

Be an effective CLP Treasurer

The CLP Treasurer plays key role in every constituency. They ensure the local party complies with the party funding laws, as well as helping the CLP to build the financial resources it needs to run effective campaigns by setting budgets and fundraising targets.

The Legal Bit!

As CLP Treasurer your main responsibilities are to keep accurate financial records throughout the year, produce an Annual Statement of Accounts and to identify and report donations and loans at the end of each quarter. These duties are set out in the Political Parties Elections and Referendums Act 2000 (PPERA) which regulates all aspects of the Party's finances from CLPs up to the national Party. The Treasurer shares the legal responsibility for the CLP's finances with the CLP Chair who is also the Deputy Treasurer.

The Party must keep an up-to-date list of all CLP Registered Treasurers and Chairs so make sure that any changes are updated promptly on Members Centre or contact the Compliance Unit on 020 7783 1498 or donations@labour.org.uk We'll send you regular updates, reminders and support. You can contact us anytime for advice or guidance.

Keeping Accounts

- The Party's financial year runs from 1 January to 31 December - not AGM to AGM!
- Keep your records up to date so you can make regular reports - at least quarterly and ideally monthly - to your General Meeting and to your Executive Committee
- The Treasurer should be a signatory on all bank accounts held by the CLP - general, premises, campaign etc., and receive the bank statements. The CLP's signatories on the bank accounts should be 3 or 4 current officers with 2 signatures being required on cheques etc.
- The Annual Statement of Accounts should be prepared and approved by the CLP General Meeting in the first quarter of the following year and forwarded to the Compliance Unit by 30 April. Look out for the template annual accounts provided by the Compliance Unit to help you.
- CLPs with income and/or expenditure greater than £25,000 must also send a copy of the annual accounts to the Electoral Commission by 30 April - or risk a fine!
- Audit - CLPs should appoint 2 members to act as auditors at its AGM who should audit the accounts before they are approved by the General Meeting.

Reporting donations and loans

- All donations and loans of more than £500 must be reported in your CLP's Quarterly Donation and Loan Report to Head Office. Amounts of £500 or less don't need to be reported. You should submit a nil report if there were not donations or loans of more £500.

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- Branches are part of the CLP so you must also report any donations or loans of more than £500 made to a Branch. You also need to include total branch income and expenditure in your annual accounts, so be sure to keep in regular contact with all Branch Treasurers.
- Donations may be cash or non-cash. Things like printed materials supplied by a trade union or the Labour Group, free use of office space or an event venue, gifts of equipment publications, free use of premises, gifts of equipment etc., count as donations.
- Once donations and loans are reported to Head Office they are formally recorded in a central register held by the Compliance Unit.
- In turn, the national Party will report donations and loans of more than £1,500 from the same donor or lender in a calendar year the Electoral Commission which will be published on their website. The addresses of individuals are not published.

Know your donor or lender

When we accept amounts of more than £500 we have a legal duty to check that the donor or lender is permissible. This means it must be from a UK source to avoid money from outside the UK being used to influence UK politics.

- The checks on donors must be carried out within 30 days of the donation being received - ideally before the money is banked or the non-cash donation accepted. If you find a donor or lender is not permissible after the 30 days have elapsed you cannot return the donation - it must be forfeited to the Electoral Commission.
- Lenders must be checked before the loan is made. There is no 30 days grace.
- **Individual donors** and lenders must be on a UK electoral register at the time they make a donation or loan. (UK does not include the Channel Islands or the Isle of Man)
- **Companies** must be incorporated within the EU and registered and trading in the UK
- **UK Trade Unions, the Co-op Party and Labour Groups are permissible donors**
- Your CLP must not accept donations or loans from charities or organisation funded by public money.
- When a donation or loan is offered or made the CLP should always take into account the political implications as well as confirming it is legally permissible. Ask the question: is there a risk that the party's reputation will be damaged if we accept money from this individual or company?
- Contact the Compliance Unit on 020 7783 1376 or donations@labour.org.uk if you need help checking a donor or lender.

Budgets and Fundraising

As the CLP Treasurer it is important to have a plan. You'll need a budget for the year, including campaigns and elections, so that everyone is clear how much money is needed to meet the current year's expenditure, as well as building a campaign fund for future elections. Don't forget to include a contingency for the unexpected like a council by-election.

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You'll also need a fundraising plan. Work with the Fundraising Officers to set targets and a schedule of events and activities which can range from encouraging members to make regular donations by direct debit to curry evenings, quizzes, an annual dinner, 100 Club etc. More details can be found at www.members.labour.org.uk/training-academy

In your regular reports to the General Meeting make sure you keep members informed of how the CLP is doing measured against the budget.

Advice and Guidance

CLP Treasurers are often the unsung heroes of local parties - juggling limited resources and making sure the CLP operates within the law. But you are not on your own.

You'll receive a quarterly email to remind you about your quarterly report along with the *Money Matters* newsletter. In addition, the Compliance Unit at Head Office is available to provide advice and guidance on all aspects of CLP finance on 020 7793 1376 or email donations@labour.org.uk

You can also visit www.members.labour.org.uk/legal_and_compliance_downloads for further information.