

**THE LABOUR PARTY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020**

**THE LABOUR PARTY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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**THE LABOUR PARTY
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

ADMINISTRATIVE INFORMATION

TRUSTEES

Emmet Stagg
Brian O'Shea
Ita McAuliffe

PARTY LEADERSHIP

Party Leader: Alan Kelly
General Secretary: Billie Sparks

REGISTERED OFFICE

2 Whitefriars
Aungier Street
Dublin 2

Email: info@labour.ie
Phone: +353 1 6784700

AUDITORS

O'Connor & Associates
Chartered Accountants and Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2

Email: bbarron@mazars.ie
Tel: +353 1 4494400

BANKERS

Bank of Ireland
2 College Green
Dublin 2

SOLICITORS

O'Mara Geraghty and McCourt
15 Northumberland Road
Dublin 4

THE LABOUR PARTY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

OVERVIEW STATEMENT

Governance of the Party

The key members of the Party include:

Party Leader: Alan Kelly
General Secretary: Billie Sparks

The appropriate officer is Billie Sparks.

Structure of the Party

The Labour Party is a political Party registered with the Registrar of Political Parties. The administration of the Labour Party is organised on a segmental basis with the Labour Parliamentary Party and each constituency, divisional and regional council, Party section and branch is separately responsible for their activities.

Scope of the financial statements

These accounts represent only the activity of the Head Office of the Labour Party including the parliamentary allowances and related expenditure. They do not record or represent the activities of any constituency, divisional or regional council, Party section or branch of the Labour Party, individual parliamentarians or any member of the Labour Party.

THE LABOUR PARTY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

TRUSTEES' RESPONSIBILITIES STATEMENT


The provisions of the Electoral Act 1997 and guidelines issued by the Standards in Public Office Commission requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Party and of the surplus or deficit for that year.

In preparing these financial statements, the Trustees are required to:

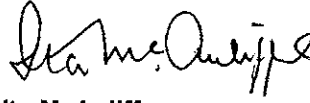
- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Party will continue in business.

The Trustees are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the Party to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the provisions of the Electoral Act 1997, the guidelines issued by the Standards in Public Office Commission and generally applicable accounting practice in Ireland including FRS 102 and enable the financial statements to be audited. 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.

Signed by the Trustees:


Emmet Stagg


Brian O'Shea


Ita McAuliffe

Date: 25/5/21


Billie Sparks
General Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LABOUR PARTY

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Labour Party (the "Party") for the year ended 31 December 2020, which comprise the statement of income and retained earnings, the statement of financial position and the statement of cash flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the provisions of the Electoral Act, 1997 (as amended) and the guidelines issued by the Standards in Public Office Commission ("SIPO").

In our opinion the financial statements:

- Give a true and fair view of the assets, liabilities and financial position of the Party as at 31 December 2020 and of its results for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the provisions of the Electoral Act, 1997 (as amended) and the guidelines issued by SIPO.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Party in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Party's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LABOUR PARTY (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by the SIPO accounting guidelines

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Party were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the overview statement is consistent with the financial statements.

We have nothing to report in this regard.

Respective responsibilities

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE LABOUR PARTY (continued)**

The purpose of our audit work and to whom we owe our responsibilities

Our audit work has been undertaken so that we might state to the Party'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 Party and the Party's members as a body, for our audit work, for this report, or for the opinions we have formed.



Bernard Barron

Partner

for and on behalf of

**O'Connor & Associates
Chartered Accountants & Statutory Audit Firm
Dublin 2**

27 May 2021

**THE LABOUR PARTY
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Notes | 2020 € | 2019 € |
|---|-------|--------------------|--------------------|
| Income | | | |
| State funding | 2 | 1,520,831 | 1,641,812 |
| Membership and subscriptions | 3 | 106,979 | 88,779 |
| Donations | 4 | 27,180 | 23,578 |
| Other amounts remitted by branches | 6 | 1,190 | 8,240 |
| Miscellaneous income | 7 | 321 | 237 |
| Total income | | <u>1,656,501</u> | <u>1,762,646</u> |
| Expenditure | | | |
| Staff costs | 8 | (753,109) | (660,781) |
| Administration | 9 | (294,833) | (354,078) |
| Premises costs | 10 | (46,707) | (60,165) |
| Application of donations in kind (including notional donations) | 11 | (562,992) | (498,071) |
| Financing charges | 12 | (35,380) | (7,833) |
| Campaign and election costs | 13 | (182,029) | (388,223) |
| Miscellaneous expenses | 14 | (30,459) | (14,030) |
| Depreciation | 15 | (26,556) | (2,813) |
| Total expenditure | | <u>(1,917,065)</u> | <u>(1,985,994)</u> |
| Deficit for the year | | (275,564) | (223,348) |
| Accumulated fund at 1 January | | <u>1,755,915</u> | <u>1,979,263</u> |
| Accumulated fund at 31 December | | <u>1,480,351</u> | <u>1,755,915</u> |

There were no other recognised gains or losses other than those stated above.

All income and expenditure are in respect of continuing activities.

The accompanying notes form an integral part of the financial statements and should be read in conjunction with them.

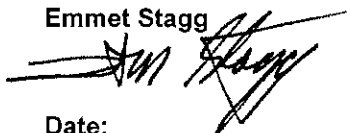
**THE LABOUR PARTY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

| | Notes | 2020 € | 2019 € |
|---|-------|-----------|-----------|
| Fixed assets | | | |
| Tangible assets | 15 | 857,960 | 840,947 |
| Current assets | | | |
| Prepayments | 16 | 1,569 | 4,470 |
| Cash and cash equivalents | 17 | 1,299,847 | 1,621,341 |
| | | 1,301,416 | 1,625,811 |
| Current liabilities | | | |
| Creditors: Amounts falling due within one year | 18 | (170,648) | (176,536) |
| Net current assets | | 1,130,768 | 1,449,275 |
| Total assets less current liabilities | | 1,988,728 | 2,290,222 |
| Creditors: amounts falling due after one year | 19 | (508,377) | (534,307) |
| Net assets | | 1,480,351 | 1,755,915 |
| Accumulated fund | 20 | 1,480,351 | 1,755,915 |

The accompanying notes form an integral part of the financial statements and should be read in conjunction with them.

Signed by the Trustees:

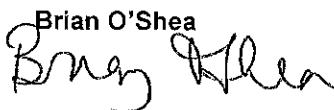
Emmet Stagg



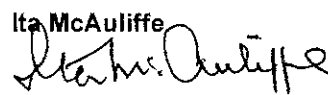
Date:

25/5/21

Brian O'Shea

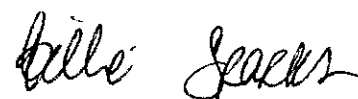


Ita McAuliffe



Billie Sparks

General Secretary



**THE LABOUR PARTY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | | 2020 € | 2019 € |
|---|--------------|-------------------------|-------------------------|
| | Notes | | |
| Net cash flows used in operating activities | 21 | <u>(218,944)</u> | <u>(207,904)</u> |
| Cash flows used in an investing activity | | | |
| Purchase of property | 15 | <u>(43,569)</u> | <u>(843,760)</u> |
| Cash flows used in an investing activity | | <u>(43,569)</u> | <u>(843,760)</u> |
| Cash flows from financing activities | | | |
| Proceeds from bank loan | | - | 596,000 |
| Repayment of bank loan | | (58,356) | (4,863) |
| Interest paid | | <u>(625)</u> | <u>(717)</u> |
| Net cash flows (used in)/ provided by financing activities | | <u>(58,981)</u> | <u>590,420</u> |
| Net (decrease)/ increase in cash and cash equivalents | | (321,494) | (461,244) |
| Cash and cash equivalents at beginning of financial year | | <u>1,621,341</u> | <u>2,082,585</u> |
| Cash and cash equivalents at end of financial year | 17 | <u><u>1,299,847</u></u> | <u><u>1,621,341</u></u> |

THE LABOUR PARTY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

1.1 General information

These financial statements comprising the statement of income and retained earnings, the statement of financial position, the statement of cash flows and the related notes constitute the individual financial statements of the Labour Party for the financial year ended 31 December 2020.

The Labour Party is a political Party registered with the Registrar of Political Parties. The registered office is 2 Whitefriar Street, Aungier Street, Dublin 2 which is also the principal place of business of the Party.

These accounts record the activities of the Head Office of the Labour Party including the parliamentary allowance, Electoral Act allowance and the related expenditure for the year ended 31 December 2020. The accounts do not represent the activities of any constituency, divisional or regional council, Party or section of or branch of the Labour Party, individual parliamentarians or any member of the Labour Party during the period. The accounts are prepared on an accrual basis. Income and expenses are recognised as they are notified to the Party Head Office.

1.2 Statement of compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and with the provisions of the Electoral Act 1997 (as amended) together with the guidelines issued by the Standards in Public Office Commission.

1.3 Summary of significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Party's financial statements.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The Trustees consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the Party was unable to continue as a going concern.

The financial statements are prepared in Euro (€) which is also the functional currency of the Party.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Party's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1.4.

The accounts are prepared in accordance with SIPO accounting guidelines.

b) Revenue recognition

The Party recognises revenue when the amount of revenue can be measured reliably, and it is probable that future economic benefits will flow to the Party. The income of the Party comprises mainly of members' contributions, state funding, donations and donations in kind.

**THE LABOUR PARTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1.3 Summary of significant accounting policies (continued)

b) Revenue recognition (continued)

i) Members' contributions

Members' contributions are accounted for on the basis of contributions remitted in respect of the accounting period they are received and include remittances received after the year end.

ii) State funding

Party Leaders' Allowance, Electoral Act and other state funding are accounted for on the basis of contributions remitted in respect of the accounting period they are received and include remittances received after the year end.

iii) Donations and Donations in kind

Donations are accounted for on the basis of donations remitted in respect of the accounting period in which they are received.

Donations in kind relate to the supply of goods or services to the Party whereby the rate at which these are supplied is below the commercial rate. The value of donations in kind or notional donations are accounted for as income within the period they relate to at the fair value of the goods or services obtained. The related application of these donations in kind and notional donations is included in the statement of income and retained earnings.

j) Depreciation and fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on the fixed assets at rates calculated to write off the cost of the assets over their expected useful lives as follows:

| | |
|--------------------------------|----------------------|
| Premises | 2.00 % straight line |
| Office equipment and furniture | 33.33% straight line |

The carrying value of tangible fixed assets is reviewed annually for impairment and whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Repairs, maintenance and minor inspection costs are expensed as incurred.

k) Expenditure recognition

The accounts are prepared on an accrual basis. Expenses are recognised as they are notified to the Party Head Office.

l) Employee benefits

The Party provides a range of benefits to employees including paid holiday arrangements and defined contribution pension plans. The defined contribution plan is an AVC scheme which employees can opt to pay into. Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

**THE LABOUR PARTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1.3 Summary of significant accounting policies (continued)

m) Financial instruments

The Party has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets

Basic financial assets, including trade and other receivables are initially recognised at the transaction price. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of income and retained earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

n) Provision and contingencies

Provisions are recognised when the Party has an obligation at the statement of financial position date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Contingent liabilities, resulting from past events, arise when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date, or (ii) the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Party's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

o) Taxation

Any surpluses arising in the income and expenditure account are not liable to taxation.

**THE LABOUR PARTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1.4 Judgements and key sources of estimation uncertainty

The Trustees consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

Useful lives of tangible fixed assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The trustees regularly review these useful lives and change them, if necessary, to reflect current conditions. The carrying amount of tangible fixed assets amounted to €857,960 (2019: €840,947).

2. STATE FUNDING

| | 2020 | 2019 |
|--|-------------------------|-------------------------|
| | € | € |
| Exchequer funding under Section 19 of the Electoral Act 1997, as amended | 560,434 | 524,809 |
| Party leader allowance | 397,405 | 618,932 |
| Other state funding (Note 5) | 562,992 | 498,071 |
| | <u>1,520,831</u> | <u>1,641,812</u> |

3. MEMBERSHIP AND SUBSCRIPTIONS

The amount reported for membership and subscriptions is comprised as follows:

| | 2020 | 2019 |
|--|-----------------------|----------------------|
| | € | € |
| Collected by Head Office/ National units | 106,979 | 88,779 |
| | <u>106,979</u> | <u>88,779</u> |

All memberships and subscriptions consist of individual subscriptions.

4. DONATIONS

| | 2020 | 2019 |
|----------------------|----------------------|----------------------|
| | € | € |
| Individual donations | 27,180 | 23,578 |
| | <u>27,180</u> | <u>23,578</u> |

Under Section 24 of the Electoral Act 1997, a separate accounting disclosure is made in respect of donations received.

5. DONATIONS IN KIND (INCLUDING NOTIONAL DONATIONS)

The estimated value of donations in kind and notional donations received by the Party in the year was €562,992 (2019: €498,071). This is included in other state funding as set out in Note 2. Notional donations relate to the value of services provided by the Houses of the Oireachtas. This was applied as outlined in Note 11. Individual donations are included in the separate accounting disclosure referred to in Note 4.

**THE LABOUR PARTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. OTHER AMOUNTS REMITTED BY BRANCHES

| | 2020 € | 2019 € |
|-------------------------|--------------|--------------|
| General election fund | - | 6,070 |
| Branch affiliation fees | 1,190 | 2,170 |
| | <u>1,190</u> | <u>8,240</u> |

7. MISCELLANEOUS INCOME

| | 2020 € | 2019 € |
|---------------|------------|------------|
| Miscellaneous | 321 | 237 |
| | <u>321</u> | <u>237</u> |

8. STAFF COSTS

| | 2020 € | 2019 € |
|--------------------------------|----------------|----------------|
| Staff salaries and pensions | 482,063 | 559,578 |
| Employers PRSI | 53,427 | 60,813 |
| Pensions | 26,201 | 33,997 |
| Training and development costs | 2,629 | 6,393 |
| Other compensation costs | 188,789 | - |
| | <u>753,109</u> | <u>660,781</u> |

The total amount paid to key management personnel (2) in 2020 (2019: 2) was €186,928 (2019: €145,751).

Nine staff members were employed at year end. The whole-time equivalent of staff employed throughout the year was 10 (2019: 12).

The Party operates an externally operated defined contribution scheme for employees. The total contribution costs for the year were €26,201 (2019: €33,997). There is a balance of €1,750 (2019: €1,750) due at the year end.

**THE LABOUR PARTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. ADMINISTRATION

| | 2020 | 2019 |
|-------------------------------------|----------------|----------------|
| | € | € |
| Staff travel | 21,748 | 64,351 |
| Professional services | 46,063 | 54,979 |
| Research | 10,150 | 49,658 |
| Party sections | 31,000 | 32,587 |
| Printing and publishing | 13,865 | 20,136 |
| Members events | 40,125 | 17,359 |
| Communication and telephone costs | 14,210 | 14,982 |
| Advertising | 63,536 | 14,534 |
| Postage and packaging | 10,193 | 9,018 |
| Auditors' remuneration and expenses | 9,225 | 9,225 |
| Equipment rental and maintenance | 2,813 | 7,627 |
| Other administrative expenses | 31,905 | 59,622 |
| | 294,833 | 354,078 |

10. PREMISES COSTS

| | 2020 | 2019 |
|----------------------------|---------------|---------------|
| | € | € |
| Rental and related charges | 3,658 | 28,767 |
| Insurance | 28,081 | 25,454 |
| Upkeep and maintenance | 9,130 | 3,078 |
| Heating and electricity | 5,838 | 2,866 |
| | 46,707 | 60,165 |

11. APPLICATION OF DONATIONS IN KIND (INCLUDING NOTIONAL DONATIONS)

The value of donations in kind and notional donations is set out in Note 5. This amount was applied to non-campaign/ election expenses as follows:

| | 2020 | 2019 |
|---------------------------|----------------|----------------|
| | € | € |
| Staff costs | 312,856 | 375,200 |
| Staff pension costs | 62,715 | 75,273 |
| Other compensation costs | 147,111 | - |
| Associated accommodation | 33,617 | 39,333 |
| Computer equipment use | 6,693 | 7,269 |
| Outsourced graphic design | - | 996 |
| | 562,992 | 498,071 |

**THE LABOUR PARTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. FINANCING CHARGES

| | 2020 | 2019 |
|-----------------------|---------------|--------------|
| | € | € |
| Other financing costs | 35,380 | 7,833 |
| | <u>35,380</u> | <u>7,833</u> |

13. CAMPAIGN AND ELECTION COSTS

Campaign costs include election costs (as defined under Section 31 of the Electoral Act 1997, as amended) and other expenses incurred in relation to elections or referendum campaigns, or Party/policy promotion and comprise:

| | 2020 | 2019 |
|--------------------------------|----------------|----------------|
| | € | € |
| General campaign costs | 122,554 | 192,549 |
| National conferences | 57,900 | 181,574 |
| Other conferences and meetings | 1,575 | 14,100 |
| | <u>182,029</u> | <u>388,223</u> |

14. MISCELLANEOUS EXPENSE

| | 2020 | 2019 |
|-----------------------|---------------|---------------|
| | € | € |
| Miscellaneous expense | 30,459 | 14,030 |
| | <u>30,459</u> | <u>14,030</u> |

15. TANGIBLE ASSETS

| | Premises | Office equipment & furniture € | Total € |
|---------------------------------|----------------|---|----------------|
| Gross cost | | | |
| At 1 January 2020 | 843,760 | 45,230 | 888,990 |
| Additions | 15,425 | 28,144 | 43,569 |
| At 31 December 2020 | <u>859,185</u> | <u>73,374</u> | <u>932,559</u> |
| Accumulated depreciation | | | |
| At 1 January 2020 | 2,813 | 45,230 | 48,043 |
| Charge for the financial year | 17,184 | 9,372 | 26,556 |
| At 31 December 2020 | <u>19,997</u> | <u>54,602</u> | <u>74,599</u> |
| Net book value | | | |
| At 31 December 2020 | <u>839,188</u> | <u>18,772</u> | <u>857,960</u> |
| At 1 January 2020 | <u>840,947</u> | - | <u>840,947</u> |

**THE LABOUR PARTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. PREPAYMENTS

| | 2020 | 2019 |
|-------------|---------------------|---------------------|
| | € | € |
| Prepayments | 1,569 | 4,470 |
| | <u>1,569</u> | <u>4,470</u> |

17. CASH AND CASH EQUIVALENTS

| | 2020 | 2019 |
|--------------------------|-------------------------|-------------------------|
| | € | € |
| Current accounts | 804,574 | 375,774 |
| Deposit/savings accounts | 490,896 | 1,241,131 |
| Other cash balances | 4,377 | 4,436 |
| | <u>1,299,847</u> | <u>1,621,341</u> |

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2020 | 2019 |
|-----------------|-----------------------|-----------------------|
| | € | € |
| Bank loans | 58,356 | 58,356 |
| Accruals | 46,651 | 46,797 |
| Payroll taxes | 13,057 | 35,645 |
| Deferred income | 22,500 | 21,700 |
| Payables | 30,084 | 14,038 |
| | <u>170,648</u> | <u>176,536</u> |

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2020 | 2019 |
|------------|-----------------------|-----------------------|
| | € | € |
| Bank loans | 508,377 | 534,307 |
| | <u>508,377</u> | <u>534,307</u> |

20. ACCUMULATED FUND

| | 2020 | 2019 |
|---------------------------------------|-------------------------|-------------------------|
| | € | € |
| Balance at beginning of the year | 1,755,915 | 1,979,263 |
| Deficit for the year | (275,564) | (223,348) |
| Balance at the end of the year | <u>1,480,351</u> | <u>1,755,915</u> |

**THE LABOUR PARTY
NOTES TO THE FINANCIAL STATEMENTS
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21. NET CASH FLOWS FROM OPERATING ACTIVITIES

| | 2020 | 2019 |
|---|-------------------------|-------------------------|
| | € | € |
| Deficit for the financial year | (275,564) | (223,348) |
| Adjustments for: | | |
| Depreciation of tangible fixed assets | 26,556 | 2,813 |
| Finance charges | 32,925 | 4,027 |
| Interest payable | 625 | 717 |
| Decrease/ (Increase) in receivables | 2,901 | (2,367) |
| (Decrease)/ Increase in payables | (6,387) | 10,254 |
| Net cash used in from operating activities | <u>(218,944)</u> | <u>(207,904)</u> |

22. SUBSEQUENT EVENTS

There have been no other significant events affecting the Party since the year end which require amendment to or disclosure in these financial statements.

23. CONTINGENCIES & COMMITMENTS

The Party is defending a legal action in relation to property which is to come before the courts in due course. Legal advice has been given to the Party and it is defending its position robustly and the financial statements have been prepared on this basis.

24. RELATED PARTY TRANSACTIONS

In 2020, Alan Kelly was appointed as Party Leader on the retirement of Brendan Howlin. Both members continued paying their annual membership subscription during the year.

There were no other related party transactions during the year.

Key management personnel compensation

The total compensation paid to key management personnel during the year is disclosed in Note 8 to the financial statements.

**THE LABOUR PARTY
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25. RESTRICTED FUNDING

Funding received under the Electoral Act 1997 and the Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2014 was 2020: €957,839 (2019: €1,143,741). This funding may only be used for the purposes specified in those Acts. The total amount of funding received under those Acts but not yet expended at the year-end for the specified purposes was 2020: €1,028,159 (2019: €1,250,911).

26. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Trustees of the Labour Party on 25/5/21