

# Overview of accounts for party treasurers

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This document is for party treasurers who want a basic outline of their responsibilities for financial records.

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## Terms and expressions we use

We use '**must**' when we refer to a specific legal or regulatory requirement. We use '**should**' for items we consider to be minimum good practice, but which are not legal requirements.

You do not have to follow this guidance, but if you do, you will normally be doing enough to comply with the law.

## Our approach to enforcement

If you do not comply with legal or regulatory requirements you or your organisation may be subject to civil or criminal sanctions.

You can find more information about the Commission's approach to enforcement at

[www.electoralcommission.org.uk/party-finance/enforcement](http://www.electoralcommission.org.uk/party-finance/enforcement)

# Accounts for party treasurers

## Who is this document for:

Treasurers of political parties

## The document covers:

- A summary of your responsibilities
- Keeping clear and accurate records
- Preparing your annual statement of accounts
- Sending us your statement of accounts

## Related documents:

- [Introduction to being a party treasurer](#)
- [Cash accounting for party treasurers](#)
- [Accruals accounting for party treasurers](#)

## Statement of accounts templates:

- [Statement of accounts Word template – cash accounting](#)
- [Statement of accounts Word template – accruals accounting](#)

## Statement of accounts spreadsheet tool:

- [Statement of accounts spreadsheet tool](#)

# Summary

As the treasurer for a political party, you are responsible for your party's compliance with financial controls under the Political Parties Elections and Referendums Act 2000.

This includes keeping accounting records. You also have to send us a formal statement of accounts

This overview will give you an understanding of what your responsibilities are and where you can find more information.

## Introduction

Being the registered treasurer of a political party is a significant responsibility. You are in control of your party's accounts and making sure they comply with the Political Parties Elections and Referendums Act 2000 (PPERA).

It can sound daunting, but with good organisation, thorough record keeping and up-to-date knowledge of the rules, it can be a rewarding role. And we're here to help if you have any questions.

This overview sets out what you need to know about keeping accounting records and preparing a statement of accounts.

If you are **an accounting unit treasurer**, you should read our separate [Overview of accounts for accounting unit treasurers](#).

Accounting units are branches of a party that are registered with us as being responsible for their own accounts.

## Using this guidance

Our guidance does not go into detail about issues which will only be relevant to the largest parties and accounting units, such as the treatment of pensions and the use of accounting standards.

Parties that need to deal with these issues will usually have access to their own advisers. However, we are happy to discuss particular issues and give advice where appropriate.

## A summary of your responsibilities

You must:

- keep clear and accurate accounting records
- prepare an annual statement of accounts and send it to us
- **if your income or spending exceeds £250,000**, have your accounts audited by a qualified auditor, and send us a copy of the auditor's report with your statement of accounts
- make sure that your accounting records are kept for 6 years

You can find out more about each one in the rest of this document.

## Keeping clear and accurate records

You must make sure that your records show and explain the party's transactions, and give a reasonably accurate picture of the party's financial position at any time.

Keeping these records properly will help you prepare your annual statement of accounts.

### What your records must show

Your accounts must include:

- entries showing all the money that the party has received and spent from day to day
- basic information about what each entry relates to. For example, where the income came from, or what the money was spent on and who it was paid to.
- a record of the assets and liabilities of the party.

### Accounting methods

You can use either **cash accounting** or **accruals accounting**.

The main difference between the two methods is that:

- In **cash accounting**, you record transactions only when money has actually changed hands. This means that, for example, you do not account for depreciation.
- In **accruals accounting**, you record transactions when the benefit has been received or given, even if it has not yet been paid for. This means that, for example, you need to account for debtors, creditors and pre-payments.

We have produced guidance and statement of accounts templates for [cash accounting](#) and for [accruals accounting](#).

We have also produced a [Statement of accounts spreadsheet tool](#) in Excel which will put the figures directly into the relevant Word template for you to complete.

They will help make it easier to prepare your annual statement of accounts.

If you use our templates correctly, you will be doing enough to comply with the law.

## Preparing your annual statement of accounts

If you have kept good records throughout the year, preparing your annual statement of accounts should be straightforward.

### What to put into your statement of accounts

You should include:

- An overview of the political and financial activities conducted that year
- An income and expenditure account
- A balance sheet, showing the assets and liabilities of the party

The statement must be approved by the party's management committee. If your party does not have a management committee, it must be approved by the party's registered leader.

### Format of your statement of accounts

You do not have to use a particular format for your statement of accounts.

However, we publish guidance on our recommended format for both [cash accounting](#) and for [accruals accounting](#), including template spreadsheets which help you prepare your statement.

If you use our templates, and you base your accounts on accurate records, you will be doing enough to comply with the law.

You can still use our [statement of accounts spreadsheet tool](#) to produce your statement of accounts, even if you do not use it to keep your records through the year.

### Do your accounts need to be audited?

You must have your accounts independently audited if **either** your gross income **or** total expenditure is more than £250,000.

If your income and expenditure is less than £250,000, we may still direct you to have your accounts audited, if we think it desirable to do so.

 **Important**

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## Sending us your statement of accounts

All parties must send us their annual statement of accounts, even if you are exempt from reporting donations or loans.



### When do you need to submit your accounts?

Is your party's income and expenditure **£250k or below?**

Submit within four months of the end of your financial year.

Is your party's income or expenditure **over £250k?**

Submit within six months and seven days of the end of your financial year, with an independent auditor's report.



## What happens next?

We will confirm that we have received your statement of accounts.

We publish the statements of accounts that we receive on our website. You can see how accounts appear on our website at <http://www.electoralcommission.org.uk/party-finance/PEF-online-registers/statements-of-account>

## What happens if something goes wrong?

If you do not send us your accounts by the deadline, you or your party may be subject to a sanction. You or your party may also be subject to a sanction if your accounts do not meet the legal requirements.

We recognise that many of the individuals responsible for complying with the law on statements of accounts are volunteers. We will take the facts of each case into account, and we will only take action when it is necessary and proportionate to do so.

You can find out more about our enforcement policy, our supervisory powers and the sanctions we can use at <http://www.electoralcommission.org.uk/party-finance/enforcement>.

## How we can help

You can find more information in the guidance documents we have suggested in this document, or you can view our full range of guidance and up-to-date resources on our website.

If it's easier, you can also contact us on one of the phone numbers or email addresses below. We are here to help, so please get in touch.

Call us on:

- **England:** 020 7271 0616  
[pef@electoralcommission.org.uk](mailto:pef@electoralcommission.org.uk)
- **Scotland:** 0131 225 0200  
[infoscotland@electoralcommission.org.uk](mailto:infoscotland@electoralcommission.org.uk)
- **Wales:** 029 2034 6800  
<mailto:infowales@electoralcommission.org.uk>
- **Northern Ireland:** 028 9089 4020  
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Visit us at [www.electoralcommission.org.uk](http://www.electoralcommission.org.uk)

We welcome feedback on our guidance – just email us at:  
[pef@electoralcommission.org.uk](mailto:pef@electoralcommission.org.uk)

## Translations and other formats

For information on obtaining this publication in another language or in a large-print or Braille versions please contact the Electoral Commission:

Tel: 020 7271 0500

Email: [publications@electoralcommission.org.uk](mailto:publications@electoralcommission.org.uk)