

Registered number
11694875

Reform UK Party Limited

Filleted Accounts

31 December 2021

Reform UK Party Limited**Registered number:** 11694875**Balance Sheet****as at 31 December 2021**

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	9	1,350	4,500
Current assets			
Debtors	10	26,403	40,647
Cash at bank and in hand		7,580	99,298
		<u>33,983</u>	<u>139,945</u>
Creditors: amounts falling due within one year	11	(241,789)	(177,237)
Net current liabilities		<u>(207,806)</u>	<u>(37,292)</u>
Total assets less current liabilities		<u>(206,456)</u>	<u>(32,792)</u>
Creditors: amounts falling due after more than one year	12	(643,000)	-
Net liabilities		<u>(849,456)</u>	<u>(32,792)</u>
Capital and reserves			
Called up share capital		15	15
Profit and loss account		(849,471)	(32,807)
Shareholders' funds		<u>(849,456)</u>	<u>(32,792)</u>

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

The financial statements were approved by the Board Members on 12 August 2022 and signed on their behalf by:

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R Tice

Party Leader/Director

12 August 2022

Reform UK Party Limited
Notes to the Accounts
for the year ended 31 December 2021

1 Accounting policies

General information and basis of preparation

Reform UK Party Limited is incorporated by law and thus bound by Companies Act 2006. It is a private company limited by shares incorporated in England & Wales. The party is also required to prepare financial statements in accordance with the Political Parties, Elections and Referendums Act 2000 ("PPERA"), accordingly the statements follow the format recommended by the Electoral Commission.

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

At the period end, the Party had net liabilities of £849,456, a significant percentage of which comes from directors loans. The Directors and Treasurer have reviewed the forecasts and cash flow projections for the Party for the period of 12 months from the date of signing the financial statements and are satisfied that sufficient donations, fundraising income and funds from other sources will be available for the Party to meet its financial obligations and to achieve its organisational and political objectives. On this basis, the Directors considers that it is appropriate to prepare the accounts on a going concern basis. The directors loans are to help grow the party and are expected to remain in place for the next twelve months minimum.

In common with other political parties, the Party relies on donations and fundraising income to meet a large proportion of its expenditure, including most of its non-recurring expenditure. The nature of such income is that there is some unpredictability associated with it which may cast doubt on the ability to continue as a going concern should sufficient donations or income not be received by Party.

Financial accounting

The Party's financial statements do not include the income of regional, branch or constituency associations. Financial administration of these activities at by-elections, and constituency campaigns are dealt with at the appropriate level.

Income recognition

Income is measured at the fair value of the consideration received or receivable net of trade discounts.

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 fundraising income are recognised at market value in the income and expenditure account on receipts.

Interest receivable is recognised in the income and expenditure account on an accrual basis;
Commercial income is recognised in the income and expenditure account on an accrual basis.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant which does not specify performance conditions is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer equipment	50% straight line per annum
Fixtures and equipment	100% straight line per annum

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

The Party is treated as an incorporated 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. Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. No deferred tax is recognised as any investment income is taxed on the same basis as it is recognised in the income and expenditure account.

Provisions

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

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash and cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisitions and are readily convertible to known amounts of cash with insignificant risk of change in value.

Pension costs

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.

Financial Instruments

Basic financial instruments consist of cash and cash equivalents and basic debt instruments. Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income and expenditure account.

Value Added Tax (VAT)

As a political party, the Party cannot be registered for vat and hence all costs are shown Gross including input VAT, which cannot be reclaimed, and costs are accounted for on an accrual basis.

2 Donation income

Under section 62 PPERA single or aggregated donations from an individual greater than £7,500 in any calendar year are reportable to The Electoral Commission. £204,919 were reported to the Electoral Commission during the period (2020: £2,067,000). The party's administrative staff check the permissibility of all donors (as defined by Section 54 PPERA) who make individual donations of more than £500.

3 Income from commercial activities	2021	2020
	£	£
Merchandise sales and events	-	74,340
	<hr/>	<hr/>
	-	74,340
	<hr/>	<hr/>

4 Investment income	2021	2020
	£	£
Bank interest received	12	71
	<hr/>	<hr/>
	12	71
	<hr/>	<hr/>

Investment income, when it arises, consists of bank interest income.

5 Surplus (Deficit) before and after taxation	2021	2020
	£	£
The deficit before and after taxation is stated after charging:		
Auditors remuneration - audit services	10,000	18,000
Operating lease charge	-	208,043
Corona virus Job Retention Scheme grants	(66,536)	(67,372)
Depreciation	11,250	35,639

6 Taxation	2021	2020
	£	£

Taxation charged	-	2,500
	-	2,500

7 Audit information

The audit report is unqualified.

Senior statutory auditor: Ravi Koppa
Firm: CK Partnership
Date of audit report: 12 August 2022

8 Staff costs and remuneration

Staff costs for the above persons comprise:	2021	2020
	£	£
Wages and Salaries	347,381	506,731
Social Security	38,939	56,756
Pension	8,163	14,671
	<u>394,483</u>	<u>578,158</u>

Neither the Leader nor the Party President received any remuneration from the Party.

	2021	2020
	Number	Number
Average number of persons employed by the company	<u>8</u>	<u>12</u>

9 Tangible fixed assets

	Fixtures and equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2021	-	9,156	9,156
Additions	<u>8,100</u>	<u>-</u>	<u>8,100</u>
At 31 December 2021	<u>8,100</u>	<u>9,156</u>	<u>17,256</u>
Depreciation			
At 1 January 2021	-	4,656	4,656
Charge for the year	<u>6,750</u>	<u>4,500</u>	<u>11,250</u>
At 31 December 2021	<u>6,750</u>	<u>9,156</u>	<u>15,906</u>
Net book value			
At 31 December 2021	<u>1,350</u>	<u>-</u>	<u>1,350</u>
At 31 December 2020	-	4,500	4,500

10 Debtors	2021	2020
	£	£
Prepayments	18,970	11,854
Director's loan account	-	6,500
Other debtors	7,433	22,293
	<u>26,403</u>	<u>40,647</u>

11 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	163,361	123,011
Taxation and social security costs	68,427	13,867
Other creditors	10,001	40,359
	<u>241,789</u>	<u>177,237</u>

12 Creditors: amounts falling due after one year	2021	2020
	£	£
Director's loan account	<u>643,000</u>	<u>-</u>

There is a Directors loan to the party outstanding at 31 December 2021 for £643,000 which is repayable upon request and only if the party cash position allows for repayments. The loan is not repayable by instalment and is interest free.

13 General Fund	2021	2020
	£	£
Balance at 1 January 2021	(32,807)	(1,614,555)
Surplus (Deficit) for the year	(816,664)	1,581,748
Balance at 31 December 2021	<u>(849,471)</u>	<u>(32,807)</u>

14 Capital commitments

There were no capital commitments at the period end.

15 Contingent liabilities

There are no contingent liabilities as at the year end or the date of signing of this report.

16 Related party transactions

During the period, the Party did not receive donations from a connected company with mutual director.
(2020: £990,000).

During the period, the Party received loans from a connected company with mutual director.
This amounted to £643,000 (2020: £360,000).
During the period, the Party did not provide any loan to a director (2020: £6,500).

17 Other information

Reform UK Party Limited is a private company limited by shares and incorporated in England.
Its registered office is:
83 Victoria Street
London
SW1H 0HW

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