		
3		
4		
5	<b>Premises</b>	(Year) (Year)
6	Rent, building maintenance costs etc	
7		
8	<b>Office &amp; Admin costs</b>	(Year) (Year)
9	Include: utility bills, phone, internet, cleaning, stationery,	
10	postage and other office / admin costs. Also include mailings	
11	to members, staff expenses and payroll fees.	
12		
13	<b>Staff costs</b>	(Year) (Year)
14	Number of staff	
15	Gross wages	
16	Employer's National Insurance	
17	Employer's Pension costs	
18	Training costs	
19	Total staff costs	£0.00 £0.00
20	<b>NOTE:</b> exclude any expenses claims and payroll fees (BookCheck etc) - include as	
21	office costs	
22		
23	<b>Transfers out</b>	(Year) (Year)
24	To regional / state party or HQ	
25	To other local parties (or their branches)	
26	To your local party branches	
27	To other accounting units	
28		£0.00 £0.00
29		
30	<b>Campaigning costs</b>	(Year) (Year)

(Include Typeform, Fleet etc.)

< > READ ME Input Sheet 1 Input Sheet 2 **Input Sheet 3** Input Sheet 4 Trial Balance Accounts To Print +

## Input Sheet 3 (continued)

**Premises** - any expenses related to owning (via trustees) a property or a building you rent for use as an office or storage for example. Cost relates to the 'bricks and mortar' rather than what you do inside the building.

**Office Costs** - most Local Parties don't have offices however this is where you report administrative costs incurred as if you do have an office + other admin costs such as communications with members.

**Staff Costs** - split staff costs for anyone directly employed by you. If you reimburse a region or HQ for shared staff, they report the full staff cost and you report a transfer of money to them.

## Input Sheet 3 (continued)

**Transfers** - payments to other Lib Dem accounting units (Local Parties, Regions, States etc.)

**Campaign Costs** - include anything that helps us campaign, such as marked registers, leaflets, website, payments to an Election Agent, etc.

**Fundraising Costs** - costs paid by the local party relating to fundraising. This could be a small lotteries licence or prizes for instance.

**Finance Charges** - include bank charges, credit card donation fees (Paypal etc.)



## Input Sheet 3 (continued)

**Depreciation & Profit/Loss on Sale of Asset** - regards ownership of assets shown on balance sheet. The categories relate to the fixed assets section on the balance sheet so we will look at them there.

**Miscellaneous Expenses** - as with the Misc. Income note, include costs where possible in the given categories and only use this section if you can't elsewhere as it requires an explanation note.

What doesn't need reporting here: marked registers (campaign cost); payments to HQ: Fleet / Typeform / Xero (transfers to HQ); batteries for scales (office & admin); AGM hall hire (rent / office & admin); non-Fleet website (campaign cost).

**Branch Expenditure** - total expenses of all categories from branch accounts (see also branch income note).

# Input Sheet 4: Assets, Liabilities and Reserves

## Cash Accounting

- complete relevant sections: Fixed Assets, Bank Accounts, Loans & Reserved (opening balance only)

## Accruals Accounting

- in addition to the above, where relevant: Stock, Debtors & Prepayments, Creditors & Accruals

**Input Sheet 4 - Balance Sheet**  
 (pick from list) Liberal Democrats Accounts  
 Except where stated, figures must include branches and are as at year end  
 (31st December)

<b>Fixed Assets &amp; Investments</b>	<b>Property</b>	<b>Fixtures &amp; fittings</b>	<b>Equipment</b>	<b>Investments</b>
TOTAL COST - opening balance - as at 31st Dec				
Additions				
Disposals (negative number)				
Revaluations				
TOTAL COST - closing balance - as at 31st Dec	£0.00	£0.00	£0.00	£0.00
TOTAL DEPRECIATION - as at 31st Dec				
Charged in year				
On disposal (negative number)				
TOTAL DEPRECIATION - as at 31st Dec	£0.00	£0.00	£0.00	£0.00
NET BOOK VALUE - as at 31st Dec	£0.00	£0.00	£0.00	£0.00
NET BOOK VALUE - as at 31st Dec	£0.00	£0.00	£0.00	£0.00

**Fixed Asset Register (optional)**  
 If you have equipment, or other fixed assets, it's useful to list them below

Name	Year acquired	Cost price
		0.00

**NOTE 1 - Property:** if you rent / use a property owned by an external Liberal Trust or Liberal property company - DO NOT record anything here. Report if the property is owned by an internal property trust. Contact [compliance@libdems.org.uk](mailto:compliance@libdems.org.uk) if unclear about type of trust involved.  
**NOTE 2 - Fixtures & fittings:** items within a property owned by the party not the landlord, e.g. carpets, furniture, cupboards etc.  
**NOTE 3 - Equipment:** e.g. printers, computers etc owned by the party.  
**NOTE 4 - Investments:** e.g. shares, unit trusts, artwork and property for rent which you don't use.

**Local Party Bank Balance (as at year end)**

	(year)	(year)
Current accounts		
Paypal / Stripe / GoCardless		
Deposit / Savings accounts		

READ ME | Input Sheet 1 | Input Sheet 2 | Input Sheet 3 | **Input Sheet 4** | Trial Balance | Accounts To Print | +

## Input Sheet 4: Fixed Assets

If you had fixed assets last year you need to bring forward the year-end balances from last year even if they have been fully depreciated (but not disposed of).

Input Sheet 4 - Balance Sheet					
(pick from list) Liberal Democrats Accounts					
Except where stated, figures must <b>include</b> branches and are as at year end					
(31st December)					
Fixed Assets & Investments		Property	Fixtures & fittings	Equipment	Investments
TOTAL COST - opening balance - as at 31st Dec					
Additions					
Disposals (negative number)					
Revaluations					
TOTAL COST - closing balance - as at 31st Dec		£0.00	£0.00	£0.00	£0.00
TOTAL DEPRECIATION - as at 31st Dec					
Charged in year					
On disposal (negative number)					
TOTAL DEPRECIATION - as at 31st Dec		£0.00	£0.00	£0.00	£0.00
NET BOOK VALUE - as at 31st Dec		£0.00	£0.00	£0.00	£0.00
NET BOOK VALUE - as at 31st Dec		£0.00	£0.00	£0.00	£0.00

→ Add any fixed assets bought during the year and depreciate 'over their useful life'.

Investments - items you might sell later to turn into cash. Revalue these regularly to adjust for year-end valuation.

Property - include if you have 'holding trustees' who own a property on behalf of the Local Party.

This is a complex section, if you need advice please contact Lloyd via [compliance@libdems.org.uk](mailto:compliance@libdems.org.uk)

# Input Sheet 4 (continued)

## Bank Accounts

Cash accounting - the bank balance is as per the bank statement, as at year-end. Don't include uncleared bank account funds.

Accruals accounting - adjust the bank statement figure for uncleared deposits, cheques etc.

Branch bank accounts - report as a total of all bank and cash held in the branch.

## Input Sheet 4 (continued)

### **Stock** (accruals accounting only)

Example for a printing unit that isn't a printing society for example you need to account for the value of unused paper, ink, envelopes etc. as at year-end.

Don't record purchases of printing unit items as campaign expenditure, rather show them here as stock purchases.

Usage is the difference between the opening stock + purchases, less the closing balance. This usage amount is the figure used for campaign expenditure.

If you have such a printing unit, you may find it easier to convert it into a printing society. This helps with election expenses as well as the Local Party accounts because it will then be outside the Local Party. Please contact Compliance for details on this.

Note - stock should also be used for items you purchase for resale.

## Input Sheet 4 (continued)

**Debtors & Prepayments / Creditors & Accruals** - accruals accounting only

**Debtor** - owes you money, usually because you sent them an invoice which has yet to be paid

**Prepayment** - typically something paid for in advance for use the following year

Only include items of a value that make the accounts meaningful. A £24 annual charge that has two months left (£4 prepayment) is too small. However paying £500 in December for printing to be done in January should be included.

**Creditors** - people who you owe money to, normally printers who's bill you have not yet paid.

**Accruals** - estimate for something you owe money on but not yet received the bill. As with prepayments ignore amounts that are too small to add meaning to the accounts.

# Input Sheet 4 (continued)

## Loans

- Start with the total opening balance of loans from the previous year.
- Add new loans and deduct repayments. Include in repayments any amounts 'forgiven' i.e. where the lender has said "don't pay me back."
- List all outstanding loans at the bottom of this section and use this to check your calculations above are correct.
- Exclude things where a member bought an item and was paid back later. These are not loans but expense claims and any unpaid claims should be added to creditors.
- Remember to report all loans on Lighthouse as well as their repayments. If you need help reporting loans on Lighthouse please email: [compliance@libdems.org.uk](mailto:compliance@libdems.org.uk)

# Input Sheet 4 (continued)

**Reserves** - these fall into three sections

- **Unrestricted, General or Designated** - money which the Executive can control in terms of how they are spent. For example, can be set aside for an election fund.
- **Revelations** - fixed assets and investments that have been revalued - add the previous year's figures and those from the reporting year are automatically added from entries in the fixed assets section.
- **Restricted** - usually where a donor has given money and insisted it can only be spent on a specific thing. It's best to avoid having anything here as it complicates spending and makes accounting harder.

For instance, if someone gives £1000 for spending on John Smith's campaign and the Local Party / Agent only spent £600, you will have £400 that either needs returning to the donor or left in the bank and cannot be spent on anything else.



# Trial Balance

- The trial balance helps you spot any balance errors. In theory you can compare the figures to your bookkeeping - Xero trial balance etc.
- The total at the bottom should be zero (positives and negatives balance).
- Remember - this uses accounting rules, so for example, income shows as a negative figure. This comes from double entry bookkeeping, the bank account goes up for income (positive) so you need a negative to balance, therefore income on a trial balance is a negative number.

# Accounts to Print

If your trial balance balances, then all the figures should work in the accounts to print section.

Don't amend any formulas here.

The things to complete here are:

41	<b><u>Income Overview</u></b>
42	
43	WRITE SOMETHING HERE e.g. income is mainly from donations
44	(NOTE: this may be seen by the opposition / public / media)
45	
46	<b><u>Expenditure Overview</u></b>
47	
48	WRITE SOMETHING HERE e.g. expenditure is mainly from campaigning
49	(NOTE: this may be seen by the opposition / public / media)
50	
51	<b><u>Balance Sheet Overview</u></b>
52	
53	WRITE SOMETHING HERE e.g. reserves have increased due to receiving more income than expenses
54	(NOTE: this may be seen by the opposition / public / media)
55	
56	
57	<b><u>Overview of Political Activities</u></b>
58	
59	WRITE SOMETHING HERE e.g. we campaigned in local elections
60	(NOTE: this may be seen by the opposition / public / media)

→ **Four overview sections** - write brief notes for these

→ **Signature names** - if the signatory is the current Chair or Treasurer, you need to overwrite the entry here to change it to the the correct name.

→ Remember everything else comes from input sheets 1 to 4 - so if anything looks wrong then you need to go back to your input sheets and correct it there.



If you have any questions, please email: [compliance@libdems.org.uk](mailto:compliance@libdems.org.uk)