

Company Number 5090691



UK Independence Party

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

Report and Accounts
Year ended
31 December 2017

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

Report and accounts

Year ended

31 December 2017

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

Party Information

Party officers registered at 31 December 2017 under Political Parties, Elections and Referendums Act 2000 ('PPERA') were:

Central Party

Party Leader:

Paul Nuttall MEP (Resigned 09.06.2017)
Stephen Crowther (09.06.2017 – 29.09.2017)
Henry Bolton (29.09.2017 – 17.02.2018)
Gerard Batten (Appointed 17.02.2018)

Nominating Officer:

Christopher Adams (Resigned 05.09.2017)
Peter Staveley (Appointed 05.09.2017)

Party Chairman:

Paul Oakden (Resigned 26.02.2018)
Anthony McIntyre (Appointed 26.02.2018)

Company Secretary:

John Bickley (Resigned 14.03.2018)
Anthony McIntyre (Appointed 14.03.2018)

Registered Treasurer:

John Bickley (Resigned 14.03.2018)
David Fairweather (Appointed 15.03.2018)

Registered Office / Party Headquarters:

Lexdram House Unit 1
King Charles Business Park
Old Newton Road, Heathfield
Newton Abbot, Devon
TQ12 6UT

Auditors:

CK Partnership Limited
1 Old Court Mews
311 Chase Road
London
N14 6JS

United Kingdom Independence Party Limited
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Report and Accounts
For the year ended 31 December 2017

Introduction – Foreword by the Party Chairman

2017 began with the February Conference at the Macron Centre in Bolton, which was a great success, with morale extremely high.

Party Leader, Paul Nuttall, fought the Stoke-on-Trent by-election and came second. Paul was subjected to a quite shameful media smear campaign, primarily by the Guardian newspaper and by Michael Crick, Channel 4 News... who released footage of the Stoke house rented by Paul Nuttall which led to its being targeted by Labour Momentum activists. Paul was forced to relocate to a hotel in Stoke for the rest of the campaign.

The Party tried to minimise expectations of its likely performance in Stoke, knowing it would be tough to unseat Labour from a very safe seat, but the impression was created we were going to win. With hindsight we should have dampened this expectation... but hindsight is easy after the event.

Labour got 37.1% whilst UKIP got 24.7%. Many UKIP members were very disappointed we did not come closer to winning.

Very soon after that Mrs May called a snap general election (which she must now regret). First came the local elections in May, where for us the writing was on the wall. UKIP voters across the country switched to either Tory or Labour. This did not bode well for our performance four weeks later in the general election. And so it proved.

In June 2017, all across Britain, politics reverted to a two-party affair. UKIP got only 1.84% of the vote (down from 12.7% in 2015). But similar happened to other smaller parties. In Northern Ireland all the smaller parties were totally obliterated and voters chose either Sinn Fein or DUP. The same happened in Wales where the Lib Dems were wiped out and despite Tim Farron's opposition to "Breg-zit" they gained only three seats nationwide, losing Vince Cable's seat (Nick Clegg had been ousted in the 2015 election).

Scotland was split mostly between Tory and the SNP, with Labour finding it tough north of the border. I mention this because although 2017 was a bad year for us, we were not alone in being squeezed at that election.

In June 2017 Paul Nuttall resigned and Steve Crowther (former Party Chairman) became Interim Leader, overseeing the next Leadership election.

On 11th August, eleven candidates confirmed they would stand for the leadership. This later whittled down to four contesting it. Anne Marie Waters was a controversial figure who came second, and then left UKIP to form the For Britain Party. Henry Bolton was elected Party Leader.

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Henry had promised to reorganise and re-energise the Party, raising much-needed funds because the Party was facing a financial crisis, with donations drying up and members not renewing because they felt that Brexit had been won (we now know it has not been won, but that is another story).

A growing sense of impatience with Henry Bolton's leadership became evident, with members commenting that they never saw him on the media.

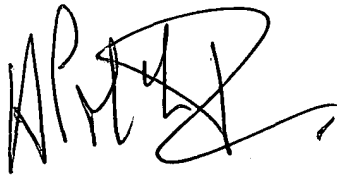
It came to a head with adverse media attention over Christmas with The Sun newspaper, soon followed by the rest of the media, and there was a furious backlash by the members who demanded his resignation.

And thus the year came to an end.

Obviously, there was an EGM in early 2018, which saw Henry Bolton rejected by the membership, but that is a matter for next year's Chairman's Report.

Anthony McIntyre, Party Chairman

2nd July 2018



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

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**Directors' Report
For the year ended 31 December 2017**

The directors present their report and accounts for the year ended 31 December 2017.

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:

G Batten (appointed 17/02/2018)
J Bickley (resigned 14/03/2018)
A Bown
P Bryant (appointed 26/02/2018)
R T Coke (resigned 31/03/2017)
S J Crowther (resigned 26/02/2018)
D S Fairweather (appointed 15/03/2018)
K Fanning
E Jones
M Mason
M McGough
A McIntyre (appointed 26/02/2018)
F Mills
A Moncreiff (appointed 11/08/2017)
P Nuttall (resigned 09/06/2017)
P Oakden (resigned 26/02/2018)
P Oakley
A Patel (resigned 16/07/17)
P Walters (appointed 26/06/2017)
P Wauchope

United Kingdom Independence Party Limited
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Accounting Units

The number of Accounting Units registered with the Electoral Commission at 31 December 2017 was 355 (2016: 408).

Membership

Party membership as at 31 December 2017 was 23,280 (2016: 34,293).

Directors' Report

For the year ended 31 December 2017 (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 2017.

Committee Name	Chairman
National Executive Committee	Paul Oakden (resigned 26/02/2018) Anthony McIntyre (appointed 26/02/2018)

The following are sub-committees of the Party's National Executive Committee:

Finance and Remuneration Committee	Party Treasurer
Technology Committee	Party Treasurer

Sovereign Draw Ltd

During the year under review, Sovereign Draw Ltd, of which United Kingdom Independence Party Ltd. owns 80%, donated £12,000 in cash (2016 £16,000) to the central party. This has been included in donation income. A notional donation valued at £256 was also made during the year (2016 £0).

United Kingdom Independence Party Limited
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Directors' Report (continued)
For the year ended 31 December 2017

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 was approved by the board on APM 17.06.18 and signed on its behalf:

A.J McIntyre
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.

United Kingdom Independence Party Limited
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Report of the Party Officers
For the year ended 31 December 2017

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 2017 with an annual deficit of £200,528 (2016 surplus £365,429) and had a negative balance of £375,209 in the General Fund (2016 £174,681).

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 a generous manner.



David Sebastian Fairweather

Registered Treasurer

03-07

2018

United Kingdom Independence Party Limited
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Statement of Treasurer's Responsibilities
For the year ended 31 December 2017

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.

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

For the year ended 31 December 2017

Sir,

We have audited the financial statements of the United Kingdom Independence Party Limited for the year that ended 31 December 2017, 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.

Report of the Independent auditors to the Treasurer of the United Kingdom Independence Party Ltd (continued)
For the year ended 31 December 2017

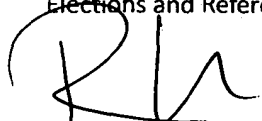
Basis of audit opinion

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 2017 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).



Ravi Koppa (Senior Statutory Auditor)
CK Partnership Limited
Registered Auditors
1 Old Court Mews
311 Chase Road
London N14 6JS

3 July... 2018

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 2017 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 www.frc.org.uk/apb/scope/private.cfm

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 2017 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.

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

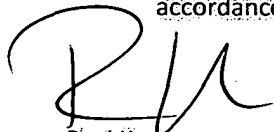
Opinion on other matters prescribed by the Companies Act 2006

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.



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

1 Old Court Mews
311 Chase Road
London, N14 6JS

3 July 2018

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

Company Number: 5090691

Income Statement
For the year ended 31 December 2017

Income	Note	2017 £	2016 £
Donation Income	2	954,779	1,872,776
Membership and Subscription Income		559,503	912,804
Income from Fundraising Activities	3	21,587	64,817
Income from Commercial Activities	4	-	-
Income from Legacies (not reportable)		-	-
Investment Income	5	-	-
Income from Conferences		-	-
Notional Income	2,6	127,001	435,815
Transfers in from branches		8,008	1,311
Grants Received		(9,340)	-
Other Income	19	77,378	70,203
Total Income		<u>1,738,916</u>	<u>3,357,726</u>
Less Expenditure			
Cost of Fundraising Activities	3	48,852	116,813
Cost of Commercial Activities	4	-	-
Notional Expenditure	6	127,001	435,815
Staff Costs	7	513,040	558,973
Management and Administration Costs	18	676,903	743,371
Depreciation and Amortisation	8	8,195	10,386
Profit/Loss on Sale of Fixed Assets		2,085	5,723
Campaign Expenditure	9	366,466	936,518
Conference Expenditure		-	-
Transfers out to Accounting Units		23,019	33,500
Other Expenditure	10	173,883	151,198
Total Expenditure		<u>1,939,444</u>	<u>2,992,297</u>
(Deficit) / Surplus before taxation	11	<u>(£200,528)</u>	<u>£365,429</u>

United Kingdom Independence Party Limited
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Statement of Total recognised Gains and Losses
For the year ended 31 December 2017

	2017	2016
	£	£
(Deficit) Surplus for the year	(200,528)	365,429
Total recognised (Deficit) Surplus related to the year	<u>(£200,528)</u>	<u>£365,429</u>
Balance on general fund brought forward	(174,681)	(540,110)
Notional donation of fixed asset	-	-
Less / Add (Deficit) Surplus for year	(200,528)	365,429
Balance on general fund carried to Balance Sheet	<u>(375,209)</u>	<u>(174,681)</u>

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

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Statement of Financial Position
As at 31 December 2017

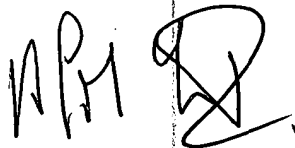
	Note	£	2017 £	£	2016 £
Fixed Assets:					
Tangible Assets	12		24,584		31,160
Investments	13		108		108
Current Assets					
Stocks					
Debtors	14	69,854		59,895	
Cash at bank and in hand		88,816		132,188	
		<u>158,670</u>		<u>192,083</u>	
Creditors falling due within one year	15	(558,571)		(398,032)	
Creditors falling due after one year					
			(399,901)		(205,949)
Total assets less current liabilities			<u>(£375,209)</u>		<u>(£174,681)</u>
Reserves					
General Fund	16		(375,209)		(174,681)
			<u>(£375,209)</u>		<u>(£174,681)</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 17th June 2018

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.

Signed

02-07
 Chairman
 2018



United Kingdom Independence Party Limited
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Cash Flow Statement
For the year ended 31 December 2017

		2017	2016
		£	£
Surplus / (Deficit)	Note		
Surplus / (Deficit) before and after taxation		(200,528)	365,429
Depreciation charge and loss on disposal	8	10,280	16,109
Decrease / (Increase) in stocks		-	-
Decrease / (Increase) in debtors	14	(9,959)	12,215
(Decrease) / Increase in creditors	15	160,539	(423,603)
Net cash flow from operating activities		<u>(£39,668)</u>	<u>(£29,850)</u>
Capital Expenditure	12	(3,704)	(11,811)
Proceeds from Sale of Assets		-	19,800
Purchase of shares in subsidiary company	13	-	-
(Decrease) Increase in cash in the year		<u><u>(£43,372)</u></u>	<u><u>(£21,861)</u></u>
Cash at bank and in hand			
Balance at 1 January 2017		132,188	154,049
(Decrease) / Increase in cash in the year		(43,372)	(21,861)
Balances at 31 December 2017		<u><u>£88,816</u></u>	<u><u>£132,188</u></u>

United Kingdom Independence Party Limited
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Notes to the Financial Statements
For the year ended 31 December 2017

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.

United Kingdom Independence Party Limited
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Notes to the Financial Statements (Continued)
For the year ended 31 December 2017

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 £954,779 (2016 - £1,872,776), of which £499,510 (2016 - £796,251) was reportable to The Electoral Commission. In addition, the party received donations in kind of £127,001 (2016 - £435,815), of which £126,745 (2016 - £435,815) was reportable. The party's administrative staff check 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 fundraising 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

	2017	2016
	£	£
Goods received	90,146	23,475
Services received	36,855	412,340
Total notional income received during the year	<u>127,001</u>	<u>435,815</u>

United Kingdom Independence Party Limited
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Notes to the Financial Statements (Continued)
 For the year ended 31 December 2017

7. Staff costs and remuneration

Staff Numbers			2017	2016
	Full Time	Part Time	Total	Total
Party Officers	2	0	2	2
Administrative Staff	11	8	19	29
	<u>13</u>	<u>8</u>	<u>21</u>	<u>31</u>

Staff Costs	2017	2016
Salaries	452,905	507,489
Social Security	42,373	44,414
Pension	1,493	600
Penalties & Interest Charges	107	1,072
Agency staff	16,162	5,398
	<u>513,040</u>	<u>558,973</u>

The positions of Leader and Nominating Officer are not currently salaried. The Party Chairman received a salary of £39,809 in his role as the Party Chairman and £29,857 as Party Director. The Press Officer received a salary of £72,450. No other staff member was paid in excess of £50,000.

8. Depreciation of fixed assets

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

9. Campaign expenditure

	2017	2016
	£	£
By election expenses	120,373	52,213
Other election expenses	25,817	30,251
European election costs	-	-
Parliamentary General Elections	220,276	-
Parliamentary election costs - Scotland	-	53,245
Candidate expenses	-	-
Referendum related expenses	-	790,809
Leaflets and information booklets	-	10,000
	<u>£366,466</u>	<u>£936,518</u>

Notes to the Financial Statements (Continued)
For the year ended 31 December 2017

10 Other Expenditure	2017	2016
	£	£
Membership fees (EU Group)	-	35,205
EU Group Contributions	-	1,510
Policy Development (direct costs)	-	14,519
Leaflets	5,279	32,793
Miscellaneous purchases	-	1,191
Leadership Election costs	32,161	48,324
Chairmans' Conference expenses	659	17,656
Branding	1,778	-
Fines	4,500	-
IHT on donations	129,506	-
	<u>£173,883</u>	<u>£151,198</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	11,494	19,208
Non audit services	-	-

Operating lease charges

Property	33,850	51,048
Equipment	14,204	22,948

<u>Depreciation</u>	8,195	10,386
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12 Tangible Fixed Assets

	Computers and Office Equipment	Motor Vehicles	Totals
Cost	£	£	
At 1 January 2017	80,561	20,598	101,159
Additions	3,704	-	3,704
Disposals	-	6,590	6,590
At 31 December 2017	<u>84,265</u>	<u>14,008</u>	<u>98,273</u>
Depreciation			
At 1 January 2017	59,853	10,146	69,999
Charge for year	6,103	2,092	8,195
Disposals	-	4,505	4,505
At 31 December 2017	<u>65,956</u>	<u>7,733</u>	<u>73,689</u>
Net book value			
At 31 December 2016	<u>20,708</u>	<u>10,452</u>	<u>31,160</u>
At 31 December 2017	<u>18,309</u>	<u>6,275</u>	<u>24,584</u>

Notes to the Financial Statements (Continued)
For the year ended 31 December 2017

	2017	2016
	£	£
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	10,533	8,500
UKIP Trading Ltd	46,345	32,101
Sovereign Draw Ltd	547	3,547
Prepayments	12,429	15,747
	<u>£69,854</u>	<u>£59,895</u>

Included in debtors are loans to members of the Party totalling £10,500. These loans are non-interest bearing and have no fixed repayment date.

15 Creditors falling due within one year		
Trade creditors	56,115	103,196
Sundry creditors	622	-
Accruals	201,759	17,152
VAT	-	-
Loans to the party	290,000	265,000
Taxation and Social Security	10,075	12,684
	<u>£558,571</u>	<u>£398,032</u>

Included in loans to the party is a loan for £200,000 which is callable with twelve months' notice. Notice had not been given at 31 December 2017.

The second loan for £90,000 is repayable on demand. Both loans are non-interest bearing loans.

Included in accruals is the sum of £175,000 for legal costs and fees in connection with defending a case brought against a UKIP MEP. These costs were paid by the Party in March 2018.

16 General Fund		
Balance at 1 January 2016	(174,681)	(540,110)
Surplus for the year	(200,528)	365,429
Notional donation fixed asset		
Balance at 31 December 2017	<u>(£375,209)</u>	<u>(£174,681)</u>

- 17 Contingent Liabilities**
Contingent liabilities for legal costs are thought likely to be in the region of £175,000, this amount is included in accruals.