



Audited Financial Accounts versus internal Consolidated Management Accounts

I present to you both the Audited Financial Accounts of Hart Liberal Democrats, as well as our internal consolidated Management Accounts.

The Financial Accounts must include the non-cash accounting entries for so called Gifts in Kind, which then cause an increase Gifts in Kind or Fundraising income on the one side and to Fundraising, Campaigning or other expenditure on the other side. We do not take these into account in our internal accounts as they do not lend themselves to making financial decisions. As they are non-cash entries cancelling each other out, they have no bearing on the final bank balance – which is why the final cash balance in both sets of accounts is identical and as per our 31 December 2023 Bank Statements.

The Financial Accounts were submitted to HQ before their mid-March deadline and accepted; and were audited and approved by our external auditor on 31st October 2023.

Financial Performance 2023

The following analysis is based on the internal Management Accounts.

In 2023, Hart Liberal Democrats ended the year with a net expenditure of £1.8k (2022: net income of £0.7k) and a closing bank balance of £11.7k (2022: £13.5k), with this net expenditure effectively representing, in the main, the excess of our campaigning costs over our total income during 2023. During 2023 we had begun campaigning for the General Election, taking a small financial risk whilst preparing to run a large-scale fundraising campaign once the GE date was announced in 2024.

Financial Performance 2024 so far, and challenge ahead

As at the end of October 2024, we have accumulated a net income of £2.6k with our cash balance currently at £14.4k, having recovered from a very low balance after the General Election by already having run a successful fundraising event in October and by having benefitted from further generous donations from members and a cash injection from the Central Party of £3k.

Being a Local Party serving a held parliamentary seat is new territory for us, but rough figures suggest that it can take up to £100k per annum to continue campaigning on this scale and to hold the seat at the next GE, money which allows a Local Party to fund paid staff that is available all year round, an office space, more frequent campaign literature and so on. In addition, we have of course County Elections coming up in May 2025, which we are keen to contest successfully in all Hart seats. Efforts are being made in collaboration with Alex Brewer MP's staff to find synergies and to learn from previously held seats how to ramp up to such a level of activity by increasing income from donations and fundraising drastically.

Silke Engström
Hart Liberal Democrats
Treasurer
04 November 2024