

Charity Registration No. 1095118

Company Registration No. 4606846 (England and Wales)

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)**

**(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)**

**THE EXECUTIVE COMMITTEE'S REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2018

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)
LEGAL AND ADMINISTRATIVE INFORMATION**

Executive Committee's Members	For full details see the Executive Committee Report
Chief Executive & Secretary	J Davies
Charity number	1095118
Company number	4606846
Principal address	Westminster Hall Houses of Parliament London SW1A 0AA
Registered office	Westminster Hall Houses of Parliament London SW1A 0AA
Auditor	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER
Bankers	Royal Bank of Scotland Plc 119-121 Victoria Street London SW1E 6RA

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)
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COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)

THE REPORT OF THE MEMBERS OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2018

The members of the Executive Committee, who are trustees of the charity for the purposes of charity law and directors for the purposes of company law, present their report and accounts for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Association's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Commonwealth Parliamentary Association (UK Branch) (CPA UK) was established at the Houses of Parliament at Westminster in 1911 as the Empire Parliamentary Association. In 1948 the name was changed to the Commonwealth Parliamentary Association (CPA). CPA UK became a registered charity under the laws of the United Kingdom in 1973 and was incorporated on 3 December 2002 as a company limited by guarantee. With effect from 10 January 2003 the assets, liabilities and functions of the unincorporated charity were transferred to the company.

CPA UK is one of over 180 branches of the CPA. Each branch is autonomous, raises its own finance and pays a subscription to the CPA Secretariat, the subscription being determined at the annual meeting of the General Assembly of the CPA.

The members of the Executive Committee of CPA UK who served during the 12 month period are listed below. Those Members in *italics* served on the Finance, Audit & Remuneration Committee.

Baroness Berridge
Dr Roberta Blackman-Woods MP (Hon Treasurer)
Rt Hon Baroness Corston
Rt Hon Lord Dholakia OBE DL
James Duddridge MP (Chair)
Rt Hon Baroness D'Souza CMG
Nigel Evans MP (Vice-Chair)
Rt Hon Lord Foulkes of Cumnock (Vice-Chair)
Nusrat Ghani MP [stepped down on joining Government January 2018]
Rt Hon David Hanson MP (Vice-Chair)
Chris Law MP
Ian Liddell-Grainger MP
Lord McColl CBE
Rt Hon Maria Miller MP
Madeleine Moon MP
Ian Murray MP
Laurence Robertson MP [co-opted January 2018]
Andrew Rosindell MP
Shailesh Vara MP [stepped down on joining Government January 2018]
Rt Hon Keith Vaz MP
Valerie Vaz MP

None of the members of the Executive Committee has any beneficial interest in the company. All members of the Executive Committee are directors of the company and guarantee to contribute £10.00 in the event of a winding-up.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)

THE REPORT OF THE MEMBERS OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2018

Each member of the Executive Committee is a trustee and director and is elected in both capacities at the Annual General Meeting. Although there is no formal training for the trustees and directors, on first election to the Committee each trustee and director receives a copy of the Charity Commission booklet, *"The Essential Trustee: what you need to know"*, together with the accounts and copies of the charity's and company's governing documents. Each member of the Executive Committee receives the minutes of meetings of the Executive Committee and the Finance, Audit and Remuneration Committee, copies of the accounts and statements of income and expenditure during each financial year.

Members of the Executive Committee determine CPA UK's strategy and overall running arrangements. Management of CPA UK is the responsibility of the Chief Executive & Secretary. Andrew Tuggey CBE DL filled that role from the start of the period until 15 September, at which point Jon Davies took over. He remains in post. CPA UK comprises three teams: International Outreach (mainly handling bilateral programmes); Major Projects (mainly larger set-piece events); and a central team (mainly providing corporate services e.g. HR, finance, communications, monitoring and evaluation).

OBJECTS OF THE CHARITY

The charitable objects of CPA UK: *"The advancement and promotion of knowledge and education in the social, economic, cultural, constitutional and legislative systems within a parliamentary democratic framework with particular reference to the countries of the Commonwealth of Nations and to countries outside the Commonwealth having close historical and parliamentary associations with it."*

PURPOSE, VISION & STRATEGY

CPA UK pursued its existing Strategy throughout the period, without change, as follows:

Purpose. The purpose of CPA UK is to strengthen parliamentary democracy and good governance in parliaments, legislatures and other democratically elected institutions.

Vision. The vision of CPA UK is that:

- CPA UK, a first-class organisation, will be a known and trusted UK parliamentary strengthening partner for HMG and other non-governmental organisations, delivering high quality, innovative and effective capacity-building programmes that provide value for money
- Westminster parliamentarians will advocate the Commonwealth and its values and wish to work with CPA UK to deliver international parliamentary outreach
- CPA UK will be a key contributor to and advocate for parliamentary support and strengthening across an expanding Commonwealth, and elsewhere internationally, with particular reference to parliamentary practice, procedure, governance and the role of parliamentarians, Clerks and officials

Mission. CPA UK's mission is to strengthen parliamentary democracy.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

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THE REPORT OF THE MEMBERS OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2018

STRATEGY

CPA UK has **four strategic goals** to achieve its vision and to deliver its mission on behalf of its parliamentary membership:

- To strengthen parliamentary democracy by undertaking international parliamentary outreach work on behalf of the Houses of Parliament and the wider CPA
- To contribute to sustainable development, poverty reduction, trade, investment and business development opportunities through parliamentary strengthening work which supports democracy, good governance, human rights, environmental protection and the rule of law
- To further co-operation between Commonwealth and non-Commonwealth Parliaments and legislatures, and other democratically elected institutions
- To communicate the work of CPA UK and the Commonwealth within Westminster, across the UK and internationally to enhance the profile of the Houses of Parliament, the Commonwealth, the CPA and CPA UK

CPA UK's strategic goals have a set of **three supporting aims**:

- **To provide a skilled and motivated Secretariat** which supports the development of relevant knowledge and capacities, gives recognition for achievement, works to ensure that each member of staff realises her or his full potential – broadly in line with the HR and management policies and practices of the House of Commons
- **To plan and manage all resources to a high standard**, achieving value for money and matching current public service standards, including risk management; ensuring full compliance with relevant legislation, codes and standards applicable to a charity and a company limited by guarantee
- **To maintain good working relationships and cooperation** with; both Houses of Parliament, parliamentary groups, government departments, the Commonwealth Secretariat, UNDP, Commonwealth Foundation, Commonwealth Local Government Forum, international organisations, RCS, CPA HQ and other CPA Regions and other Commonwealth organisations, EU institutions, the British Council, the Inter-Parliamentary Union and other international organisations for parliamentarians, UK-based organisations such as the Westminster Foundation for Democracy (WFD) and the Royal Institute for International Affairs (RIIA), non-government organisations and civil society

The Executive Committee's Members have paid due regard to guidance issued by the Charity Commission in deciding what activities the Association should undertake.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)

THE REPORT OF THE MEMBERS OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2018

ACHIEVEMENTS AND PERFORMANCE

A fuller description of the activities and achievements of CPA UK, and their impact, is available in our Annual Review, accessible via our website www.uk-cpa.org. Our principal activity is to bring UK and other Commonwealth parliamentarians together to learn from each other. By “parliamentarians” we mean not just those who serve as elected or appointed representatives but also officials who serve their parliaments. This sometimes involves UK parliamentarians working with colleagues from just one or a small number of parliaments. At the other end of the spectrum we organise and participate in larger-scale activities involving delegates from a wide range of countries and territories. We organised three major events this year:

- The 66th Westminster Seminar on Parliamentary Practice and Procedure involved 60 first term parliamentarians and newly appointed clerks. The programme provided an opportunity for participants to network and engage with their counterparts and explore different approaches to parliamentary processes and procedure.
- The 7th Westminster Workshop, focusing this year on Public Accounts Committees (PACs). It was attended by over 50 Parliamentarians and clerks from 20 countries. Attendees explored the role of the PACs and parliamentarians in financial oversight, providing practical training and knowledge to members.
- The 1st Commonwealth Parliamentarians’ Forum in February brought together over 80 parliamentarians from 25 Commonwealth parliaments to feed into the Commonwealth Heads of Government Meeting in London in April 2018.

In parallel, we organised numerous focused and tailored programmes involving delegations travelling to or from Westminster:

- 26 delegations visiting Westminster
- 11 delegations from Westminster to Commonwealth partners

We also organised:

- An Election Observation Mission to the Cayman Islands
- An Election Assessment Mission for the UK’s own General Election

We also ran two Special Projects throughout the period, with funding secured from UK Government Departments. The aims of the projects were wholly in line with the objects and purpose of CPA UK, and they reinforced our core work.

- UK Overseas Territories Project. Funded by the UK Government’s Conflict, Stability and Security Fund, the project focuses on three areas: internal audit; external audit; and parliamentary oversight of public finances. We have worked with the UK Government Internal Audit Agency and the UK National Audit Office to organise bespoke activities addressing Territories’ respective priorities.
- Modern Slavery Project. Funded by the UK Home Office, the project provides practical advice and support to Commonwealth legislatures with the aim of combatting modern slavery, human trafficking and forced labour. By sharing good practice, the project heightens understanding, and helps develop and strengthen modern slavery-related legislation.

CPA UK also acted as in previous years as the Secretariat for CPA’s British Islands and Mediterranean Region. Through that work and more broadly it supported CPA’s Commonwealth Women Parliamentarians.

We continued to strengthen our Monitoring and Evaluation throughout the year, including the appointment of a new specialist and adoption of standardised methods to monitor value for money and impact. We made increasing use of comparative data to shape how we delivered our activities, and with whom.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)

THE REPORT OF THE MEMBERS OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2018

FUTURE PLANS

The Executive Committee commissioned a Strategic Review in September 2017, to coincide with the arrival of a new Chief Executive. Consultations have continued since, with members, staff and others. A final draft Strategy awaits consideration by the Executive Committee early in the 2018-2019 period. This is expected to maintain the overall direction of CPA UK's work while endeavouring to provide clearer prioritisation, specifically on which parliaments and which themes should be particular priorities for our work. The two Special Projects will continue: the Modern Slavery Project has secured further Home Office funding for a Phase 2, until March 2020; the UK Overseas Territories Project is also likely to be extended beyond its existing March 2019 end date. CPA UK will also be a sub-grantee of the Westminster Foundation for Democracy-led and FCO-funded Commonwealth Partnership for Democracy project, which will run for the UK's two years as Chair in Office of the Commonwealth until the Heads of Government Meeting in 2020.

FINANCIAL REVIEW

It is the policy of the Association that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The Executive Committee's Members consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Association's current activities while consideration is given to ways in which additional funds might be raised. This level of reserves has been maintained throughout the year.

The Executive Committee's Members has assessed the major risks to which the Association is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year-end were equivalent to 31 day's purchases, based on the average daily amount invoiced by suppliers during the year.

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)**
***(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)***

THE REPORT OF THE MEMBERS OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2018

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the Executive Committee's Members has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Executive Committee's report was approved by the Board of Executive Committee's Members.

A handwritten signature in black ink, appearing to read 'James Duddridge', with a horizontal line drawn underneath it.

James Duddridge MP
Chair

Dated: 13 June 2018

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)
STATEMENT OF THE EXECUTIVE COMMITTEE'S RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2018**

The Executive Committee's Members, who are also the directors of Commonwealth Parliamentary Association (United Kingdom Branch) for the purpose of company law, are responsible for preparing the The Executive Committee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Executive Committee's Members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Association and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Executive Committee's Members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

The Executive Committee's Members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)

STATEMENT ON INTERNAL CONTROL
FOR THE YEAR ENDED 31 MARCH 2018

SCOPE OF RESPONSIBILITY

As members of the Executive Committee, trustees of the charity and directors of the company we have responsibility for ensuring that the uses to which CPA UK puts its grant-in-aid funding is consistent with the purpose for which the grant-in-aid was given and that CPA UK complies with the provisions of the Financial Memorandum. In addition, we are responsible for signing the accounts and ensuring that the relevant records are adequately maintained.

GOVERNANCE ARRANGEMENTS

CPA UK's governance arrangements are set out in three principal documents: the Memorandum and Articles of Association of the Commonwealth Parliamentary Association (United Kingdom Branch); the Financial Memorandum of the Commonwealth Parliamentary Association (United Kingdom Branch); and the Rules of the Commonwealth Parliamentary Association (United Kingdom Branch) (CPA UK). The Annual General Meeting of 16 May 1973 formally adopted CPA UK's present Rules, subject to minor amendments endorsed by subsequent Annual and Special General Meetings.

The Rules of CPA UK provide for its management to be vested in an Executive Committee. The powers of the Committee include:

- The determination of CPA UK's strategy, business plan and annual programme of activity
- The election of a Finance, Audit & Remuneration Committee
- Employing a Secretariat comprising permanent, fixed term contract and seconded members of staff, headed by the Chief Executive (Secretary), who is answerable to the Executive Committee for the running of the day-to-day affairs of CPA UK
- Appointing a Chair and Honorary Treasurer from amongst its members
- The nomination of delegates to participate in delegations
- The promotion of membership of CPA UK
- Signing the accounts

The Chief Executive / Secretary who is appointed by the Executive Committee advises the Executive Committee on all aspects of the operation of the affairs of CPA UK. In particular the Chief Executive / Secretary is to:

- Ensure that all resources are used economically, efficiently and effectively
- Ensure that appropriate personnel management policies are observed
- Ensure that adequate internal expenditure controls are maintained
- Seek to ensure that financial considerations are taken into account at all stages by the Executive Committee in framing and reaching decisions
- Make appropriate written representation to the Chair if instructions are received which might be regarded as conflicting with these duties
- Maintain accurate records relating to the accounts
- Satisfy her/himself that the audited accounts may be laid before the Finance, Audit & Remuneration Committee for its subsequent recommendation for approval by the Executive Committee

The Rules of CPA UK provide for an Annual General Meeting to be held in each year on such a date as the Executive Committee may direct. The Rules also allow for the Executive Committee to call a Special General Meeting to consider and determine any matter of interest or importance that may arise.

The relationship of CPA UK with its funding sponsor (the House of Commons Commission (70%) and the House of Lords House Committee (30%)) is embodied in a Financial Memorandum. The Memorandum, which is updated on a regular basis, sets out the respective responsibilities of the sponsor and CPA UK with regard to propriety, financial management and the safeguarding of public funds.

Copies of the accounts are submitted to the sponsor, the Charity Commission and Companies House.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)

STATEMENT ON INTERNAL CONTROL
FOR THE YEAR ENDED 31 MARCH 2018

GOVERNANCE ACTIVITIES 1 APRIL 2017 – 31 MARCH 2018

The Finance, Audit & Remuneration Committee met four times and the Executive Committee met six times to consider and discuss matters arising from the day-to-day running of CPA UK, especially the programme of activities, personnel matters and financial issues. Amongst other things, the Finance, Audit & Remuneration Committee examined the Financial Memorandum, applications for the CPA UK Fellowship Scheme, the audited accounts for the financial year ending 31 March 2018, and the forecast budgets for 2018/19 up to 2020/21. The Executive Committee examined CPA UK's strategy and business plan, risk documentation, the internal financial control document, the forecast programme of activities. The Annual General Meeting was held on Wednesday 12 July 2017.

CAPACITY TO HANDLE RISK AND THE RISK AND CONTROL FRAMEWORK

Risk documents have been created to identify the risks relevant to CPA UK, assess the likelihood of these risks occurring and state the action taken to minimise them. The documents have been approved by the Executive Committee.

EFFECTIVENESS OF INTERNAL CONTROL

Internal financial control procedures are laid down in an Annex to the Houses of Parliament's Financial Memorandum with CPA UK. The system is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve the policies, aims and objectives of CPA UK. In doing this, it can only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks for the achievement of the agreed objectives and activities of CPA UK, to consider the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.

As laid down in the Houses of Parliament's Financial Memorandum, internal audits may take place at the request of the Sponsor. The internal audit conducted in February 2015 by the House of Lords on behalf of both Houses of Parliament was satisfactory and certified with substantial assurance.

CPA UK reviews its compliance with the Charity Commission's 'Internal Financial Controls Self-Help Check-list for Charities' each year.

EXTERNAL AUDIT

CPA UK is subject to audit by independent external auditors. During 2007 the external audit of CPA UK was put out to competitive tender, following which CPA UK's previous independent external auditors, H W Fisher & Company, were appointed on the basis of a new Letter of Engagement, subject to annual review. The external auditors carry out the audit in accordance with International Standards of Auditing and each year report the results of their work to the Finance, Audit & Remuneration Committee and Executive Committee.



James Duddridge MP
Chair



Dr Roberta Blackman-Woods MP
Honorary Treasurer

Dated: 13 June 2018

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)
INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF COMMONWEALTH PARLIAMENTARY ASSOCIATION
(UNITED KINGDOM BRANCH)**

Opinion

We have audited the accounts of Commonwealth Parliamentary Association (United Kingdom Branch) (the 'Association') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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 accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 accounts section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the The Executive Committee's use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Executive Committee's Members have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Association's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Executive Committee's Members are responsible for the other information. Our opinion on the accounts 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts 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.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the The Executive Committee's Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the The Executive Committee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the The Executive Committee's Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Executive Committee's Members were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the The Executive Committee's Report and from the requirement to prepare a Strategic Report.

Responsibilities of Executive Committee's Members

As explained more fully in the Statement of The Executive Committee's Responsibilities, the Executive Committee's Members, who are also the directors of the Association for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Executive Committee's Members are responsible for assessing the Association'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 Executive Committee's Members either intend to liquidate the company or to cease operations, or have 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 accounts 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 accounts.

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

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF COMMONWEALTH PARLIAMENTARY ASSOCIATION
(UNITED KINGDOM BRANCH)**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Suresh Mehta (Senior Statutory Auditor)
for and on behalf of H W Fisher & Company**

**Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
United Kingdom
NW1 3ER**

Dated: 14 June 2018

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>						
Charitable activities	3	2,003,190	-	672,870	2,676,060	2,327,702
Investment income	4	361	-	-	361	825
Total income		2,003,551	-	672,870	2,676,421	2,328,527
<u>Expenditure on:</u>						
Charitable activities	5	1,991,587	24,653	672,870	2,689,110	2,337,083
Net income/(expenditure) for the year/ Net movement in funds		11,964	(24,653)	-	(12,689)	(8,556)
Fund balances at 1 April 2017		466,853	29,372	-	496,225	504,781
Fund balances at 31 March 2018		478,817	4,719	-	483,536	496,225

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)
BALANCE SHEET
AS AT 31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
Current assets					
Stocks		1,621		508	
Debtors	11	124,793		110,007	
Cash at bank and in hand		589,367		694,769	
		<u>715,781</u>		<u>805,284</u>	
Creditors: amounts falling due within one year	12	(232,245)		(309,059)	
Net current assets			483,536		496,225
Income funds					
Restricted funds	13	-		-	
Designated Funds - Fellowship Scheme			4,719		29,372
Unrestricted funds			<u>478,817</u>		<u>466,853</u>
			<u>483,536</u>		<u>496,225</u>

The accounts were approved by the Executive Committee's Members on 13 June 2018

Roberta C. Blackman-Woods

Dr Roberta Blackman-Woods MP
Honorary Treasurer

Company Registration No. 4606846

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)**
**(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)**
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	2018	2017
	£	£
Cash generated from operations		
Deficit for the year	(12,689)	(8,556)
Adjustments for:		
Investment income recognised in statement of financial activities	361	825
(Increase) in stocks	(1,113)	793
(Increase) in debtors	(14,786)	34,122
(Decrease) in creditors	(67,331)	(9,178)
(Decrease) in deferred income	(9,483)	43,809
Cash absorbed by operations	<u>105,763</u>	<u>(60,165)</u>
Investing activities		
Interest received	<u>361</u>	<u>825</u>
Net cash generated from investing activities	<u>361</u>	<u>825</u>
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	<u>(105,402)</u>	<u>60,990</u>
Cash and cash equivalents at beginning of year	<u>694,769</u>	<u>633,779</u>
Cash and cash equivalents at end of year	<u><u>589,367</u></u>	<u><u>694,769</u></u>

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Commonwealth Parliamentary Association (United Kingdom Branch) is a private company limited by guarantee incorporated in England and Wales. In the event of the Association being wound up, the maximum amount which each member is liable to contribute is £10. The registered office is Westminster Hall, Houses of Parliament, London, SW1A 0AA.

The Association meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The accounts have been prepared in accordance with the Association's Memorandum & articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Association is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the Association. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Executive Committee's Members have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. Thus the Executive Committee's Members continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Executive Committee's Members in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the Association is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Association has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grant-in-aid of a revenue is credited as income in the year to which it relates. Where the grant received relates to a specific project, this is shown in restricted income.

Membership fees were abolished at a previous AGM of the charity. Membership is now granted by completion of an application form and therefore no fees are chargeable.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)

(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.5 Resources expended

Support costs have been allocated to charitable activities on the basis of staff time (see note 5)

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Resources expended are accounted for on an accruals basis.

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Franking equipment	4 years straight line
Other office equipment	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

All single items of equipment with a value less than £1,000 have not been capitalised.

1.7 Stocks

A stock of professional items is held on a non-profit making basis. These items are stated at the lower of cost and net realisable value.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Association has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Association's balance sheet when the Association becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Association's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Association is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the Association's accounting policies, the Executive Committee's Members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees do not consider there to be any critical accounting estimates or judgements applied in the preparation of the financial statements.

**COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED
KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED
CHARITY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

3 Charitable activities

	2018	2017
	£	£
Modern Slavery Project funding	264,160	71,295
U.K. Overseas Territories Project funding	408,710	176,110
House of Commons grant in aid	1,273,205	1,260,599
House of Lords grant in aid	545,659	540,257
Reimbursements for travel and accommodation	23,016	37,233
Jointly funded events	148,081	242,208
CPA Secretariat contributions	13,229	-
	<u>2,676,060</u>	<u>2,327,702</u>
Analysis by fund		
Unrestricted funds - general	2,003,190	
Restricted funds	672,870	
	<u>2,676,060</u>	
For the year ended 31 March 2017		
Unrestricted funds - general		2,080,297
Restricted funds		247,405
		<u>2,327,702</u>

4 Investment income

	2018	2017
	£	£
Interest receivable	<u>361</u>	<u>825</u>

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

5 Charitable activities

	Membership Subscriptions	Fellowship Scheme Management and grants awarded (2017-2018)	Business Management and Communications, International Outreach, Conferences and Projects	Total 2018	Total 2017
	£	£	£	£	£
Staff costs	-	-	946,099	946,099	752,936
Business Management and Communications	-	-	100,286	100,286	28,131
International Outreach	-	-	578,676	578,676	582,081
Conferences and Projects	-	-	499,711	499,711	358,500
Other costs	82,764	-	-	82,764	82,764
	<u>82,764</u>	<u>-</u>	<u>2,124,772</u>	<u>2,207,536</u>	<u>1,804,412</u>
Grant funding of activities (see note 6)	-	24,653	-	24,653	23,419
Share of support costs (see note 7)	-	-	446,802	446,802	489,091
Share of governance costs (see note 7)	-	-	10,119	10,119	20,161
	<u>82,764</u>	<u>24,653</u>	<u>2,581,693</u>	<u>2,689,110</u>	<u>2,337,083</u>
Analysis by fund					
Unrestricted funds - general	82,764	-	1,908,823	1,991,587	
Unrestricted funds - designated	-	24,653	-	24,653	
Restricted funds	-	-	672,870	672,870	
	<u>82,764</u>	<u>24,653</u>	<u>2,581,693</u>	<u>2,689,110</u>	
For the year ended 31 March 2017					
Unrestricted funds - general	82,764	-	1,983,495		2,066,259
Unrestricted funds - designated	-	23,419	-		23,419
Restricted funds	-	-	247,405		247,405
	<u>82,764</u>	<u>23,419</u>	<u>2,230,900</u>		<u>2,337,083</u>

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

6 Grants payable

	2018 £	2017 £
Fellowship Scheme	24,653	23,419

7 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Staff costs	405,471	-	405,471	322,689	
Office running costs	41,331	-	41,331	166,402	
Audit fees	-	10,119	10,119	14,280	Governance
Accountancy	-	-	-	5,881	Governance
	<u>446,802</u>	<u>10,119</u>	<u>456,921</u>	<u>509,252</u>	
Analysed between					
Charitable activities	<u>446,802</u>	<u>10,119</u>	<u>456,921</u>	<u>509,252</u>	

Governance costs includes payments to the auditors of £10,119 (2017- £14,281) for audit fees.

8 Executive Committee's Members

The members of the Executive Committee are the Trustees of the charity. None of the Executive Committee members (or any persons connected with them) received any remuneration during the year. In the furtherance of the Association's charitable objectives, the Association sends Executive Committee members in their capacity as members of the Association, to parliamentary conferences and meetings in Commonwealth countries. There is an obligation under charity law to declare trustees' expenditure. The International Outreach programme costs include the cost of outward delegations to attend conferences and meetings in the Commonwealth countries. This year 5 out of 34 parliamentarians visiting other CPA branches were Executive Committee members and the associated costs were £19,719 out of £224,799 expended on outwards delegations.

No members of the Executive Committee received a Fellowship Scheme grant during the year (see note 15).

The costs of the trustees' attendance at trustees' meetings are not reimbursed.

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

9 Employees

Number of employees

The average monthly number employees during the year was:

	2018	2017
	Number	Number
Business Management and Communications	8	8
International Outreach	7	7
Conferences and Projects	7	6
Special Projects	7	7
Maternity Cover	1	-
	<u>30</u>	<u>28</u>

Employment costs

	2018	2017
	£	£
Wages and salaries	1,017,979	806,968
Social security costs	112,819	93,160
Other pension costs	220,772	175,497
	<u>1,351,570</u>	<u>1,075,625</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2018	2017
	Number	Number
£90,000 - £99,999	-	1

The key management personnel of the Charity comprise the Chief Executive / Secretary as detailed on page 1 of the trustee's report.

The total amount of employee benefits received by key management was £121,203 (2017: £123,171).

10 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>3,695</u>	<u>4,224</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>167,594</u>	<u>237,155</u>

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

11 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Other debtors	3,695	4,224
Prepayments and accrued income	121,098	105,783
	<u>124,793</u>	<u>110,007</u>

12 Creditors: amounts falling due within one year

	2018	2017
	£	£
Other taxation and social security	30,325	28,095
Payments in advance	34,326	43,809
Other creditors	84,605	104,214
Accruals	82,989	132,941
	<u>232,245</u>	<u>309,059</u>

13 Restricted funds

The income funds of the charity include the following restricted funds:

	Balance at 1 April 2017	Movement in funds		Balance at 31 March 2018
	£	Incoming resources	Resources expended	£
U.K. Overseas Territories project	-	408,710	(408,710)	-
Modern Slavery Project	-	264,160	(264,160)	-
	<u>-</u>	<u>672,870</u>	<u>(672,870)</u>	<u>-</u>

COMMONWEALTH PARLIAMENTARY ASSOCIATION (UNITED KINGDOM BRANCH)
(A COMPANY LIMITED BY GUARANTEE AND A REGISTERED CHARITY)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2017	Movement in funds		Balance at 31 March 2018
	£	Incoming resources £	Resources expended £	£
Fellowship Scheme Fund	29,372	-	24,653	4,719
	<u>29,372</u>	<u>-</u>	<u>(24,653)</u>	<u>4,719</u>
	<u><u>29,372</u></u>	<u><u>-</u></u>	<u><u>(24,653)</u></u>	<u><u>4,719</u></u>

Fellowship Scheme Fund: Financial assistance is available for members undertaking projects or studies in Commonwealth countries on matters of interest to parliamentarians. The CPA UK Fellowship Scheme is a finite fund.

15 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:				
Net current assets	478,817	4,719	-	483,536
	<u>478,817</u>	<u>4,719</u>	<u>-</u>	<u>483,536</u>
	<u><u>478,817</u></u>	<u><u>4,719</u></u>	<u><u>-</u></u>	<u><u>483,536</u></u>