

Reports to Conference

**Autumn
Conference
2015**
Bournemouth
19th - 23rd
September



REPORTS TO CONFERENCE AUTUMN 2015

Contents

<i>Federal Conference Committee</i>	2
<i>Federal Policy Committee</i>	6
<i>Federal Executive</i>	10
<i>Federal Finance and Administration Committee</i>	14
<i>Federal Party Accounts</i>	19
<i>Liberal Democrats Limited</i>	45
<i>Parliamentary Party (Commons)</i>	47
<i>Parliamentary Party (Lords)</i>	50
<i>Parliamentary Party (Europe)</i>	53
<i>Federal Appeals Panel</i>	56
<i>Campaign for Gender Balance</i>	57
<i>Diversity Engagement Group</i>	60

Federal Conference Committee

Liverpool 2015

This spring we went back to Liverpool. When we have been there previously it has proved to be a popular venue and this time was no different; it received excellent feedback. A good percentage of attendees completed the online questionnaire which is sent to all members who register for conference. This document is incredibly useful to the conference office and FCC and I would urge all members to take the time to complete it.

81% of respondents rated the venue as good (38%) or excellent (43%). It also received one of the highest percentage ratings for catering in a venue.

FCC continues to keep a close eye on the number of debates on the agenda against non-debate items such as speeches and Q&A items. Feedback from Liverpool showed 86% of people believed the balance was about right. Getting the balance right is always difficult and we will continue to monitor the feedback received from attendees.

We are continuing to develop the Conference App. 42% of those that returned the questionnaire and used it rated it four or five (out of five) compared with 31% in York. We are continuing to develop ways to make this even better and more useful.

Bournemouth 2015

This autumn we have returned to Bournemouth after a six-year gap. We are continuing the two year trial of an earlier finish on the Wednesday to make it easier for those travelling long distances to get home. We will include a question in the post-conference questionnaire to gauge attendees' feedback.

Motions

As always, every item on the agenda is still open to amendment. The deadline for submitting amendments – alongside emergency motions and questions to reports – is 13.00 on 7 September.

We continue to provide a drafting advisory service, and I would encourage all emergency motion and amendment submitters to make use of it – those

who have used it in the past have had a much higher chance of having theirs accepted. The deadline for the advisory service for amendments and emergency motions is 13.00 on 25 August, please do use the service; drafts should be sent to motionsadvice@libdems.org.uk.

Agenda

This conference sees us start a new cycle towards the next General Election in 2020 as well as being the first conference with Tim Farron as the leader. At this conference both the Federal Executive and the Federal Policy Committee are holding important sessions in the auditorium. Although this time round we do not have any formal policy papers from FPC there are a number interesting motions on a wide range of issues. There will also be the opportunity to participate in a Q&A with the new leader as well as question the various Party committees as to what they have been doing.

We have a record number of first time attendees at conference this time, and have organised a full programme to help them understand how conference (and the wider party) works. We hope they find this useful and that they receive a warm welcome from those who have attended conference for many years, ensuring that they come back again and again.

Venues for 2016

Next spring we return to York for our spring conference and Brighton for the autumn. York was a popular venue for a weekend conference when we went there in 2014 and I am sure it will be again.

We will be in York from 11-13 March 2016 and Brighton from 17-21 September 2016.

Stewards

As always, conference can only take place thanks to the massive contribution and efforts of the volunteer stewarding team, who look after the exhibition, fringe, information desk, stage and auditorium, and ensure that we all get the most out of conference.

Federal Conference Committee

FCC members are here to help you make the most of conference – do feel free to ask us any questions you may have relating to the agenda and how

to speak in debates. You can identify us by the badges we wear, with 'FCC' prominently displayed; there are also pictures of us (although looking at some of the photos it may be difficult to see the true likeness!) at the front of the Agenda.

FCC members are also assigned State and English Regional parties, and SAOs. The idea is that they provide advice and assistance on submitting motions and when requested attend conferences to answer your questions. See the contact details at the end of this report, and don't hesitate to get in touch with the relevant FCC member.

Thanks

The vast bulk of the hard work of organising conference throughout the year falls on the professional staff in the Conference Office at HQ: Sian Waddington who is covering for Lucy Hope during her maternity leave and her team - Paulina Sapinska, Emma Price, Joe Edwards and Aisha Zeina. I would also like to express my grateful thanks to all the others who make conference possible: to all my colleagues on the Conference Committee; to all the staff at HQ, in particular the Policy Team, led by Christian Moon, who process the motions and prepare much of the agenda material; and of course to the stewards' team.

Conference is a fantastic event to be involved in and I'm proud to chair your FCC. I look forward to seeing you in Bournemouth.

Andrew Wiseman
Chair, Federal Conference Committee
July 2015

Regional Reps 2015-16

<i>Region</i>	<i>FCC Rep</i>	<i>Email</i>
<i>Devon & Cornwall</i>	<i>Justine McGuinness</i>	<i>mcguinness.jez@gmail.com</i>
<i>East of England</i>	<i>Zoe O'Connell</i>	<i>zoe@complicity.co.uk</i>
<i>East Midlands</i>	<i>Paul Tilsley</i>	<i>paul@ptilsley.freemove.co.uk</i>
<i>London</i>	<i>Chris Maines</i>	<i>cmaines@cix.co.uk</i>
<i>Northern</i>	<i>Gareth Epps</i>	<i>garethepps@googlemail.com</i>
<i>North West</i>	<i>Andrew Wiseman</i>	<i>andrewdwiseman@gmail.com</i>
<i>South Central</i>	<i>Gareth Epps</i>	<i>garethepps@googlemail.com</i>
<i>South East</i>	<i>Sandra Gidley</i>	<i>sandra.gidley@sky.com</i>
<i>West Midlands</i>	<i>Liz Lynne</i>	<i>liz_lynne@yahoo.co.uk</i>
<i>Western Counties</i>	<i>Justine McGuinness</i>	<i>mcguinness.jez@gmail.com</i>
<i>Yorkshire & the Humber</i>	<i>Andrew Wiseman</i>	<i>andrewdwiseman@gmail.com</i>

The FCC has also appointed representatives to SAOs:

<i>SAO</i>	<i>FCC Rep</i>	<i>Email</i>
<i>ALDES</i>	<i>Liz Lynne</i>	<i>liz_lynne@yahoo.co.uk</i>
<i>ALDC</i>	<i>Paul Tilsley</i>	<i>paul@ptilsley.freemove.co.uk</i>
<i>LGBT+</i>	<i>Zoe O'Connell</i>	<i>zoe@complicity.co.uk</i>
<i>WLD</i>	<i>Shas Sheehan</i>	<i>shas.sheehan@btinternet.com</i>
<i>Liberal Youth</i>	<i>Jon Ball</i>	<i>jonball@cix.co.uk</i>
<i>PCA</i>	<i>Liz Lynne</i>	<i>liz_lynne@yahoo.co.uk</i>
<i>Liberal Democrat Lawyers</i>	<i>Geoff Payne</i>	<i>geoff@geoffpayne.org</i>
<i>EMLD</i>	<i>Gareth Epps</i>	<i>garethepps@googlemail.com</i>

Federal Policy Committee

The Federal Policy Committee is responsible for researching and developing policy and overseeing the Federal Party's policy-making process. This includes producing policy papers for debate at conference, and drawing up (in consultation with the parliamentary party) the Federal election manifestos for Westminster and European elections.

The FPC has 29 voting members: the Party Leader, four other MPs, the Party President, one peer, one MEP, three councillors, three state party reps and fifteen members directly elected by conference reps.

Committee

The general election marked the departure of the FPC's chair, Sir Malcolm Bruce, and also, unfortunately, our parliamentary Vice Chair, Julian Huppert. As the two surviving Vice Chairs, we have acted as co-chairs pending the election of the new leader and the parliamentary party's election of the committee's new chair, which we expect to be able to announce at conference. We thank the Committee for their hard work over the last few months, and pay tribute to Sir Malcom and Julian for their able guidance leading up to the general election. We would also like to thank David Laws for his work as chair of the General Election Manifesto Working Group.

FPC Work Programme

The aftermath of a general election is always a good time to reassess what the party is about, and we believe this is particularly valuable this year, given both the election result and the large number of new members who have joined the party since. As part of our Agenda 2020 review, therefore, the Federal Policy Committee is running a series of activities to set the framework for a wide discussion and debate throughout the party of our core beliefs, values and approach. There will be a number of consultation sessions at autumn conference, structured around the consultation paper published in July. FPC has also commissioned opinion pieces from a range of political thinkers, launched an essay competition open to everyone and

established a special section of the party website for responses. We would like to encourage all state, regional and local parties to engage in the discussion, and FPC members would be happy to lead consultation sessions at state and regional conferences.

There will also be a separate consultation paper and session at conference to review the party's policy-making process.

The outcomes of the Agenda 2020 process will include a programme of policy development to guide the FPC's work throughout the Parliament. In the meantime, we will be setting up a policy working group on sex work, as mandated by conference in spring 2015. The Committee will also be commissioning working groups on welfare and poverty, and security and liberty. These working groups will bring consultation papers to spring conference 2016.

General Election Manifesto

The General Election Manifesto entitled Stronger Economy, Fairer Society: Opportunity for Everyone was launched on 15 April, following over two years of work by the Manifesto Working Group and wide consultation and debate within the party. It was broadly well received with much positive feedback from experts in NGOs, trade unions, trade bodies and think tanks, among others. Members will get the chance to comment on the manifesto process as part of the Federal Executive's general election review and the review of the party's policy-making processes.

FPC Links

To encourage policy debate across the party we have FPC representatives taking responsibility for promoting policy debate within the regions of England and to attend regional conferences where appropriate.

Region	
<i>Devon & Cornwall</i>	<i>To be announced</i>
<i>East of England</i>	<i>Geoff Payne</i>
<i>East Midlands</i>	<i>Linda Jack</i>
<i>London</i>	<i>Mark Pack, Geoff Payne</i>
<i>Northern</i>	<i>Gareth Epps</i>
<i>North West</i>	<i>Julie Smith</i>
<i>South Central</i>	<i>Keith House</i>
<i>South East</i>	<i>Kelly-Marie Blundell</i>
<i>West Midlands</i>	<i>Phil Bennion</i>
<i>Western Counties</i>	<i>Peter Price</i>
<i>Yorkshire & the Humber</i>	<i>Duncan Brack</i>

The FPC has also appointed representatives to SAOs:

SAO	
<i>ALDES</i>	<i>Jenny Woods</i>
<i>ALDC</i>	<i>Mark Pack</i>
<i>LGBT+</i>	<i>Evan Harris</i>
<i>WLD</i>	<i>Rebecca Taylor, Belinda Brooks-Gordon</i>
<i>Liberal Youth</i>	<i>Kelly-Marie Blundell, Linda Jack</i>
<i>PCA</i>	<i>Julie Smith</i>
<i>Liberal Democrat Lawyers</i>	<i>Jonathan Marks</i>
<i>EMLD</i>	<i>Linda Jack</i>
<i>LDDA</i>	<i>Kelly-Marie Blundell</i>

In addition, there is a Liberal Youth observer on FPC (Ryan Mercer) and an EMLD observer (currently vacant).

Policy Staffing and Volunteers

The Policy Unit consists of Christian Moon (Head of Policy), Steve O’Neil (Deputy Head of Policy), Ed Simpson (Direct Communications Manager), Kelsey Smith (Correspondence Assistant) and Rosie Gray (Correspondence Assistant). We have also had the support of a secondee from PwC, Rowena Mearley, and from KPMG, Tom Hooper. During the General Election Campaign, the Policy Unit benefitted from the help of a large number of volunteers. The FPC is grateful for the hard work of staff, and for the contribution of volunteers.

**Duncan Brack and Julie Smith
Vice Chairs, Federal Policy Committee
July 2015**

Federal Executive

The Federal Executive is responsible for directing, co-ordinating and implementing the work of the Federal Party, including overall strategy, campaigning, organisation, and staffing. The Federal Finance and Administration Committee (see below) and the Campaigns and Communications Committee both report to the FE.

The FE has 29 voting members: the Party President (Chair), three Vice-Presidents, the Leader, two additional MPs, one Peer, one MEP, two Councillors, three State Party reps and fifteen members elected directly by Federal Conference reps.

This is my first report to Conference as President of the Party, and it comes at an incredibly exciting time, with the huge surge in our membership following the General Election.

One Member One Vote

This time last year Conference affirmed its desire to implement One Member One Vote. Following lengthy consultation and revisions of the amendments brought to our last Autumn Conference in Glasgow, the Federal Executive has again brought forward amendments to the constitution which would enable every member who has paid the appropriate fee to come to Conference, to vote. Fundamentally we are a democratic party – it is our membership, at Conference, who decide what it is we as a Party believe. We believe in the democratic process, and it is time to demonstrate that fully at our Party Conferences.

It's not just about Party Policy, though – it's about directly electing those members who sit on our committees, too, be it the Federal Executive, the Federal Policy Committee or the Federal Conference Committee, or indeed a number of subcommittees. Ultimately if these elected members are to represent the whole membership, it makes sense for them to be elected directly, by the whole membership. That is the best way to ensure proper democratic accountability.

As such I am proud that we are able to bring forward these comprehensive amendments to our constitution – what better sign to our thousands of

new members than to show that we truly do practice what we preach, and we want them to have just as much a voice as anyone in the direction of the Party. This is a great reforming moment in our Party's history, and I would urge every voting representative to vote in favour of extending our franchise by voting for One Member One Vote.

Governance Review

As many of our new members will unfortunately have found out on joining the Party, we have an incredibly complex system of governance. One of my priorities as President of the Party was to carry out a comprehensive Governance Review to ensure we, as a Party, are properly equipped to face the challenges of the future.

In order to carry out that review the Federal Executive has elected a committee of six individuals from its own membership. These are myself, as Chair and Party President, Antony Hook, Dan Farthing-Skyes, Rodney Berman, Dawn Barnes and Al Ghaff. At this Conference and over the coming months we will be running a number of consultation sessions where members can come to express views on how the Party should be structured, what we're doing well, where we could improve, and what our priorities should be. We want to listen to you, whether you're a founding member or joined last week – your views matter to us.

The aim, following this period of consultation, will be to bring proposals forward to Spring Conference for consultation, before proposing final constitutional amendments to vote on at next year's Autumn Conference.

Strategy – Looking to the Future

The role of the Federal Executive as set out in the Constitution includes setting the party's strategy going forward, and this is a role which FE takes very seriously. The Party has started to get back on its feet following what we all recognise was a crushing election result in May, and we are as determined as ever to start winning again – as we have been doing in local elections up and down the country.

As part of this FE has committed itself to holding a series of Away Days focussed on setting the strategy of the Party going forward, the first of which took place on 27th June. The conclusions of this Away Day focussed around three key areas of concern:

1. *The creation of a new Leadership Programme to provide useful training and mentoring to up and coming leaders in the party, from those on local party executives, to candidates in local or national elections, or staff members including local organisers.*
2. *A shift in campaigns from a national focus to a local or regional / state party focus.*
3. *More training and voluntary party engagement – refocussing staff resources on ensuring the voluntary party can campaign more effectively*

FE members are available to have strategic conversations at the FE stall next to the Information Desk. A full list of FE members is also available here on the Party website: www.libdems.org.uk/federal_executive.

Thank you!

So many people deserve our thanks for the amount of work they put in both during and in the lead up to the general election campaign. Yet none of it would have been possible without the dedication and the professionalism of our staff in the field – the countless campaign organisers, regional campaign officers, strategic seat officers and others.

I know that a lot of staff were put under immense amounts of pressure, and so many went way above and beyond what could ever have been expected of them. Many were only employed for the few months of the campaign or were contracted only until the end of June, but this never lessened their dedication both to the task and to the Party. We owe them all a huge debt of gratitude.

I also experienced first-hand the effectiveness of the HQ operation, and have heard so many stories of candidates, agents and others who received invaluable help from the staff at our Party Headquarters throughout the campaign. Our staff gave everything they had to ensure the campaign ran efficiently, and as much help as possible was provided to our candidates.

So thank you – to all our fantastic staff – for everything you did during the campaign, and the tenacity you have shown since in ensuring we can begin fighting back. The Party is lucky to have you.

Baroness Sal Brinton
Chair, Federal Executive
July 2015

FE Regional Representatives:

Region	
<i>Devon & Cornwall</i>	<i>Neil Fawcett</i>
<i>East Midlands</i>	<i>Josh Dixon</i>
<i>East of England</i>	<i>Dan Farthing</i>
<i>London</i>	<i>Jonathan Fryer</i>
<i>North East</i>	<i>Caron Lindsay</i>
<i>North West</i>	<i>Gordon Lishman</i>
<i>South Central</i>	<i>Martin Tod</i>
<i>South East</i>	<i>Anthony Hook</i>
<i>West Midlands</i>	<i>Chris White</i>
<i>Western Counties</i>	<i>Keith House</i>
<i>Yorkshire & the Humber</i>	<i>Kath Pinnock</i>

FE SAO Representatives:

Specified Associated Organisations	
<i>Agents' and Organisers' Association</i>	<i>Chris White, Kath Pinnock</i>
<i>ALDES (Association of Liberal Democrat Engineers and Scientists)</i>	<i>Steve Jarvis</i>
<i>EMLD (Ethnic Minority Liberal Democrats)</i>	<i>Pauline Pearce</i>
<i>LDLA (Liberal Democrat Lawyers' Association)</i>	<i>Martin Tod</i>
<i>LGBT+ (Previously known as DELGA)</i>	<i>Rodney Berman</i>
<i>Liberal Youth</i>	<i>Josh Dixon</i>
<i>PCA (Parliamentary Candidates Association)</i>	<i>Kavya Kaushik</i>
<i>WLD (Women Liberal Democrats)</i>	<i>Sue Doughty</i>

Federal Finance and Administration **Committee**

2014 Financial Results

The annual accounts of the Federal Party appended to this report show that 2014 was a highly successful year in terms of the financial out turn and membership growth.

As in 2013, the Federal Party's accounts were split into a general fund for the day to day operation of the Party and a legacy fund to provide reserves for the long term stability of the Party. Combined these produced a surplus of £1,490,000 of which £1,487,500 related to the legacy fund and the balance of £2,500 to the general fund.

This combined surplus transformed the Party's accumulated deficit of £713,000 into an accumulated surplus of £777,000 by the end of 2014.

Legacy Fund

The legacy fund had income of £1,622,000 the bulk of which came from two large legacies; Mr Watson (£950,000) and Mr Batley (£400,000). In October 2014 a protocol was adopted whereby up to 10% of legacies could go to the relevant local party and 45% to cover campaign expenditure. As a result £135,000 was paid to two local parties and £427,500 transferred to the general fund to cover campaign costs.

General Fund

Income

Total income increased by approx. £1.285m (17%) largely due to much higher donation and conference income. Conference income was distorted by the treatment of the subvention from Glasgow City Council for holding the autumn conference there. Most subventions are in the form of the provision of a subsidised venue but Glasgow gave a grant and then charged for the venue.

The Federal Party's membership income (the federal levy) was reduced by its share (£64,000) of the cost of the Membership Incentive Scheme. This highly successful scheme involved paying a larger proportion of membership subscriptions to local parties that increased their membership

quarter on quarter. The result of this scheme was that party membership increased by more than 2,000 over the course of the year with this increase being broadly spread across the country. The scheme is still running and local parties are encouraged to take part as more members = more money = more activity.

Expenditure

Year on year expenditure rose by a little over £1.5m with the biggest increases being campaign expenditure (up £895,000) and staff costs (up £552,000) as the Party increased its campaign capacity. Other expenditure was broadly flat.

Cash

During 2014 there was a cash inflow of £859,000 eliminating the net borrowings of £199,000 at the start of the year and resulting in the Party having net funds of £660,000 at the year end. The inflow largely reflects the surplus generated in the year but this was partially offset by the reduction in creditors during 2014 that had been expected. Cash was also reduced due to an increase in prepayments of campaign expenditure.

Interim 2015 Financial Review

To the end of June net income is marginally behind budget on the core budget (excluding the general election) due to the higher than expected cost of the Membership Incentive Scheme, a sign of its success.

Overall expenditure is also slightly below budget with the result that the deficit to the end of June is only a little greater than budgeted.

General election expenditure was broadly in line with the budget and work is continuing to achieve the major donor fundraising target. Overall there will be a deficit but, given the level of reserves held at the start of the year this is not, itself, a cause for concern.

The effect of the general election result is that conference revenue is expected to be significantly lower than budgeted though there will be a small corresponding reduction in conference costs.

All areas of expenditure are being reviewed to identify savings in the second half of the year (and on-going) but it is still likely there will be a significant deficit for the year.

2016 Budget

The Party's constitution requires the FFAC to present an outline budget for the following year to Conference for its approval. This outline budget has to be prepared several months before senior staff or the FFAC have started the detailed work required on the budget and at a point when only the first half of the current year's activity is known. The budget in appendix A is therefore only an indication of what the final budget will look like and only covers its core activities.

Head Office

A decision was taken in 2014 to engage new General Election focussed staff members on fixed term contracts terminating at the end of June 2015. This provided both these staff and the Party with clarity, whilst avoiding the need for staff members to job seek during the campaign itself. Party staff both at HQ and in the field worked exceptionally hard and we would like to thank them again for their great efforts under high pressure.

PPERA Compliance

Thank you to all local party treasurers for their continuing support in ensuring that the Party complies with all the PPERA requirements.

110 Local Parties successfully submitted their accounts to the Electoral Commission this spring and no fines were issued for lateness.

There have been two major donations returns this year during the General Election period and the National Expenditure Return for the General Election will go in after Conference.

There will be a big batch of annual accounts to submit next year and returns for the Scottish Parliament and Welsh Assembly elections, followed by a European Referendum return at some point.

All donations are checked thoroughly for permissibility, initially by the Party's compliance officers, quarterly by the Chair of FFAC and also, depending on the donation size, on a monthly basis by the FFAC Chair, Liberal Democrats Limited and the Party Leader. These checks were made weekly during the General Election period.

The declarations of donations made, statement of accounts submitted and campaign expenditure made by the Party can be viewed on the Electoral Commission's website.

Membership and Development

Despite extremely difficult political circumstances membership continued to grow through 2014, increasing in every quarter. The party ended the year with 44680 members, an increase of 1,229. This was largely driven by an increase in local activity due to the membership incentive scheme, which has resulted in a significant increase in member recruitment. This scheme is currently only funded until the end of 2015, and this may represent a risk to the party's membership growth from January 2016.

The Liberal Democrats Limited

The Liberal Democrats Limited are established by the FE under article 8.3 of the Federal Constitution. The accounts of the Liberal Democrats Limited are included in the reports to conference. The FFAC would like to thank the Directors, chaired by Duncan Greenland, for their advice and assistance throughout the year as the Audit Committee for the Party.

Party Business

Conference is asked to approve the outline budget for 2016, adopt the audited accounts for 2014 and reappoint the Party's auditors, Mazars LLP.

Conference is further requested to confirm that:

- 1) The Party renew its overdraft facility of £500,000 with the Royal Bank of Scotland.*
- 2) The President and Chair of the Federal Finance & Administration Committee for the time being, on behalf of the Party and with the specific prior agreement of the FFAC, may agree the terms of the overdraft with the Royal Bank of Scotland, and that such delegation will also extend to the operation of the Party's bank accounts.*
- 3) The President and Chair of the Federal Finance & Administration Committee are hereby indemnified by the Federal Party of the Liberal Democrats for any personal commitments made to the bank but only insofar as they relate solely to this resolution.*

Peter Dunphy
Chair, Federal Finance and Administration Committee
Registered Treasurer
July 2015

Appendix A: 2016 outline budget & 2015 budget

	2016 Outline budget	2015 Budget
	£	£
Income		
<i>Appeals income</i>	750,000	750,000
<i>Fundraising income</i>	1,000,000	1,033,500
<i>Federal levy</i>	880,000	726,000
<i>Conference</i>	850,000	1,520,000
<i>Ad Lib</i>	65,000	65,000
<i>Cross charges to party bodies</i>	690,000	690,000
<i>Policy Development Fund</i>	430,000	453,500
<i>Connect/Nationbuilder income</i>	133,000	133,000
<i>Other income</i>	91,000	90,500
	4,889,000	5,461,500
Expenditure		
<u><i>Staff costs</i></u>		
<i>Commercial</i>	545,000	545,000
<i>Elections & Field</i>	795,000	795,000
<i>Digital</i>	368,000	368,000
<i>Members & Supporters</i>	458,500	458,500
<i>Political Communications</i>	384,000	534,000
<i>Finance & Operations</i>	380,000	380,000
<i>Vacancy factor</i>	(117,500)	(123,000)
	2,813,000	2,954,500
<u><i>Departmental non-staff costs</i></u>		
<i>Commercial</i>	588,500	588,500
<i>Elections & Field</i>	437,500	437,500
<i>Digital</i>	422,000	422,000
<i>Members & Supporters</i>	128,500	128,500
<i>Political Communications</i>	275,000	275,000
<i>Finance & Operations</i>	705,500	705,500
	2,577,000	2,557,000
<i>Savings to be identified in budget setting process</i>	(500,000)	-
<i>Total expenditure</i>	4,870,000	5,511,500
Surplus/(deficit) for the period	19,000	(50,000)



The Liberal Democrats (The Federal Party)

Reports and Financial Statements

Year Ended

31 December 2014

"The Liberal Democrats exist to build and safeguard a free, fair and open society, in which we balance the fundamental values of liberty, equality and community and in which no-one shall be enslaved by poverty, ignorance or conformity."

Preamble to the Federal Party constitution.



The Liberal Democrats (The Federal Party)
Report of the Party Officers for the year ended 31 December 2014

Contents

Page:

1	Party Officers
2	Report of the Party Officers
6	Statement of Registered Treasurer's responsibilities
7	Independent auditor's report
8	Income and expenditure account
10	Balance sheet
11	Cash flow statement
12	Notes forming part of the financial statements

Party Officers

Registered Officers under PPERA

Leader:	Rt Hon. Nick Clegg MP
Registered Treasurer:	Peter Dunphy
Nominating officer:	Sarah Morris
Campaigns officer:	Tim Gordon
Deputy campaigns officer:	Adam Stachura
Deputy campaigns officer:	Richard Thomas

Other Officers

Party President:	Tim Farron MP
Vice President:	Peter Ellis
Vice President:	Craig Harrow
Vice President:	Prof John Last CBE
Treasurer:	Lord Wrigglesworth
Chief Executive:	Tim Gordon

The Party Leader is elected by a postal ballot of all members in accordance with Article 10 of the constitution. The Party President is elected for a 2-year term by a postal ballot of all members of the Party in accordance with Article 12.1 of the constitution.

Party Headquarters

2nd floor, 8-10 Great George Street, London, SW1P 3AE

Auditor

Mazars LLP, Tower Bridge House, St Katharine's Way, London, E1W 1DD

The Liberal Democrats (The Federal Party)

Report of the Party Officers for the year ended 31 December 2014

The Liberal Democrats (The Federal Party) is a federation constituted by the Scottish Liberal Democrats, the Welsh Liberal Democrats (Democratiaid Rhyddfrydol Cymru) and the Liberal Democrats in England (the State Parties). The Liberal Democrats in England is a federation of the Regional Parties in England. The Regional Parties comprise a number of Local Parties.

The Liberal Democrats (The Federal Party) is constituted under section 26 of the Political Parties, Elections and Referendums Act 2000 as a central organisation with 449 accounting units.

These financial statements deal solely with the activities of the Federal Party as set out in Article 2 of the Constitution of the Federal Party. They do not include the income, expenditure, assets or liabilities of the State, Regional, Local Parties, or any other bodies.

1. *Administrative information*

Committees

The following committees operate within The Liberal Democrats (The Federal Party) ("the Federal Party", "the Party") to oversee and manage the organisation's business. The terms of reference for each committee are contained within the party's constitution. The Chairs of the respective committees are:

Federal Executive – Tim Farron MP	to Jan 2015
Federal Executive – Sal Brinton	from Jan 2015
Campaigns & Communications – James Gurling	
Federal Policy – Duncan Hames	to Jan 2015
Federal Finance and Administration – Peter Dunphy	
International Relations – Robert Woodthorpe-Browne	
Federal Conference – Andrew Wiseman	

Conference is the sovereign representative body of the Party with the power to determine its policies. In addition to setting the Party's policies, Conference also receives reports from the federal committees and parliamentary and European parliamentary parties. Membership of Conference is defined by article 6.1 of the constitution.

Conference is organised by the Federal Conference Committee (FCC), membership of which is defined by article 6.10 of the constitution.

Between conferences the Federal Policy Committee (FPC) is responsible for researching, developing and overseeing the policy making process. Membership of the FPC is defined by article 7.2 of the constitution.

The Federal Executive (FE) is responsible for directing, co-ordinating and implementing the work of the Federal Party. Membership of the FE is defined by article 8.1 of the constitution.

The Federal Finance & Administration Committee (FFAC) is a sub-committee of the FE responsible for the planning and administration of the budget and finances of the Federal Party, directing the administration of the Federal Party and ensuring compliance of the Party at all levels with the provisions of the Political Parties, Elections

The Liberal Democrats (The Federal Party) Report of the Party Officers for the year ended 31 December 2014

and Referendums Act 2000 as amended by the Electoral Administration Act 2011. The FFAC is also responsible for the appointment of the Federal Party's auditor and ensuring that there are adequate financial controls and systems in place. Membership of the FFAC is defined by article 8.2 of the constitution.

The Campaigns & Communications Committee (CCC) exists to co-ordinate the Party's national campaigns and communications strategy. Membership consists of a Chair elected biannually by the FE, the Party President, Party Leader, Chief Whip and two members directly elected by the FE.

The International Relations Committee (IRC) is responsible for the Party's international liaison. Its membership consists of representatives of the state and parliamentary parties, Liberal Youth, Liberal International British Group, European Liberal Democrats and Reform Group and individuals elected by Conference representatives.

The Directors of The Liberal Democrats Ltd are appointed by the Federal Party President and the Chair of the FFAC, subject to the approval of the appointments by the Federal Executive, during the year the following have served:

Duncan Greenland*	
Eric Lowry*	
Michael Jeans*	
Lord Dholakia of Waltham Brooks	
Baroness Parminter*	
Lord Vallance of Tummel*	(resigned 21 January 2014)
Peter Dunphy	
Lady Vallance*	(appointed 29 April 2014)
Baroness Manzoor*	(appointed 29 April 2014)

Those marked with an asterisk perform the role of an Audit Committee including meeting with the auditor and receiving its reports, and ensuring compliance with the Party's procedures for the acceptance of significant donations including, consideration of the dangers to the Party's reputation, and legal compliance with the Political Parties, Elections and Referendums Act 2000 as amended by the Political Parties and Elections Act 2009.

Elected representatives

The Party's 8 elected members of the Westminster and 1 member of the European Parliaments are shown at Annex A. In addition there are 102 Liberal Democrat members of the House of Lords, five Liberal Democrat members of the Scottish Parliament, five Liberal Democrat members of the Welsh Assembly and two Liberal Democrat members of the Greater London Authority. As of June 2015 there were approximately 1,800 Liberal Democrat Councillors. There are also two directly elected Liberal Democrat Mayors.

The Liberal Democrats (The Federal Party)

Report of the Party Officers for the year ended 31 December 2014

Staffing

The principal permanent members of staff are:

Chief Executive – Tim Gordon	
Director of Elections & Field – Hilary Stephenson	
Director of Finance & Operations – Nigel Bliss ACA	
Director of Political Operations – Tim Snowball	to July 2014
Digital Director – Steve Pitman	
Chief Fundraiser – Ibrahim Taguri	to July 2014
Chief Fundraiser – Emma Cherniavsky	from July 2014

Accounting Units

The Party has 449 accounting units registered with the Electoral Commission.

2. *Review of political activities*

During 2014 the public continued to see the impact of Liberal Democrats in government with specific manifesto pledges being implemented in areas such as continuing to increase personal tax allowances.

Conferences

The Party held two conferences during the year:

- Spring
- Autumn

Spring

The 2014 Spring Conference was held in York with debates covering such issues as immigration, Europe and pubs.

Autumn

In the autumn of 2014 Conference was held in Glasgow where debates included climate change, affordable housing and first aid in schools.

Policy development

During the Party's time in Government it retained its identity as a radical, progressive party and at the heart of this is its strong policy development function. This strength was in part evidenced by the consultative sessions covering such issues as crime, equalities and public services.

Campaigns and elections

The Party contested the European Parliament elections and retained one seat. It also campaigned successfully for the retention of the union in the Scottish Independence referendum. At the general election held on 7 May 2015, 8 Liberal Democrat Members of Parliament were elected.

The Liberal Democrats (The Federal Party)
Report of the Party Officers for the year ended 31 December 2014

3. *Financial Review*

2014 was a very successful year for the Party with a substantial financial surplus and a growing membership.

The Federal Party recorded a surplus for the year of £1,489,841 with the result that net assets at the year-end were £776,982. Of this surplus £2,461 related to the General Fund and £1,487,380 related to the Legacy Fund that was launched in 2013.

Unusually for a party in government the Party increased its membership by over 2,000 (5%) over the course of the year. This increase was broadly based across the entire country and in every type of seat. Since the year-end there has been a surge in membership to over 60,000.

Peter Dunphy
Registered Treasurer
29 June 2015

The Liberal Democrats (The Federal Party) Statement of Registered Treasurer's responsibilities

The Registered Treasurer of the Party is required by the Political Parties, Elections and Referendums Act 2000 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 its surplus or deficit for that period. In preparing those financial statements, the Registered Treasurer is required to:

- select suitable accounting policies and then 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 financial statements on the going concern basis unless it is inappropriate to presume that the Party will continue in business.

Section 41 of the Act requires that the Registered Treasurer is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Party at that time and to enable him to ensure that the financial statements comply with the Act.

Section 43 of the Act requires that the Treasurer is responsible for delivery of the statement of accounts to the Electoral Commission by the required deadline.

The Registered Treasurer is also responsible for safeguarding the assets of the Party and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Registered Treasurer has taken all steps he ought to have taken to make himself aware of any information required by the auditor for the purpose of their audit and to establish that the auditor is aware of that information. The Registered Treasurer is not aware of any relevant information of which the auditor is unaware.

Independent Auditor's Report to The Federal Conference of The Liberal Democrats (The Federal Party)

We have audited the financial statements of the Liberal Democrats (The Federal Party) for the year ended 31 December 2014 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and 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).

Respective responsibilities of the Registered Treasurer and auditor

As explained more fully in the Statement of Registered Treasurer's Responsibilities set out on page 6, the Registered Treasurer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 Ethical Standards for Auditors. This report is made solely to the Federal Conference of the Liberal Democrats (The Federal Party), as a body, in accordance with section 43 of the Political Parties, Elections and Referendums Act 2000. Our audit work has been undertaken so that we might state to the Federal Conference of the Liberal Democrats (The Federal Party) 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 Federal Conference of the Liberal Democrats (The Federal Party) as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web site at www.frc.org.uk/auditscopeukprivate

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the Liberal Democrats (The Federal Party) as at 31 December 2014 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Political Parties, Elections and Referendums Act 2000.

William Neale Bussey (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St Katharine's Way
London
E1W 1DD

29 June 2015

The Liberal Democrats (The Federal Party)
Income and Expenditure Account
For the year ended 31 December 2014

General Fund

	Note	2014 £	2013 £
Income			
Donations		3,647,064	2,540,657
Membership and subscription fees		771,932	850,035
Newspaper income	11	74,138	106,899
Affinity income		22,989	27,964
Grants	5	718,312	794,664
Conference income	10	2,034,247	1,765,027
Investment income	6	64	67
Notional income	7	276,823	185,672
Recharges to party bodies	12	875,489	852,697
Other income	8	300,841	313,705
		<u>8,721,899</u>	<u>7,437,387</u>
Expenditure			
Conference expenditure	10	940,213	1,081,120
Newspaper expenditure	11	51,927	54,935
Fundraising expenditure		134,350	179,336
Depreciation and amortisation	4	95,162	80,597
Campaign expenditure		2,199,860	1,305,164
Staff costs	2	3,492,324	2,940,319
Premises & office costs		933,162	768,243
Interest payable and similar charges	9	53,273	65,252
Notional expenditure	7	276,823	185,672
Grants to party bodies	13	373,950	373,687
Expenditure recharged from other party bodies		56,171	54,193
Charges from other party bodies		26,000	27,000
Audit fees	4	27,158	16,327
Bad debt provision	10,26	45,515	50,724
Other expenditure		13,537	27,101
		<u>8,719,425</u>	<u>7,209,670</u>
General Fund surplus before taxation	4	2,474	227,717
Taxation	14	(13)	(14)
General Fund surplus for the year		<u>2,461</u>	<u>227,703</u>

The notes on pages 12 to 23 form part of the financial statements

The Liberal Democrats (The Federal Party)
Income and Expenditure Account
For the year ended 31 December 2014

Legacy Fund	Note	2014 £	2013 £
Income			
Legacies		<u>1,622,396</u>	216,127
		<u>1,622,396</u>	<u>216,127</u>
Expenditure			
Grants to party bodies		135,000	-
Legal & professional costs		-	4,800
Interest payable and similar charges		<u>16</u>	-
		<u>135,016</u>	<u>4,800</u>
Legacy Fund surplus before taxation		<u>1,487,380</u>	211,327
Taxation		-	-
Legacy Fund surplus for the year		<u>1,487,380</u>	<u>211,327</u>
Overall surplus for the year		<u>1,489,841</u>	<u>439,030</u>

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

There were no recognised gains or losses other than those included in the income and expenditure account.

The Liberal Democrats (The Federal Party)
Balance Sheet as at 31 December 2014

	Note	2014 £	2014 £	2013 £	2013 £
Fixed assets					
Tangible assets	15		391,317		405,214
Current assets					
Debtors	16	855,703		506,430	
Cash at bank and in hand		<u>759,727</u>		<u>26,318</u>	
		1,615,430		532,748	
Creditors: amounts falling due within one year	17	<u>(1,129,765)</u>		<u>(1,550,821)</u>	
Net current assets/(liabilities)			<u>485,665</u>		<u>(1,018,073)</u>
Total assets less current liabilities			876,982		(612,859)
Creditors: amounts falling due after more than one year	18		(100,000)		(100,000)
Net assets/(liabilities)			<u>776,982</u>		<u>(712,859)</u>
Reserves					
General Fund	19		(539,225)		(969,186)
Reserve Fund	19		45,000		45,000
Legacy Fund	19		<u>1,271,207</u>		<u>211,327</u>
Total assets/(deficit)			<u>776,982</u>		<u>(712,859)</u>

The financial statements were approved by the Federal Finance & Administration Committee on 29 June 2015

Peter Dunphy
Registered Treasurer

The Liberal Democrats (The Federal Party)
Cash Flow Statement
For the year ended 31 December 2014

	Note	2014 £	2013 £
Net cash inflow from operating activities	22	940,242	693,917
Returns on investment and servicing of finance			
Interest received		64	67
UK Tax paid		(14)	(13)
Capital expenditure and financial investment			
Payment to acquire tangible fixed assets		(81,265)	(26,220)
Increase in cash	23	<u>859,027</u>	<u>667,751</u>

The notes on pages 12 to 23 form part of the financial statements

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

1 Accounting policies

The Liberal Democrats (The Federal Party) is a federation constituted by the Scottish Liberal Democrats, the Welsh Liberal Democrats (Democratiaid Rhyddfrydol Cymru) and the Liberal Democrats in England (the State Parties). The Liberal Democrats in England is a federation of the Regional Parties in England. The Regional Parties comprise a number of Local Parties.

The Liberal Democrats (The Federal Party) is constituted under section 26 of the Political Parties, Elections and Referendums Act 2000 as a central organisation with 449 accounting units. Details of these units are available from party headquarters.

These financial statements deal solely with the activities of the Federal Party as set out in Article 2 of the Constitution of the Federal Party. They do not include the income, expenditure, assets or liabilities of the State, Regional, Local Parties, or any other bodies.

Basis of preparation

The Liberal Democrats (The Federal Party) is not incorporated in law and is thus not bound by the Companies Act 2006. The Party is required to prepare financial statements in accordance with the Political Parties, Elections and Referendums Act 2000 ("PPERA"). The financial statements have been prepared under the historical cost convention, and in accordance with applicable law and accounting standards in the United Kingdom (United Kingdom Generally Accepted Accounting Practice). The financial statements reflect the principles contained in the Statement of Accounts Guidance Notes issued by the Electoral Commission.

Going concern

The Federal Party relies on the receipt of donation income to meet a significant proportion of its expenditure, and an overdraft facility with the Royal Bank of Scotland to meet its working capital requirements. Donation income is inherently unpredictable, but the Finance & Administration Committee is confident that sufficient donations will be received and facilities will continue to be available to allow the Federal Party to meet its obligations.

The Finance & Administration Committee has reviewed the cash flow projection to the end of June 2016. On the basis of these projections it is satisfied that the Federal Party will be able to meet its financial obligations within its available overdraft facility and, on this basis, it considers that it is appropriate to prepare the accounts on a going concern basis

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

1 Accounting policies (continued)

The following principal accounting policies have been applied:

Income recognition

Income is recognised when all of the following conditions have been met:

- The Party is entitled to the asset;
- There is reasonable certainty that the asset will be received; and
- The value of the asset can be measured with reasonable certainty.

Applying these criteria to specific types of income results in the following treatment:

- Donations of monetary assets and liquid investments are recognised in the income and expenditure account on receipt. Donations of notional income are recognised on receipt at the relevant market value of the item or service received with an expense of the same amount being recognised contemporaneously.
- Grants are recognised in the income and expenditure account when the conditions for receipt of the grant have been met.
- Membership and subscription fees are recognised on a receipts basis.
- Legacies are recognised when the personal representatives of the deceased have notified the Party of the legacy, they have obtained grant of representation and there are no significant matters outstanding concerning the precise division of the estate. Legacies notified to the Party after 1 August 2013 are included in a separate Legacy Fund.
- Newspaper and conference income, and the State Party Levy are recognised on an accruals basis.
- Interest receivable is recognised in the income and expenditure account on an accruals basis.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Computer software	-	5 years
Fixtures and fittings	-	10 years

Campaign expenditure

The Party does not provide a breakdown of campaign expenditure between campaigns as the officers believe such an analysis would not be possible, given the continuous expenses incurred on multiple campaigns.

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

1 Accounting policies (continued)

Recharged expenditure

The Federal Party meets the majority of the overheads incurred by the English State Party and some of those incurred by the Parliamentary Office of the Liberal Democrats and the Scottish and Welsh State Parties. These costs are recovered through the Federal Party recharge.

Leased assets

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

Pension benefit

Defined benefit pension scheme:

Pension liabilities are measured at their present value using the projected unit method in accordance with actuarial assumptions that are reviewed at each balance sheet date.

Pension assets are measured at fair value. The net pension liability or asset, after deferred tax, is recognised in the balance sheet.

The service cost of providing pension benefits to employees for the year is charged to the income and expenditure statement.

Defined contribution scheme:

Contributions to the Party's defined contribution pension scheme are charged to the income and expenditure account in the year in which they become payable.

Tax

As a voluntary society, tax is only charged on investment income.

2 Employees

	2014	2013
	£	£
Staff costs consist of:		
Wages and salaries	2,650,132	2,231,093
Social security costs	267,651	223,623
Other pension costs	209,361	171,315
Other staff costs	365,180	314,288
	<u>3,492,324</u>	<u>2,940,319</u>

Other staff costs includes recruitment, training, travel and other costs.

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

2 Employees (continued)

The average number of employees during the year was as follows:

2014 Number	2013 Number
90	78
<u>90</u>	<u>78</u>

3 Registered Party Officers

None of the Registered Officers under PPERA or Committee Chairs received any remuneration in that capacity in 2014 (2013 - £nil).

4 Surplus before taxation

2014 £	2013 £
-----------	-----------

The surplus before taxation is stated after charging:

Auditors' remuneration	- audit services	15,000	16,327
	- other services	12,158	-
Operating lease charge	- property	157,250	157,250
	- equipment	10,600	10,600
Depreciation		95,162	80,597
		<u>370,170</u>	<u>364,774</u>

5 Grants received

2014 £	2013 £
-----------	-----------

Policy development grant	453,016	455,105
Home Office grant for conference security	265,296	339,559
	<u>718,312</u>	<u>794,664</u>

6 Investment income

2014 £	2013 £
-----------	-----------

Interest receivable	64	67
	<u>64</u>	<u>67</u>

7 Notional income and expenditure

2014 £	2013 £
-----------	-----------

Market value of services donated	276,823	185,672
	<u>276,823</u>	<u>185,672</u>

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

8 Other income

	2014 £	2013 £
Westminster Foundation for Democracy management fee	84,502	84,348
Events income	211,132	219,031
Miscellaneous income	5,207	10,326
	<u>300,841</u>	<u>313,705</u>

9 Interest payable and similar charges

	2014 £	2013 £
Bank charges	51,390	58,631
Interest payable	1,883	6,621
	<u>53,273</u>	<u>65,252</u>

10 Surplus on conferences

	2014 £	2013 £
Income	2,034,247	1,765,027
Expenditure		
Direct costs	940,213	1,081,120
Premises & office costs	22,166	20,531
Staff costs	169,187	151,666
Increase in bad debt provision	-	324
	<u>1,131,566</u>	<u>1,253,641</u>
Total expenditure	1,131,566	1,253,641
Surplus for the year	<u>902,681</u>	<u>511,386</u>

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

11 Surplus on Ad Lib (Liberal Democrat News)

	2014 £	2013 £
Income	74,138	106,899
Expenditure		
Direct costs	51,927	54,935
Premises & office costs	873	2,495
	<u>52,800</u>	<u>57,430</u>
Total expenditure		
Surplus for the year	<u>21,338</u>	<u>49,469</u>

12 Recharges to party bodies

	2014 £	2013 £
Fixed cross charge to State Parties	677,409	680,930
Variable cross charge to State Parties	59,324	56,400
Charges to other party bodies	138,756	115,367
	<u>875,489</u>	<u>852,697</u>

13 Grants to party bodies

	2014 £	2013 £
Grants to Specified Associated Organisations	68,492	70,270
Grants to other party bodies	305,458	303,417
	<u>373,950</u>	<u>373,687</u>

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

14 Taxation on surplus from ordinary activities

	2014 £	2013 £
Taxation on investment income	13	14
	<u>13</u>	<u>14</u>

15 Tangible assets

	Computer software £	Fixtures & fittings £	Total £
<i>Cost</i>			
At 1 January 2014	234,453	362,922	597,375
Additions	81,265	-	81,265
At 31 December 2014	<u>315,718</u>	<u>362,922</u>	<u>678,640</u>
<i>Depreciation</i>			
At 1 January 2014	107,869	84,292	192,161
Charge for the year	58,869	36,293	95,162
At 31 December 2014	<u>166,738</u>	<u>120,585</u>	<u>287,323</u>
<i>Net book value</i>			
At 31 December 2014	<u>148,980</u>	<u>242,337</u>	<u>391,317</u>
At 31 December 2013	<u>126,584</u>	<u>278,630</u>	<u>405,214</u>

16 Debtors

	2014 £	2013 £
Trade debtors	49,270	112,016
Amounts owed by Liberal Democrat related entities	188,938	108,027
Other debtors	136,607	77,835
Prepayments and accrued income	478,789	208,552
Other taxation and social security	2,099	-
	<u>855,703</u>	<u>506,430</u>

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

17 Creditors: amounts falling due within one year

	2014	2013
	£	£
Bank overdraft	-	125,618
Amounts owed to Liberal Democrat related entities	103,076	91,954
Trade creditors	44,220	59,745
Other taxation and social security	-	10,298
Corporation tax	13	14
Other creditors	111,601	74,496
Accruals and deferred income	870,855	1,188,696
	<u>1,129,765</u>	<u>1,550,821</u>

18 Creditors: amounts falling due after more than one year

	2014	2013
	£	£
Other loans	<u>100,000</u>	<u>100,000</u>

The other loan is interest free and repayable on 30 June 2017.

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

19 Reconciliation of movements in reserves

	General Fund £	Reserve Fund £	Legacy Fund £	Total £	2013 £
At 1 January 2014	(969,186)	45,000	211,327	(712,859)	(1,151,889)
Surplus for the year	2,461	-	1,487,380	1,489,841	439,030
Transfers between reserves	427,500	-	(427,500)	-	-
At 31 December 2014	<u>(539,225)</u>	<u>45,000</u>	<u>1,271,207</u>	<u>776,982</u>	<u>(712,859)</u>

The Reserve Fund represents an amount set aside for designated activities determined by FFAC.

The Legacy Fund was established in 2013 to separate the windfall benefit of legacies from the normal activities of the Party. The amount transferred into the fund represents the monies received from legacies notified to the Party since the fund was set up. The intention of the Legacy Fund is to provide an income to the Party and to fund projects for the long term development of the Party.

During the year transfers from specific legacies were made from the Legacy Fund to the General Fund to cover campaign expenditure.

20 Capital commitments

There are no contracted capital commitments not provided for in the accounts (2013: £nil).

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

21 Lease commitments

As at 31 December 2014, the party had annual commitments under non-cancellable contracts as follows:

	2014 £	2013 £	2014 £	2013 £
	Land & Buildings	Land & Buildings	Other	Other
Operating leases which expire:				
Within 1 year	-	-	4,417	-
Within 2 to 5 years	-	-	-	10,600
After 5 years	259,250	259,250	-	-
	<u>259,250</u>	<u>259,250</u>	<u>10,600</u>	<u>10,600</u>

22 Net cash inflow from operating activities

	2014 £	2013 £
General Fund surplus before taxation	2,474	227,717
Legacy Fund surplus before taxation	1,487,380	211,327
Depreciation	95,162	80,597
(Increase)/decrease in debtors	(349,273)	(75,803)
(Decrease)/increase in creditors due within one year	(295,437)	250,146
Net cash inflow from operating surplus before tax	<u>940,306</u>	<u>693,984</u>
Investment income	(64)	(67)
Net cash inflow from operating activities	<u>940,242</u>	<u>693,917</u>

23 Reconciliation of net cash inflow to movement in net funds/(debt)

	2014 £	2013 £
Increase in cash in the year	859,027	667,751
Opening net debt	(199,300)	(867,051)
Closing net funds/(debt)	<u>659,727</u>	<u>(199,300)</u>

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

24 Analysis of net funds

	At 1 January 2014 £	Cash flow £	At 31 December 2014 £
Cash at bank and in hand	26,318	733,409	759,727
Loans	(100,000)	-	(100,000)
Bank overdraft	(125,618)	125,618	-
Net (deficit)/funds	<u>(199,300)</u>	<u>859,027</u>	<u>659,727</u>

25 Pensions

The Party formerly sponsored the Liberal Headquarters 1975 Retirement Fund. As at the year end the scheme was in surplus and had only one deferred member and no active members. In January 2014 the scheme purchased a deferred annuity for the one remaining member and in June 2014 the Party commenced the winding up of the scheme. It is anticipated that the wind up of the scheme will be completed by the end of 2015.

Once the scheme is wound up any remaining surplus will be returned to the Party and treated as a return of the additional contributions made.

Other post-retirement benefit schemes

The Federal Party contributes to personal pension schemes held in the names of individual employees. The assets of these schemes are held separately from those of the Federal Party in independently administered funds. The pension cost charge represents contributions payable to these funds and amounted to £209,361 (2013: £171,315). At 31 December 2014, contributions amounting to £83,159 (2013: £70,169) were payable to these funds and are included within other creditors in note 17.

26 Related entity transactions

The Federal Executive is chaired by the President of the Party to whose office the Federal Party paid grants in the year amounting to £2,844 (2013: £5,137).

The Federal Party is related to other bodies within the Liberal Democrats as set out in note 1 above. During the year it received levies from these bodies amounting to £771,932 (2013: £850,035) and recharged expenditure totalling £875,489 (2013: £852,697). Expenditure includes grants to party bodies, expenditure recharged to other party bodies and charges from other party bodies totalling £456,121 (2013 - £454,880).

Included in newspaper income is an amount of £18,802 (2013: £19,105) received from the Alliance of Liberals and Democrats for Europe (ALDE) for promoting ALDE in Ad Lib.

The Liberal Democrats (The Federal Party)
Notes forming part of the Financial Statements
For the year ended 31 December 2014

26 Related entity transactions (continued)

The amount owed by related entities at 31 December 2014 was £188,938 (2013: £108,027) and the amount owed to related entities was £103,076 (2013: £91,954).

Significant balances owed by related entities are as follows:

The Liberal Democrats in England	£102,665
London Region Liberal Democrats	£17,882
Western Counties Liberal Democrats	£12,427
South East Region Liberal Democrats	£10,024

An amount of £45,515 (2013: £50,400) has been provided against amounts owed by related entities.

Significant balances owed to related entities are as follows:

Parliamentary Office of the Liberal Democrats	£62,010
Liberal Youth	£14,886

27 Membership

As at 31 December 2014 there were 45,771 (2013 – 43,451) members of the Party.

Elected Representatives

Annex A

As of June 2015 the Party had the following elected representatives

**Westminster
Parliament**

Tom Brake
Alistair Carmichael
Nick Clegg
Tim Farron
Norman Lamb
Greg Mulholland
John Pugh
Mark Willams

European Parliament

Catherine Bearder

Liberal Democrats Limited

Directors' Report to Members for the year ended 31 Dec. 2014

The Directors submit their report for the year ended 31 December 2014, and the Company's balance sheet as at that date.

By virtue of Article 8.3 of the present Constitution of the Liberal Democrats ("the Party"), the function of the Company is to acquire, hold and dispose of such assets of the Federal Party (as defined in that Constitution) as the Federal Executive (as so defined) may from time to time direct.

Where the Company enters into any transaction, it does so as trustee and/or agent for the Party. On this basis, the Company is dormant within the meaning of Section 1169 of the Companies Act 2006 and does not prepare a profit and loss account.

The Directors of the Company during the year ended 31 Dec. 2014 were:

- *Duncan Taylor Greenland (Chairman)*
- *Lord Dholakia*
- *Peter Dunphy*
- *Michael Jeans*
- *Eric Lowry (Company Secretary)*
- *Baroness Parminter*
- *Lord Vallance (Resigned 21 January 2014)*
- *Baroness Manzoor (Appointed 29 April 2014)*
- *Lady Vallance (Appointed 29 April 2014)*

Signed on behalf of the Board

Duncan Greenland
Chair
24 June 2015

Registered in England

No. 2231620

Registered Office

LDHQ, 8-10 Great George Street, London, SW1P 3AE

The Liberal Democrats Limited
Balance Sheet as at 31 December 2014

£

Assets **NIL**

Liabilities **NIL**

The Company is entitled to exemption from audit under sections 475 and 477 of the Companies Act 2006 for the period ended 31 December 2014. No members have required the company to obtain an audit of its financial statements for the period ended 31 December 2014 in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board on 24 June 2015.

Duncan Greenland
Director, Liberal Democrats Limited
June 2015

Parliamentary Party (Commons)

Since we last met in Liverpool, the Parliamentary Party in the Commons has experienced both highs and lows. We proudly fought a tireless General Election campaign, and collectively suffered a bruising defeat. I must firstly put on record my thanks to all of our former colleagues. We have unfairly lost so many highly valued parliamentarians. The General Election result did not do justice to their years of dedicated service to their communities, our party, or their hard work in the campaign.

I must also pay tribute to Nick Clegg. His dedication to the party and unwavering commitment to the work of the Liberal Democrats saw him lead the party to Government for the first time since David Lloyd-George. We are no longer in Government, but we can be incredibly proud of our record. We cut taxes for 24 million working people, we delivered equal marriage, we ended child detention, we invested billions of pounds to help disadvantaged children in schools and we oversaw the largest increase in apprenticeships ever. We played a key role in strengthening the economy while safeguarding the poorest and most vulnerable in society. In 2010 we put the country before our party, and we should be very proud of everything that we, Nick Clegg and the Liberal Democrats have achieved.

My complete congratulations go to our new Leader, Tim Farron. Tim will do an excellent job of leading the fightback not only in the Commons, but across the country. The party was privileged to have two brilliant candidates to choose from and I imagine that many of our members, both new and old, were inspired by both Norman and Tim during the campaign.

The Queen's Speech set the tone for the new Parliament, a lurch to the right evident in the Conservatives' legislative programme. The fact that the European Union Referendum Bill which paves the way for an in/out referendum on Britain's membership of the EU, was one of the first pieces of legislation to have its Second Reading after the General Election is telling. We've proudly voted against a Budget which, for all of its gimmicks and giveaways, has four years of pain, austerity, and cuts hidden in the detail. The second reading of the Welfare Bill also demonstrated the need for a liberal voice in Parliament now more than

ever. I'm proud that we were able to stand as a group against these measures – even when the Labour party were nowhere to be seen.

And despite all the bravado in the media, the Tories are shakier than they'd like to think. We have seen Government make a mess of plans to introduce English votes for English laws and withdraw a vote on foxhunting after sustained opposition pressure which we can proudly count ourselves as part of. The rest of the 2015-16 Session will begin to give the British people an idea of what an unrestrained Conservative majority means for them and their families.

Whilst the Government's working majority is slim at just 16, they have so far captured the support of the right-wing Democratic Unionists meaning that Opposition support for initiatives such as votes for sixteen and seventeen year olds in the EU referendum have so far been blocked. However, whilst diminished in Parliament, Liberal Democrat MPs will continue to hold the Government to account, taking the lead where appropriate. Alistair's work on the Scotland Bill was an excellent example of this; his amendments to strengthen the Bill gained cross party support. The Liberal Democrat group are already looking ahead to ensure that extreme Conservative plans are challenged and that the public are truly aware what the loss of a liberal voice in Government means for the country.

Part of contributing to an effective Opposition will include working more closely with the House of Lords. We are already working with the Peers on Bills such as the Psychoactive Substances Bill and the Cities and Local Government Devolution Bill and on issues such as Individual Electoral Registration to ensure that the Liberal Democrats are making the points that need to be made in both places. Life in the Commons since the General Election has been a new experience for all involved and we extend our warm thanks and gratitude for the support we have received from the House of Lords.

I must of course pay tribute to our former Chief Whip (and Deputy Government Whip) Don Foster. His endless energy and commitment to the Liberal Democrats in Government secured not only the smooth passage of Business, but ensured that a liberal story could be told, whichever Bill was before the House. His hands-on approach made a real difference to Government legislation and we should all be incredibly grateful.

Parliamentary Office of the Liberal Democrats

The Parliamentary Office of the Liberal Democrats is adapting to the new scenario we now find ourselves in. In the Whip's Office, Jack Fletcher (Head) continues to provide essential support and organisation to our parliamentary operation. However it was with great sadness that we said goodbye to Ben Williams, former Special Adviser to the Chief Whip and near permanent fixture in the Whip's Office for the last seventeen years. His invaluable experience and advice will be sorely missed. We also said goodbye to the talented Georgina Orso who has been a key member of the team since 2013, supporting the parliamentary party's operations with patience, humour and energy.

The wider support team has also undergone considerable change. Symptomatic of our closer working relationship with the House of Lords, support for Liberal Democrat Parliamentarians now bridges both Houses.

Parliamentary Staff

As well as losing many valued colleagues, we sadly lost many more hard-working and passionate parliamentary staff. I extend my thanks to each and every one of them and wish them all the best in their future careers.

The staff who continue to support our Commons group are adapting well and continue to provide valuable support to the work of our MPs in the House and in our constituencies.

Tom Brake MP
Chief Whip, House of Commons
July 2015

Parliamentary Party (Lords)

The General Election result means that the Group in the Lords is now numerically by far the larger of our Parliamentary Groups. This inevitably means that Group members are now in some cases the principal spokesperson on a subject area, and, as a matter of course we will have to do the bulk of the heavy lifting on legislation. We will willingly take on this role, whilst continuing to have a strong focus on external campaigning.

Legislation

International Development (Official Development Assistance Target) Bill

In the final months of the last Parliament, Michael Moore's Bill requiring the Government to spend 0.7% of Gross National Income on overseas aid passed the Lords. Jeremy Purvis led on the Bill, with Lindsay Northover supporting from the Government as Overseas Development Minister.

The New Session

Having returned to opposition, Lib Dem Peers have been working to improve Government Bills and to use them as an opportunity to highlight distinctive Lib Dem policies.

Cities and Local Government Devolution Bill

This Bill seeks to devolve powers to combined local authorities and create directly elected mayors. Led by John Shipley, we have sought to ensure that this does not create one party states, by strengthening requirements around listening to local opinions and giving greater powers to scrutiny committees.

We also used the Bill to propose that 16 and 17 year olds should be given the right to vote at local elections. Labour supported our proposal and it was carried. This is an important step in the Lib Dem campaign for votes at 16 in all elections. We also called a vote on the need for PR in local government elections. Labour and Conservatives remain opposed to any move to make every vote count and our amendment was defeated.

Psychoactive Substances Bill

This Bill seeks to ban the supply and production of new psychoactive substances – so-called 'legal highs'. Our team, led by Brian Paddick and

Sally Hamwee, had deep concerns about the Bill and the proposal of an outright ban. While we recognised that some of these substances are very harmful, we also made clear that we believe that criminalisation is not the answer to reducing drugs harm.

We used the Bill to call for a wider review of drugs policy and the failures of the Misuse of Drugs Act, and to look at whether full decriminalisation of possession of drugs may be a better way of targeting resources on dealers and getting addicts the help they need. We also called for practical changes to the Bill to exclude low harm substances, as was suggested by the experts on the Advisory Council on the Misuse of Drugs. Sadly Labour once again support the Conservatives in taking an authoritarian approach to drugs law and our amendments failed.

Charities (Protection and Social Investment) Bill

The Charities Bill began as a draft Bill under the Coalition Government. Liz Barker is leading on this, having been on the pre-legislative scrutiny committee. The Bill is narrow in scope, seeking to improve the public's trust in charities by providing the Charity Commission with additional powers to act against rogue trustees and to initiate investigations.

We support the aims of the Bill, but have also sought to use it to raise other important issues. William Wallace has helped secure new commitments requiring independent schools to provide wider benefits to the local community. We also supported a Labour amendment to protect charities from having to sell off assets against their charitable purpose. The amendment is aimed at undermining the Conservative attempts of forcing Housing Associations to sell off their homes.

Childcare Bill

This Bill is to enable the Government to give 30 hours of free childcare to working parents. Our new Children's Spokesperson, Kath Pinnock sought to highlight the gap in childcare support between the end of parental leave and the age of two, when disadvantaged two year olds get support. Claire Tyler also tabled amendments to ensure that we maintain the need for high quality childcare that offers real early years education.

We have also used the Bill to raise concerns about ending the child poverty target and the Government's decision to cut tax credits and their effects

on ensuring decent, high quality early years education is available to every child.

Energy Bill

The Energy Bill is a largely technical Bill to support North Sea Oil by formally establishing the Oil and Gas Authority as an independent regulator. However, the Bill also proposes to end public subsidies for onshore wind, something which would damage the growth of wind power and the UK's ability to meet carbon reduction targets. Jeremy Purvis is leading on this Bill and has spoken out strongly against the impact of the Government's plans on wind energy. He will use the Bill to call for binding climate change targets to tackle one of the biggest threats to our planet.

Campaigning

Some 80 Lib Dem Peers played an active campaigning role in the General Election. We are now looking to continue this approach. In the immediate term we will, for example, ensure that every local government by-election which is being prioritised by the Party has an involvement from the Peers' Group, either with visits and/or telephone canvassing. We are appointing Peers to act as lead spokespeople on a regional basis and to work more closely with regional parties. We are offering to provide a Peer to address any constituency AGM this autumn. All bids for a Peer to attend a local or regional event should be directed to Polly Martin in our Whips' Office on martinpab@parliament.uk.

Staff

As we move into Opposition, the Group will receive an element of public funding – so-called Cranborne funding. Combined with a continuation of a voluntary levy on members, we will be able to fund a strong Whips' Office team and contribute towards the funding of the Parliamentary Adviser team that will support both Peers and MPs in their work. At the time of writing, final appointments have still to be made, but Elizabeth Plummer will be Chief of Staff to Jim Wallace, as Group leader; Humphrey Amos will be Head of the Whips' Office; Dave Shaw will handle media from within the Whips' Office; and Polly Martin will co-ordinate our campaigning activities.

Lord Newby
Chief Whip, House of Lords
July 2015

Parliamentary Party (Europe)

It has been an eventful six months in the European Parliament, with issues such as Greece, Ukraine, the migration crisis in the Mediterranean and the EU-US trade deal (TTIP) rising to the top of the political agenda across Europe. On top of this discussions are now taking place over the UK's referendum on EU membership which could take place as early as autumn 2016. With the Liberal Democrats no longer in government and our numbers severely depleted in the House of Commons, I have been working hard to make the Liberal Democrat voice heard in Europe and to prepare the ground for the EU referendum campaign.

The Liberal ALDE Group continues to grow in size and influence and has been joined by two new members, bringing its numbers up to 70 MEPs. A recent independent study by VoteWatch concluded that ALDE has returned to its role as the kingmaker in the European Parliament, winning more votes than any other political group and punching above its weight on core liberal issues such as civil liberties. The agreement to abolish mobile roaming charges in the EU by June 2017 came after years of campaigning and is among a number of major recent victories for Liberals and Democrats in Europe. ALDE has also been championing a smart TTIP trade deal that benefits small businesses while protecting the right of governments to regulate in the public interest.

Environment Committee

I have led negotiations for ALDE on the EU's new air quality law that will tighten up national limits on some of the most harmful pollutants including particulate matter (PM 2.5), sulphur dioxide and methane. In July MEPs in the Environment Committee voted for ambitious binding targets for 2025 and 2030 that could prevent up to 74,000 premature deaths a year and lead to health savings of between £28bn and £98bn. I was disappointed that Conservative MEPs voted against the targets, claiming they were too ambitious, and that behind the scenes the Conservative government has been lobbying to weaken them. Air pollution has become a public health crisis in the UK, with one recent study showing it is responsible for 9500 premature deaths each year in London alone. This is clearly a cross-border issue, with over 40% of PM2.5 in the UK originating from abroad. That is why we must combine local measures to tackle air pollution with a broader European approach.

My campaign for the EU to step up the fight against wildlife crime, now the fourth largest illegal trade in the world, has made significant progress. Following pressure from the cross-party MEPs for Wildlife group I founded last year, the European Commission has agreed to propose an EU Action Plan to crack down on wildlife trafficking in Europe. The Action Plan is expected to be proposed early next year and we will now be working closely with the Commission to ensure it is ambitious and proposes action across all relevant policy areas. Key demands include minimum sanctions across the EU for wildlife traffickers, a dedicated wildlife crime unit in the EU's crime-fighting agency Europol and measures to tackle the trading of illegal wildlife products online.

Later this year I will be working on a report looking at the implementation of the EU's biodiversity strategy. The cornerstone of the EU's biodiversity legislation, the Birds and Habitats Directives, are up for review next year. These laws have done a remarkable job in protecting threatened species in the UK and across Europe over the past thirty years, but some want to see them weakened as part of the Commission's agenda to cut red tape. The survival of Europe's precious natural habitats and wildlife is at stake, and so I will be fighting to ensure the EU's conservation laws are safeguarded and properly enforced rather than being watered down.

Women's Rights Committee

I have long campaigned to raise awareness of human trafficking in the UK and ensure people in local communities open their eyes to the signs of this vile trade. I have now begun drafting a European Parliament report on the implementation of the EU's anti-trafficking directive, which guarantees minimum rights for victims of human trafficking. This will hold the Commission and EU governments to account for their progress in tackling human trafficking and protecting trafficking victims.

As ALDE Coordinator on the Women's Rights Committee I have led calls for updated legislation on minimum maternity leave across the EU. The current EU law on maternity leave dates from 1992, and a new proposal which had been blocked by national governments was finally withdrawn by the Commission in July. I want to see the Commission come forward with a modernised legislative proposal that is flexible and takes into account issues such as shared parental leave. I have also helped draft reports regarding equal pay between men and women and the empowerment of women through education.

Quaestor

Last year I was elected as one of five Quaestors, a group of MEPs who manage the day-to-day running of the European Parliament. This has made me the only British MEP to sit on the Bureau, the highest decision-making body of the Parliament, where I represent the interests of fellow MEPs. I am the Quaestor responsible for overseeing exhibitions and events in the Parliament and am also a member of the high-level group on gender equality and diversity. Throughout the second half of this year I will chair the College of Quaestors.

Media

I have gained some significant national media coverage including through my campaign with the Sunday Mirror on wildlife crime. I also continue to be present in regional media in the South East, writing letters to local newspapers on EU issues and doing interviews with local radio. As the EU referendum campaign steps up a gear we can expect more attempts by the Eurosceptic media to distort stories about the EU to suit their agenda, to help rebut these you can follow my Euromyth Buster Facebook page here: <https://www.facebook.com/EuromythBuster> I also have a monthly newsletter which reports back on the work I have been doing in the European Parliament and across the South East region which you can subscribe to here: <http://www.bearder.eu/newsletter>

Catherine Bearder MEP
July 2015

Federal Appeals Panel

Owing to the General Election, the Leadership Election and staff illness the Federal Appeals Panel report and appointment of the Federal Appeal Panel for the next five year cycle have been unable to be completed before the conference publishing deadline.

The report and appointments will be presented to Spring Conference 2016.

Alan Masters
Chair, Federal Appeals Panel
July 2015

Campaign for Gender Balance

The Campaign for Gender Balance was established by the Federal Executive in response to the conference debate on gender balance in September 2001. Since the launch of Liberal Democrat Women in June 2013, CGB's aims and objectives have been incorporated into the new LDW Constitution, with Candy Piercy (Coordinator, Representation of Women Group), taking forward the CGB remit.

The Representation of Women Group, working with the Diversity and Outreach team in LDHQ, continues to form a key central initiative for attracting and supporting women candidates within the Party, and it implements a range of training, mentoring and support activities in order to increase the number of women standing for Parliament.

General Election selection figures:

- *40% of candidates selected in strategic seats (including held seats) were women*
- *26% of selected candidates (excluding held seats) were women*
- *Out of the 11 seats where sitting MPs stood down, 5 women were selected*

Many of these women have attended our annual Future Women MPs Weekend in the past and the others have benefited from CGB mentoring and support before and throughout their selection campaigns.

We would like to thank all the hard-working candidates, especially women candidates, for their dedication and drive throughout the General Election campaign. We are very disappointed to have lost excellent women MPs and hope to be working closely with them in the future. LDW/CGB also put in a significant amount of time mentoring and supporting candidates during the general election. We will only work harder to ensure this is rectified at the next General Election.

Current approval figures (as of July 2015)

- *28%* of approved candidates are women*

Whilst our training and mentoring programmes has ensured a high level of success for women candidates in strategic and held seat selections, more needs to be done to encourage more women to come forward for approval. We have increased the proportion of women on the approved list from 23% ten years ago to the current level of 27%. We need a significant effort to increase this to a minimum of 40% in 2020.

Activities since last report to Conference

- **Training:** CGB ran 4 training sessions at the 2015 Spring Conference, and will run 16 training sessions at the 2015 Autumn Conference.
- **Inspiration Days** will take place in London in September and Solihull in November with some more to be confirmed.
- **Road to Westminster:** The LDW Road to Westminster Campaign aimed at bringing together volunteers to help and support women standing in our most competitive seats. Successful events were held in Oxwob, Hazel Grove, East Dunbartonshire, Solihull, and Mid Dorset and North Poole.
- **Training webinars:** 21 weekly training webinars have been organised for women PPCs from February to March 2015
- **New members welcome event:** more than 70 women attended the Liberal Democrat Women new members events in June 2015. Speakers included Baroness Northover and Lib Dem Party President Baroness Brinton as well as former MP Lynne Featherstone.

Current and planned activities

- **Mentoring:** CGB provides ongoing mentoring to women candidates at different stages of their political careers, including a number who applied for the Leadership Programme. We view the Leadership Programme as complementary to the work of CGB. CGB focuses on encouraging women to become Westminster Parliamentary candidates, at whatever stage in their political career development they may be in.
- **Training:** A number of Inspiration Days are planned to mobilise women to consider candidacy for Westminster even at this late stage. We are also planning workshops for groups of women PPCs in seats close to each other and in LDHQ, which focus on resilience training, leadership and team building.

- **Newsletter:** *An e-mail newsletter is sent out at least once every month to almost 1000 subscribers, including details of training events, relevant news items and seat adverts.*
- **Monitoring approval and selection figures:** *The Campaign continues to closely monitor information regarding approval and selection figures, to gain an accurate picture of the women's representation within the Party.*
- **Bournemouth Autumn Conference:** *A full programme of training is planned for Autumn Conference.*
- **Due to the stage of the electoral cycle, the next Future Women MPs Weekend will be held in November 2015 / January-February 2016.**

CGB activities are managed with the active support of the staff of the Diversity and Outreach Team in HQ. They provide extensive logistical and organisational support to the training, coaching and mentoring activities of the CGB project. As ever thank you to all our trainers, mentors, LDW members and other supporters without whom we wouldn't be able to continue our good work.

**figures are currently being reviewed.*

Ros Gordon
Chair, Liberal Democrat Women

Candy Piercy
Head of LDW Representation of Women Group CGB Project
July 2015

Diversity Engagement Group

The Diversity Engagement Group (DEG) was established to oversee the achievement of the Party's equality and diversity priorities. The group brings together nominated 'Champions' from all sections of the Party in leading the strategic and accountable body responsible for delivering our diversity agenda and reporting back to every Federal Conference. DEG acts as a steering group for the Diversity and Outreach team based at Liberal Democrat HQ, and is chaired by Lord Navnit Dholakia.

The work of DEG is structured in the following ways:

I. Internal engagement:

Includes increasing representation within the party, as well as diversity awareness and unconscious bias training.

II. External engagement:

Includes campaigning in diverse communities, community outreach projects and other work that builds the influence and reputation of the Party more widely.

III. Communications:

Includes increasing the visibility of work being done within the Party and ensuring that internal and external communications reflect diversity and inclusion.

DEG Restructure

The DEG restructure agreed by FE has been postponed due to the General Election. The work will continue to put this restructure in place post Autumn Conference. It was agreed that DEG should have a smaller executive with three main sub-groups, which form the basis of how work is structured with DEG and the HQ Diversity and Outreach team at HQ.

Internal Engagement

- An SAO training and capacity-building day focusing on fundraising skills and engaging with new members was held in July 2015.*

- Representatives from Liberal Youth, LDW, LDDA, LGBT+ and EMLD attended and the day received very good feedback.*
- **Unconscious Bias** training is delivered at every Federal Conference and for local and regional parties on request.
 - **Regional Diversity Champions** continue to deliver activities at a regional and local party level – examples of recent regional activities include
 - o A **training day for BAME activists** which took place in Solihull in January
 - o **Two Inspiration Days**, aimed at getting more women members active within the Party are planned in London and Solihull in September and November 2015.
 - **Women comprised 26% of Parliamentary candidates, BAME 9%, LGBT 6%, Disabled 5%.**
 - **Approval and selection data** (including GLA, Scottish Parliament and Welsh Parliament) is being monitored and analysed in order to gain an accurate picture of candidate diversity within the Party.
 - The HQ team continues to run key activities on behalf of LDW **Campaign for Gender Balance** (see separate report), providing support for potential women candidates going for Parliamentary approval and selection. This includes a package of **women-only training** at Conference.
 - **66% of Leadership Programme candidates** were selected as PPCs: 19 women, 9 BAME candidates, 1 disabled candidate and 2 LGBT candidates.

External engagement

- *The HQ team is working with MPs and organisers in held seats with the most diverse populations in order to identify and discuss best practice, and how further work can be done.*
- *Links are being built and developed with a range of relevant external organisations including Patchwork Foundation, 3FF, Young Black Grads, Islamic Relief, etc.*
- *A training weekend for BAME young leaders took place in London in March 2015. It was attended by 15 people and the feedback was very positive.*

- *Community briefings are available on request.*
- *“Whose Vote are you missing: Campaigning in Diverse Communities” has been updated and is being distributed to key party stakeholders.*
- *Key issues briefings for diverse communities have been discussed with the policy team, produced and distributed.*
- *MPs, Peers and senior Lib Dems have been supported and encourage to attend communities’ events.*

Communications

- *The HQ team presented to the House of Commons Parliamentary Party in September 2015 to increase awareness of the Diversity and Outreach team’s work and encourage cooperation.*
- *The HQ team presented to the House of Lords Parliamentary Party in September 2015 to increase awareness of the Diversity and Outreach team’s work and encourage cooperation.*
- *A monthly Diversity Newsletter highlighting key events, government announcements and SAO campaigns is being distributed to key stakeholders within the Party.*
- *A Diversity and Outreach Twitter feed was created in June 2014 – follow us @LibDemDiversity.*
- *Arfan Bhatti continues his work with specialist press, and we have seen a significant increase in the number of press releases and articles.*

Lord Navnit Dholakia
Chair, Diversity Engagement Group
July 2015

The cost of not choosing our greener options

Every year for Conference, we spend around £30,000 and use over 2 tonnes of FSC® recycled paper on printing copies of agendas, directories, policy papers, and reports to conference.

Hundreds of our members are already selecting our Green Pack and our online-only options.

Why not join them next time and get your papers digitally at:
www.libdems.org.uk/autumn-conference-2015

#LibDemFightback



**Reports to Conference
Autumn 2015**

ISBN 978-1-910763-07-0