The Labour Party
Financial statements for the year ended 31 December 2024

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Registered Party officers

Leader	Rt Hon Keir Starmer MP
Treasurer	Hollie Ridley (appointed 17 September 2024)
Treasurer	David Evans (resigned 17 September 2024)
Nominating Officer	Andrew Whyte
Deputy Treasurer	Carol Linforth
Deputy Treasurer	Andrew Whyte
Deputy Treasurer	Joe Lock (appointed 18 December 2024)
Deputy Treasurer	Catherine Watson (appointed 18 December 2024)

Registered address 20 Rushworth Street, London, SE1 0SS

Treasurers' report

We are pleased to present the financial statements for the year ended 31 December 2024.

The 2024 budget was set with a planned deficit of £1.7m, carefully balanced to be funded from reserves and with a target to achieve above budgeted income generation. This aligned with the organisation's need to scale up in preparation for the general election and included deliberate investments in additional staff capacity, expanded office facilities, and the direct costs of running the campaign itself.

The financial year closed with a deficit of £3.8m, which exceeded the budgeted deficit by £2.1m. This variance reflects the dynamic nature of our operating environment and the need to respond at pace to shifting circumstances in the general election campaign, while keeping strategic objectives firmly in sight.

Importantly, while expenditure rose, this was balanced by a significant uplift in income generation. We achieved notable increases in high value donations that far exceeded the previous year and we delivered a highly successful Party conference, the first to be held with Labour in Government since 2009. The conference drew higher delegate and commercial visitor attendance than anticipated and contributed income beyond planned levels, underscoring our ability to drive commercial success alongside our core mission.

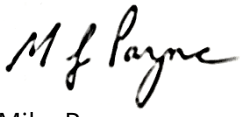
From the infancy of 2024, the organisation operated with a clear financial strategy, to ensure we were match fit for the general election. This involved ongoing investment in people, technology, and operational infrastructure to build the agility needed to deliver campaigns of national scale and impact. At the same time, our approach remained rooted in recognising the need to adjust expenditure back to a non-campaign footing once the immediate period of heightened activity ended. This included managing post-election reductions in revenue streams such as donations, general income, and short money, and the cost of aligning staffing levels appropriately.

The organisation is not immune to wider economic pressures. We continue to operate in a challenging fiscal environment marked by rising costs across all areas of activity. However, our financial management remains guided by a commitment to responsibility and control. Our strategy is twofold; to unlock growth through our talented people and to realise efficiencies through innovation. This ensures the organisation remains financially sustainable, resilient, and well positioned to adapt to whatever comes next.

The general election victory significantly changes the Party's financial dynamics. It brings both new opportunities and new challenges, with potential shifts in income, and a renewed imperative to manage expenditure with the same diligence that brought us this far. Over the past year, we have fundamentally strengthened our financial accountability and resource control, and embedded robust processes across the organisation to ensure collective ownership of financial stewardship.

As always, we extend our thanks to all those whose support makes our work possible. Whether as campaigners, activists, volunteers, members, donors, sponsors individual or corporate and trade union or socialist society, your dedication and belief in our shared values remain central to our success. Your contribution helps us to win campaigns and, ultimately, to build a better future.

Hollie Ridley
Registered Treasurer



Mike Payne
Party Treasurer

Administrative information

Review of Political Activities

A detailed review of the Party's political activities during the period covered by the financial statements will be included in the National Executive Committee (NEC)'s Annual Report. The NEC's Annual Report will be available from September 2025.

Committees

The NEC is the governing body of the Labour Party that oversees the overall direction of the Party and the policy-making process. It carries out this role by setting strategic objectives on an annual basis and meeting regularly to review the work of the Party in these areas.

All members of the NEC are members of the National Policy Forum. This body oversees the development of Party policy. It meets throughout the year in full session and through policy commissions presents a report to Annual Conference.

The NEC also has a number of specialist committees and is responsible for upholding the rules of the Party and propriety of Labour selection processes. Details of the principal specialist committees of the NEC are as follows:

Committee	Responsibilities
Business Board	Oversight of the business functions of the organisation including the management of finances.
Joint Policy Committee (JPC)	The JPC is responsible for strategic oversight of the Party's policy development. It oversees the rolling programme, and acts as a steering group for the National Policy Forum (NPF). Jointly convened by the Leader and NEC Co-convenor, it is a joint committee made up of members of the NEC, Government or Shadow Cabinet and NPF.
Equalities Committee	The Committee advises the NEC on steps to increase the Party's membership and representation on elected bodies so as to better reflect the community, to drive the Party's equality agenda, and to assist and promote the Party's work in combating discrimination in all forms.
Organisation Committee	Responsible for Party rules and its constitution; ensures all levels of the Party are operating effectively throughout the country to the highest standards; and has overall responsibility for membership, investigations, elections (including selections), local government, conferences, electoral law, boundaries strategy and internal elections.
Complaints and Disciplinary Sub-Committee	Oversight and scrutiny of complaints and disputes processes; hears membership appeals and re-admission applications; considers Party disputes and conciliation; undertakes minor investigations and local government appeals (where referred to the NEC); and conducts hearings and interviews around the country where necessary.
Audit and Risk Management	Responsibility for the Party's risk register and audit and compliance oversight, and policies to mitigate risks.

Administrative information (cont.)

Elected representatives

The Party's elected representatives at the Westminster and Scottish Parliaments and the Senedd can be found on the Party's websites at:

labour.org.uk/people/

scottishlabour.org.uk/people/

welshlabour.wales/people/

Membership

As at 31 December 2024 the total individual membership of the Party was 333,235 (2023: 370,450).

Accounting units

As at 31 December 2024 the Party had 857 (2023: 849) accounting units registered with the Electoral Commission.

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.

The Registered Treasurer is responsible for keeping proper accounting records which 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. He also has delegated responsibility from the National Executive Committee for ensuring that appropriate controls are established for safeguarding the assets of the Party and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor’s report to the members of the Labour Party

Opinion

We have audited the financial statements of the Labour Party for the year ended 31 December 2024 which comprise the consolidated income and expenditure account, the statements of comprehensive income and changes in equity, the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Labour Party’s affairs as at 31 December 2024 and of the deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Political Parties, Elections and Referendums Act 2000.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Labour Party in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent Auditor's report to the members of the Labour Party

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Registered Treasurer

As explained more fully in the statement of Registered Treasurer's responsibilities set out on page 5, the Registered Treasurer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Registered Treasurer is responsible for assessing the Labour Party's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Registered Treasurer either intends to liquidate the Labour Party or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Labour Party operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Political Parties, Elections and Referendums Act 2000, together with the Financial Reporting Standard applicable in the UK (FRS102).

Independent Auditor's report to the members of the Labour Party

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Labour Party's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Labour Party for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Registered Treasurer and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation, membership, affiliation and government grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the Labour Party's members, 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 Labour Party's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Labour Party and the Labour Party's members as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
Date 20 August 2025

Consolidated income and expenditure account for the year ended 31 December 2024

	Notes	2024	2023
		£'000	£'000
Income			
Donations		**39,427**	**16,509**
Membership		**18,321**	**16,935**
Affiliations		**4,921**	**5,148**
Fundraising	4	**2,194**	**1,271**
Commercial income		**13,489**	**7,538**
Legacies		**861**	**64**
Interest receivable		**306**	**55**
Government grants	5	**4,063**	**7,929**
Notional income	6	**3,025**	**927**
Other income		**4,137**	**2,243**
Investment Income	7	**4**	**9**
Total income		**90,748**	**58,628**
Expenditure			
Costs of fundraising		**(175)**	**(660)**
Costs of commercial activity		**(6,434)**	**(3,807)**
Notional expenditure	6	**(3,025)**	**(927)**
Running costs	8	**(51,497)**	**(45,279)**
Campaign expenditure	9	**(27,152)**	**-**
Interest payable	10	**(500)**	**(451)**
Grants and payments to CLPs		**(2,131)**	**(4,989)**
Other	12	**(3,595)**	**(3,167)**
Total expenditure		**(94,509)**	**(59,280)**
Deficit before taxation	13	**(3,761)**	**(652)**
Taxation	14	**-**	**(199)**
Deficit for the year		**(3,761)**	**(851)**

Statements of comprehensive income and changes in equity for the year ended 31 December 2024

Statement of comprehensive income

	Notes	**2024**	**2023**
		£'000	**£'000**
Deficit for the year		**(3,761)**	**(851)**
Net investment gain		**119**	**78**
Asset losses arising during the year	23	**(11,000)**	**(3,211)**
Liability gains / (losses) arising during the year	23	**13,041**	**(2,286)**
Property revaluation gain		**-**	**146**
Total comprehensive loss for the year		**(1,601)**	**(6,124)**

Statement of changes in equity

	General	Revaluation reserve	**Total**
	£'000	£'000	**£'000**
At 1 January 2023	11,265	1,137	**12,402**
Deficit for the year	(851)	-	**(851)**
Other comprehensive income:			
Actuarial loss on the pension scheme	(5,497)	-	**(5,497)**
Properties revaluation	-	146	**146**
Net investment gain	78	-	**78**
At 31 December 2023 and 1 January 2024	4,995	1,283	**6,278**
Deficit for the year	(3,761)	-	**(3,761)**
Other comprehensive income:			
Actuarial gain on the pension scheme	2,041	-	**2,041**
Net investment gain	119	-	**119**
At 31 December 2024	3,394	1,283	**4,677**

Consolidated balance sheet at 31 December 2024

	Notes	2024	2023
		£'000	£'000
Fixed assets			
Intangible fixed assets	15	**413**	**1,784**
Tangible fixed assets	16	**6,309**	**6,396**
Investments	17	**2,474**	**2,355**
		9,196	**10,535**
Current assets			
Debtors and prepayments	18	**7,171**	**4,961**
Cash at bank and in hand		**12,579**	**26,695**
		19,750	**31,656**
Creditors: amounts falling due within one year			
Creditors, accruals and deferred income	19	**(14,840)**	**(21,910)**
Development fund loans	26	**(11,640)**	**(11,044)**
		(26,480)	**(32,954)**
Net current liabilities		**(6,730)**	**(1,298)**
Total assets less current liabilities		**2,466**	**9,237**
Provisions for liabilities and charges	20	**(62)**	**(785)**
Net assets		**2,404**	**8,452**
Pension (asset) / liability	23	**(2,273)**	**2,174**
Reserves			
General reserve	21	**3,394**	**4,995**
Revaluation reserve	21	**1,283**	**1,283**
		2,404	**8,452**

The financial statements on pages 9 to 20 were approved by the National Executive Committee on 19 August 2025 and signed on its behalf by:

M. Ridley

Hollie Ridley
General Secretary and Registered Treasurer

M J Payne

Mike Payne
Party Treasurer

Consolidated cash flow statement for the year ended 31 December 2024

	Notes	2024	2023
		£'000	£'000
Cash flows from operating activities			
Deficit for the year		**(3,761)**	**(851)**
Adjustments for:			
Depreciation, amortisation and impairment charges		**1,580**	**598**
Gain on property revaluation		**-**	**146**
Difference between pension charge and cash contributions		**(2,404)**	**(2,530)**
		(4,585)	**(2,637)**
Movements in working capital			
(Increase) in trade and other receivables		**(2,210)**	**(767)**
(Decrease) / increase in trade and other payables		**(7,072)**	**7,042**
(Decrease) / increase in provisions for liabilities and charges		**(723)**	**371**
Cash (used) / provided from operations		**(10,005)**	**6,646**
Net cash (used) / provided from operating activities		**(14,590)**	**4,009**
Cash flows from investing activities			
Payments for fixed assets		**(122)**	**(896)**
Net cash (used) in investing activities		**(122)**	**(896)**
Net (decrease) / increase in cash and cash equivalents		**(14,712)**	**3,113**
Cash and cash equivalents at the beginning of the year		**15,651**	**12,538**
Cash and cash equivalents at the end of the year		**939**	**15,651**
Cash and bank balances		**12,579**	**26,695**
Development fund loans		**(11,640)**	**(11,044)**
		939	**15,651**

The Notes on pages 13 to 20 form part of these financial statements.

Notes to the financial statements

General information

The Labour Party is a political party registered with the Electoral Commission. The address of its registered office is disclosed on page 1.

The financial statements are presented in sterling, which is also the functional currency of the Party.

1. Accounting policies

The financial statements have been prepared on the basis of historical cost as modified by the revaluation of land and buildings, and are in accordance with applicable accounting standards in the United Kingdom. The financial statements reflect the principles contained in the Statement of Accounts Guidance Notes issued by the Electoral Commission and in existence as at 5 May 2008.

The Party's accounting policies are set out below. These have been applied consistently.

The following principal accounting policies have been applied:

a. Income recognition

Income, which excludes value added tax, 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 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 donation received with an expense of the same amount being recognised at the same time. Income from legacies is recognised on receipt, except where notification is received before the year end and funds received after the year end.
- Membership fees are recognised in the income and expenditure account when received
- Government grants are recognised in the year in which the related expenditure is incurred (see note 5).

All other income including affiliation fees is recognised on an accruals basis.

b. Tangible fixed assets

Property assets comprise both freehold and leasehold land and buildings held as functional property or long-term investments by Labour Party Properties Limited.

Functional property is carried at fair value. This is based on the most recent professional valuation (which is carried out at least every five years) or, if recently acquired, at cost, subject to an annual impairment review (carried out by the directors of Labour Party Properties Limited with the assistance of an expert third Party who is retained throughout the year). In addition, if the annual impairment reviews identify instances where the carrying value is materially different from the fair value then a full valuation will be conducted. Given the maintenance of the properties and the length of their estimated useful lives, or lease term no depreciation is charged as it is considered to be immaterial. The National Executive Committee (NEC) considers that this accounting policy results in the financial statements giving a true and fair view.

Investment properties are measured at fair value annually by the directors of Labour Party Properties Limited with the assistance of an expert third party with any change recognised in the consolidated income and expenditure account.

Long leasehold improvement assets are depreciated on a straight line basis over the period of the lease.

Office equipment is depreciated on a straight line basis over a period of 4 years.

No depreciation is charged on assets under construction until they are available for use.

Expenditure on other tangible assets is only considered for capitalisation if it amounts to £10,000 or more and its useful economic life can be reasonably estimated at the year end.

c. Intangible fixed assets

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment.

Amortisation is calculated to write off the cost of intangible fixed assets by equal annual instalments over their expected useful economic lives on the following basis:

- Software and other intangible assets: Over five year straight line

Amortisation is not charged on assets in the course of construction until they are complete.

d. Value added tax

The Party is registered for value added tax (VAT) purposes, but it is only liable on chargeable transactions. All items of income and expenditure are shown in the financial statements net of VAT. A partial exemption formula has been agreed with HM Revenue and Customs and VAT has been recovered. The value of VAT that is irrecoverable is included in "Other expenditure" (see note 12).

Notes to the financial statements

e. Pension costs

The Labour Party is responsible for the solvency of the Labour Party Pension Scheme, which is a defined benefit pension scheme (see note 23). Pension scheme assets are measured using market values. The present value of the defined benefit obligation was measured using the Projected Unit Credit Method.

Any pension scheme surplus (to the extent it is considered recoverable) or deficit is recognised in full and presented on the face of the balance sheet. The movement in the scheme surplus/deficit is split between operating charges, financing items and, in the statement of changes in equity, actuarial gains and losses.

f. Accounting estimates

The preparation of financial statements requires the use of estimates and assumptions about future conditions. This is especially important in the setting of bad and doubtful debt provisions. The NEC believes that it has examined all reasonably available information in assessing the recoverability of debtors and set the provision prudently.

g. Operating leases

Rentals payable and receivable under operating leases are charged or credited to the income and expenditure account on a straight-line basis over the terms of the leases.

h. Investments

Investments in non-quoted shares are normally valued at cost less provision for impairment.

Where investments are donated to the party the potential fair value is considered and if a reliable fair value can be determined the investment is recognised at its deemed cost, i.e. the fair value at the date of donation. If a sufficiently reliable fair value is not available for donated assets no cost is recognised.

Quoted investments are measured at market value and are revalued each year, with gains/losses being recognised in the statement of comprehensive income and changes in equity.

i. Key judgements and estimates

In the application of the Party's accounting policies, which are described in note 1, the NEC are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

- Pension liabilities – The Party recognises its asset or liability in respect of its defined benefit pension scheme which involves a number of estimations as disclosed in Note 23.
- Valuation of investment properties– The Party's investment properties are stated at their estimated fair value based on professional valuations as disclosed in Note 16.

j. Financial instruments

The Labour Party has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investment properties are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

At the balance sheet date the Party held financial assets at amortised cost of £18,935,398 (2023: £30,151,000) and Financial liabilities at amortised cost of £26,479,767 (2023: £32,954,000). The Party held financial assets at fair value through the income and expenditure accounts of £2,473,213 (2023: £2,354,000).

2. Basis of preparation

The Labour Party is constituted under section 26 of the Political Parties, Elections and Referendums Act 2000 as a central organisation with accounting units. The consolidated financial statements incorporate the results of the Labour Party central organisation, its subsidiary undertaking Labour Party Properties Limited, the Scottish Labour Party and the Wales Labour Party. The Scottish Labour Party is a separate accounting unit registered with the Electoral Commission and as such is required to file its own financial statements with the Electoral Commission, but as its management is integrated with that of the Labour Party's central organisation it is considered appropriate to reflect its results in the consolidated financial statements.

The consolidated financial statements do not include the results of other accounting units registered with the Electoral Commission except where Head Office undertakes accounting on behalf of certain accounting units or bears costs relating to accounting units, which are not then subsequently recharged to the accounting unit.

The income and expenditure account includes the consolidated results of the regional offices of the Labour Party, the Scottish Labour Party and the Wales Labour Party which contributed a deficit of £309,344 (2023: surplus of £269,000) to the result for the year. The consolidated results of the regional offices are

Notes to the financial statements

produced from accounts that are prepared mainly on a cash accounting basis rather than an accruals basis. It is not considered that restatement of the results on to an accruals basis for the current and prior years would have a material impact on the result for the year.

The financial projections of the Party indicate that the funding to be generated across all income streams will provide sufficient means for the Party to achieve its organisational and political objectives as well as service its debt for the foreseeable future. This work has indicated that adequate resources remain in place for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

Campaign expenditure in the consolidated statement of income and expenditure (£27,152,447 in 2024, £nil in 2023) represents the Party's expenditure in national elections, as defined by the Political Parties, Elections and Referendums Act 2000 and reported to the Electoral Commission.

3. Basis of taxation

The Party is treated as an unincorporated association for tax purposes and is therefore liable to corporation tax on its investment income. It also bears tax on any investment transactions that give rise to capital gains

The taxation of each of the subsidiary companies under the control of the NEC is dealt with separately and a corporation tax liability arises on any adjusted income and expenditures as returned to HM Revenue and Customs.

4. Fundraising activities

	2024	2023
	£'000	£'000
Dinners	**140**	432
Other events	**2,054**	839
	2,194	1,271

5. Government grants

	2024	2023
	£'000	£'000
Short money	**3,630**	7,497
Policy Development Grant	**433**	432
	4,063	7,929

The Electoral Commission provides a Policy Development Grant for expenditure incurred in developing policies for inclusion in the Party's manifestos for elections to the Westminster, Scottish, European Parliament, and the Welsh Assembly and for local government elections in England, Scotland and Wales. Similar grants were payable to all the major political parties.

6. Notional income and expenditure

	2024	2023
	£'000	£'000
This comprises:		
Goods	**945**	42
Services	**766**	121
Seconded staff	**1,314**	764
	3,025	927

7. Investment Income

	2024	2023
	£'000	£'000
Dividends received	**4**	9

8. Running costs

	2024	2023
	£'000	£'000
Staff related expenditure (see Note 11)	**27,795**	24,273
Building and premises	**4,296**	5,647
Depreciation and amortisation	**1,580**	598
Political activities and publishing	**9,216**	6,554
Administration	**2,250**	3,214
Finance, IT and telecommunication costs	**6,360**	4,993
	51,497	45,279

9. Campaign expenditure

	2024	2023
	£'000	£'000
UK General Election	**27,152**	-

10. Interest payable

	2024	2023
	£'000	£'000
Development fund loans	**500**	451

Notes to the financial statements

11. Employees

	2024	2023
	£'000	£'000
Staff related expenditure comprises:		
Wages and salaries	**23,604**	20,217
Social security costs	**2,838**	2,306
Other pension costs	**3,541**	3,706
Other costs	**216**	574
	30,199	26,803
Difference between pension charge and cash contributions	**(2,404)**	(2,530)
	27,795	24,273

The number of staff employed by the Party during the year comprises:

	Full time	Part time	Total
At 31 December 2024	**315**	**28**	**343**
At 31 December 2023	494	39	533
At 31 December 2022	347	47	394
Average for 2024	**497**	**40**	**537**
Average for 2023	428	48	476

The above figures include both head office and regional staff. The figures also include various persons employed on short-term contracts.

Key management personnel of the Party are members of the senior management and the total employment benefits of that group was £1,350,452 (2023: £1,291,219).

The termination payment for 2024 is £1,758,991 (2023: £606,965).

12. Irrecoverable VAT

	2024	2023
	£'000	£'000
Irrecoverable VAT expensed in the year	**3,238**	2,469

Irrecoverable VAT is included within Other Expenditure in the Income & Expenditure Account.

13. Deficit from Party activities before taxation

	2024	2023
	£'000	£'000
This has been arrived at after crediting / (charging):		
Property rentals receivable	**59**	66
Auditors' remuneration		
- audit services	**(140)**	(66)
- prior year under accrual	**(118)**	-
	(258)	(66)
- non audit services	**(47)**	(15)
Westminster Foundation for Democracy:		
Project funding recognised during the year	**(368)**	(216)
Project expenditure supported by funding	**368**	216
Operating lease charge		
- property	**(1,068)**	(405)
- equipment	**(224)**	(157)

14. Taxation

	2024	2023
	£'000	£'000
Current taxation		
UK Corporation Tax payable	**-**	199
Tax on deficit on Party activities	**-**	199

The difference between the actual and expected current tax charge is explained below:

	2024	2023
	£'000	£'000
Deficit from Party activities before taxation	**(3,761)**	(652)
Tax on loss at 25% (2023: 23.5%)	**(940)**	(153)
Effects of:		
Difference between non-taxable income and non-deductible expenses	**940**	352
Movement in deferred tax not provided	**-**	-
	-	199

If all of the property assets were sold at their balance sheet values it is estimated that a tax liability of £118,500 (2023: £118,500) would arise.

A deferred tax liability of £36,000 (2023: £36,000 liability) has not been recognised. This arises primarily from timing differences between the net book value of assets qualifying for capital allowances and their tax written down value.

Notes to the financial statements

15. Intangible fixed assets

	£'000
Cost	
At 1 January 2024	2,546
Additions	55
At 31 December 2024	**2,601**
Amortisation and impairment	
At 1 January 2024	(762)
Amortisation charge for year	(506)
Impairment	(920)
At 31 December 2024	**(2,188)**
Net book value At 31 December 2024	**413**
At 31 December 2023	1,784

16. Tangible fixed assets

	Freehold investment properties	Other freehold & leasehold properties	Office equipment	**Total**
	£'000	£'000	£'000	**£'000**
Cost or valuation				
At 1 January 2024	2,942	2,988	989	**6,919**
Additions	-	-	67	**67**
At 31 December 2024	**2,942**	**2,988**	**1,056**	**6,986**
Depreciation				
At 1 January 2024	-	-	(523)	**(523)**
Charge for year	-	-	(154)	**(154)**
At 31 December 2024	**-**	**-**	**(677)**	**(677)**
Net book value At 31 December 2024	**2,942**	**2,988**	**379**	**6,309**
At 31 December 2023	2,942	2,988	466	**6,396**

The historic cost for all properties is £5,521,000 (2023: £5,521,000). The most recent professional open market valuations were carried out as at 31 March 2024 by Jones Shackel Oldham Chartered Surveyors. Properties are subject to an annual impairment review in accordance with note 1b.

Notes to the financial statements

17. Investments

Listed & fund investments	2024	2023
	£'000	£'000
At 1 January	**2,355**	2,239
Net additions / (withdrawals)	**-**	38
Fair value adjustment	**119**	78
At 31 December	**2,474**	2,355

18. Debtors and prepayments

	2024	2023
	£'000	£'000
Stocks	**57**	100
Trade debtors	**3,664**	1,973
Prepayments	**815**	1,506
Accrued income	**1,859**	489
Other debtors	**776**	893
	7,171	4,961

19. Creditors, accruals and deferred income

	2024	2023
	£'000	£'000
Trade creditors	**2,986**	1,266
Taxation and social security	**1,365**	2,374
Other creditors	**5,752**	12,734
Accruals	**4,737**	5,536
	14,840	21,910

20. Provisions for liabilities and charges

	2024	2023
	£'000	£'000
Onerous Lease provision	**62**	586
Corporation Tax Provision	**-**	199
	62	785

21. Reserves

The revaluation reserve comprises both the revaluation gains recognised on functional properties and the fair value gains on investment properties.

22. Subsidiary companies

The following are the subsidiary companies controlled by the NEC of the Party during 2024:

Name	Nature of business	Country of incorporation	Proportion of voting rights held
Labour Party Properties Limited	Property management and investment	England and Wales	100%
Labour Party Nominees Limited	Property trustee (non trading)	England and Wales	100%

All trading activities of all the Party's subsidiaries are located, and their income generated, entirely in the United Kingdom.

The statutory financial statements of each of the above companies are produced separately to these financial statements.

23. Pension fund

The Party sponsors a funded defined benefit pension plan for qualifying UK employees, the Labour Party Pension Scheme. The Scheme is a multi-employer scheme and the Party is responsible for the majority of the Scheme liabilities. The disclosures below are in respect of the whole Scheme.

The level of benefits provided by the Scheme depends on a member's length of service and their salary.

Funding requirements

UK legislation requires that pension schemes are funded prudently. The last funding valuation of the Scheme was carried out by a qualified actuary as at 31 December 2023 and showed a surplus of £0.7M on a Technical Provisions basis.

In respect of ongoing accrual and expenses, contributions into the Scheme are as follows from 1 April 2025:

% of pensionable salary	Party	Members	Total
1 April 2025 to 31 March 2028	9.0%	6.0%	15.0%
From 1 April 2028	3.0%	12.0%	15.0%

The next funding valuation is due no later than 31 December 2026, at which point the funding position will be reassessed and the required contributions will be reviewed.

The results of the latest funding valuation at 31 December 2023 have been adjusted to the new balance sheet date, taking account of experience over the period since 31 December 2023, changes in market conditions, and differences in the financial and demographic assumptions. The present value of the Defined Benefit Obligation, and the related current service cost, were measured using the projected unit credit method.

Notes to the financial statements

23. Pension fund (continued)

The principal assumptions used to calculate the liabilities under FRS 102 are set out below:

Main financial assumptions

	2024	2023
Discount rate for scheme liabilities	**5.50%**	4.50%
RPI inflation	**3.30%**	3.20%
CPI inflation	**3.00%**	2.90%
Pension increases pre April 1997	**0.00%**	0.00%
Pension increases April 1997 to April 2005	**2.90%**	2.80%
Pension increases post April 2005	**2.00%**	2.00%

Main demographic assumptions

The mortality base tables adopted are 94% of S4PMA (2023: 99% of S3PMA) "middle" tables for males and 101% of S4PMA (2023: 101% of S3PFA) tables for females, with CMI 2023 (Sk=7.0, A=0.25) projections.

The mortality future improvements adopted are a long-term improvement rate of 1.25% (2023: 1.5%).

Under the assumptions, members aged 60 now are expected to live for a further 25.9 years (2023: 25.9 years) if they are male and a further 28.3 years (2023: 28.5 years) if they are female. Members currently aged 45 are expected to live for a further 27.1 years (2023: 27.2 years) from age 60 if they are male and for a further 29.5 years (2023: 30.0 years) from age 60 if they are female.

Members are assumed to take 20% (2023: 25%) of their pension as a tax-free lump sum, using commutation factors currently in force.

The mortality assumptions are based on the recent actual mortality experience of members and allow for expected future improvements in mortality rates.

Assets

The scheme assets are invested in the following asset classes.

	2024	2023
	£'000	£'000
Equities	**17,354**	17,134
Cash	**1,183**	1,396
Growth fund	**1,752**	1,971
Liquid alternatives	**6,172**	7,983
Corporate bonds	**10,972**	10,088
Hedging assets	**27,817**	32,645
Total	**65,250**	71,217

None of the scheme assets are invested in the Party's financial instruments or in property occupied by, or other assets used by, the Party.

Reconciliation of funded status to balance sheet

	2024	2023
	£'000	£'000
Fair value of scheme assets	**65,250**	71,217
Present value of funded Defined Benefit Obligation	**(62,977)**	(73,389)
Funded status	**2,273**	(2,172)
Unrecognised asset	**-**	-
Asset/(liability) recognised on the balance sheet	**2,273**	(2,172)

Income & expenditure and comprehensive income

	2024	2023
	£'000	£'000
Operating cost:		
Current service cost	**86**	622
Past service cost (including curtailments)	**283**	-
Administration expenses	**400**	499
Financing cost:		
Interest on net defined benefit liability/(assets)	**35**	(107)
Pension expense recognised in income and expenditure	**804**	1,014
Remeasurements in OCI:		
Losses on scheme assets above that recognised in net interest	**11,000**	3,211
Liability (gains)/losses arising during the year	**(13,041)**	2,286
Total amount recognised in OCI	**(2,041)**	5,497
Total amount recognised in income & expenditure and OCI	**(1,237)**	6,511

Changes in Defined Benefit Obligation over the year

	2024	2023
	£'000	£'000
Opening Defined Benefit Obligation	**73,389**	68,677
Current service cost	**86**	622
Interest expense on DBO	**3,280**	3,208
Contributions by scheme participants	**1,277**	955
Actuarial (gains)/losses on liabilities	**(13,041)**	2,286
Net benefits paid out	**(2,297)**	(2,359)
Past service cost	**283**	-
Closing Defined Benefit Obligation	**62,977**	73,389

Notes to the financial statements

23. Pension fund (continued)

Changes to fair value of the scheme assets during the year

	2024	2023
	£'000	£'000
Opening fair value of scheme assets	**71,217**	69,472
Interest income on scheme assets	**3,245**	3,315
(Losses) on scheme assets	**(11,000)**	(3,211)
Contributions by the employer	**3,208**	3,544
Contributions by scheme participants	**1,277**	955
Net benefits paid out	**(2,297)**	(2,359)
Administration costs incurred	**(400)**	(499)
Closing fair value of scheme assets	**65,250**	71,217

Actual return on scheme assets

	2024	2023
	£'000	£'000
Interest income on scheme assets	**3,245**	3,315
(Losses) on scheme assets	**(11,000)**	(3,211)
Actual return on scheme assets	**(7,755)**	104

24. Contingencies and commitments

The total future minimum lease payments under non-cancellable operating leases are payable as follows:

	2024	2023
	£'000	£'000
Operating leases payable:		
Within one year	**1,024**	1,083
In the second to fifth years inclusive	**5,988**	4,699
In more than five years	**4,722**	5,230
	11,734	11,012

The above operating leases relate to lease rental commitments for leasehold land and buildings, equipment and vehicles. Any rent-free periods granted by the lessors have been recognised over the total period of the lease.

The Party is subject to legal claims as a consequence of the unauthorised publication of a report in 2020. The known claims have now largely been settled or otherwise resolved but discussions about claimants legal costs are ongoing. It is not known what the costs will be or the timing of any payments.

25. Reconciliation of the operating deficit to cash flow from operating activities

	2024	2023
	£'000	£'000
Deficit for the year	**(3,761)**	(851)
Depreciation, amortisation and impairment charges	**1,580**	598
Gain on property revaluation	**-**	146
(Increase) in trade and other receivables	**(2,210)**	(767)
(Decrease)/increase in trade and other payables	**(7,072)**	7,042
Difference between pension charge and cash contributions	**(2,404)**	(2,530)
(Decrease) / increase in provisions for liabilities and charges	**(723)**	371
Net cash flow from operating activities	**(14,590)**	4,009

26. Related Party transactions

The Party has entered into the following transactions with its affiliated (non-consolidated) accounting units:

Development fund loans	**£'000**
Loans payable at 1 January 2024	**11,044**
Additional loans made available	**911**
Loans repaid	**(315)**
Loans payable at 31 December 2024	**11,640**

All development fund loans are made available to the Party on commercial terms. Corresponding sums are held in cash deposits.

The Party also provides Constituency Labour Parties, all of which are accounting units, with a proportion of the membership revenues which are raised centrally.

A payment of £13,200 for damages was made during the year to a closely connected person to a member of key management personnel. The transaction was approved and conducted in accordance with the Labour Party's procedures, without involvement from the relevant key management personnel.