



Charity Registration No. 263147

**Commonwealth Parliamentary Association
Annual Report and Financial Statements
31 December 2022**

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Commonwealth Parliamentary Association

Annual report for the year ended 31 December 2022

ADMINISTRATIVE INFORMATION

The Commonwealth Parliamentary Association (CPA) was established in 1911 as the Empire Parliamentary Association. In 1948, the name was changed to the Commonwealth Parliamentary Association.

The CPA is a registered charity (registration number 263147) under the laws of the United Kingdom with its principal office and registered address located at Room103/104, Richmond House, Houses of Parliament, London SW1A 0AA, United Kingdom (since June 2018).

The CPA is run by an Executive Committee which acts as the board of Trustees of the Charity and determines its strategy and overall management. Day-to-day direction of the Charity is vested in the Secretary-General.

PATRON OF THE ASSOCIATION

Head of the Commonwealth

VICE-PATRON OF THE ASSOCIATION

Vacant – TBC Ghana

OFFICERS OF THE ASSOCIATION

President of the Association

Rt Hon. Alban Bagbin, MP
Speaker of the Parliament of Ghana
(Sep 2022 – to date)

Vice-President of the Association

Hon. Matthew Mason-Cox, MLC
President of the Legislative Council of New South Wales
(Sep 2022 – to date)

Chairperson of the Executive Committee

Hon. Ian Liddell-Grainger, MP
United Kingdom
(Sep 2022 – to date)

Vice-Chairperson of the Executive Committee

Hon. Osei Kyei Mensah Bonsu, MP
Ghana
(also Regional Representative for Africa Region)
(Aug 2021 – to date)

Treasurer of the Association

Hon. Anurag Sharma, MP
Member of Parliament of India
(Sep 2022 – to date)

Chairperson of the Commonwealth Women Parliamentarians (CWP)

Hon. Zainab Gimba, MP
Member of Parliament of Nigeria
(Sep 2022 - to date)

Small Branches Chairperson

Hon. Joy Burch, MLA
Speaker of the Australia Capital Territory Legislative Assembly
(Sep 2022 – to date)

CPwD Chairperson

Hon. Laura Kanushu, MP
Member of Parliament of Uganda
(Sep 2022 – to date)

REGIONAL REPRESENTATIVES

Africa

Vacant
Lesotho

Hon. Dr. Benson Makali Mulu, MP
Kenya (2017 – to date)

Hon. Osei Kyei Mensah Bonsu, MP
Ghana (2019 – to date)

Hon. Solomon Lechesa Tsenoli, MP
Deputy Speaker of the National Assembly
South Africa (2021 – to date)

Hon. Raymond Chatima Nkhata, MP
Malawi (2022 – to date)

Rt. Hon. Dr Abass Bundu, MP
Speaker of the Parliament
Sierra Leone (2019 – to date)

Asia

Hon. Dr Lal Chand Ukrani, MPA
Sindh (2017 – to date)

Hon. Mahinda Yapa Abeywardana, MP
Speaker of the Parliament
Sri Lanka (2019 – to date)

Hon. Kazi Nabil Ahmed, MP
Bangladesh (2022 – to date)

Australia

Vacant
Victoria

Senator the Hon. Sue Lines
President of the Senate
Australia Federal (2022 – to date)

Hon. Mark Shelton, MHA
Speaker of the House of Assembly
Tasmania (2022 – to date)

British Islands and Mediterranean

Hon. Leona Roberts, MLA
Falkland Islands (2017 – to date)

Hon. Stuart McMillan, MSP
Scotland (2016 – to date)

Hon. Chris Elmore, MP
United Kingdom (2022 – to date)

Canada

Hon. Randy Weekes, MLA
Speaker of the Legislative Assembly
Saskatchewan (2021 – to date)

Hon. Terry Duguid, MP
Canada Federal (2022 – to date)

Hon. Ted Arnott, MLA
Speaker of the Legislative Assembly
Ontario (2022 – to date)

Caribbean, Americas and Atlantic

Hon. Arthur Holder, MP
Speaker of the House of Assembly
Barbados (2018 – to date)

Hon. Claudius J. Francis, MHA
Speaker of the House of Assembly
St. Lucia (2021 – to date)

Hon. Gordon J. Burton, MHA
Speaker of the House of Assembly
Turks and Caicos (2021 – to date)

India

Hon. Ritu Khanduri Bhushan, MLA
Speaker of the Legislative Assembly
Uttarakhand (2022 – to date)

Shri Biswajit Daimary, MLA
Speaker of the Legislative Assembly
Assam (2021 – to date)

Hon. Uday Pratap Singh, MP
India Union (2023 – to date)

Pacific

Hon. Gerry Brownlee, MP
New Zealand (2016 – to date)

Hon. Theresa Kaetavara, MHR
Deputy Speaker of the House of Representative
Bougainville (2017 – to date)

Hon. Naiqama Lalabalavu
Speaker of Parliament
Fiji (2022 – to date)

South-East Asia

Hon. Lim Biow Chuan, MP
Deputy Speaker of the Parliament
Singapore (2020 – to date)

Hon. Noraini Ahmad, MP
Malaysia (2023 – to date)

Hon. Law Choo Kiang, MP
Penang (2022 – to date)

FORMER OFFICERS AND MEMBERS OF THE EXECUTIVE COMMITTEE DURING 2021

Chairperson of the Executive Committee

Hon. Emilia Monjowa Lifaka, MP
Deputy Speaker of Parliament
Cameroon (2017 – to Apr 2021)

Vice-Chairperson of the Executive Committee

Hon. John Ajaka, MLC
President of the Legislative Council, New South Wales
(*also Regional Representative for Australia Region*)
(2019 – Apr 2021)

Treasurer of the Association

Hon. Datuk Shamsul Iskandar Md Akin, MP
Federal Parliament of Malaysia
(2019 – to Sep 2022)

Chairperson of the Commonwealth Women Parliamentarians (CWP)

Hon. Shandana Gulzar Khan, MNA
National Assembly of Pakistan
(2019 – to Sep 2022)

Small Branches Chairperson

Hon. Niki Rattle,
Speaker of the Parliament of Cook Islands
(2019 – to Feb 2021)

FORMER REGIONAL REPRESENTATIVES DURING 2021

Africa

Rt Hon. Sephiri Enoch Motanyane, MP
Speaker of the National Assembly
Lesotho (2017 – 2022)

Hon. Dr Christopher Kalila, MP
Zambia (2021 – 2022)

Hon. Bernard Songa Sibatani, MP
Vice Chairperson of the National Council
Namibia (2016 – 2021)

Hon. Lazarous Chungu Bwalya, MP
Zambia (2016 – 2021)

Asia

Hon. Dr Fehmida Mirza, MP
Pakistan (2016 - 2022)

Australia

Hon Jonathan O’Dea, MLA
Speaker of the Legislative Assembly
New South Wales (2021 – 2022)

Hon. Bruce Atkinson, MLC
President of the Legislative Council
Victoria (2017 – 2022)

Senator Hon. Slade Brockman
President of the Senate
Australia Federal (2021 - 2022)

Hon. John Ajaka, MLC
President of the Legislative Council
New South Wales (2016 – 2021)

Senator the Hon. Scott Ryan,
President of the Senate of Australia (2019 – 2021)

British Islands and Mediterranean

Hon. Julie Elliott, MP
United Kingdom (Apr 2021 – 2022)

Hon. Ian Liddell-Grainger, MP
United Kingdom (2019 – 2021)

Canada

Hon. Maryse Gaudreault, MNA
Vice President of the National Assembly
Quebec (2021 – 2022)

Hon. Francois Paradis, MNA
Speaker of the National Assembly
Quebec (2016 – 2021)

Hon. Kevin Murphy, MLA
Speaker of the House of Assembly
Nova Scotia (2018 – Aug 2021)

Hon. Yasmin Ratansi, MP
Ontario (2019 – 2021)

Caribbean, Americas and Atlantic

Hon. Andy Glenn Daniel, MP
Speaker of the House of Assembly
St. Lucia (2019 – 2021)

Hon. Dwayne Taylor, MHA
Speaker of the House of Assembly
Turks and Caicos (2019 – 2021)

India

Shri Premchand Aggarwal, MLA
Speaker of the Legislative Assembly
Uttarakhand (Stand-in Branch for Jammu and Kashmir) (2016 – 2022)

Shri Anurag Sharma, MP
Member of Parliament of India (2019 – 2022)

Shri Hitendra Goswami, MLA
Speaker of the Legislative Assembly
Assam (2017 – May 2021)

Pacific

Rt. Hon. Ratu Epeli Nailatikau, MP
Speaker of the Parliament, Fiji (2019 – 2022)

South-East Asia

Hon. Suhaizan Kaiat, MLA
Speaker of the State Legislative Assembly
Johor (Stand-in Branch for Malacca) (2016 - 2022)

Hon. Datuk Wira Dr Mohd Hatta Md Ramli, MP
Perak (2019 – 2022)

Trustees of CPA Trust Funds

Secretary-General

Mr Stephen Twigg (Appointed Aug 2020)
Commonwealth Parliamentary Association (CPA)

Treasurer of the Association

Shri Anurag Sharma, MP (Appointed Sep 2022)
Member of Parliament of India

Hon. Lyndon Trott (Appointed Aug 2020)

Guernsey Assembly
Guernsey

Senior Management Team (SMT)

Secretary-General

Mr Stephen Twigg

Deputy Secretary-General

Mr Jarvis Matiya

Finance Director

Mr Paul Townley

Head of Human Resources

Mrs Sharon Moses

Head of IT and Digital Services

Mr Chinonso Orekie

Head of Programmes

Mr Matthew Salik

Head of Strategy and Engagement

Ms Emily Davies

Professional Advisers and Partner Organisations:

External Auditors: Buzzacott LLP
130 Wood Street
London EC2V 6DL

Internal Auditors: Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London EC1Y 0TL

Bank: National Westminster Bank plc
Victoria Branch
169 Victoria Street
London SW1E 5NA

Investment Managers: Close Brothers Asset Management
10 Exchange Square
Primrose Street
London EC2AR 2BY

Legal Advisers: Bates Wells & Braithwaite London LLP
10 Queen Street Place
London EC4R 1BE

Russell Cooke LLP
2 Putney Hill
London SW15 6AB

Commonwealth Secretariat: Marlborough House
Pall Mall, London SW1Y 5HX

The Commonwealth Secretariat is the governmental wing of the Commonwealth and has 53 countries as its members. The CPA's relationship with the Commonwealth Secretariat is informal. However, it is recognised that the CPA is the parliamentary wing of the Commonwealth and some CPA programmes are implemented jointly with the Commonwealth Secretariat. The Commonwealth Secretary-General or their representative attends the CPA Annual Conference and the CPA Secretary-General and/or the Officers of the Association participate in the Commonwealth Heads of Government Meeting (CHOGM).

Inter-Parliamentary Union: 5 Chemin du Pommier
Case postale 330
CH-1218
Le Grand Saconnex
Geneva, Switzerland

The Inter-Parliamentary Union (IPU) deals with the national parliaments of all countries around the world. The Association's relationship with the IPU is informal. However, national CPA parliamentary members are also members of the IPU.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The CPA has its own constitution '*Constitution of the Commonwealth Parliamentary Association*' as adopted by the General Assembly of the Association at its meeting in Cyprus on 6 September 1993 and amended by the General Assembly of the Association from time-to-time.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Trustees, working through the Executive Committee, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the income and expenditure of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in 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).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the *Charities Act 2011*, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Charity's Constitution and Trust Deeds. They are also responsible for safeguarding the assets of the Charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Recruitment and Appointment of new Trustees

Members of the Executive Committee act as the Trustees of the Charity. The General Assembly elects new Trustees on the advice of the regions of the CPA. All Trustees are unpaid.

Induction and Training of new Trustees

The CPA Headquarters Secretariat organises induction sessions for new Trustees, with particular emphasis on their legal responsibilities. New Trustees also receive recent data on the operations of the CPA, including financial reports and minutes of immediate past meetings. The CPA Headquarters Secretariat updates Trustees on recent Charity legislation/developments at their bi-annual meetings.

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Organisational Structure

The Secretary-General is responsible for the day-to-day management of the CPA. He is supported by two Directors: Deputy Secretary-General and Finance Director. The Secretary-General makes decisions on operational matters, in consultation with the SMT.

The Secretary-General reports to the Executive Committee, and annually to the General Assembly on the operations of the CPA Headquarters Secretariat. The Executive Committee meets twice a year, and reports to the General Assembly. Certain aspects of the work of the Executive Committee are undertaken between meetings by the Co-ordinating Committee. The Sub-Committees of the Executive Committee meet on the margins during its meetings. These are the Audit Committee, Planning and Review Sub-Committee, and Finance Sub-Committee.

Branches

The CPA is composed of Branches that have been admitted as Members to the Association. Each Branch is autonomous, raises its own finances and pays an annual subscription to the Association's International Headquarters. The Commonwealth Parliamentary Association Secretariat is the International Headquarters for the Association. It has close links with over 171 members Branches (2021: 171 Branches) on a day-to-day working level. Income raised by the Association's Headquarters Secretariat is used to pay for the CPA's programmes of work and for the meetings and conferences of its members. The annual subscription is determined at meetings of the General Assembly.

Risk Management

The Trustees are responsible for risk management. Risks identified by the SMT are reviewed, assessed and appropriate action incorporated as part of operational delivery. During 2022, the main risks and uncertainties facing the Association were:

- restricted opportunities to grow or diversify income.
- significant reliance on membership fees, and the timely payment of subscriptions.
- the challenge of ensuring that membership remains a worthwhile proposition for the CPA's Branches.
- investment in the infra-structure that helps ensure the CPA Headquarters Secretariat is run efficiently and is pro-active in communications with its membership.
- new or unexpected pressures on HQ Secretariat or Programme costs.
- governance, given the CPA's status as a UK Charity with both UK and international Trustees.
- The aftermath of the Covid-19 pandemic on activities, its staff and its membership.
- The impact on investments of the uncertainty in respect of the macroeconomic and geopolitical climate.

Appropriate systems and /or actions have been and continue to be developed to identify and mitigate risk. These systems or actions include:

- expanding the Association's revenue streams by exploring new funding and partnership opportunities including the option of an additional delegate for certain Branches at our Annual Plenary Conferences.
- further development of both our new CRM System and Website
- maximising the Association's investment returns within an agreed risk appetite framework.
- actively seeking hosts for the Association's events to achieve a reduced cost burden on reserves.
- financial governance-related policies (e.g. use of credit cards, funding policy to support branch programme delivery, minimisation of cash handling, etc).
- a programme of internal audits to cover areas as agreed by the Audit Subcommittee. In the current year this covered both Travel and also, IT and Data Security.
- Audit subcommittee oversight.
- staff handbook detailing HR policies, practices and procedures.

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- continued support for staff during the post Covid-19 pandemic period.
- a wide range of programmes to support members and regular governance meetings carried out physically, virtually and also in a hybrid manner.
- business and financial risk management plan (risk register) which details the nature of risk (i.e. external, fraud, governance, operational, liquidity and security) likelihood of occurrence, controls in place and the risk holder.
- appropriate insurance cover (management liability: Trustees' liability, employment practices liability and legal liability; office cover: employer's liability, public liability, business interruption, and office contents; health and life).
- establishment of an expert group to consider options for longer term organisational status.

Pay-Setting Policy for Key Management Personnel

The Trustees have an established pay-setting policy for the charity's key management personnel and other staff. It is based on an approved pay band. Progression from one spine point to another within a given band is on the basis of satisfactory performance. The Trustees adopted the pay band on the recommendation of independent pay review consultants. In addition, for staff at the top of their pay band, one off payments are awarded dependent on performance.

STATEMENT OF PURPOSE, AIMS, OBJECTIVES AND PUBLIC BENEFIT

Statement of purpose

The CPA connects, develops, promotes and supports Parliamentarians and their staff to identify benchmarks of good governance, and implement the enduring values of the Commonwealth.

Aims

Under section 1(1) of the Constitution of the CPA, the Association's aim is *'to promote knowledge of the constitutional, legislative, economic, social and cultural aspects of parliamentary democracy with particular reference to the countries of the Commonwealth.'*

Main Objectives

In April 2022 the Trustees approved a revised strategy covering the period 2022 – 2025.

The previous plan focused primarily on internal operational matters of the Association so as to ensure we were able to deliver activities efficiently and comprehensively to our members. We are pleased to say that the majority of these objectives have been achieved so it was deemed appropriate and indeed necessary for the future development of the Association for our new plan to be much more outward facing.

The new Strategic Plan 2022-2025 enables the CPA to build upon the organisation's existing strengths and the substantial progress made by the Secretariat and membership in recent years, whilst also addressing the challenges the organisation is likely to face between now and 2025.

The plan sets out six core objectives, the tools which will be utilised to achieve them and the six cross-cutting themes that will be mainstreamed within all future CPA work.

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The Strategic Objectives set out are:

1. Strengthen the capacity and maximise the effectiveness of Parliamentarians and parliamentary staff and enable mutual learning.
2. Protect and uphold the independence of Parliaments, the principle of the separation of powers and broader human rights as set out in the Commonwealth Charter through strong, strategic partnerships.
3. Persuade the UK Government to implement legislation recognising the CPA as an international, interparliamentary organisation.
4. Support Parliaments and Parliamentarians to adapt, innovate and recover from crises such as COVID-19 or natural disasters.
5. Support and enable the Commonwealth Women Parliamentarians (CWP), CPA Small Branches and Commonwealth Parliamentarians with Disabilities (CPwD) networks to fulfil their strategic objectives.
6. Promote the values of the Commonwealth, parliamentary democracy and sustainable development to a wide audience.

The Plan's six cross-cutting themes are:

- Gender
- Small States and Jurisdictions
- Youth
- Disability
- Sustainable Development and Climate Change
- Technology and Innovation

Each year, the Trustees review the objectives and activities to ensure that they continue to be relevant. In carrying out this review, the Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the aims and objectives that have been set, and in planning the Charity's future activities. In particular, the Trustees consider how planned activities contribute to the aims and objectives they have set.

Activities and Public Benefit

The Association carries out a wide range of activities in pursuit of its charitable aims and the Trustees consider that these activities, as summarised below, provide benefit both to the Association's members and (indirectly) to the wider community in Commonwealth countries/dependencies.

In 2017, the CPA launched a new Policy Framework which is based on the Association's mission statement. This is articulated in its current '*Statement of Purpose*', and identifies its role in connecting and supporting Parliamentarians and their staff across the Commonwealth to identify and implement benchmarks of good governance and implement the enduring values of the Commonwealth to promote parliamentary democracy. The new Policy Framework proposes three Strategic Programme pillars which form the basis for all CPA's work. These include: Parliamentary Benchmarking and Development; Public Outreach Activities; and Communications and Publishing.

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In 2022, in conjunction with the new Strategic plan the CPA Headquarters Secretariat commenced to implement a revised programme, with particular focus on parliamentary development and benchmarking, post-election seminars and technical assistance programmes together with an emphasis on youth engagement through, for example, the CPA's Commonwealth Day activities and the Commonwealth Youth Parliament.

Details are set out in full in the **CPA's Annual Report and Performance Review 2022** and the report outlines CPA activity across all the strategic objectives of the CPA Strategic Plan and includes our work on *Parliamentary Benchmarking and Development (which includes three CPA networks – Commonwealth Women Parliamentarians, CPA Small Branches and Commonwealth Parliamentarians with Disabilities); Public Outreach; and Communications and Publishing*. Further CPA activity is covered under the areas of CPA Branch Visits, CPA Regional Conferences and working with partner organisations.

FINANCIAL REVIEW

The total revenue for the financial year under review was £2,789,705 (2021: £2,611,730). Of this, the Association's core funding stream was from Branch Membership fees (93%) and financial investments (7%) with a small amount coming from other sources such as subscriptions for the Parliamentarian and advertising income.

With the end of most travel restrictions from the Covid-19 pandemic, the Association has resumed delivering a range of programmes and Governance meetings not only physically, but in a hybrid and fully virtual manner. Our Mid-Year Conference was held in Assam, India in April 2022 and the 65th Annual Plenary Conference in Halifax, Canada in August 2022. As a result of these physical conferences and other deployments and travel increasing expenditure, the deficit for the year was £177,719 (2021: surplus of £779,286).

However, the war in Ukraine and other macro economic factors have created significant market uncertainty on our investment portfolios during the year resulting in losses for the year of £1,107,303 (2021: gains of £687,362)

Total revenue increased by £177,975 when compared to the previous financial period. Membership fee rates increased by 3% for 2022 and this increase, together with the reinstatement of suspended branches, has resulted in the total membership fees increasing by £126,070. Income from Investments increased by £47,653.

Total operating costs during the reporting period were £2,967,424 (2021: £1,832,444), made up of the costs of *raising funds*, totalling £54,513 (2%), and *direct charitable activities* totalling £2,912,911 (98%). In 2021, these were £52,761 (3%) and £1,779,683 (97%) respectively. The increase in total operating costs reported was due to the significant easing of restrictions.

At the end of the financial year the Association's unrestricted reserves amounted to £3,196,305 (2021: £3,136,354) with free reserves, after deducting the value of tangible assets, amounting to £3,157,356 (2021: £3,059,357) which is in excess of the target in the reserves policy.

In addition to the General Reserves, the Working Capital Trust Fund and the Conference Assistance Trust Fund (managed by Trustees under separate Trust Deeds), had total funds of £7,305,976 (2021: £8,650,949). Income from each Trust Fund is used for the benefit of the members in support of the wider objectives of the Association.

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Financial Strategy

The Trustees agreed on the CPA financial strategy in South Africa in August 2013. The issues addressed included reserve levels, income generation, and financial and administrative control policies for the Association. Trustees have kept the strategy under review and in particular to ensure that it meets the wider strategic objectives of the CPA. The Strategic Plan covering the period 2022 – 2025 further reinforced and informed the existing Financial Strategy.

Reserves Policy

In 2018 the Reserves Policy of the Association was reviewed, and the Trustees agreed a change in policy to one that better addresses the likely risks and financial pressures faced by the CPA in the medium to long-term. Trustees have accordingly agreed a policy to retain unrestricted reserves at between 3 to 6 months planned operating expenditure. As at December 2022, the Association held unrestricted reserves of £3,196,305, of which £3,157,356 were free reserves. The Trustees note that this is significantly in excess of the required amount in the reserves policy but that it has primarily resulted from the severe restrictions on physical activities due to the Covid-19 pandemic. This figure will be kept under review and the Trustees will consider the scope for releasing funds from these reserves to meet the strategic priorities of the CPA. As the travel restrictions were lifted in 2022, a full range of physical activities, including Plenary Conferences have taken place, resulting in a significant increase in operating costs. We foresee the level of reserves to reduce gradually in the future.

Investment Policy

The CPA has investments in two trust funds under the guidance and supervision of the funds' Trustees. Under the trust deeds the funds' Trustees are mandated as the Secretary General, the Association's Treasurer and another member of the CPA who is not a member of the Executive Committee. These Trustees are listed on page 6. The purposes of these funds are to promote knowledge and education about the constitutional legislatures within a parliamentary democratic framework, arrange study group meetings, seminars and conferences, and provide facilities for the exchange of visits between members of branches of the CPA.

The Trustees have the power to invest in such stocks, shares and investments as they see fit. The policy is to adopt a cautious-to-moderate risk investment strategy aimed at maximising income and capital growth. Within this strategy, the Trustees have set a target of exceeding the average market performance for a similar fund, based on the market value of the portfolio.

The Trustees have a formal Investment Policy Statement that:

- Defines and assigns the responsibilities of all parties.
- Establishes a clear understanding of the investment goals and objectives of Fund(s) assets.
- Offers guidance and limitations to investment advisors and/or managers regarding the investment of Fund(s) assets.
- Establishes a basis for evaluating investment results.
- Provides guidelines on managing Fund(s) assets in accordance with prudent, ethical and environmental considerations, the Trust Deeds of the Fund(s), and the *Trustee Act 2000*.

Close Brothers Asset Management have been appointed to manage the trust funds. The Trustees met three times in 2022 to review the funds' performance.

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Investment Performance

The value of the Association's listed investments decreased by £1,062,682 (13%) from £8,233,022 at 31 December 2021 to £7,170,320 as at the end of the reporting period. The Charity holds no unlisted funds.

The target total return on the Trustees' portfolio of investments, within an agreed level of risk appetite, is 6% from 1 January 2022. This is apportioned between annual investment income (2.1%) and long-term capital appreciation (3.9%), with a targeted total return of 6%. In 2020 a Socially Responsible Portfolio proposed by Close Brothers was adopted.

As a result of the Covid-19 pandemic and followed by the war in Ukraine, the stock markets have experienced significant volatility and more fluctuations remain a distinct possibility. The Trustees will continue to monitor the performance of the investments. It is encouraging to note a degree of recovery of the funds towards the end of 2022.

Fundraising

Following the implementation of the *Charities (Protection and Social Investment) Act 2016*, the Trustees have reviewed its fundraising activities and confirm that it complies with the regulation. There were no fundraising activities and the Association did not make use of any external fundraisers.

PLANS FOR FUTURE PERIODS

A new Strategic Plan covering 2022-2025 has been prepared and approved by the Trustees in April 2022. This plan was produced after wide ranging consultations had taken place, both internally and externally to ensure it meets the needs of the members.

The CPA will continue to pursue its key aims of holding conferences and seminars; disseminating information on Parliamentarians and political issues; organising international exchanges among Members and officials of Parliaments and Legislatures; and assisting newly emerging Commonwealth democracies.

Following the outbreak of the Covid-19 pandemic all activities of the CPA were reviewed and activities have continued remotely with staff working from home with the appropriate support and guidance. Operational plans, related budgets and forecasts have all been reviewed and updated for the years 2023 - 2025.

The CPA Headquarters Secretariat continuously strives to ensure that it can serve its membership to the highest possible standards as well as remaining a relevant and valuable service. To that effect, the Secretariat continues to review its programme, communications and outreach activities and delivery methodology to ensure it can continue to provide a full-spectrum service.

Following the Covid-19 Pandemic, the CPA Headquarters Secretariat has continued to review whether it is providing adequate support to its Members and Branches within the conditions and resources of the Association. For example, creating long-term online services, the development of remote resources and platforms as well as harnessing technology for maximum impact.

Although any future impact on revenue is not expected to be significant, as the CPA will ensure members continue to receive a full range of services and support. It is understood that some Branches may take longer to pay their fees than in the past as a result of the continuing difficult and challenging times and the CPA is committed to providing support to these Branches.

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Drawing upon this feedback and the vision of the Secretary-General and CPA Officers, the plan sets out the following six core objectives, the tools which will be utilised to achieve them and cross-cutting themes will be mainstreamed within all future CPA work. It will be accompanied each year of its implementation by an Annual Business Plan, which will identify the priority activities and outputs necessary in order to achieve the plan's objectives which have been set out earlier in the Main Objectives section.

It is hoped that this new Strategic Plan will enable the CPA to build upon the organisation's existing strengths and the substantial progress made by the Secretariat and membership in recent years, whilst also addressing the challenges the organisation is likely to face between now and 2025.

Auditors

Buzzacott LLP, Registered Auditors, have indicated their willingness to continue in office and it is proposed that they be re-appointed auditors for the ensuing year.

The Executive Committee approved this report on the 18 April 2023.

Signed on behalf of the Executive Committee:



.....
Hon. Ian Liddell-Grainger, MP
Chairperson of the Executive Committee



.....
Mr Stephen Twigg
Secretary-General

Independent auditor's report to the trustees of Commonwealth Parliamentary Association

Opinion

We have audited the financial statements of Commonwealth Parliamentary Association (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the related notes to the financial statements, including a summary of accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its income and expenditure 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and performance review 2022, and the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity'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 intend to liquidate the charity 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

Auditor's responsibilities for the audit of the financial statements (continued)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation).

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimate for the provision for bad debts were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards

Auditor's responsibilities for the audit of the financial statements (continued)

also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 7 July 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Commonwealth Parliamentary Association
Statement of financial activities
for the year ended 31 December 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:					
Investments	2	51,898	136,609	188,507	140,854
<i>Charitable activities</i>					
Branch membership fees		2,592,100	-	2,592,100	2,466,030
Subscriptions for the Parliamentarian		2,795	-	2,795	3,271
Other		6,303	-	6,303	1,575
Total		<u>2,653,096</u>	<u>136,609</u>	<u>2,789,705</u>	<u>2,611,730</u>
Expenditure on:					
<i>Raising funds</i>					
Investment Management Costs		1,247	53,266	54,513	52,761
<i>Charitable activities</i>					
Parliamentary Benchmarking and Development		1,932,221	348,301	2,280,522	1,209,879
Public Outreach		100,144	-	100,144	26,922
Communications and Publishing		532,245	-	532,245	542,882
Total	5	<u>2,565,857</u>	<u>401,567</u>	<u>2,967,424</u>	<u>1,832,444</u>
Net (expenditure)/income before (losses)/gains on investments		87,239	(264,958)	(177,719)	779,286
Net (losses)/gains on investments	11	<u>(27,288)</u>	<u>(1,080,015)</u>	<u>(1,107,303)</u>	<u>687,362</u>
Net movement in funds		59,951	(1,344,973)	(1,285,022)	1,466,648
Reconciliation of funds					
Balance brought forward	16	<u>3,136,354</u>	<u>8,650,949</u>	<u>11,787,303</u>	<u>10,320,655</u>
Balance carried forward	16	<u><u>3,196,305</u></u>	<u><u>7,305,976</u></u>	<u><u>10,502,281</u></u>	<u><u>11,787,303</u></u>

All recognised gains and losses have been included in the SOFA. All activities are continuing.

Commonwealth Parliamentary Association
Balance sheet as at
31 December 2022


	Note	2022 £	2022 £	2021 £	2021 £
Fixed asset					
Tangible assets	10		38,949		76,997
Investments	11		7,170,320		8,233,002
			<u>7,209,269</u>		<u>8,309,999</u>
Current assets					
Debtors	12	341,751		643,877	
Short term deposit	13	3,628,117		3,610,117	
Cash at bank and in hand		194,541		269,047	
		<u>4,164,409</u>		<u>4,523,041</u>	
Creditors: amounts falling due within one year	14		<u>(871,397)</u>		<u>(1,045,737)</u>
Net current assets			<u>3,293,012</u>		<u>3,477,304</u>
Net assets			<u><u>10,502,281</u></u>		<u><u>11,787,303</u></u>
Funds					
Unrestricted					
General fund	16		3,196,305		3,136,354
Restricted					
Conference assistance fund	16		4,704,709		5,590,089
Working capital fund	16		2,601,267		3,060,860
			<u>10,502,281</u>		<u>11,787,303</u>

The financial statements were approved, and authorised for distribution, by the Executive Committee on

Date 18 April 2023 and signed on its behalf by:



.....
Hon. Ian Liddell-Grainger, MP
Chairperson of the Executive Committee



.....
Mr Stephen Twigg
Secretary-General

Commonwealth Parliamentary Association

Statement of cash flows for the year ended 31 December 2022

	2022	2021
	£	£
Cash flows from operating activities	<u>(195,929)</u>	<u>758,641</u>
Cash flows from investing activities		
Interest and dividends	188,507	140,854
Purchase of computer and equipment	(6,487)	(13,815)
Proceeds from sale of computer and equipment	2,024	-
Purchase of investments	(3,175,642)	(4,061,991)
Proceeds from the sale of investments	2,903,982	4,134,099
Movement in investment cash account	<u>227,039</u>	<u>(336,457)</u>
Net cash provided by/(used in) investing activities	<u>139,423</u>	<u>(137,310)</u>
Change in cash and cash equivalents in the reporting period	(56,506)	621,331
Cash and cash equivalents at the beginning of the reporting period	<u>3,879,164</u>	<u>3,257,833</u>
Cash and cash equivalents at the end of the reporting period	<u><u>3,822,658</u></u>	<u><u>3,879,164</u></u>

NOTES TO THE CASH FLOW STATEMENT

	2022	2021
	£	£
Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities		
Net movement in funds	(1,285,022)	1,466,648
Depreciation charges	42,511	64,143
Decrease in debtors	302,126	59,234
Decrease in creditors	(174,340)	(3,168)
Interest and dividends	(188,507)	(140,854)
Losses/(Gains) on investments	<u>1,107,303</u>	<u>(687,362)</u>
Net cash (used in)/provided by operating activities	<u><u>(195,929)</u></u>	<u><u>758,641</u></u>

Analysis of Cash and Cash Equivalents

	2022	2021
	£	£
Cash at bank and in hand	194,541	269,047
Short term deposits	<u>3,628,117</u>	<u>3,610,117</u>
	<u><u>3,822,658</u></u>	<u><u>3,879,164</u></u>

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

1. Summary of Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognized at cost or transaction value unless otherwise stated in these notes to the financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), Charities SORP (FRS102), and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are presented in sterling and are rounded to the nearest pound. The charity constitutes a public benefit entity as defined by FRS 102.

(b) Income recognition

All membership fee income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. In the event of branch suspension, we stop recognising its income.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably when notification is received of the interest paid or payable by the bank. Dividends are recognised when notification is received of the dividend due.

(c) Expenditure recognition

Liabilities are recognised as expenditure when there is a legal or constructive commitment, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

(d) Allocation of support and governance costs

Support costs are allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

(e) Pension costs

The Secretariat operates a defined contribution pension scheme for the benefit of its employees. The net assets of the fund are held separately from those of the Charity. Contributions payable are charged to the SOFA in the year in which they are incurred.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

(f) Employee benefits

- *Short term benefits*
Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- *Employee termination benefits*
Termination benefits are accrued in line with FRS 102.

(g) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the Charity's funding partners. Note 16 sets out the aim and use of each restricted fund.

(h) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the year in which they fall due.

(i) Subventions to Branches

Branches' outstanding travel claims are accrued at the end of the financial year. If after one year from the date of accrual such claims have not been made, the accrued amounts are written back.

(j) Foreign exchange

Balances denominated in foreign currencies are translated into Pounds Sterling at the rate of exchange prevailing at the balance sheet date. Financial transactions are translated at the rate of exchange prevailing on the date the transaction is processed.

(k) Fixed asset investments

Investments are a form of basic financial instrument and are recognised initially at their transaction value and measured subsequently at their fair value as at the balance sheet date using the closing quoted market price. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year.

(l) Tangible fixed assets and depreciation

All assets costing more than £350 are capitalised and valued at historical cost. Depreciation is charged on IT and other equipment on a straight-line basis over their estimated useful life of three years from the year of acquisition.

(m) Realised gains and losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the SOFA.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

(n) Stocks

Stocks are not included in the balance sheet and costs are written off as incurred.

(o) Debtors

Branch fees and other debtors are recognised at the settlement amount due, less any provision for bad or doubtful amount. Such provisions are specific and applied in a consistent manner based on a debts aging and other factors affecting potential recoverability such as the status of the branch. Prepayments are valued at the amount prepaid net of any trade discounts due.

(p) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that probably will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.

(q) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash in hand, balances with banks, investments in money market instruments representing short-term, highly liquid investments that are readily convertible to known amounts of cash.

(r) Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. With respect to the next reporting period, the most significant areas of uncertainty that affect the Charity's assets relate to any lasting effects of the Covid-19 pandemic and the current macroeconomic and geopolitical climate, and the impact these will have on the level of investment return and performance of the Charity's investments. (See the investment policy and the risk management sections of the Trustees' annual report for more information).

The aftermath of the Covid-19 pandemic has had a lesser impact on the activities of the CPA this year than last but some activities have continued to be carried out remotely or in a hybrid fashion. Staff have also continued to work from home at times, but to a lesser degree than in the previous year.

Operational plans, related budgets and forecasts continue to be reviewed and have been updated for 2023-2025.

Following the above review, and despite future forecasts being, to a degree, uncertain as a result of the areas highlighted earlier, the Trustees consider that the Association's assets, and in particular, liquid funds are adequate to meet its annual obligations in the next two years.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

Whilst changes to, and timing of activities continue to take place, the financial impact on the CPA has been limited. The impact on revenue, which relates predominantly to Membership fees, is not expected to be significant overall as the CPA continues to ensure that members receive the full range of services and support. Where Branches have difficulty in paying their fees appropriate support will be given. Operational costs may still be below historic levels as a result of a change in the level of overseas travel in the short to medium term.

As a result of the above review of the Charity's financial position, reserves levels and future plans, the Trustees are of the view that the Charity remains a going concern in respect to a period of one year from the date of approval of these financial statements, notwithstanding the uncertainties outlined above.

(s) Judgements and estimates

Judgements made by the Trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next reporting period is deemed to be in relation to the provision for doubtful debts. The CPA HQ Secretariat is currently hosted by the UK Parliament on the Parliamentary Estate. The Trustees do not believe that the value of this benefit, although a Gift in Kind, can be measured with sufficient accuracy.

2. Investment Income

	Unrestricted funds	Restricted funds	Total
2022	£	£	2022
			£
Dividends – equities	2,479	104,259	106,738
Interest – fixed interest securities	680	25,737	26,417
Interest on cash and money market deposits	48,739	6,613	55,352
	<hr/>	<hr/>	<hr/>
	51,898	136,609	188,507
	<hr/>	<hr/>	<hr/>
	Unrestricted funds	Restricted funds	Total
2021	£	£	2021
			£
Dividends – equities	196	101,252	101,448
Interest – fixed interest securities	48	16,724	16,772
Interest on cash and money market deposits	18,035	4,599	22,634
	<hr/>	<hr/>	<hr/>
	18,279	122,575	140,854
	<hr/>	<hr/>	<hr/>

Investment income consists of dividend & interest received from investments, bank interest and interest earned on term deposits.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

3. Staff Costs

	Note	Total 2022 £	Total 2021 £
Salaries and wages		1,024,075	948,184
Social security costs		103,290	84,202
Pension costs	4	62,138	59,644
		1,189,503	1,092,030

In addition, benefits-in-kind payments of £18,179 (2021: £20,477) cover travel insurance and death-in-service expenses to the Association. These payments are covered by a PAYE Settlement Agreement with HM Customs and Excise.

The average number of employees during the year was:

	2022 No.	2021 No.
Management	3	3
Charitable activities	18	18
	21	21

Key management personnel

	2022 £	2021 £
Secretary General	132,776	121,098
Deputy Secretary General and Director of Operations	97,920	89,564
Finance Director	55,832	52,772
	286,528	263,434

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

3. Staff Costs (continued)

The key management personnel comprised members of the Senior Management Team (SMT). The SMT is made up of the Secretary General, Deputy Secretary General & Director of Operations and Finance Director.

Staff receiving emoluments in excess of £60,000, (exclusive of pension contributions paid by the CPA Secretariat), during the year were as follows:

	Total 2022 No.	Total 2021 No.
£60,000 - £70,000	5	2
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<hr/> 7	<hr/> 4

All of the employees whose emoluments were greater than £60,000 are part of the personal pension scheme and the CPA Secretariat paid £29,235 (2021: £19,981) for these employees.

£151,344 was paid to 20 Parliaments of members of the Executive Committee and £1,848 for a spouse of one of the Executive Committee for their travel and accommodation (2021: £7,238 to 1 Parliament of members of the Executive Committee). None of the Executive Committee members received remuneration or benefits from employment with the CPA (2021: none).

4. Pension scheme

The CPA Secretariat's Personal Pension Scheme ("Scheme") for employees is with Scottish Widows, which commenced on 1st August 2010. The Scheme is funded by contributions from Scheme members and the CPA Secretariat.

The Scheme is operated on a Personal Pension Scheme basis and is not a defined benefits final salaries arrangement. Contributions are invested with Scottish Widows under the pension rules to produce the maximum fund of monies at retirement for each individual member. Members can contribute towards the cost of their benefits at rates between the range of 2-15% of annual salary. CPA Secretariat pays 16%.

In 2017, in response to the UK Pension Act 2008, CPA Secretariat registered for automatic enrolment. From April 2017 staff members can contribute within this additional scheme, towards the cost of their benefits at rates of 3% of annual salary. CPA Secretariat pays 5%.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

4. Pension scheme (continued)

	Total 2022 £	Total 2021 £
Total Premiums paid	121,890	135,639
Less: Contributions from employees	(59,752)	(75,995)
Employer Contributions	<u>62,138</u>	<u>59,644</u>

5. Total Expenditure

<u>2022</u>	Note	Direct costs £	Support costs £	Total 2022 £
Cost of generating funds				
Investment management costs		54,513	-	54,513
Cost of charitable activities				
Parliamentary Benchmarking and Development	7	1,686,455	594,067	2,280,522
Public Outreach	8	74,599	25,545	100,144
Communications and Publishing	9	285,134	247,111	532,245
		<u>2100,701</u>	<u>866,723</u>	<u>2,967,424</u>

(Note 5a)

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

5. Total Expenditure (continued)

<u>2021</u>	Note	Direct costs £	Support costs £	Total 2021 £
Cost of generating funds				
Investment management costs		52,761	-	52,761
Cost of charitable activities				
Parliamentary Benchmarking and Development	7	522,351	687,528	1,209,879
Public Outreach	8	9,056	17,866	26,922
Communications and Publishing	9	244,735	298,147	542,882
		828,903	1,003,541	1,832,444

(Note 5a)

5a. Allocation of Support Costs

<u>2022</u>	Staff costs £	HR costs £	IT support costs £	Facilities £	Depreciation £	Governance £	Total 2022 £
Cost of charitable activities							
Parliamentary Benchmarking and Development	341,499	23,421	34,548	103,440	29,138	62,021	594,067
Public Outreach	14,684	1,007	1,486	4,448	1,253	2,667	25,545
Communications and Publishing	142,052	9,742	14,371	43,028	12,120	25,798	247,111
	498,235	34,170	50,405	150,916	42,511	90,486	866,723

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

5a. Allocation of Support Costs (continued)

<u>2021</u>	Staff costs £	HR costs £	IT support costs £	Facilities £	Depreciation £	Governance £	Total 2021 £
Cost of charitable activities							
Parliamentary Benchmarking and Development	399,633	42,407	42,003	133,365	43,945	26,175	687,528
Public Outreach	10,385	1,102	1,091	3,466	1,142	680	17,866
Communications and Publishing	173,301	18,390	18,215	57,833	19,057	11,351	298,147
	<u>583,319</u>	<u>61,899</u>	<u>61,309</u>	<u>194,664</u>	<u>64,144</u>	<u>38,206</u>	<u>1,003,541</u>

Support costs are allocated between activities based on the proportion of direct expenditure attributable to each activity.

6. Governance

Costs classified as governance relate to the general running of the Charity and included operations of the Board of Trustees and those addressing constitutional, audit and other statutory matters, and are made up of the following:

	2022 £	2021 £
External Auditor's remuneration		
- Statutory audit	17,160	16,440
Internal Auditor's fees	23,760	-
Legal & professional fees	35,290	9,106
Consultants' fees	2,981	11,424
Officers travel	11,295	1,236
	<u>90,486</u>	<u>38,206</u>

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

7. Parliamentary Benchmarking and Development

	2022	2021
	£	£
Post-Election Seminars	38,628	14,951
Technical Assistance Programmes	22,672	17,943
Commonwealth Women Parliamentarians	90,615	48,868
Small Branches Committees Workshop	60,027	20,662
Parliamentarians Disabilities Network	14,557	11,187
Commonwealth Heads of Governments Meeting	2,391	-
Parliamentary Academy	151,666	17,076
International Humanitarian Law Handbook for Commonwealth	1,710	-
Thematic and Parliamentary Practice & Procedure	1,038	15,000
Commonwealth Partnership for Democracy	2,509	4,015
Commonwealth Regional Conferences	62,486	19,206
Annual Parliamentary and Mid-year Executive Conference	764,348	4,924
Direct staff costs	473,808	348,519
	<u>1,686,455</u>	<u>522,351</u>

8. Public Outreach

	2022	2021
	£	£
Commonwealth Youth Parliament	54,225	-
Direct staff costs	20,374	9,056
	<u>74,599</u>	<u>9,056</u>

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

9. Communications and Publishing

	2022	2021
	£	£
The Parliamentarian		
Printing	24,793	27,826
Distribution	28,729	27,254
Fees to contributors	1,950	2,025
	<hr/>	<hr/>
	55,472	57,105
Annual Report	135	254
CPA Website	30,365	34,539
Books, periodicals and information	2,075	1,703
Direct staff costs	197,087	151,134
	<hr/>	<hr/>
	285,134	244,735

10. Tangible assets

Tangible fixed assets comprise of computer and office equipment.

	2022	2021
	£	£
Cost		
At 1 January	193,739	179,924
Additions	6,487	13,815
Eliminated on disposal	(13,244)	-
	<hr/>	<hr/>
At 31 December	186,982	193,739
Depreciation		
At 1 January	116,742	52,599
Charge for the year	42,511	64,143
Eliminated on disposal	(11,220)	-
	<hr/>	<hr/>
At 31 December	148,033	116,742
	<hr/>	<hr/>
Net book value at 31 December	38,949	76,997

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

	2022	2021
	£	£
11. Investments		
Market value at 1 January	8,233,002	7,281,291
Additions	3,175,642	4,061,991
Disposal proceeds	(2,903,982)	(4,134,099)
Investments cash account movement	(227,039)	336,457
Realised (losses)/gains	(123,722)	647,431
Unrealised (losses)/gains	(983,581)	39,931
	<u>7,170,320</u>	<u>8,233,002</u>
Market value at 31 December		
Historical cost value at 31 December	<u>6,947,474</u>	<u>6,993,034</u>

The total unrealised gains at 31 December 2022 constitute movements on the revaluation and are as follows:

	2022	2021
	£	£
Unrealised gains included above:		
On investments	222,846	1,239,968
	<u>222,846</u>	<u>1,239,968</u>
Total unrealised gains at 31 December		
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 January	1,239,968	1,202,050
In respect of disposal in the year	(33,541)	(2,013)
Add: net (losses)/gains arising on revaluation in the year	(983,581)	39,931
	<u>222,846</u>	<u>1,239,968</u>
Total unrealised gains at 31 December		

Analysis of investments assets	Fixed interest securities	Equities	Cash	Total
	£			
2022	1,832,931	5,035,283	302,106	7,170,320
	<u>1,832,931</u>	<u>5,035,283</u>	<u>302,106</u>	<u>7,170,320</u>
2021	757,428	6,946,185	529,389	8,233,002
	<u>757,428</u>	<u>6,946,185</u>	<u>529,389</u>	<u>8,233,002</u>

The underlying assets contained within the various funds invested in by the Charity are recognised on a listed stock exchange.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

12. Debtors

	2022	2021
	£	£
Branch fees	1,032,163	1,163,039
Less: Provision for doubtful debts	(818,334)	(826,790)
Net branch fees	<u>213,829</u>	<u>336,249</u>
Staff advances	2,600	3,104
Other debtors and prepayments	125,322	304,524
	<u>341,751</u>	<u>643,877</u>

13. Short term deposit investment

	2022	2021
	£	£
Close Brothers business notice account and term deposit	3,628,117	3,610,117
	<u>3,628,117</u>	<u>3,610,117</u>

14. Creditors: Amounts Falling Due Within One Year

	Note	2022	2021
		£	£
Trade creditors		86,635	44,801
General accruals		111,200	70,355
Parliamentary Benchmarking and Development accruals		62,908	52,719
Tax and social security		29,161	25,234
Deferred income	15	581,493	852,628
		<u>871,397</u>	<u>1,045,737</u>

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

15. Deferred income

	At 1 Jan 2022 £	Released to income £	Deferred in the year £	At 31 Dec 2022 £
Branch fees - 2022	852,628	(852,628)	581,493	581,493
	<u>852,628</u>	<u>(852,628)</u>	<u>581,493</u>	<u>581,493</u>
	835,986	(835,986)	852,628	852,628
	<u>835,986</u>	<u>(835,986)</u>	<u>852,628</u>	<u>852,628</u>

This primarily represents 2023 memberships received in 2022. They are treated as deferred income and will be released as income in 2023 in line with the membership period.

16. Movement in funds

	At 1 Jan 2022 £	Income £	Expenditure £	Gains (Losses)/ Transfers £	At 31 Dec 2022 £
CPA Headquarters Secretariat					
<u>Unrestricted Funds</u>					
General reserve	3,136,354	2,653,096	(2,565,857)	(27,288)	3,196,305
<u>Restricted Funds</u>					
Conference Assistance Fund (CAF)	5,590,089	87,609	(273,449)	(699,540)	4,704,709
Working Capital Fund (WCF)	3,060,860	49,000	(128,118)	(380,475)	2,601,267
Total restricted funds	<u>8,650,949</u>	<u>136,609</u>	<u>(401,567)</u>	<u>(1,080,015)</u>	<u>7,305,976</u>
Total funds	<u>11,787,303</u>	<u>2,789,705</u>	<u>(2,967,424)</u>	<u>(1,107,303)</u>	<u>10,502,281</u>

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

16. Movement in funds (continued)

	At 1 Jan 2021	Income	Expenditure	Gains (Losses)/ Transfers	At 31 Dec 2021
	£	£	£	£	£
CPA Headquarters Secretariat					
<u>Unrestricted Funds</u>					
General reserve	2,372,927	2,489,155	(1,726,692)	964	3,136,354
<u>Restricted Funds</u>					
Conference Assistance Fund (CAF)	5,109,405	78,182	(41,940)	444,442	5,590,089
Working Capital Fund (WCF)	2,838,323	44,393	(63,812)	241,956	3,060,860
Total restricted funds	7,947,728	122,575	(105,752)	686,398	8,650,949
Total funds	10,320,655	2,611,730	(1,832,444)	687,362	11,787,303

Unrestricted funds

- The general reserve represents the accumulated surplus which is available for spending on CPA's objectives.

In 2018, to better addresses the likely risks and financial pressures faced by the CPA in the medium to long-term, the Trustees have accordingly agreed a policy to retain all unrestricted reserves at between 3 to 6 months planned operating expenditure.

Restricted funds

Conference Assistance Fund (CAF)

The object of the fund is to advance the charitable purposes of the Commonwealth Parliamentary Association as directed by the Trust Deed by applying the income or such parts of the capital as the Trustees may deem fit which are to provide financial aid and assistance to assist Branches to organise, constitute and hold plenary conferences and to assist Branches to facilitate the attendance of Regional Representative and/or delegates at plenary conferences. Expenditure is restricted to fulfilling these aims.

Working Capital Fund (WCF)

The object of the fund is to advance the charitable purposes of the Commonwealth Parliamentary Association as directed by the Trust Deed by applying the income or such parts of the capital as the Trustees may deem fit which are to provide financial aid to host Branches and Parliamentarians officials to organise educational seminars in accordance with the objects of the Association on parliamentary practice and procedure. Expenditure is restricted to fulfilling these aims.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

17. Analysis of net assets between funds

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Tangible fixed assets	38,949	-	38,949
Fixed asset investment	172,440	6,997,880	7,170,320
Current assets	3,805,260	359,149	4,164,409
Current liabilities	(820,344)	(51,053)	(871,397)
	<u>3,196,305</u>	<u>7,305,976</u>	<u>10,502,281</u>

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	76,997	-	76,997
Fixed asset investment	200,964	8,032,038	8,233,002
Current assets	3,892,084	630,957	4,523,041
Current liabilities	(1,033,691)	(12,046)	(1,045,737)
	<u>3,136,354</u>	<u>8,650,949</u>	<u>11,787,303</u>

18. Related parties' transaction

Other than transactions with key management personnel and Executive Committee members as disclosed in note 3, there have been no related party transactions in the reporting period that require disclosure.

Commonwealth Parliamentary Association

Notes to the financial statements for the year ended 31 December 2022

19. Comparative statement of financial activities

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:				
Investments	2	18,279	122,575	140,854
<i>Charitable activities</i>				
Branch membership fees		2,466,030	-	2,466,030
Subscriptions for the Parliamentarian		3,271	-	3,271
Other		1,575	-	1,575
Total		<u>2,489,155</u>	<u>122,575</u>	<u>2,611,730</u>
Expenditure on:				
<i>Raising funds</i>				
Investment Management Costs		301	52,460	52,761
<i>Charitable activities</i>				
Parliamentary Benchmarking and Development		1,156,587	53,292	1,209,879
Public Outreach		26,922	-	26,922
Communications and Publishing		542,882	-	542,882
Total	5	<u>1,726,692</u>	<u>105,752</u>	<u>1,832,444</u>
Net income before gains on investments		762,463	16,823	779,286
Net gains on investments	11	964	686,398	687,362
Net movement in funds		763,427	703,221	1,466,648
Reconciliation of funds				
Balance brought forward	16	<u>2,372,927</u>	<u>7,947,728</u>	<u>10,320,655</u>
Balance carried forward	16	<u><u>3,136,354</u></u>	<u><u>8,650,949</u></u>	<u><u>11,787,303</u></u>

20. Post balance sheet events

There are no post balance sheet events.