

Standards in Public Office Commission
Received
28 JUN 2018

**Fine Gael
Financial Statements
for the year ended
31 December 2017**

Fine Gael

Annual Statement of Accounts for year ended 31 December 2017

Trustees

Leo Varadkar	(appointed 13 March 2018)
Heather Humphreys	(appointed 13 March 2018)
Jerry Carey	(appointed 25 April 1998)
Deirdre Clune	(appointed 5 October 2002)
Marion Coy	(appointed 13 March 2018)
Pat Burke	(appointed 13 March 2018)
Ronan Melvin	(appointed 13 March 2018)
Pat McCann	(appointed 13 March 2018)

Appropriate Officer

Tom Curran
51 Upper Mount Street
Dublin 2

Auditors

Grant Thornton
Chartered Accountants & Statutory Audit Firm
Molyneux House
Bride Street
Dublin 8

Bankers

Bank of Ireland
2 College Green
Dublin 2

Solicitors

Kevin O'Higgins Solicitors
Main Street
Blackrock
Co Dublin

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Fine Gael

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Fine Gael, 51 Upper Mount Street, Dublin 2

Structure of the Party and Scope of the Financial Statements

Year ended 31 December 2017

STRUCTURE OF THE PARTY

Fine Gael is a Political Party registered in the Register of Political Parties in accordance with Section 25 of the Electoral Act, 1992.

Fine Gael was founded in 1933. The Fine Gael Árd Fheis is the governing body of the Party and the Party's core principles and its operation and practices are set out in its Constitution and Rules. Both the Constitution and Rules and policy matters are agreed by the membership at Fine Gael Árd Fheiseanna. The current Constitution and Rules were first enacted in 1996 and amended by subsequent Árd Fheiseanna.

The units of the Party are: Branch, District Executive, Constituency Executive, Parliamentary Party, Executive Council and Árd Fheis.

Each of the Party's members and units are represented collectively on the Party's Executive Council, Fine Gael's senior executive body which takes core organisational decisions and is elected at each Árd Fheis.

The property and assets of Fine Gael are vested in the Trustees, who oversee the finances of the Party and present audited accounts of the income and expenditure of National Headquarters to Executive Council and also to the Ard Fheis following the accounts year end.

Fine Gael has a large membership which is organised through a branch network. Membership is open to every person who accepts the principles of the Party and who agrees to abide by its Constitution and Rules.

SCOPE OF THE FINANCIAL STATEMENTS

The financial statements presented on pages 3 to 31 cover all the activities of Fine Gael Headquarters, 51 Upper Mount Street, Dublin 2 only and do not include the affairs of any branches or other units.

Fine Gael, 51 Upper Mount Street, Dublin 2

Report of the Trustees

Year ended 31 December 2017

THE PARTY

Fine Gael is a Political Party which is registered in the Register of Political Parties in accordance with Section 25 of the Electoral Act 1992.

OBJECTIVES AND ACTIVITIES

Fine Gael offers the Irish people a political point of view and public representation in the National Parliament, across local government and in the European Parliament. Fine Gael continually develops and refines positions and policies which reflect its core values and the changing needs of the Irish people.

The Party contests all political elections in the State and European institutions with a view to maximising its representation and creating the opportunity to implement its policies.

PERFORMANCE

On May 17th 2017, Enda Kenny announced his resignation as Fine Gael Party Leader. A historic Party leadership campaign followed which saw the membership of the Party engaged and enfranchised for the first time in a leadership election. As part of the campaign, four leadership debates took place in Carlow, Cork, Dublin and Galway. On June 2nd 2017, a live streamed count took place in the Mansion House and Leo Varadkar was elected leader of Fine Gael, later replacing Enda Kenny as Taoiseach on 14th June 2017. This change, after fifteen years, heralded a new chapter for the Party.

2017 was also a year that saw Fine Gael continue to lead a minority Government, passing the second Budget under the ‘Supply and Confidence’ agreement. This budget combined with the impact of the previous six passed since Fine Gael returned to government has seen:

- The national unemployment rate more than halved; it currently stands at 5.9% in April 2018, down from a peak of 16% in 2012, with 9 out of every 10 jobs created in the past year outside of Dublin. And these are not just in the commuter belt, with 7 out of every 10 jobs created outside of Dublin, Kildare, Meath and Wicklow.
- Total funding of €1.9 billion provided for housing in 2018, an increase of 46% over 2017 which will allow us to meet the social housing needs of 25,500 households.
- A reduction in the USC again in Budget 2018; the 4th successive cut under Fine Gael.
- An increase of €5 per week for those in receipt of the State Pension and other social protection payments.
- Children now entitled to a full two years of the ECCE scheme or free preschool,
- The 2018 budget delivered the highest ever health budget of over €15 billion

- On Brexit, in phase one; we achieved the goals that we set out to achieve: concrete commitments to the maintenance of the Common Travel Area and all associated rights as well a commitment to the protection of the Good Friday agreement. The British Government has explicitly outlined its shared commitment to ensuring that there is no hard border between Ireland and Northern Ireland and continued regulatory alignment between the two. They have agreed that there will be a backstop arrangement to ensure that these commitments will be kept, the exact wording of which is now the subject of detailed drafting.
- And significantly, for the first time in a decade, Ireland will broadly balance the books in 2018.

Fine Gael, 51 Upper Mount Street, Dublin 2

Report of the Trustees

Year ended 31 December 2017

PRINCIPAL RISKS AND UNCERTAINTIES

Financial risk and economic risk

In common with all organisations, prudent management of the Party's financial resources and affairs is crucial. Due to the support and hard work of Fine Gael elected representatives, members and staff the organisation remained strong in 2017. Funding for Fine Gael comes from the State through the Electoral Act and Parliamentary Activities Allowance grants while election activities are funded by the Party membership mainly through the National Draw and membership fees.

People

Fine Gael as a membership organisation relies on its members to progress and shape the Party's policies, positions and objectives. The Parliamentary Party is central to this process working together with elected representatives across local government, party officers and general membership. As an active organisation, the Party constantly reviews and renews itself to deliver a high standard of service to its members and the people of Ireland.

In 2017, the Party had as a particular focus on identifying and bringing into and through the Party the best talent that could be found to ensure that it remains a party of Government in the long term.

Electoral success

Electoral success is vital for any political party and a core focus for Fine Gael. Maintaining strong numbers of elected people contributes to the Party's capacity to implement its policies at national and local level. Fine Gael will continue to focus on policy initiatives and maximising performance in terms of candidate selection, increasing gender balance and ensuring it meets the needs of the electorate.

FINANCIAL REVIEW

The financial highlights of the year are as follows:

- Total income was €6.20m
- Party expenditure was €4.59m
- The surplus for the year was €1.61m and
- The Party's net cash position increased by €1.89m.

Fine Gael, 51 Upper Mount Street, Dublin 2

Report of the Trustees

Year ended 31 December 2017

LOOKING TO THE FUTURE

Political activity is cyclical in nature and preparation for the next sequence of elections is required with European Parliament and Local Government Elections scheduled for 2019. This means that organisation structures, campaign planning, political strategy and policy formulation needs to be advanced. In addition, and to ensure the Party can fight these elections effectively, Fine Gael must build its financial position and strength.

POST-YEAR END EVENTS

In February 2018, the Government launched Project Ireland 2040 which sets out a long term plan for Ireland's social, economic and cultural development.

The Government also successfully put a referendum to the people to remove the 8th amendment from the constitution which was passed by a significant 2:1 majority on the 25th May 2018.

The Party continues to be focused on rising to the challenge of leading a minority Government with aims of delivering more reforms and the 2019 budget to help improve the lives of people in Ireland, in a responsible way, bit by bit.

Fine Gael, 51 Upper Mount Street, Dublin 2

Report of the Trustees

Year ended 31 December 2017

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The provisions of the Electoral Act 1997 and Guidelines issued by the Standards in Public Office Commission requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Fine Gael and of the surplus or deficit of the Party for that year. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent; and
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards;

This responsibility is assumed by the Trustees for the preparation of the financial statements in accordance with the applicable provisions of the Electoral Act 1997 and Guidelines issued by the Standards in Public Office Commission (SIPO) and Generally Accepted Accounting Practice in Ireland including Financial Reporting Standard 102.

The Trustees confirm that they have complied with the above requirements in preparing the financial statements.

The Trustees are responsible for ensuring that the Party keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Party, enable at any time the assets, liabilities, financial position and surplus or deficit of the Party to be determined with reasonable accuracy, enable them to ensure that the financial statements and Trustees' report comply with the provisions of the Electoral Act 1997, Guidelines issued by the Standards in Public Office Commission, Generally Accepted Accounting Practice in Ireland and enable the financial statements to be audited. The Trustees are 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.

Fine Gael, 51 Upper Mount Street, Dublin 2


Report of the Trustees

Year ended 31 December 2017


BOOKS AND RECORDS

The Trustees believe that they have complied with with the provisions of the Electoral Act 1997 and Guidelines issued by the Standards in Public Office Commission with regard to books of account by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The books and records are maintained at 51 Upper Mount Street, Dublin 2.

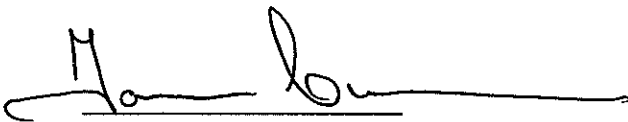
Signed on behalf of the Trustees on



Trustee



Trustee



Tom Curran
Appropriate Officer

Date: 13th June 2018

**Independent Auditors Report to the
Trustees and Members of Fine Gael
Year ended 31 December 2017**

Opinion

We have audited the financial statements of Fine Gael for the year ended 31 December 2017, which comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that been applied in their preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (Generally Accepted Accounting Practice in Ireland).

In our opinion these financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the company as at 31 December 2017 and of its financial performance for the financial year then ended; and
- have been properly prepared in accordance with the provisions of the Electoral Act 1997 and Guidelines issued by the Standards in Public Office Commission.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (‘ISAs (Ireland)’) and applicable law. Our responsibilities under those standards are further described in the ‘responsibilities of the auditor for the audit of the financial statements’ section of our report. We are independent of the management in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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.

Matters on which we are required to include in our report

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit
- In our opinion the accounting records of the Party were sufficient to permit the financial statements to be readily and properly audited
- The financial statements are in agreement with the accounting records
- In our opinion the information given in the Report to the Trustees is consistent with the financial statements

**Independent Auditors Report to the
Trustees and Members of Fine Gael (continued)
Year ended 31 December 2017**

Responsibilities of the Trustees and those charged with governance for the financial statements

As explained more fully in the Statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Electoral Act 1997 and Guidelines issued by the Standards in Public Office Commission.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trustees either intends to liquidate the Party or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Party's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional skepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Party's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Party's ability to continue as a going concern.

**Independent Auditors Report to the
Trustees and Members of Fine Gael (continued)
Year ended 31 December 2017**

Responsibilities of the auditor for the audit of the financial statements (continued)

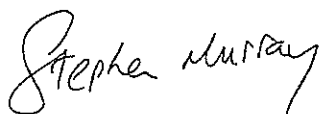
If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Party to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a matter that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Party's members, as a body, in accordance with the agreed scope of our engagement. Our audit work has been undertaken so that we might state to the 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 Party's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Murray
For and behalf of
Grant Thornton
Chartered Accountants &
Statutory Audit Firm
Molyneux House
Bride Street
Dublin 8

Date: 13 June 2018

Fine Gael, 51 Upper Mount Street, Dublin 2

Statement of Accounting Policies for the year ended 31 December 2017

1. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (“FRS102”) and with the provisions of the Electoral Act 1997 and Guidelines issued by the Standards in Public Office Commission (SIPO).

The financial statements have been prepared under historical cost except for the modification to a fair value basis for certain fixed assets as specified in the accounting policies below. The financial statements are presented in Euro (€). The naming conventions used for the primary financial statements and disclosure notes are in accordance with SIPO approved Guidelines. The financial statements presented on pages 3 to 30 cover all the activities of Fine Gael Headquarters, 51 Upper Mount Street, Dublin 2 only and do not include the affairs of any branches or other units.

2. Accounting policies

2.1 Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Party and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. To the extent income received relates to post year end (such as membership fees) this income is deferred at the year end. Donations, draw receipts, youth office income, party fund income, bye – election levies and special events income are recognised on receipt.

All amounts received other than State Income, are considered donations in accordance with Electoral Act 1997 (As Amended). Income is disclosed in accordance with the Guidelines issued by SIPO and accordingly is classified into the relevant headings of Membership and Subscriptions, Fundraising Income and Donations (and Donations-in-kind). Individual donations refer to amounts received that does not relate to Membership and Subscriptions or Fundraising Income.

2.2 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. All costs of Fine Gael Headquarters’ assets were fully discharged by Fine Gael Headquarters and are not donations.

Statement of Accounting Policies for the year ended 31 December 2017 (continued)

2. Accounting policies (continued)

Tangible fixed assets (continued)

At each reporting date management assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Management adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Party. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is provided on the following basis:

Freehold properties	75 years straight line
Office furniture and equipment	4 to 5 years straight line
Computer equipment	4 years straight line
Motor vehicles	5 years straight line

Land is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Administration expenses" in the Income and Expenditure Account.

2.3 Revaluation of tangible fixed assets

Freehold property is carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers. Revaluation gains and losses are recognised in the Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the Income and Expenditure Account.

Fine Gael, 51 Upper Mount Street, Dublin 2

Statement of Accounting Policies for the year ended 31 December 2017 (continued)

2. Accounting policies (continued)

2.4 Operating leases: Lessee

Rentals paid under operating leases are charged to the Income and Expenditure Account on a straight line basis over the period of the lease.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 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 equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Provision for liabilities

A provision is recognised when the Party has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

2.9 Foreign current translation

The functional and presentational currency is Euro.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at

Statement of Accounting Policies for the year ended 31 December 2017 (continued)

2. Accounting policies (continued)

Foreign current translation (continued)

the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income and Expenditure Account.

All foreign exchange gains and losses are presented in the Income and Expenditure Account within “Miscellaneous income and expenses” respectively.

2.10 Pension costs

The Party operates defined contribution schemes and its annual contributions are charged to the Income and Expenditure Account in the period to which they relate.

2.11 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future entitlement so accrued at the Balance Sheet date.

3 Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where these judgments and estimates have been made include:

Useful lives of depreciable assets

The annual depreciation charge depends primarily on the estimated lives of each type and component of asset and, in certain circumstances, estimates of fair values and residual values. Management annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overall basis, as asset lives are individually determined, and there are a significant number of asset lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

Fine Gael, 51 Upper Mount Street, Dublin 2

Income and Expenditure Account for the year ended 31 December 2017

	Note	2017	<i>As restated</i> 2016
		€	€
<i>Income</i>			
State funding	1	4,659,455	5,086,657
Membership and subscriptions	2	467,994	405,105
Donations	3	4,101	13,249
Donations in kind (including notional donations)	4	2,375	2,052
Fundraising income	5	1,063,303	947,022
Other amounts remitted by branches	6	1,454	-
Miscellaneous income	7	420	-
Total income		<u>6,199,102</u>	<u>6,454,085</u>
<i>Expenditure</i>			
Staff costs	8	1,488,197	2,732,867
Administration	9	818,681	1,082,624
Premises costs	10	100,279	119,308
National Draw Rebates	5	312,032	235,358
Application of donations in kind and notional donations	12	2,375	2,052
Other Fundraising Expenses	5	198,197	173,489
Financing charges	13	92,764	78,754
Campaign and election costs	14	(9,552)	1,468,849
Depreciation	17	132,892	141,480
Miscellaneous expenses	15	429,668	285,245
Administrative supports provided by the Houses of the Oireachtas	16	<u>1,031,910</u>	<u>1,398,000</u>
Total expenditure		<u>4,597,443</u>	<u>7,718,026</u>
Surplus/(Deficit) for the year before taxation		1,601,659	(1,263,941)
Taxation		<u>-</u>	<u>-</u>
Surplus/(Deficit) for the year after taxation		<u>1,601,659</u>	<u>(1,263,941)</u>

All operations are classed as continuing.

There are no other gains or losses other than those in the income and expenditure account above.

The financial statements were approved by the Trustees on 13th June 2018

Fine Gael, 51 Upper Mount Street, Dublin 2

Income and Expenditure Account for the year ended 31 December 2017

Note of historical cost deficit	2017	2016
	€	€
Reported surplus/(deficit) on ordinary activities	1,601,659	(1,263,941)
Difference between historical cost depreciation charge and the actual charge on the revalued amount	<u>950</u>	<u>950</u>
Historical cost surplus/(deficit) on ordinary activities	<u>1,602,609</u>	<u>(1,262,991)</u>

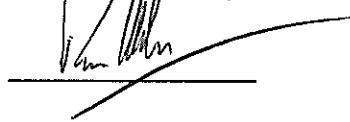
The statement of accounting policies and the attached notes numbered 1 to 28 form an integral part of the financial statements and should be read in conjunction with them.

Fine Gael, 51 Upper Mount Street, Dublin 2

Balance Sheet as at 31 December 2017

	Note	2017	2016
		€	€
Fixed assets			
Tangible assets	17	2,225,556	2,324,201
Current assets			
Debtors	19	483,853	467,235
Cash at bank and on hand	20	<u>2,487,520</u>	<u>1,247,361</u>
		<u>2,971,373</u>	<u>1,714,596</u>
Creditors: amounts falling due within one year			
Creditors and accruals	21	(827,562)	(619,131)
Bank loan	22	<u>(732,478)</u>	<u>(680,000)</u>
		<u>(1,560,040)</u>	<u>(1,299,131)</u>
Net current assets		<u>1,411,333</u>	<u>415,465</u>
Total assets less current liabilities		3,636,889	2,739,666
Creditors: amounts falling due after one year			
Bank loan	22	<u>(148,463)</u>	<u>(852,899)</u>
Net assets		<u>3,488,426</u>	<u>1,886,767</u>
Reserves			
Accumulated fund	24	1,434,214	(167,445)
Other reserves	27	488,011	488,011
Revaluation reserve	27	<u>1,566,201</u>	<u>1,566,201</u>
		<u>3,488,426</u>	<u>1,886,767</u>

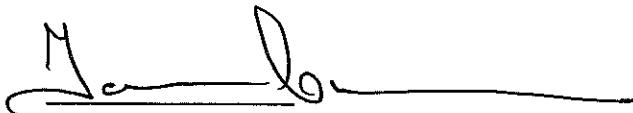
The financial statements were approved by the Trustees on the 13th June 2018, and are signed on their behalf by:



Trustee



Trustee



Tom Curran
Appropriate Officer

Fine Gael, 51 Upper Mount Street, Dublin 2

Statement of Cash Flows for the year ended 31 December 2017

	2017	2016
	€	€
Cash flows from operating activities		
Surplus/(deficit) for the year	1,601,659	(1,263,941)
Adjustments for:		
Depreciation of tangible assets	132,892	141,480
Profit on disposal of tangible assets	(6,866)	-
Interest paid	92,764	78,754
Interest received	-	(154)
Movement in debtors	(16,619)	210,498
Movement in creditors	208,431	(876,646)
Net cash generated from operating activities	2,012,261	(1,710,009)
Cash flows from investing activities		
Purchase of tangible assets	(40,380)	(9,842)
Proceeds from sale of tangible assets	13,000	-
Interest received	-	154
Net cash from investing activities	(27,380)	(9,688)
Cash flows from financing activities		
Interest paid	(92,764)	(78,754)
Net cash used in financing activities	(92,764)	(78,754)
Net increase in cash and cash equivalents	1,892,117	(1,798,451)
Cash and cash equivalents at beginning of year	(285,538)	1,512,913
Cash and cash equivalents at end of year	1,606,579	(285,538)
Cash and cash equivalents at end of year comprise:		
Cash at bank and in hand	2,487,520	1,247,361
Short term borrowings	(732,478)	(680,000)
Long term borrowings	(148,463)	(852,899)
	1,606,579	(285,538)

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017

Note 1	State funding	2017	2016
		€	€
State funding comprises:			
	Parliamentary activities allowance	1,964,155	1,931,641
	Electoral Act	1,663,390	1,757,016
	Administrative supports provided by the Houses of the Oireachtas	<u>1,031,910</u>	<u>1,398,000</u>
		<u>4,659,455</u>	<u>5,086,657</u>

Funding received under the Electoral Act 1997 and the Oireachtas (Ministerial and Parliamentary Offices) (Amendment) Act 2014 may only be used for the purposes specified in those Acts. The total amount of funding received under those Acts but not yet expended at the year end for the specified purposes was €1,231,911 (2016: €469,318).

Note 2	Membership and subscriptions	2017	2016
		€	€
The amount reported for membership and subscriptions is comprised as follows:			
	Collected by Head Office/national units	382,549	326,841
	Party Fund	<u>85,445</u>	<u>78,264</u>
		<u>467,994</u>	<u>405,105</u>

Note 3	Donations	2017	2016
		€	€
The total donations reported comprise:			
	Individual donations	4,101	12,370
	Corporate donations	<u>-</u>	<u>879</u>
		<u>4,101</u>	<u>13,249</u>

Under Section 24 of the Electoral Act 1997, a separate reporting is made in respect of donations received. Individual donations refer to amounts received that do not relate to Membership and Subscriptions or Fundraising Income.

Note 4 Donations in kind

Donations in kind in the current year amounted to €2,375 (2016: €2,052) All donations in kind are corporate donations

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 5 Fundraising and expenditure

The principal sources of fundraising income in the year were as follows:

Fundraising income	2017	As restated
	€	2016
		€
Receipts from National draw	959,317	826,194
Other Income	<u>103,986</u>	<u>120,828</u>
Gross Fundraising Income	<u>1,063,303</u>	<u>947,022</u>
Fundraising expenses		
National draw rebates	312,032	235,358
Other Fundraising Expenses	<u>198,197</u>	<u>173,489</u>
Total Fundraising Expenditure	<u>510,229</u>	<u>408,847</u>

Note 6 Other amounts remitted by branches

€1,454 was remitted by branches during the year (2016: €NIL).

Note 7 Miscellaneous income	2017	2016
	€	€
Miscellaneous income comprises:		
Special events and other income	<u>420</u>	<u>-</u>
	<u>420</u>	<u>-</u>

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 8	Staff costs	2017	2016
		€	€
	Staff costs comprise:		
	Salaries and wages	1,265,519	2,362,265
	Employers PRSI	132,964	217,883
	Pension costs	84,878	105,616
	Staff training and development	<u>4,836</u>	<u>47,103</u>
		<u>1,488,197</u>	<u>2,732,867</u>

The average number of staff employed by the Party during the financial year amounted to:

	2017	2016
	No.	No.
Headquarters	21	28
Press and research and policy	<u>5</u>	<u>9</u>
	<u>26</u>	<u>37</u>
Year-end staff numbers	<u>30</u>	<u>21</u>

Note 9	Administration	2017	2016
		€	€
	<i>Administration comprises:</i>		
	Constituency expenses	53,094	171,097
	Research	94,926	2,938
	Consultancy fees	114,646	228,514
	Legal and professional fees	62,844	45,126
	Print office	54,592	77,843
	IT services	52,626	48,618
	Press office and publicity	37,754	53,650
	Telephone	29,995	57,373
	Auditor's remuneration – other services	-	28,638
	Auditor's remuneration and expenses	30,381	27,020
	Repairs, maintenance, cleaning and security	33,478	38,150
	Staff travel	11,308	24,581
	Subscriptions	19,458	19,305
	Ard Fheis / National Conference	112,357	155,381
	Other administrative expenses	118,088	104,390
	Surplus on disposal of asset	<u>(6,866)</u>	<u>-</u>
		<u>818,681</u>	<u>1,082,624</u>

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 10	Premises costs	2017	2016
		€	€
The cost of premises utilised in the year comprises:			
	Heating and electricity	9,741	12,044
	Rates and insurance	90,538	98,792
	Other premises costs	<u>-</u>	<u>8,472</u>
		<u>100,279</u>	<u>119,308</u>

Note 11 **Transfer to branches**

There were no transfers to branches.

Note 12 **Application of donations in kind and notional donations**

Applications of donations in kind in the current year amounted to €2,375 (2016: €2,052)

Note 13	Financing charges	2017	2016
		€	€
Financing charges comprise:			
	Loan and mortgage interest	80,520	62,769
	Other financing costs	<u>12,244</u>	<u>15,985</u>
		<u>92,764</u>	<u>78,754</u>

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 14 Campaign and election costs

Campaign costs include election expenses (as defined under Section 31 of the Electoral Act 1997, as amended) and other expenses incurred in relation to elections or referendum campaigns, or party/policy promotion and comprise:

	2017	2016
	€	€
<i>European election</i>		
Election expenses	-	-
Other campaign expenses	-	-
Donations in kind	-	-
<i>General election</i>		
Election expenses	(9,552)	1,468,849
Other campaign expenses	-	-
Donations in kind	-	-
<i>Local elections</i>		
Election expenses	-	-
Other campaign expenses	-	-
Donations in kind	-	-
<i>Bye-election</i>		
Election expenses	-	-
Other campaign expenses	-	-
Donations in kind	-	-
<i>Referendum</i>		
Campaign expenses	-	-
Donations in kind	-	-
<i>General party/policy promotion (conferences, publications, etc.)</i>		
Conferences	-	-
	<u>(9,552)</u>	<u>1,468,849</u>

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 15	Miscellaneous expenses	2017	2016
		€	€
	Miscellaneous expenses comprise:		
	Website and new media	50,407	9,821
	Young Fine Gael programme costs	41,393	69,761
	Gender equality programme	45,949	46,742
	Parliamentary Party support	182,497	61,337
	Press office and publicity	14,776	12,853
	Other miscellaneous expenses	<u>94,646</u>	<u>84,731</u>
		<u>429,668</u>	<u>285,245</u>

Note 16 **Administrative supports provided by the Houses of the Oireachtas**

	2017	2016
	€	€
Staff	786,823	1,122,000
Notional staff pension costs	153,511	176,000
Suites of computer equipment	11,950	13,000
Associated accommodation	<u>79,626</u>	<u>87,000</u>
	<u>1,031,910</u>	<u>1,398,000</u>

Services received in accordance with the Oireachtas (Ministerial and Parliamentary Offices) (Secretarial Facilities) Regulations 2013 during the year were costed by the State at €1,031,910.

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 17 Tangible assets

	Freehold Premises	Office furniture & equipment	Computer equipment	Motor Vehicles	Total
Cost or valuation	€	€	€	€	€
At 1 Jan 2017	2,109,975	941,224	279,490	46,000	3,376,689
Additions	-	3,165	7,715	29,500	40,380
Disposals	-	-	-	(46,000)	(46,000)
At 31 Dec 2017	<u>2,109,975</u>	<u>944,389</u>	<u>287,205</u>	<u>29,500</u>	<u>3,371,069</u>
	Freehold Premises	Office furniture & equipment	Computer equipment	Motor Vehicles	Total
Depreciation	€	€	€	€	€
At 1 Jan 2017	19,950	764,058	236,280	32,200	1,052,488
Charge	9,975	74,109	40,158	8,650	132,892
Disposals	-	-	-	(39,867)	(39,867)
At 31 Dec 2017	<u>29,925</u>	<u>838,167</u>	<u>276,438</u>	<u>983</u>	<u>1,145,513</u>
Net book value					
At 31 Dec 2017	<u>2,080,050</u>	<u>106,222</u>	<u>10,767</u>	<u>28,517</u>	<u>2,225,556</u>
At 31 Dec 2016	<u>2,090,025</u>	<u>177,166</u>	<u>43,210</u>	<u>13,800</u>	<u>2,324,201</u>

The party's freehold premises at 51 Upper Mount Street, Dublin 2 was valued by Messrs DTZ Sherry Fitzgerald, 164 Shelbourne Road, Ballsbridge, Dublin 4 in May 2016 on an open market value basis. The trustees believe the carrying value is not materially different from the market value at 31 December 2017.

There are no capital commitments at the year ended 31 December 2017.

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 18 Investments

The Party does not hold any investments.

Note 19 Debtors	2017	2016
	€	€
Oireachtas grants receivable	415,848	415,848
Prepayments and accrued income	<u>68,005</u>	<u>51,387</u>
	<u>483,853</u>	<u>467,235</u>

No provision was recognised against debtors.

All amounts are receivable within one year.

Note 20 Cash at bank and on hand	2017	2016
	€	€
Current accounts	1,457,666	459,757
Deposit accounts	1,029,790	787,487
Cash on hand	64	117
	<u>2,487,520</u>	<u>1,247,361</u>

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 21	Creditors and accruals:	2017	2016
		€	€
	Trade creditors	239,567	196,405
	PAYE/PRSI	43,591	37,700
	Deferred branch affiliation fees	99,734	75,334
	National draw refunds payable	339,282	235,358
	Accruals	<u>105,388</u>	<u>74,334</u>
		<u>827,562</u>	<u>619,131</u>

All amounts are payable within one year.

There are no contingent liabilities arising at the year end.

Trade creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms. The terms of the accruals are based on the underlying contracts. Taxes, including social security, are repayable at various dates in accordance with applicable statutory provisions.

Note 22	Bank loan	2017	2016
		€	€

The bank loans fall due as follows:

Within one year	732,478	680,000
In more than one year but not more than two years	148,463	680,000
In more than two years but not more than five years	<u>-</u>	<u>172,899</u>
	<u>880,941</u>	<u>1,532,899</u>

The bank loan is secured by a specific charge over the Party's freehold premises at 51 Upper Mount Street, Dublin 2 in favour of Bank of Ireland.

Fine Gael, 51 Upper Mount Street, Dublin 2

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 23	Financial instruments	2017	2016
		€	€
Financial assets			
	Financial assets measured at amortised cost	<u>415,848</u>	<u>415,848</u>
Financial liabilities			
	Financial liabilities measured at amortised cost	<u>1,565,178</u>	<u>2,038,996</u>

Financial assets measured at amortised cost comprise of Oireachtas grants receivable at the Balance Sheet date.

Financial liabilities that are measured at amortised cost comprise trade creditors, national draw refunds payable, accruals and bank loans at the Balance Sheet date.

Note 24	Accumulated fund	2017	2016
		€	€
The accumulated fund comprises:			
	Balance at beginning of year	(167,445)	1,096,496
	Surplus/(deficit) for year	<u>1,601,659</u>	<u>(1,263,941)</u>
	Balance at end of year	<u>1,434,214</u>	<u>(167,445)</u>

Note 25 Pensions

The Party operates an externally operated defined contribution schemes for employees. The total contribution costs for the year were €84,878 (2016: €105,616). There is a balance of €NIL (2016: €15,966) due at the year end.

Notes to the financial statements for the year ended 31 December 2017 (continued)

Note 26 Related party transactions and key management remuneration

During the year there were no related party transactions. No amounts outstanding at the year-end 31 December 2017.

The key management decisions of the Party are undertaken by the General Secretary in conjunction with the Trustees of the Party. The General Secretary's annual salary is €141,000 (2016: €141,000), Employers PRSI of €16,543 (2016: €16,947) and other benefits total €23,954 (2016: €24,091).

The Trustees do not receive any remuneration or reimbursement for expenses incurred in respect of the execution of their duties. Other transactions during the period with Trustees total €6,499 (2016: €7,049) relating to remittances to the Party for membership fees, contributions to the Party Fund, fundraising events and donations.

Note 27 Other reserves	2017	2016
	€	€
Capital reserve	426,986	426,986
Premises fund	<u>61,025</u>	<u>61,025</u>
	<u>488,011</u>	<u>488,011</u>
Revaluation reserve	<u>1,566,201</u>	<u>1,566,201</u>

Note 28 Comparative information

Rebates in relation to the National Draw were previously netted against income in the Income and Expenditure account. In the current year, these rebates have been classified as expenditure. As a result, the comparative information has been updated to conform to the current year presentation. This increased revenue by €235,358 and expenditure by the same amount for the year ended 31 December 2016. There is no change on the overall deficit for the year then ended.