

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**SUPPLEMENTARY BUDGET ESTIMATES 2015-16**

Finance Portfolio  
20 October 2015

**Department/Agency:** Australian Electoral Commission

**Outcome/Program:** General

**Topic:** Compliance reports for political parties

**Senator:** Bilyk

**Question reference number:** F88

**Type of question:** Written

**Date set by the committee for the return of answer:** Friday, 4 December 2015

**Number of pages:** 150

**Question:**

Can a copy of all compliance reports produced by the AEC since 1 July 2013 in relation to the following parties please be provided:

1. Liberal Party of Australia – all Divisions/Branches;
2. National Party of Australia– all Divisions/Branches;
3. Country Liberal Party – all Divisions/Branches; and
4. Australian Greens – all Divisions/Branches.

**Answer:**

A list of relevant documents (18 reports in total) are at Attachment A. Thirteen of the reports were previously released by the Australian Electoral Commission under Freedom of Information request LS5191 in early 2015 are available at <http://www.aec.gov.au/information-access/foi/2015/ls5191.htm>. Note that certain parts of the reports have been redacted for information that is considered confidential and which is not material to the overall findings contained in the report. Redacted information is in the nature of personal information (such as individuals' names, addresses or telephone numbers), and bank account details. The remaining five reports are at Attachment B.

**List of compliance reports**

2010-11	The Greens – NSW <sup>1</sup>
2010-11	Australian Greens, Victorian branch <sup>1</sup>
2010-11	Liberal Party of Australia, NSW Division <sup>1</sup>
2010-11	Liberal Party of Australia <sup>1</sup>
2010-11	National Party of Australia – Victoria <sup>1</sup>
2011-12	Australian Greens <sup>1</sup>
2011-12	Country Liberals – Northern Territory <sup>1</sup>
2011-12	Australian Greens (Northern Territory Branch) <sup>1</sup>
2011-12	Liberal Party of Australia <sup>1</sup>
2011-12	Queensland Greens <sup>1</sup>
2012-13	Country Liberals – Northern Territory <sup>1</sup>
2012-13	Liberal Party (W.A. Division) Inc. <sup>2</sup>
2012-13	Liberal Party (W.A. Division) Inc. - Party Units <sup>2</sup>
2012-13	Liberal Party of Australia – Tasmanian Division <sup>1</sup>
2012-13	National Party of Australia – N.S.W. <sup>1</sup>
2013-14	Liberal Party of Australia (ACT Division) <sup>2</sup>
2013-14	Liberal Party of Australia <sup>2</sup>
2013-14	National Party of Australia (SA) Inc. <sup>2</sup>

Footnotes

<sup>1</sup> Refer to the following link to see the report: <http://www.aec.gov.au/information-access/foi/2015/ls5191.htm>

<sup>2</sup> Refer to the PDF documents supplied with this attachment



Our Ref: Fad5737 – 09/2412, THC12

Mr Ben Morton  
State Director  
Liberal Party (W.A. Division) Inc.  
PO Box 49  
WEST PERTH WA 6872

Dear Mr Morton

### Compliance Investigation

Thank you for your assistance with our investigation of the 2012-13 disclosure return lodged for the Liberal Party (W.A. Division) Inc. The purpose of the review was to assess the accuracy and completeness of the financial information disclosed in that return in compliance with the requirements of the *Commonwealth Electoral Act 1918* (the Act).

The report provides details of the investigation's findings. Each party unit included in the investigation has been issued with a report providing feedback on the accuracy and completeness of the returns they lodged with your Office. Copies of these reports are enclosed for your information.

As our findings in the report indicate there are errors in the return. It is the Australian Electoral Commission's (AEC's) opinion therefore, that for the party's return to be compliant corrections need to be sought under s.319A(2) of the Act. Section 319A(2) enables a party agent to request the AEC to amend a return due to there having been errors or omissions. A *Request for Amendment – Political Party Disclosure Return* form which allows you to do this is enclosed. This form should be completed and lodged with the AEC by **Friday, 8 May 2015**. Alternatively, should you disagree with any of our findings or wish to request amendments that are different or additional to those we have listed above, please also provide an explanation along with any supporting working papers and documents by this due date.

Should you have any queries in relation to this investigation please do not hesitate to contact Brad Edgman, Director Compliance, Funding and Disclosure Branch, on (02) 6271 4509 or email: [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

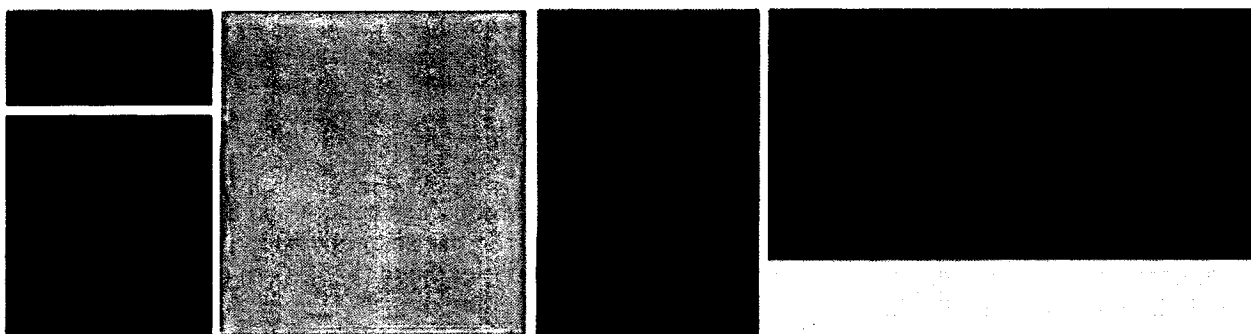
Seema Srivastava  
Assistant Commissioner  
Funding and Disclosure Branch

10 April 2015

# Compliance Investigation Report

Liberal Party (W.A.Division) Inc.

March 2015



**AEC**

Australian Electoral Commission

## Contents

<b>Compliance investigation details .....</b>	<b>2</b>
Purpose of the investigation .....	2
Disclosure obligations .....	2
Scope of the investigation .....	3
Records examined .....	4
<b>Investigation Findings: Overview .....</b>	<b>5</b>
Amendments required .....	5
Total receipts and gifts-in-kind .....	5
Receipts above the disclosure threshold .....	6
Summary of party unit findings .....	8
Internal transfers .....	8
Compliance in future disclosure returns .....	9
Party units – identifying internal transfers .....	9
Party units – donations above the threshold .....	10
<b>Conclusion .....</b>	<b>10</b>
Enquiries and Assistance .....	10

# Compliance investigation details

**Location of review:** Australian Electoral Commission  
West Block, Queen Victoria Terrace  
PARKES ACT 2600

**AEC compliance officers:** Anna Jurkiewicz – Assistant Director  
Warren Kelly – Compliance Officer

**Party staff involved:** Ben Morton – Party Agent  
Cerena Moir – Accountant (CA)

## Purpose of the investigation

The purpose of the compliance investigation was to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act).

The Australian Electoral Commission (AEC) has power under s.316(2A) of the Act to review records and gather relevant information to assess whether the disclosure obligations have been met. Section 316(2A) requires Party Agents to produce documents requested in a notice from the AEC within the period and in the manner specified in the notice.

## Disclosure obligations

Registered political parties and associated entities are required under the provisions of the Act to lodge annual disclosure returns. The disclosure obligation is to disclose accurately and report, as required under s.314AB of the Act, after the end of each financial year:

- the total amount received by, or on behalf of, the party;
- the total amount paid by, or on behalf of, the party; and
- the total outstanding amount of all debts incurred by or on behalf of, the party.

Section 314AC of the Act further provides that if the sum of all amounts received by, or on behalf of, the party from a person or organisation during a financial year is more than the threshold, the return must include the particulars of that sum.

Similarly s.314AE of the Act provides that if the sum of all outstanding debts incurred by, or on behalf of, the Party to a person or an organisation during a financial year is more than the threshold, the return must include the particulars of that sum.

## Scope of the investigation

The AEC's investigation was limited to those financial records held by the political party that were considered to be relevant and sufficient to determine the completeness and accuracy of the information disclosed in the Party's return. Under the Act the AEC does not have specific authority to, and did not, examine any other aspects of the Party's financial operations such as the existence or effectiveness of internal controls.

The AEC investigated the extent to which the financial information reported in all parts of the Party's disclosure return was complete and accurate. As part of this process, the AEC issued two notices to the Party Agent under s.316(2A):

- the first notice issued on 21 July 2014 required the central administration of the Party (State Office) to provide its financial records in relation to its financial operations for 2012-13;
- the second notice issued on 5 September 2014 required the Party Agent to provide the financial records for 20 party units selected by the AEC. These party units were selected from a total of 377 operating on behalf of the Party during the 2012-13 financial year.

The Party Agent responded to each notice by the due date providing the full set of records specified in each notice.

Table 1 below lists the 20 party unit disclosure returns selected.

**Table 1: Party units selected**

No	Party unit name	No	Party unit name
1.	Alfred Cove - State Campaign	11.	Morley State - Campaigns
2.	Balcatta - State Campaign	12.	Nedlands - Curtin Division
3.	Bunbury - State Campaigns	13.	Nedlands - State Campaigns
4.	Cottesloe - State Campaigns	14.	O'Connor - Federal Campaigns
5.	Cunderdin - Durack Division *	15.	Sen. Mathias Cormann - Federal Campaigns
6.	Dalkeith - Curtin Division	16.	State Parliamentary Party
7.	Dalwallinu - Durack Division *	17.	Tangney Marginal Seats - Tangney Division
8.	Denmark - O'Connor Division	18.	Vasse - State Campaigns
9.	Dunsborough - Forrest Division	19.	Wangara/Landsdale - Cowan Division *
10.	Kelmscott - Canning Division	20.	YLM Cowan - Cowan Division *

Four of the party units above reported nil financial activities and are identified by asterisk.

The results of the compliance investigation regarding disclosures made by the 20 party units are discussed in detail under *Summary of party unit findings*.

## Records examined

The key financial records requested from the State Office included:

- bank statements for all bank accounts including any investment accounts;
- transaction reports for all accounts from the State Office's accounting system;
- audited financial statements; and
- working papers supporting financial disclosures made by the Party in its disclosure return.

The key financial records requested from the treasurers of the selected party units included:

- a list of transactions for all accounting including cash receipts and cash payments;
- bank statements for all accounts including investment accounts; and
- financial statements, if maintained.

Where party units reported no financial activities the investigation instead required treasurers of the respective party units to fill out and sign a *Questionnaire* form to confirm the veracity of the information reported.



# Investigation Findings: Overview

The compliance investigation identified three amendments necessary to correct the Party's 2012-13 disclosure return. Two of these three amendments were discovered from examination of the records of the sample of 20 party units chosen as part of the investigation. As the Party operated 377 party units it raises a question about the likelihood of further errors in the disclosures reported to State Office across the Party. The Party should consider extending the examination of party unit records undertaken in the compliance investigation to identify whether further material failures in disclosure reporting by party units to the State Office have occurred.

## Amendments required

Under s.319(A)(2) of the Act a person who has furnished a return may request the permission of the Electoral Commission to make a specified amendment of the claim or return for the purpose of correcting an error or omission.

In order to meet its disclosure obligations under the Act the Liberal Party (W.A. Division) Inc. will need to submit a request under s.319(A)(2) to amend its disclosure return. The details of the requested amendments are set out below.

## Total receipts and gifts-in-kind

### Disclosure requirements

Section 314AB (2) (a) of the Act requires the agent of a registered political party to report the total amount received by, or on behalf of, the party during the financial year. The amount received must include the value of a gift, loan or bequest in accordance with s314AA of the Act.

The Party, therefore, must incorporate into its total receipts, the estimated value of gifts-in-kind received by the Party including the party units operating on its behalf. The valuation of a gift-in-kind should, wherever possible, be at market price, that is, at the price at which an asset or service could be bought or sold at the time the items were received.

### Findings

The records examined indicate that the State Office has incorporated the value of the gifts-in-kind into its total receipts including those reported by the party units. However, of the 20 party units reviewed in the course of the compliance investigation, one party unit, Vass State Campaign, failed to account for and subsequently report its gifts-in-kind on the disclosure return to the State Office. Consequently, the Party did not account for that gift-in-kind component in its disclosure return to the AEC.

The treasurer of the Vass Campaign confirmed during the compliance investigation that the party unit had been donated seven items which were auctioned at a fundraising function. The details

and valuation of the items totalling \$32,300 as provided by the Treasurer are listed at Attachment A.

This omission would normally necessitate an amendment to both the figures reported on the Party's disclosure return for total receipts and gifts-in-kind. However, as discussed later in this report under the section *Summary of party unit findings*, the Party's total receipts appear to be overstated by a sum greater than this omission. Therefore, on this occasion, only the gifts-in-kind component will need to be amended.

In view of this, the Party should list in Part 1b of *Request for Amendment* form the amount of gifts-in-kind as set out in the table below.

### Required amendment

Previous gifts-in-kind	\$402,987
Amended gifts-in-kind	\$435,287

## Receipts above the disclosure threshold

### Disclosure requirements

Section 314AC of the Act provides that if the sum of all amounts received by, or on behalf of, the party from a person or organisation during a financial year is more than the threshold, the return must include the particulars of that sum. For the 2012-13 financial year the threshold was the sum of the relevant amounts in excess of \$12,100.

In calculating the sum, an amount of \$12,100 or less need not be counted (s.314AC(2)).

To comply with this provision, the details of any amount above the threshold received from any external sources must be disclosed in the return regardless of the nature of the receipt, including the amount, name and address of the person or organisation. In the case of an unincorporated association or trust/foundation, the names and addresses of the executive committee or of the trustees of fund or foundation must also be provided.

To ensure the accuracy of the disclosures made, it is necessary to ascertain the actual source of the funds received.

### Findings

In its disclosure return, the Party reported sixty eight receipts above the threshold of \$12,100. However, in the course of the compliance investigation a further two receipts above the threshold were identified as not reported. The details of those receipts are discussed below.

**1. Australian Stock Exchange (ASX)**

The Party's bank statement records show a deposit of \$110,000 labelled as received from ASX Operations P. According to the bank statement number [REDACTED] of the Business Management Account the amount was deposited on 28 March 2013.

During the compliance investigation the Party explained that it had not reported this amount as it was incorrectly paid into the Party's account and the amount was subsequently returned to the ASX on 23 April 2013. The legislation, however, does not distinguish between amounts received and those that may have been subsequently returned.

To correct this omission, Part 2 of Request for Amendment form should list this amount as set out in the table below. The Party may choose to make an annotation against this receipt advising that the amount was returned four weeks later to the ASX.

**Required amendment**

	Name	Address	Amount received \$
Original Entry	-	-	-
Amended Entry	Australian Stock Exchange	[to be provided]	110,000

**2. Scott Park Group**

An examination of the financial records provided by the State Office on behalf of the party unit, Alfred Cove – State Campaign, revealed one amount that was not reported by the party unit to the State Office and, therefore, not reported by the Party to the AEC.

The amount of \$20,000, forming part of a larger \$27,100 deposit, was initially identified in the party unit's transaction spreadsheet labelled as received from Scott Park Group on 14 September 2012.

During the compliance investigation, the Treasurer of the party unit confirmed that the deposit of \$27,100 made in the Alfred Cove's bank account on 17 September 2012 consisted of four separate amounts, including the \$20,000 from Scott Park Group. The four individual amounts making up the entire deposit were further supported by copies of cheque deposit stubs listing the individual amounts and their source.

As the remaining three amounts forming the deposit of \$27,100 were below the disclosure threshold, these do not require being reported. However, the omission of the \$20,000 receipt from Scott Park Group should be rectified by lodging a Request for Amendment form with Part 2 of the form providing the details as indicated in the table below.

## Required amendment

	Name	Address	Amount received
Original Entry	-	-	-
Amended Entry	Scott Park Group	[to be provided]	\$20,000

## Summary of party unit findings

### Internal transfers

The compliance investigation examined financial information reported in the disclosure returns of the 20 party units selected. The examination took into account amendments made to the figures reported in the party unit returns by the State Office before incorporation into the Party's disclosure return. The investigation, therefore, incorporated into its examination the details contained in the excel spreadsheet prepared by the State Office titled *AEC Return - version 2*. The information contained in the State Office's accounting records with reference to the party units was also examined.

The excel spreadsheet provided by the State Office included a comprehensive summary of the financial information reported by all 377 party units reported against the subheadings listed in the table below.

**Table 2: Excel spreadsheet details – subheadings**

Total receipts	Total payments
Receipts from other liberal party units	Payments to other liberal party units
Total external receipts;	Total external payments
Receipts over\$12,100	Debts as at 30 June 2013
Gifts-in-kind	Bank balance
Bank reconciliation	Bank balances as at the end of the 2012 and 2013 financial years

Based on the records examined it appears that the amendments made by the State Office attempted to correct the figures of internal transfers reported in Parts 1B and 3B of some party unit returns. The State Office's corrections reduced the extent of errors in the external receipts and payments disclosed than otherwise would have been the case if the party unit returns had been accepted at face value. Most errors identified during the examination of the party unit records were due to:

- the accounting treatment of the credit card transactions processed by the State Office on behalf of the party units – party units typically classified internal transactions with the State Office as external transactions;
- party units also typically classifying transactions with other party units as external transactions; and
- a failure to eliminate all internal transfers between the party unit's own bank accounts, including investment accounts.

Because of the above issues:

- the external receipts reported by the selected party units were found to be overstated by a total of \$144,852 compared to the external receipts reported in the party units summary spreadsheet prepared by the State Office; and
- total external payments were found to be overstated by \$20,255.

Attachment B contrasts the external receipts and payments reported by the State Office in its summary spreadsheet with those following our examination of party unit financial records.

The overall impact of those figures on the Party's total receipts and payments were not considered to warrant lodgement of an amendment. This conclusion was reached due to the:

- nature of the discrepancies;
- materiality of the discrepancies compared to the overall total amounts reported; and
- small sample size, which represented only 5.3% of the total party unit population.

## Compliance in future disclosure returns

### Party units – identifying internal transfers

The quality of the records provided and communications with the State Office during the compliance process point to the Party's continued commitment to improve the completeness and accuracy of reporting by its party units.

To reduce errors relating to internal transfers of funds being reported in Parts 1B and 3B of the party unit disclosure form, the State Office advised that it had introduced an improved form for the 2013-14 financial year. A copy of the form provided to us confirms that clearer guidance is being provided as to the type of transactions to be reported in Parts 1B and 3B of the return.

It is noted, however, that whilst credit card transfers from the State Office to party units are mentioned along with the funds received and paid to other branches, it might be prudent to mention the third category of internal transfers, that is, the movement of funds between bank accounts held by the one party unit.

The State Office also advised that it had conducted workshops, which offered further opportunity to the party unit treasurers to strengthen their disclosure obligations awareness. It is acknowledged that workshops present an excellent opportunity to help ensure that the reporting by party units is complete and accurate.

### **Party units – donations above the threshold**

The instance of a donation from Scott Park Group of \$20,000 received by a party unit having gone unreported to the State Office, and therefore undisclosed, is cause for concern for both the Party and the AEC. It naturally raises the question of whether this is a one-off occurrence or if there may be other instances of failures by party units to report receipts above the disclosure threshold and gifts-in-kind.

It is important to note that failure by a party unit treasurer to accurately report to the Party Agent information requested for inclusion in a disclosure return may constitute an offence under s.315(7) of the Act.

The Party may wish to consider, at least for those party units with large incomes, whether there is a need for any additional verification to be sought when no receipts above the threshold have been reported.

## **Conclusion**

The Liberal Party (W.A. Division) Inc. should request an amendment under s319A(2) of the Act in order to correct the errors and omissions outlined in this report so as to ensure full compliance with its disclosure obligations under the Act.

### **Enquiries and Assistance**

Should the party require any assistance regarding its disclosure obligations under the Act, please contact the AEC's Funding and Disclosure Branch either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

## ATTACHMENT A

**Gifts-in-kind reported by Vass – State Campaign**

Donor	Gift	Estimated value \$
Satterley Group	Entertainment package	2,500
Hawaiian	Travel - luxury weekend	4,000
Troy Buswell	Lunch with Troy Boswell at Parliament House	4,600
Gordon Martin	Dean Alston Political Wine Package	1,600
Grand Cru Cellars	Penfolds Grange Magnum	2,600
Toni Hunter and Range Ford	Luxury Boat Trip	6,000
Heyder & Shears and Grand Cru Cellars	Private Dinner with Troy Buswell	11,000
	<b>Total</b>	<b>32,300</b>

## ATTACHMENT B

## Party Units - total external receipts &amp; payments reported and reviewed

Amounts reported		Amounts reviewed		Difference			
NO	PARTY UNIT	Receipts	Payments	Receipts	Payments	Receipts	Payments
1	Alfred Cove	180,062.35	97,907.75	152,226.50	92,802.00	27,835.85	5,105.75
2	Balcatta	39,773.70	77,496.34	39,643.50	69,549.29	130.20	7,947.05
3	Bunbury	15,578.28	20,470.36	15,578.28	27,182.26	0.00	- 6,711.90
4	Cottesloe	94,267.52	41,915.45	79,268.88	45,691.85	14,998.64	- 3,776.40
5	Cunderdin*	0.00	0.00	0.00	0.00	0.00	0.00
6	Dalkeith	180.00	234.20	180.24	249.75	- 0.24	- 15.55
7	Dalwallinu*	0.00	0.00	0.00	0.00	0.00	0.00
8	Denmark	50.00	0.00	50.00	0.00	0.00	0.00
9	Dunsborough	1,988.77	226.88	6,145.96	11,962.45	- 4,157.19	- 11,735.57
10	Kelmscott	370.00	1,420.67	370.00	1,015.67	0.00	405.00
11	Morley	57,015.82	74,216.44	56,852.44	50,742.44	163.38	23,474.00
12	Nedlands Branch	0.00	0.00	0.00	0.00	0.00	0.00
13	Nedlands State Campaigns	76,485.00	28,891.30	63,274.50	28,649.58	13,210.50	241.72
14	O'Connor	130,065.00	38,659.00	134,291.69	39,757.58	-4,226.69	-1,098.58
15	Sen Mathias Cormann	218,411.00	124,723.47	175,029.47	124,723.47	43,381.53	0.00
16	State Parliamentary Party	215,113.39	48,628.31	215,113.39	48,628.311	0.00	0.00
17	Tangney Marginal Seats	118,838.00	39,420.60	65,321.90	39,140.70	53,516.10	279.90
18	Vasse	183,425.46	171,257.24	183,425.46	165,117.97	0.00	6,139.27
19	Wangara/Landsdale*	0.00	0.00	0.00	0.00	0.00	0.00
20	YLM Cowan*	0.00	0.00	0.00	0.00	0.00	0.00
	<b>TOTAL</b>	<b>1,331,624.29</b>	<b>765,468.01</b>	<b>1,163,826.07</b>	<b>825,210.82</b>	<b>144,852.08</b>	<b>20,254.69</b>
						<i>Over-stated</i>	<i>Over-stated</i>



**AEC**

Australian Electoral Commission

Mr Paul Owen  
Treasurer  
Albert Cove State Campaign – Liberal Party (W.A Division) Inc.  
PO Box 7084  
APPLECROSS NORTH WA

Dear Mr Owen

I am writing to provide you with the report following review of the financial records that you provided on behalf of Alfred Cove – State Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton - Party Agent

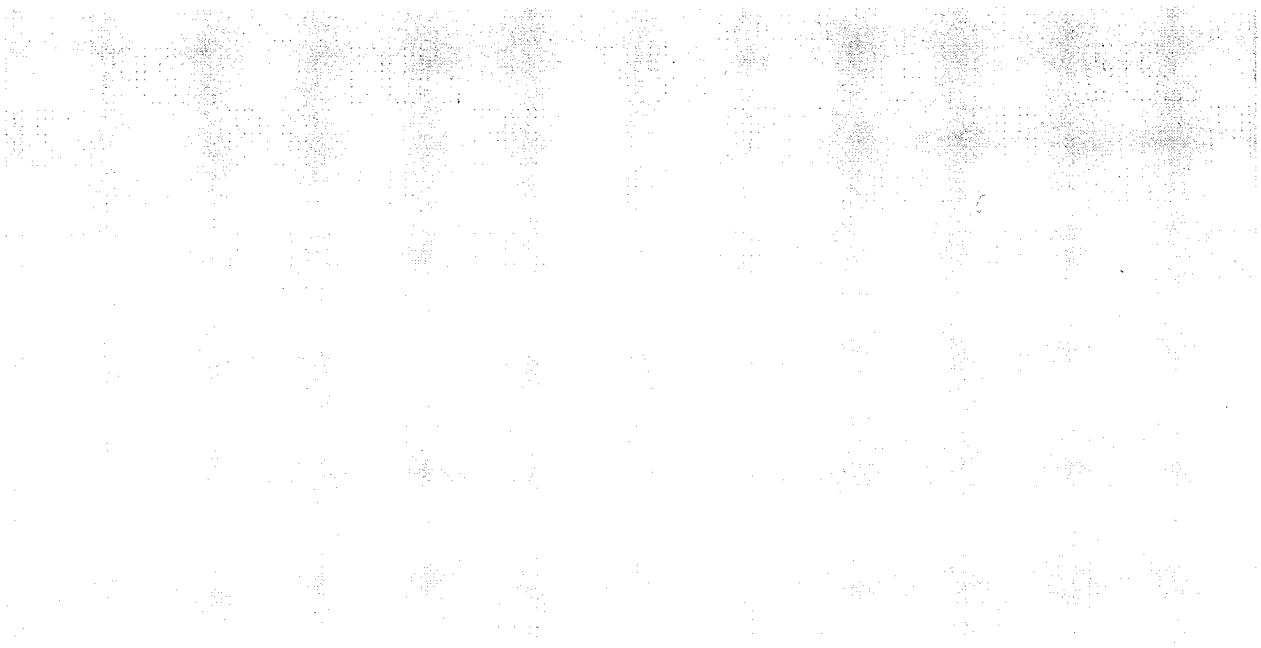
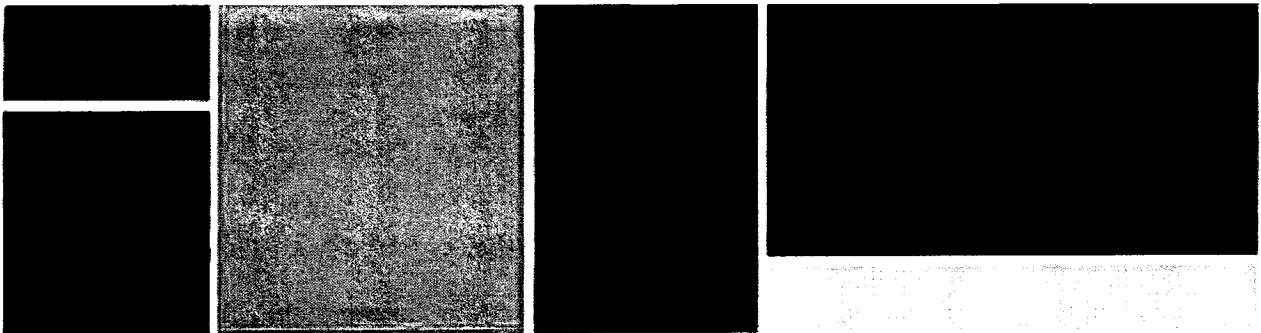


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Alfred Cove – State Campaign

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officers: Anna Jurkiewicz – Assistant Director

Party staff involved: Paul Owen - Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The Head Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- a list of transaction records including receipts and payments; and
- the Disclosure Return of the Branch lodged with the Head Office.

## Investigation findings

Based on the records provided, the investigation identified two issues that were found to impact on the completeness and accuracy of the consolidated return lodged on behalf of the Party with the AEC. The two issues are outlined below.

### Receipts over \$12 100

It is a requirement under s.314AC of the Act that if any amounts received by, or on behalf of, the party from a person or organisation during a financial year is more than the threshold, the return must include the particulars of that sum. For the 2012-13 financial year the threshold was \$12 100.

Based on the transaction records provided and evidence presented during the compliance process, it was confirmed that one amount for \$20 000 received from Scott Parkes Group had not been reported in Part 2 of the party unit return. As a consequence, the consolidated Party's return lodged with the AEC was incomplete as the Head Office had not been aware of this receipt.

### Total external receipts and payments

Instructions included in Part 1B of the party unit disclosure return required to report total receipts received from any other Liberal Party unit including the Head Office. This requirement

means that any credit card transactions processed by the Head Office on behalf of the party unit should also be reported in this part of the report.

It appears, however, that the credit card transactions from the Head Office were treated as external rather than internal transactions. Whilst such classification might be appropriate for the party unit's operating activities, it is incorrect for the disclosure purposes of the entire Party, that is, the Head Office and all of its party units.

As the return lodged with the AEC needs to report consolidated financial information on behalf of the entire Party, it means that all internal transactions must be eliminated to arrive at the correct amounts of external receipts and payments. In future, therefore, care must be taken to report all transactions with Head Office, including on credit cards, as internal transfers of funds.

We note that the Head Office amended its party unit disclosure form for the 2013-14 financial year requesting it explicitly to include credit card transactions in Part 1B of the return. This additional guidance should assist in more accurate reporting of the internal transactions between the Head Office and the party unit.

## Matter requiring attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).





Mr Chris Hatton MLA  
Treasurer  
Suite 3, 36 Cedric Street  
STIRLING WA 6021

Dear Mr Hatton

I am writing to provide you with the report following review of the financial records that you provided on behalf of Balcatta – State Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent



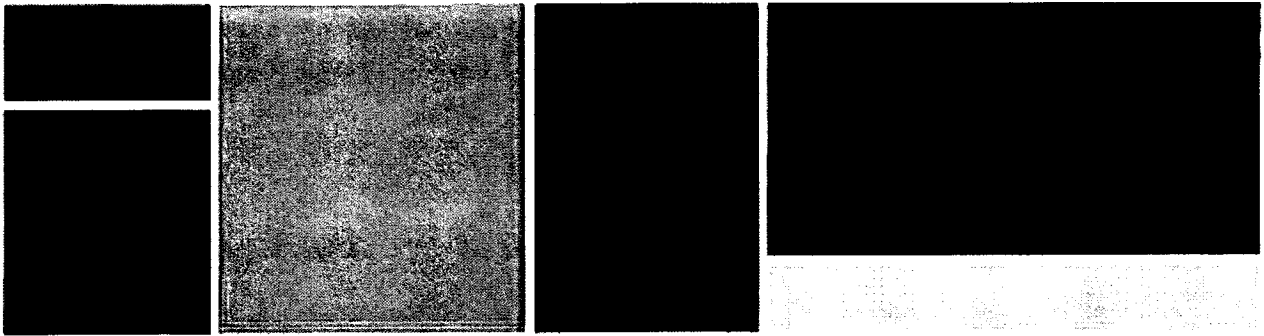


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Balcatta – State Campaign

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officers: Anna Jurkiewicz – Assistant Director

Party staff involved: Chris Hatton MLA - Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of bank statements;
- income and expenditure report; and
- the Disclosure Return lodged with the Head Office.

## Investigation findings

### Internal transfers

The investigation did not identify any discrepancies between total receipts and payments reported in Parts 1A and 3A of the party unit return. However, the accuracy of the internal transfers required to be reported in Parts 1B and 3B of the return could not be confirmed with certainty due to the insufficient description of the transactions in the records provided. In view of this, the accuracy of the external receipts and payments in Parts 1C and 3C could not be ascertained.

As the return lodged with the AEC needs to report consolidated financial information on behalf of the entire Party, it means that all the internal transactions must be identified and eliminated to arrive at the correct amounts of external receipts and payments. The information reported by the party units in Parts 1B and 3B must be accurate as it impacts on the accuracy of the total receipts and payments made by the Party in its disclosure return.

To prevent any potential inaccuracies in the future, all the transactions in the party unit records should be sufficiently labelled to distinguish between the internal and external transactions.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

### Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).





Mr Gary Brennan  
Treasurer  
Bunbury State Campaign – Liberal Party (W.A. Division) Inc.  
Po Box 2130  
BUNBURY WA 6230

Dear Mr Brennan

I am writing to provide you with the report following review of the financial records that you provided on behalf of Bunbury State Campaign – State Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A. Division) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent

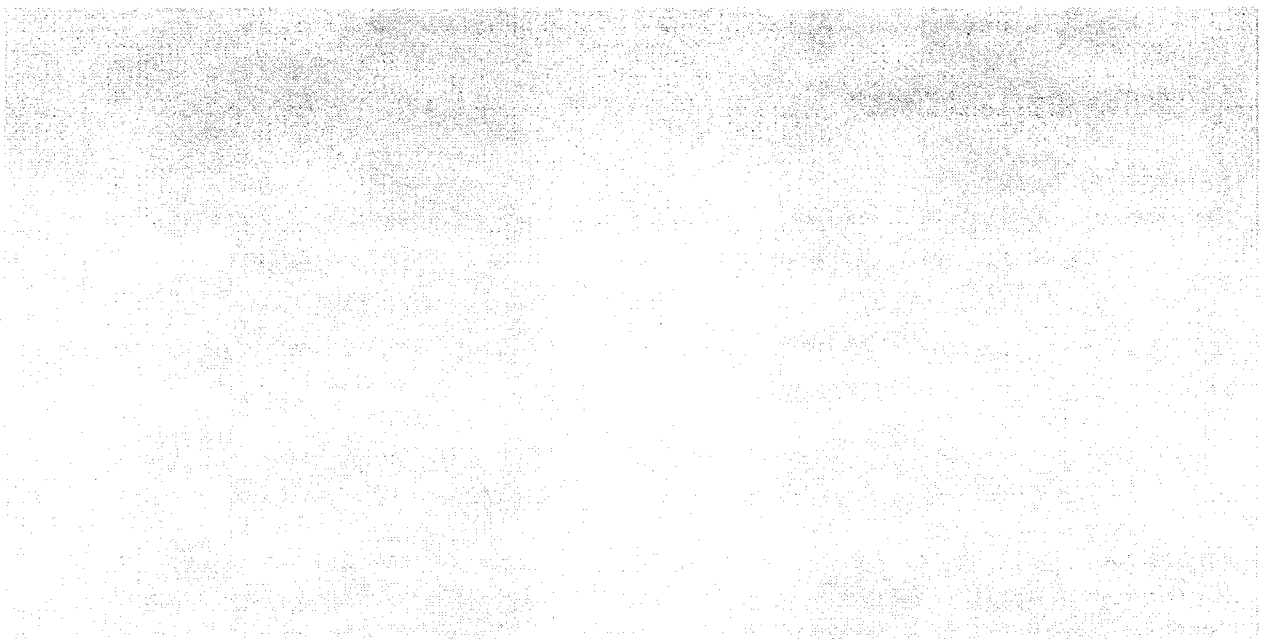
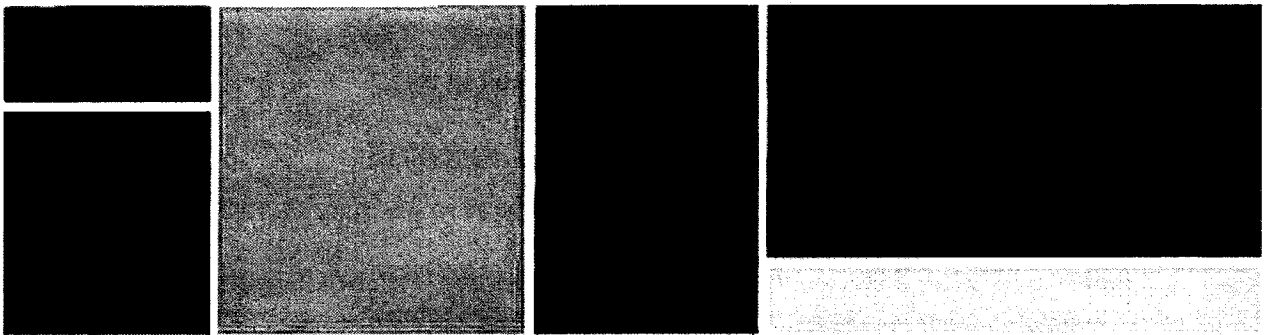


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Bunbury – State Campaign

March 2015



**AEC**

Australian Electoral Commission

## Investigation details

AEC compliance officers: Anna Jurkiewicz – Assistant Director

Party staff involved: Gary Brennan- Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

### Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

### Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements for two bank accounts and one term deposit;
- summary of the transactions for the total receipts and payments; and
- the Disclosure Return of the Branch lodged with the State Office.

### Investigation findings

#### Internal transfers

The investigation did not identify any discrepancies between bank records and the figures reported by the Head Office on behalf of the party unit. However, there appears to have been some uncertainty regarding classification of some internal payment transactions required to be reported in Part 3B due to some transaction descriptions in the financial records not containing enough details to be clearly identified.

To prevent any potential inaccuracies in the future, all the transactions in the party unit records should be sufficiently labelled to distinguish between the internal and external transactions.

As the return lodged by the Head Office with the AEC is required to report consolidated financial information on behalf of the entire Party, it means that all the internal transactions must be identified and eliminated to arrive at the correct amounts of external receipts and payments.

The information reported by the party units in Parts 1B and 3B, therefore impacts on the accuracy of the total receipts and payments reported by the Party in its disclosure return.



## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

### Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).



**AEC**

Australian Electoral Commission

Mr Rick Brine  
Treasurer  
Cottesloe State Campaign – Liberal Party (W.A Division) Inc.  
172 Little Marine Parade  
COTTESLOW WA 6011

Dear Mr Brine

I am writing to provide you with the report following review of the financial records that you provided on behalf of Cottesloe – State Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton - Party Agent

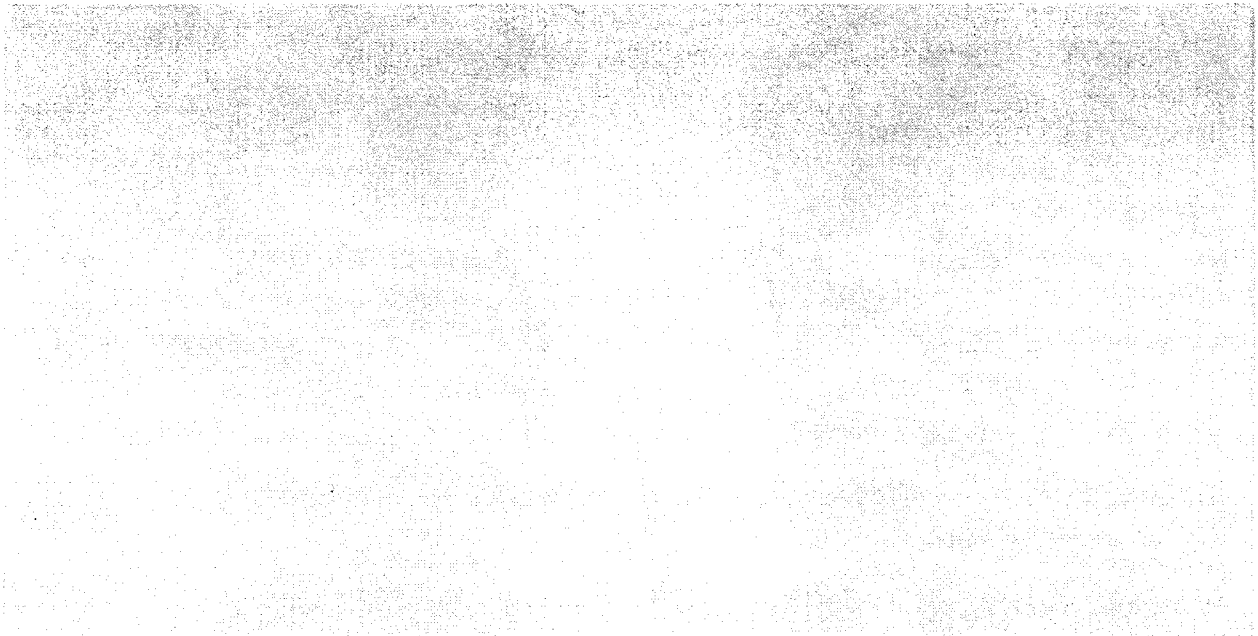
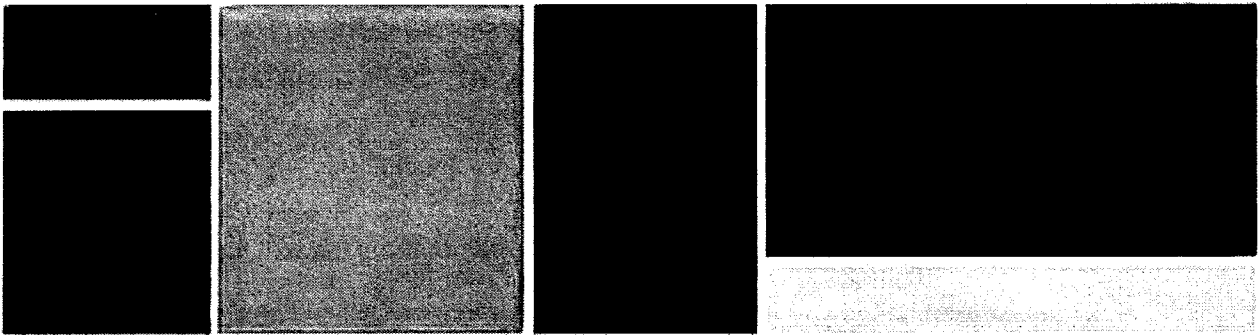


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Cottesloe– State Campaign

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Richard Brine – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The Head Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- a list of transaction records including receipts and payments; and
- the Disclosure Return of the Branch lodged with the Head Office.

## Investigation findings

### Internal transfers

Minor discrepancies were identified regarding transactions reported in Part 1B of the party unit disclosure return. Part 1B requires to report total receipts received from any other Liberal Party unit including the Head Office. This requirement means that any transactions processed by the Head Office on behalf of the party unit and any funds received from other party units should also be reported in this part of the report.

Similar information is required to be reported in Part 3B of the party unit return with regard to internal payments within the Party.

As the disclosure return lodged by the Head Office with the AEC is required to report consolidated financial information on behalf of the entire Party, it means that all the internal transactions within the Party, including party units, must be identified and eliminated accurately to arrive at the correct amounts of external receipts and payments.

## Matter requiring attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).







Mr John Snooke  
Treasurer  
Cunderdin Branch – Liberal Party (W.A. Division) Inc.  
PO Box 170  
CUNDERDIN WA 6407

Dear Mr Snooke

I am writing to thank you for completing the party unit compliance investigation questionnaire for Cunderdin Branch. This questionnaire formed part of a wider compliance investigation of the 2012–13 disclosure return lodged for the Liberal Party (W.A. Division) Inc. with the Australian Electoral Commission.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure- Compliance

30 March 2015

cc: Ben Morton, Party Agent





Mr Barry Weaver  
Treasurer  
Dalkeith Branch – Liberal Party (W.A. Division) Inc.  
20 Keane Street  
WEMBLEY WA 6014

Dear Mr Weaver

I am writing to provide you with the report following review of the financial records that you provided on behalf of Dalkeith Branch. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent

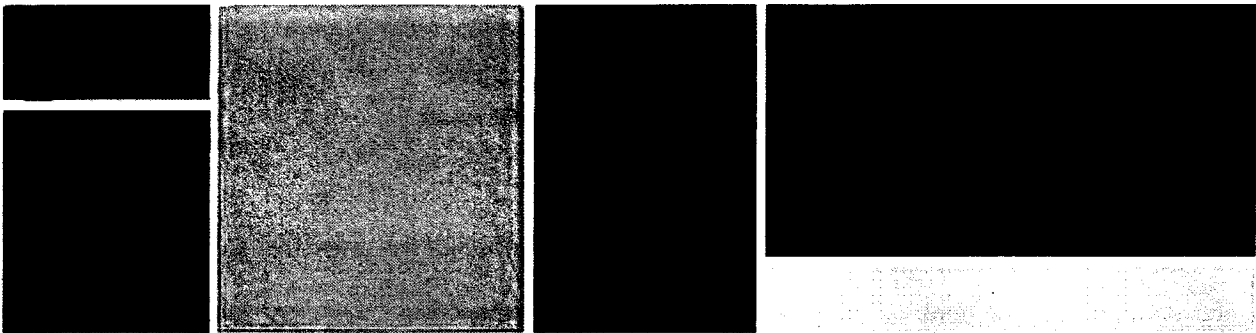


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Dalkeith Branch

March 2015



**AEC**

Australian Electoral Commission

## Investigation details

AEC compliance officers: Anna Jurkiewicz – Assistant Director

Party staff involved: Barry Weaver – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

### Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

### Records examined

The Head Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements for two accounts;
- a list of transaction records including receipts and payments; and
- the Disclosure Return of the Branch lodged with the Head Office.

### Investigation findings

The investigation did not identify any discrepancies between the records provided and the figures reported in the party unit disclosure return to the Head Office of the Party.

### Matter requiring future attention

#### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).







Mr James Falls  
Treasurer  
Dalwillinu Branch – Liberal Party (W.A. Division) Inc.  
PO Box10  
DAWILLINU WA 6609

Dear Mr Falls

I am writing to thank you for completing the party unit compliance investigation questionnaire for Dalwillinu Branch. This questionnaire formed part of a wider compliance investigation of the 2012–13 disclosure return lodged for the Liberal Party (W.A. Division) Inc. with the Australian Electoral Commission.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure- Compliance

30 March 2015

cc: Ben Morton, Party Agent



**AEC**

Australian Electoral Commission

Mr Ian Osborne  
Treasurer  
Denmark – O'Connor Division – Liberal Party (W.A. Division) Inc.  
177 Osborne Road  
SHADFORTH WA 6333

Dear Mr Osborne

I am writing to provide you with the report following review of the financial records that you provided on behalf of Denmark – O'Connor Division. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent

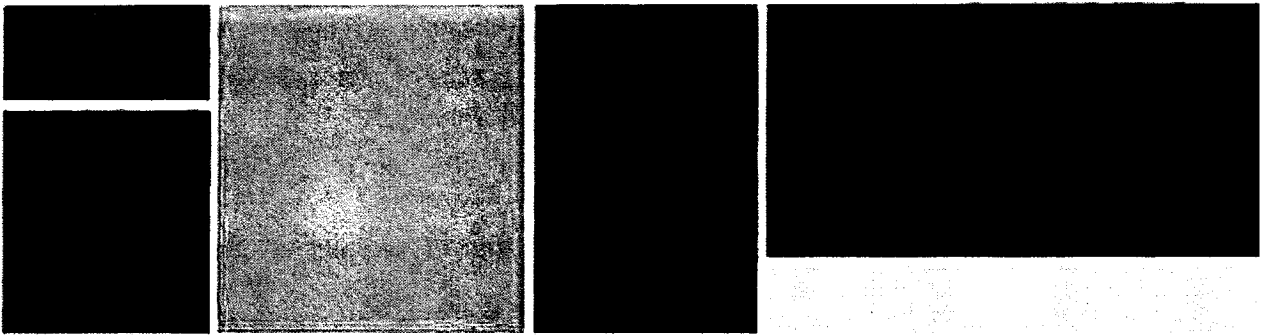


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Denmark Branch

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officers: Anna Jurkiewicz – Assistant Director

Party staff involved: Ian Osborne – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The Head Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements for two accounts;
- a list of transaction records including receipts and payments; and
- the Disclosure Return of the Branch lodged with the Head Office.

## Investigation findings

The investigation did not identify any discrepancies between the records provided and the figures reported in the party unit disclosure return to the Head Office of the Party.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).





**AEC**

Australian Electoral Commission

Mr Ross Walker  
Treasurer  
Dunsborough Branch - Liberal Party (W.A. Division) Inc.  
PO Box 270  
DUNSBOROUGH WA 6281

Dear Mr Walker

I am writing to provide you with the report following review of the financial records that you provided on behalf of Dunsborough Branch. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Assistant Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent

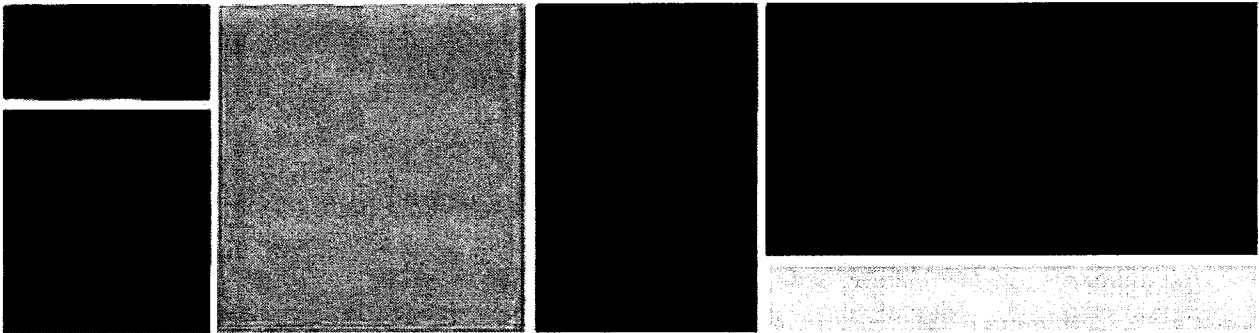


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Dunsborough Branch

March 2015



**AEC**

Australian Electoral Commission

## Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Ross Walker – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

### Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

### Records examined

The Head Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements and one term deposit;
- a statement of receipts and payments; and
- the Disclosure Return lodged with the Head Office.

### Investigation findings

#### Internal transfers

Minor discrepancies were identified regarding transactions reported in Part 1B of the party unit disclosure return. Part 1B requires to report total receipts received from any other Liberal Party unit including the Head Office. This requirement means that any transactions processed by the Head Office on behalf of the party unit and any funds received from other party units should also be reported in this part of the report.

Similar information is required to be reported in Part 3B of the party unit return with regard to internal payments within the Party.

As the disclosure return lodged by the Head Office with the AEC is required to report consolidated financial information on behalf of the entire Party, it means that all the internal transactions within the Party, including party units, must be identified and eliminated accurately to arrive at the correct amounts of external receipts and payments.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).





Ms Caroline Boyer  
Treasurer  
Kelmescott Branch - Liberal Party (W.A. Division) Inc.  
49 Connemara Drive  
THORNIE WA 6108

Dear Ms Boyer

I am writing to provide you with the report following review of the financial records that you provided on behalf of Kelmescott Branch. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent



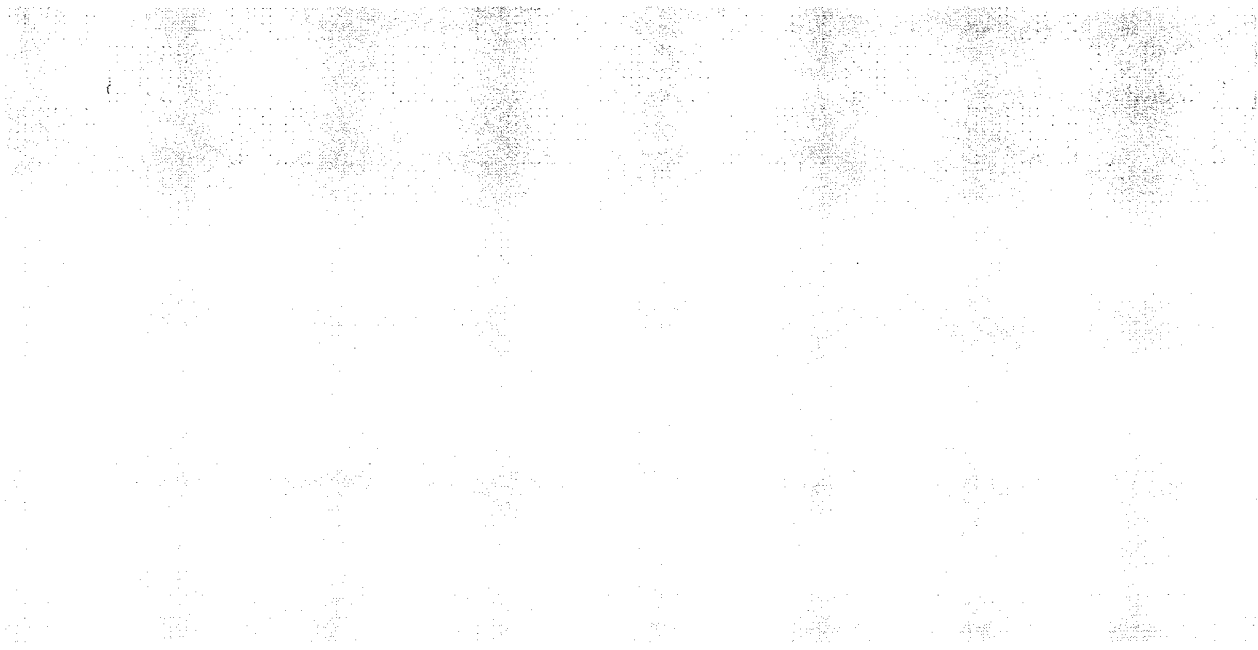
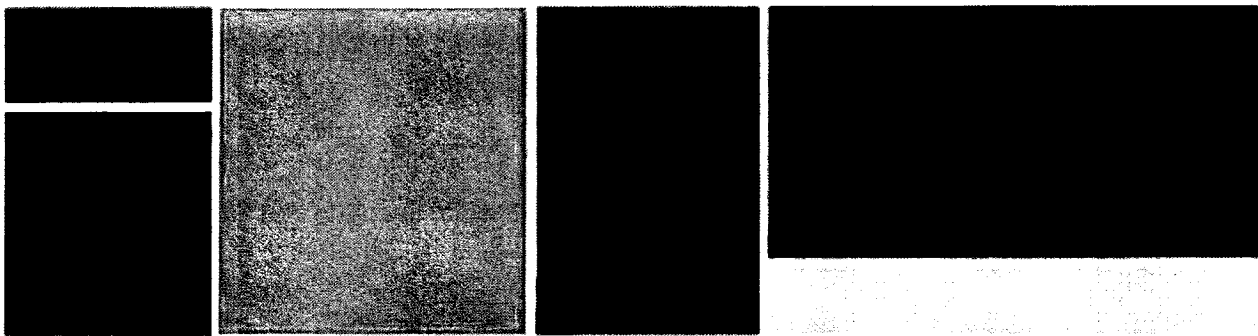


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Kelmscott Branch

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Caroline Boyer – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The Head Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- a list of transaction records including receipts and payments; and
- the Disclosure Return of the Branch lodged with the Head Office.

## Investigation findings

Based on the records provided, the investigation did not find any discrepancies between the records provided by the party unit and the disclosure return lodged with the Head Office of the Party.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).





Ms Christine Gundry  
Treasurer  
Morley State Campaign - Liberal Party (W.A. Division) Inc.  
PO Box 577  
MORLEY WA 6943

Dear Ms Gundry

I am writing to provide you with the report following review of the financial records that you provided on behalf of Morley State Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4745 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent

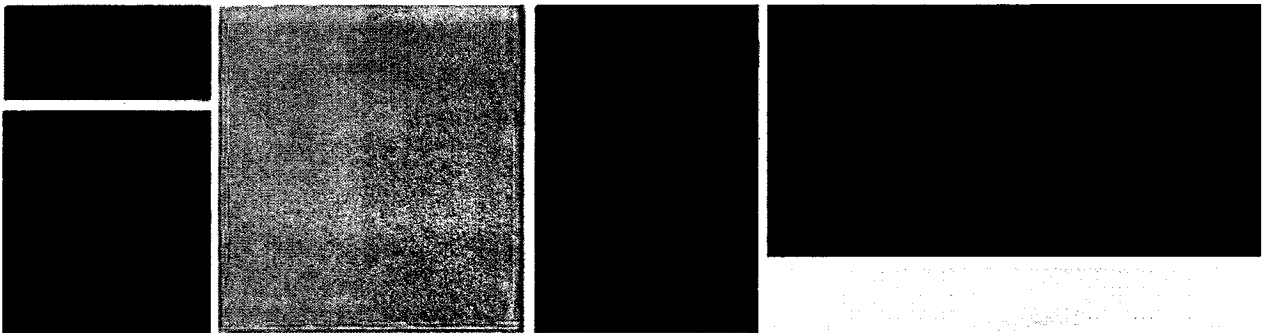


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Morley State Campaign

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Christine Gundry – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The Head Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- an excel spreadsheet listing income and expenditure; and
- the Disclosure Return of the Branch lodged with the Head Office.

## Investigation findings

The investigation did not identify any discrepancies between bank records and the figures reported by the Head Office on behalf of the party unit. However, there appears to have been some uncertainty regarding classification of some internal payment transactions required to be reported in Part 3B of the return.

To prevent any potential inaccuracies in the future, all transactions in the party unit records should be sufficiently labelled to distinguish between the internal and external transactions. Assistance from the Head Office might also be beneficial where uncertainty arises in classifying some of the transactions.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents



such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).





Mr Russell Davis  
Treasurer  
Nedlands Branch - Liberal Party (W.A. Division) Inc.  
27 Faulkner Street  
WEMBLEY DOWNS WA 6019

Dear Mr Davis

I am writing to provide you with the report following review of the financial records that you provided on behalf of Nedlands Branch. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4745 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

36 March 2015

cc: Ben Morton, Party Agent

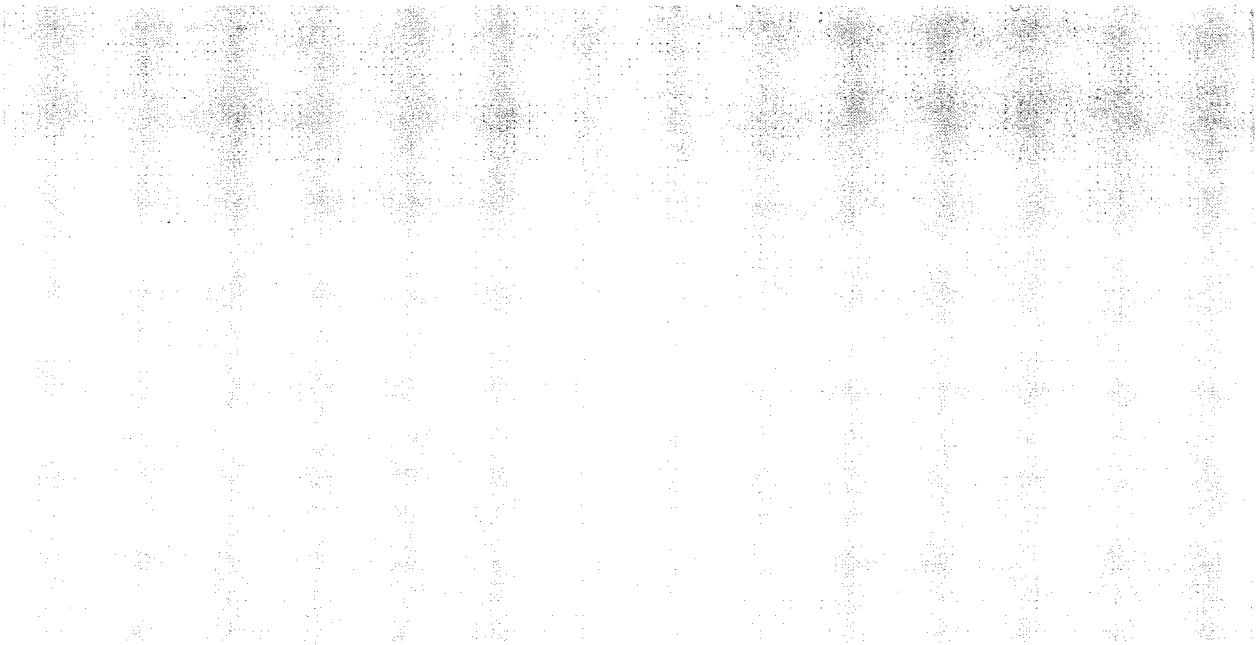
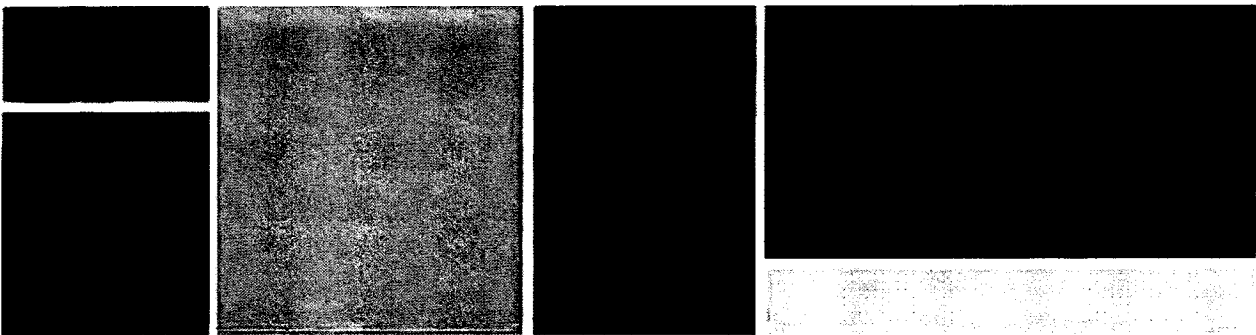


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Nedlands Branch

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Russell Davis – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- income and expenditure report; and
- the Disclosure Return with the State Office.

## Investigation findings

The investigation did not identify any discrepancies between the records provided and the figures reported in the party unit disclosure return to the Head Office of the Party.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).







Ms Sally Plummer  
Treasurer  
Nedlands State Campaign - Liberal Party (W.A. Division) Inc.  
6 King Street  
CLAREMONT WA 6010

Dear Ms Plummer

I am writing to provide you with the report following review of the financial records that you provided on behalf of Nedlands State Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A. Division) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future action.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent

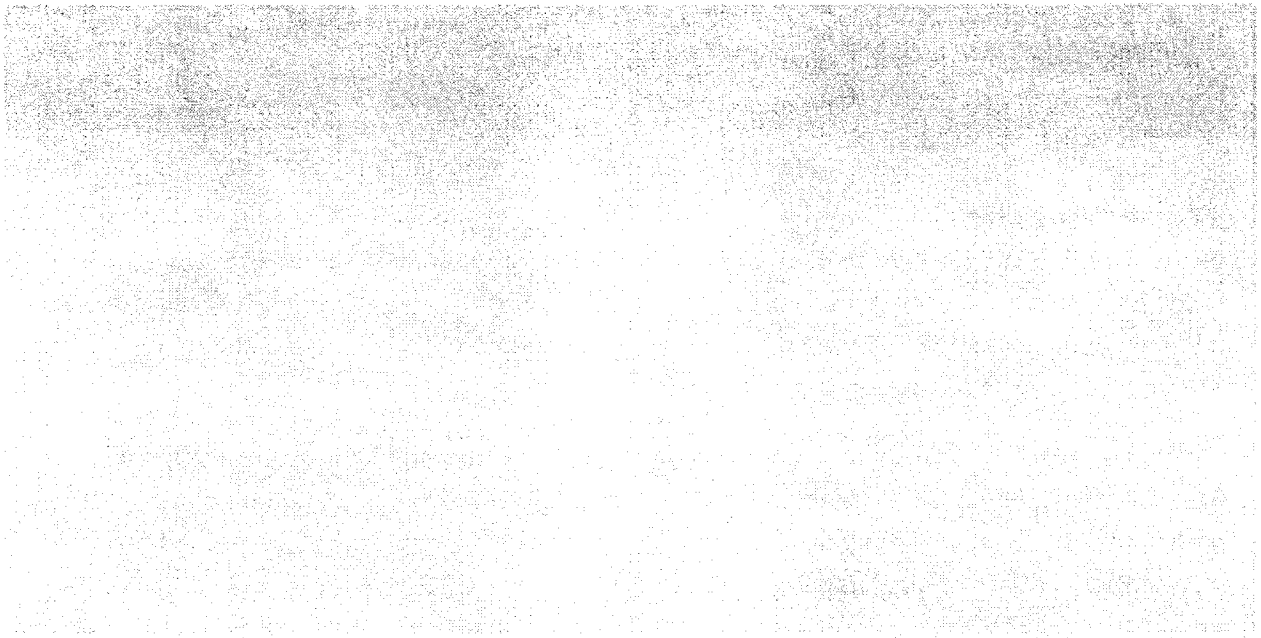
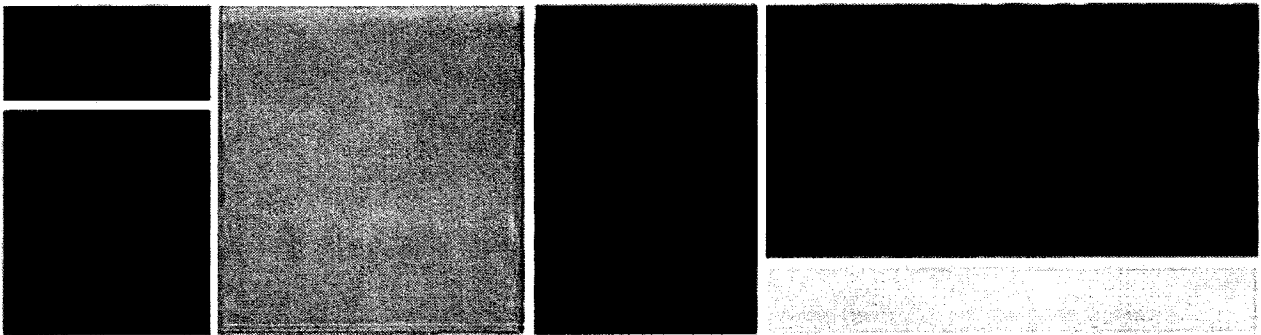


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Nedlands State Campaign

March 2015



**AEC**

Australian Electoral Commission

## Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Sally Plummer – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

### Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

### Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- a list of transaction records including cash receipts and payments; and
- the Disclosure Return lodged with the Head Office.

### Investigation findings

#### Internal transactions

Instructions included in Part 1B of the party unit disclosure return required reporting of total receipts received from any other Liberal Party unit including the Head Office. This requirement means that any credit card transactions processed by the Head Office on behalf of the party unit should also be reported in this part of the report.

It appears, however, that the credit card transactions from the Head Office were treated as external rather than internal transactions. Whilst such classification might be appropriate for the party unit's operating activities, it is incorrect for the disclosure purposes of the entire Party, that is, the Head Office and all of its party units.

As the return lodged with the AEC needs to report consolidated financial information on behalf of the entire Party, it means that all internal transactions must be eliminated to arrive at the correct amounts of external receipts and payments. In future, therefore, care must be taken to report all transactions with Head Office, including on credit cards, as internal transfers of funds.

We note that the Head Office amended its party unit disclosure form for the 2013-14 financial year requesting it explicitly to include credit card transactions in Part 1B of the return. This additional guidance should assist in more accurate reporting of the internal transactions between the Head Office and the party unit.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).





Ms Danielle Power  
Treasurer  
O'Connor - Federal Branch - Liberal Party (W.A. Division) Inc.  
PO Box 366  
MT HAWTHORN WA 6915

Dear Ms Power

I am writing to provide you with the report following review of the financial records that you provided on behalf of O'Connor – Federal Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged for the Liberal Party (W.A. Division) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future attention.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent



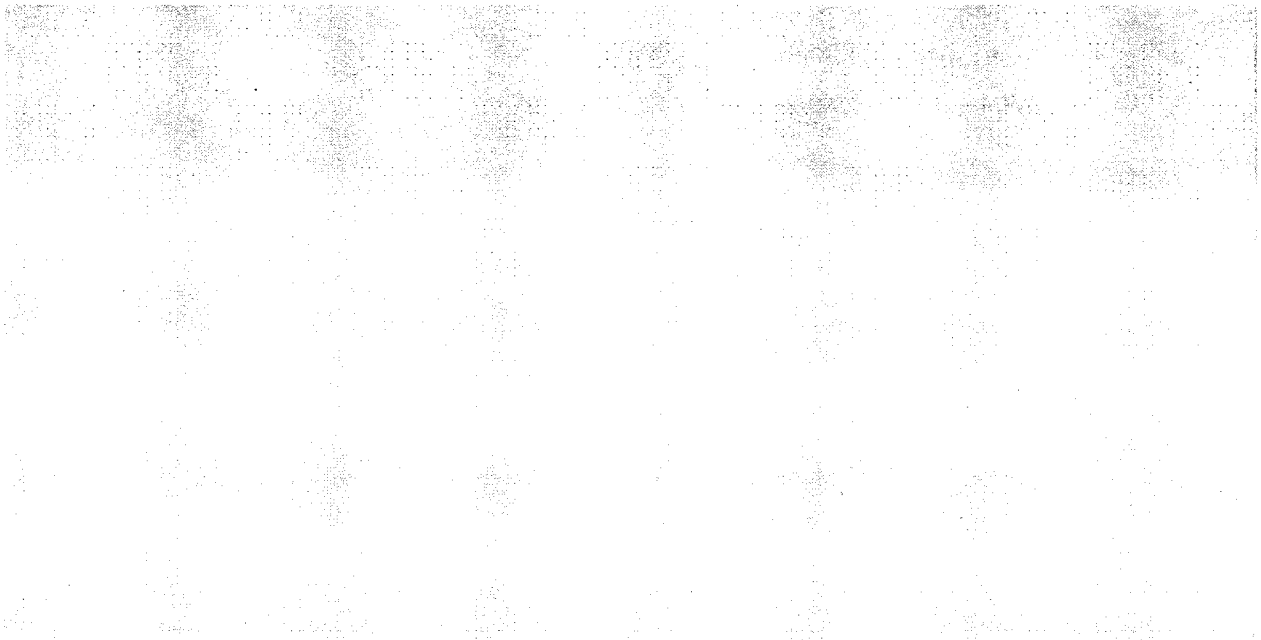
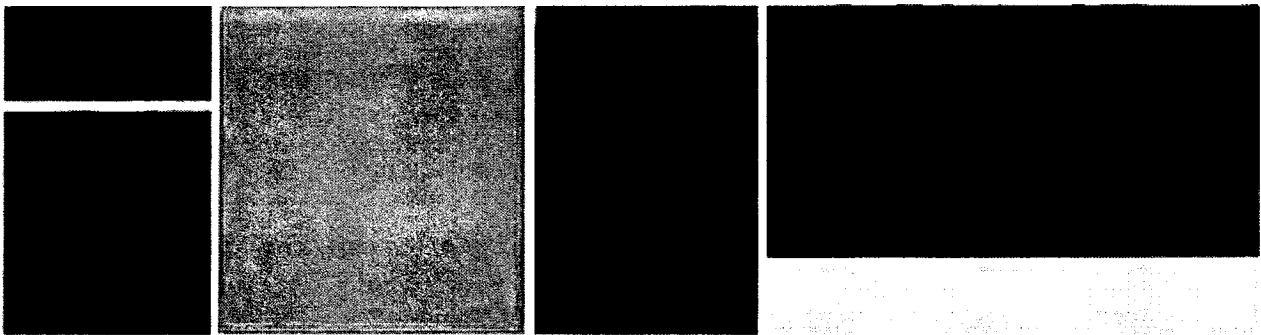


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

O'Connor Federal Campaign

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Danielle Power – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- bank reconciliation reports;
- account transactions from the party unit's accounting system; and
- the Disclosure Return lodged with the State Office.

## Investigation findings

The investigation did not identify any material discrepancies between the records provided and the figures reported in the party unit disclosure return to the Head Office of the Party.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).



**AEC**

Australian Electoral Commission

The Honourable Brian Ellis MLC  
Treasurer  
Parliamentary Liberal Party (WA) – Liberal Party (W.A. Division) Inc.  
Parliament House, Harvest Terrace  
PERTH WA 6000

Dear Mr Ellis

I am writing to provide you with the report following review of the financial records that you provided on behalf of Parliamentary Liberal Party (WA). The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A. Division) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future attention.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent

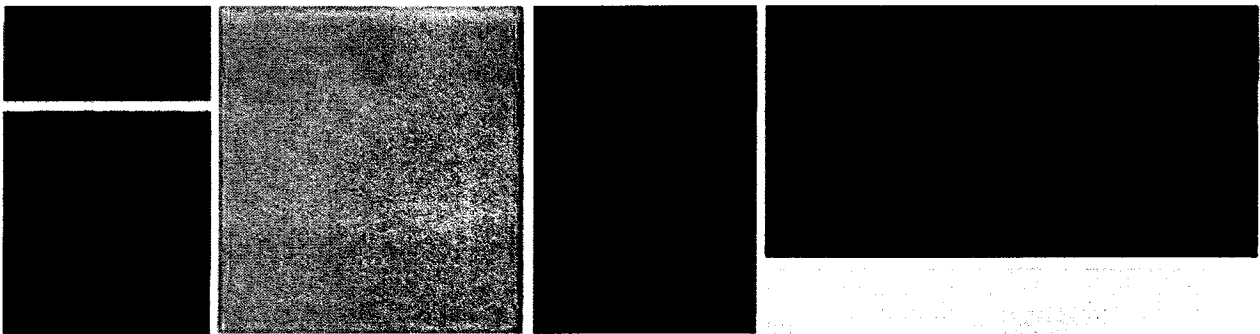


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Parliamentary Liberal Party (WA)

March 2015



**AEC**

Australian Electoral Commission

## Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Honorary Brian Ellis MLA - Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

### Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

### Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- a list of transaction records including receipts and payments; and
- the Disclosure Return of the Branch lodged with the State Office.

### Investigation findings

The investigation did not identify any discrepancies between bank records and the figures reported by the Head Office on behalf of the party unit.

### Matter requiring future attention

#### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.



## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).



**AEC**

Australian Electoral Commission

Mr Slade Brockman  
Treasurer  
Senator Mathias Cormann – Liberal Party (W.A. Division) Inc.  
GPO Box B58  
PERTH WA 6838

Dear Mr Brockman

I am writing to provide you with the report following review of the financial records that you provided on behalf of Senator Mathias Cormann Federal Campaign Account. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future attention.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent

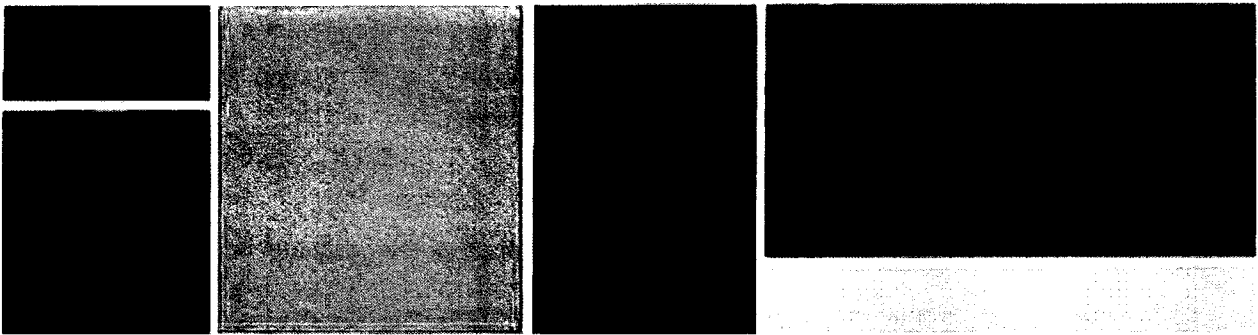


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Mathias Cormann – Campaign Account

March 2015



**AEC**

Australian Electoral Commission

# Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Slade Brockman – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

## Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

## Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- a list of transaction records including receipts and payments; and
- the Disclosure Return lodged with the Head Office.

## Investigation findings

### Internal transfers

Instructions included in Part 1B of the party unit disclosure return required to report total receipts received from any other Liberal Party unit including the Head Office. This requirement means that any credit card transactions processed by the Head Office on behalf of the party unit should also be reported in this part of the report.

It appears, however, that the credit card transactions from the Head Office were treated as external rather than internal transactions. Whilst such classification might be appropriate for the party unit's operating activities, it is incorrect for the disclosure purposes of the entire Party, that is, the Head Office and all of its party units.

As the return lodged with the AEC needs to report consolidated financial information on behalf of the entire Party, it means that all internal transactions must be eliminated to arrive at the correct amounts of external receipts and payments. In future, therefore, care must be taken to report all transactions with Head Office, including on credit cards, as internal transfers of funds.

We note that the Head Office amended its party unit disclosure form for the 2013-14 financial year requesting it explicitly to include credit card transactions in Part 1B of the return. This additional guidance should assist in more accurate reporting of the internal transactions between the Head Office and the party unit.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).







Mr Allan Brown  
Treasurer  
Tangney Marginal Seats Federal Campaign  
PO Box 3166  
MYAREE WA 6154

Dear Mr Brown

I am writing to provide you with the report following review of the financial records that you provided on behalf of Tangney Marginal Seats - Federal Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future attention.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

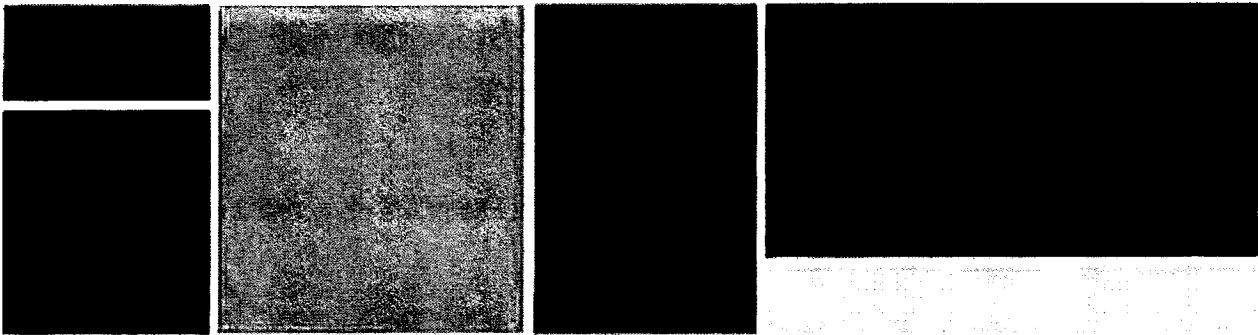
cc: Ben Morton, Party Agent



# Compliance investigation report

Liberal Party (W.A. Division) Inc.  
Tangney Marginal Seats Campaign

March 2015



**AEC**

Australian Electoral Commission

## Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Allan Brown - Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

### Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

### Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- a list of transaction records including receipts and payments; and
- the Disclosure Return lodged with the Head Office.

### Investigation findings

#### Internal transactions

Instructions included in Part 1B of the party unit disclosure return required to report total receipts received from any other Liberal Party unit including the Head Office. This requirement means that any credit card transactions processed by the Head Office on behalf of the party unit should also be reported in this part of the report.

It appears, however, that the credit card transactions from the Head Office were treated as external rather than internal transactions. Whilst such classification might be appropriate for the party unit's operating activities, it is incorrect for the disclosure purposes of the entire Party, that is, the Head Office and all of its party units.

As the return lodged with the AEC needs to report consolidated financial information on behalf of the entire Party, it means that all internal transactions must be eliminated to arrive at the correct amounts of external receipts and payments. In future, therefore, care must be taken to report all transactions with Head Office, including on credit cards, as internal transfers of funds.

We note that the Head Office amended its party unit disclosure form for the 2013-14 financial year requesting it explicitly to include credit card transactions in Part 1B of the return. This additional guidance should assist in more accurate reporting of the internal transactions between the Head Office and the party unit.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

## Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).



**AEC**

Australian Electoral Commission

Mr Richard Toovey  
Treasurer  
Vasse State Campaign - Liberal Party (W.A. Division) Inc.  
PO Box 556  
BUSSELTON WA 6280

Dear Mr Toovey

I am writing to provide you with the report following review of the financial records that you provided on behalf of Vasse - State Campaign. The review formed part of a wider compliance investigation of the 2012–13 disclosure return lodged by the Liberal Party (W.A.) Inc. with the Australian Electoral Commission.

I would like to thank you for your assistance during the review. The enclosed report outlines details of our findings and matters for your future attention.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure – Compliance

30 March 2015

cc: Ben Morton, Party Agent



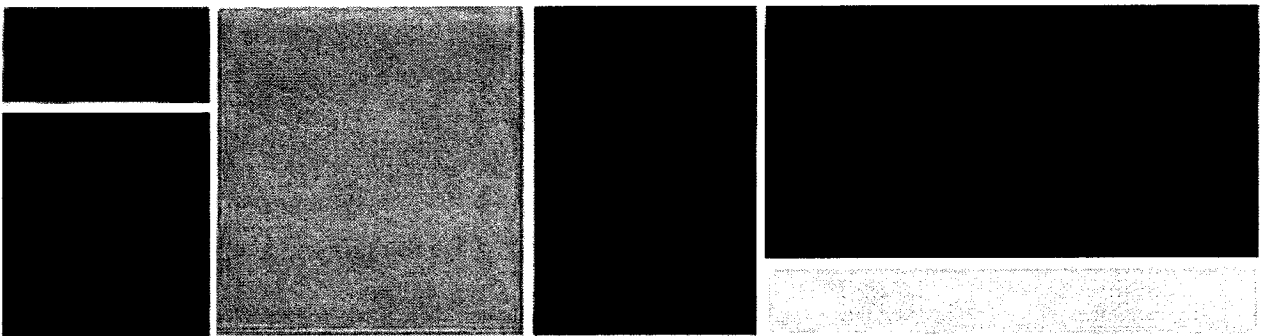


# Compliance investigation report

Liberal Party (W.A. Division) Inc.

Vasse State Campaign

March 2015



**AEC**

Australian Electoral Commission

## Investigation details

AEC compliance officer: Anna Jurkiewicz – Assistant Director

Party staff involved: Richard Toovey – Treasurer  
Ben Morton – Party Agent  
Cerena Moir – Party Accountant

### Purpose

The AEC conducted a compliance investigation to assess whether the disclosure return for the 2012-13 financial year lodged on behalf of the Liberal Party (W.A. Division) (the Party) complies with disclosure obligations as set out in Part XX of the *Commonwealth Electoral Act 1918* (the Act). In conducting this investigation the AEC examined the records of a number of party units to determine the accuracy of information being reported to the Head Office of the Party for inclusion in its disclosure return.

### Records examined

The State Office provided the requested documents on behalf of the party unit including:

- copies of all bank statements;
- a list of transaction records including receipts and payments; and
- the Disclosure Return lodged with the State Office.

### Investigation findings

#### Reporting of gifts-in-kind

Instructions included in Part 6 of the party unit required to report the details and approximate value of any gifts-in-kind received for fundraising purposes including any non-cash goods and services.

The party unit's treasurer advised that the total estimate value of \$32,300 for seven non-cash items received for a fundraising function was overlooked and not reported in Part 6 of the party unit return.

This omission will be required to be rectified by the Head Office on behalf of the party unit by lodging an amended return to the AEC showing the increase in the total gifts-in-kind component by \$32,300.

## Matter requiring future attention

### Record keeping

It is important that the financial records of the party unit be complete and accurate so as to support the Head Office in complying with the disclosure obligations of the Party as a whole.

We recommend that all records relating to the party unit's financial activities on behalf of the Party be kept for a period of at least three years. It is essential, therefore, that all documents such as bank statements, details of all transactions, deposit books and other relevant supporting documentation are retained by the unit for the duration of the recommended period.

The Treasurers of the party unit should also ensure that all financial records are forwarded to any new successive Treasurer so that the relevant information with regard to the disclosures made in the return can be supported by sufficient evidence.

### Enquiries and Assistance

Should you require any assistance regarding its disclosure obligations under the Act, please contact the AEC's funding and Disclosure Section either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).





Ms Sue McDonald  
Treasurer  
Wangara/Lansdale Branch – Liberal Party (W.A. Division) Inc.  
PO Box 4097  
ALEXANDER HEIGHTS WA 6064

Dear Ms McDonald

I am writing to thank you for completing the party unit compliance investigation questionnaire for Wangara/Lansdale Branch. This questionnaire formed part of a wider compliance investigation of the 2012–13 disclosure return lodged for the Liberal Party (W.A. Division) Inc. with the Australian Electoral Commission.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure - Compliance

30 March 2015

cc: Ben Morton, Party Agent



**AEC**

Australian Electoral Commission

Mr James Edgar  
Treasurer  
YLM Cowan – Liberal Party (W.A. Division) Inc.  
PO Box 921  
DAWILLINU WA 6609

Dear Mr Falls

I am writing to thank you for completing the party unit compliance investigation questionnaire for YLM Cowan. This questionnaire formed part of a wider compliance investigation of the 2012–13 disclosure return lodged for the Liberal Party (W.A. Division) Inc. with the Australian Electoral Commission.

Should you have any questions regarding the compliance review process or any other issues regarding disclosure obligations under the Act, please do not hesitate to contact me by telephone on (02) 6271 4509 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Brad Edgman  
Director  
Funding and Disclosure - Compliance

30 March 2015

cc: Ben Morton, Party Agent







Our Ref:10/694-RF

Mr Peter Collins  
Party Agent  
Liberal Party of Australia (ACT Division)  
PO Box 66  
DEAKIN WEST ACT 2600

Dear Mr Collins

**Compliance Investigation – Liberal Party of Australia (ACT Division)**

Thank you for your assistance with our investigation of the 2013–14 disclosure return lodged for the Liberal Party of Australia (ACT Division). The purpose of the investigation was to assess whether the return complied with the requirements of the *Commonwealth Electoral Act 1918*.

A copy of the AEC's draft report on the compliance investigation of the 2013-14 disclosure return was sent to you on 17 June for your perusal and comment. As I have not received any comments from you I am therefore enclosing the final report for the 2013-14 financial year.

Should you have any queries in relation to this investigation please do not hesitate to contact Alan Page, Assistant Director on (02) 6271 4675 or email us at: [fad@aec.gov.au](mailto:fad@aec.gov.au)

Yours sincerely

Seema Srivastava  
Assistant Commissioner  
Funding and Disclosure Branch

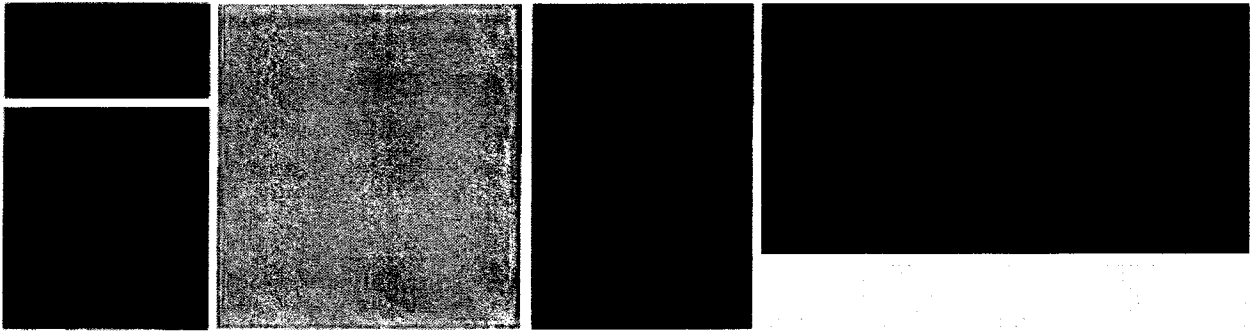
19 June 2015

Enc

# Compliance Investigation Report

Liberal Party of Australia – (ACT Division)

June 2015



**AEC**

Australian Electoral Commission

## Contents

Purpose of this report .....	2
Compliance obligations .....	2
Power to investigate .....	2
Stakeholder engagement .....	3
Scope of the investigation .....	3
Relevant documents.....	4
AEC's opinion.....	5
1. Timely lodgement .....	5
2. Inaccuracy in reporting – receipts above the threshold .....	5
Conclusion .....	6
Enquiries .....	6

## Purpose of this report

This report provides the current party agent of the Liberal Party of Australia (ACT Division) (the Party), Mr Peter Collins, with the Australian Electoral Commission's (the AEC) opinion as to whether the 2013–14 annual disclosure return lodged on behalf of the Party has complied with the obligation under s.314AB of the *Commonwealth Electoral Act 1918* (the Act).

## Compliance obligations

Section 314AB, under Part XX of the Act, sets out the information to be provided on behalf of a party in order to comply with the disclosure requirements of the Act. Section 314AB provides:

- (1) Subject to this Division, the agent of each registered political party and of each State branch of each registered political party must, within 16 weeks after the end of each financial year beginning on or after 1 July 1992, furnish to the Electoral Commission a return:
  - (a) that is in the approved form; or
  - (b) that is constituted by the audited annual amounts of the registered political party or the State branch, in a form that is approved by the Electoral Commission.
- (2) A return under paragraph (1)(a) or (1)(b) must set out the following:
  - (a) the total amount received by, or on behalf of, the party during the financial year, together with the details required by section 314AC;
  - (b) the total amount paid by, or on behalf of, the party during the financial year;
  - (c) the total outstanding amount, as at the end of the financial year, of all debts incurred by, or on behalf of the party, together with the details required by section 314AE.

Section 314AC, in its application to a political party, requires that if the sum of all amounts received by, or on behalf of, the political party from a person or organisation during a financial year is more than the disclosure threshold, the return must include the particulars of that sum.

Section 314AE provides that if the sum of all outstanding debts incurred by, or on behalf of, the political party to a person or an organisation during a financial year is more than the disclosure threshold, the return must include particulars of that sum.

The disclosure threshold mentioned in s.314AC and s.314AE is indexed annually. For the 2013–14 financial year amounts above \$12 400 were required to be disclosed.

## Power to investigate

The AEC's power to investigate whether there has been compliance with the disclosure obligation requirements as prescribed under Part XX of the Act is authorised by s.316(2A) of the Act.

Section 316(2A) sets out the powers of the AEC as follows:

(2A) An authorised officer may, for the purpose of finding out whether a prescribed person, the financial controller of an associated entity or the agent of a registered political party has complied with this Part, by notice served personally or by post on:

- (a) the agent or any officer of the political party; or
- (aa) the financial controller of the associated entity or any officer of the associated entity; or
- (b) the prescribed person or, if the prescribed person is a body corporate, any of its officers;

as the case may be, require the agent, financial controller, person or officer:

- (c) to produce, within the period and in a manner specified in the notice, the documents or other things referred to in the notice; or
- (d) to appear, at a time and place specified in the notice, before the authorised officer to give evidence, either orally or in writing, and to produce the documents or other things referred to in the notice.

## Stakeholder engagement

The AEC's general practice, prior to commencing an investigation, is for the AEC's Funding and Disclosure Branch to contact the relevant officer of the political party (or associated entity when investigating an associated entity) to discuss the scope of the investigation. This contact may, in some instances, involve face to face meetings.

Prior to this compliance investigation commencing staff of the AEC Funding and Disclosure Branch contacted Mr Collins to discuss the scope of the investigation process.

It is also AEC's practice to discuss with the relevant officer of the political party or associated entity, its opinion on compliance issues. Where there are any errors and omissions the AEC will discuss with the relevant officer how they might have occurred.

The objective of such discussions is to encourage the political party or associated entity to examine its internal processes and systems in order to improve the accuracy of future annual disclosure returns and thereby improve its compliance with Part XX of the Act.

## Scope of the investigation

The AEC's investigation was limited to those financial records which were considered to be relevant to determine the completeness and accuracy of the information disclosed in the Party's annual disclosure return for the 2013–14 financial year.

The AEC does not have authority under Part XX to, and therefore did not, examine any other aspects of the Party's financial operations such as the existence or effectiveness of internal controls.

## Relevant documents

On 29 October 2014 the AEC issued a notice under s.316(2A) of the Act to Mr Collins in his capacity as the party agent of the Party to produce copies of the financial records in relation to its operations for the financial year 2013–14. The financial records requested were:

1. Reports from the Party's accounting system:
  - a. Chart of Accounts;
  - b. Trial Balance Summary;
  - c. Aged Credit Summary Report;
  - d. General Ledger [Detail];
  - e. General Ledger [Summary];
  - f. Bank Deposit Slip;
  - g. Sales Journal;
  - h. General Journal; and
  - i. Audit Trail.
2. Documents or other records not maintained as part of the accounting system but used in the compilation of the disclosure return, including, but not limited to:
  - a. excel spreadsheets;
  - b. extracts from any database system/s maintained in conjunction with the accounting system; and
  - c. manual records, such as deposit slips, receipts, register of non-cash gifts received.
3. Statements of all bank/financial institutions accounts including:
  - a. any investment accounts;
  - b. loan accounts; and
  - c. broker accounts, if applicable.
4. Bank reconciliation statements for:
  - a. each account as at 30 June 2013; and
  - b. each account as at 30 June 2014
5. Audited financial statements for the 2013–14 financial year.
6. Terms and conditions of all loans outstanding as at 30 June 2014.
7. A list of all gifts-in-kind received during the period 1 July 2013 to 30 June 2014, including the calculations of the valuation ascribed to each gift.
8. The working documents clearly demonstrating how the final total receipts, total payments and total debt figures shown on the Party's 2013–14 annual disclosure return were derived.
9. A complete list of all party units/local branches for the 2013–14 financial year with details of:
  - a. the party units that have lodged annual returns with the Party;
  - b. the party units that have not lodged annual returns with the Party;
  - c. total of receipts, payments and debt reported by each party unit in its annual return to the Party;
  - d. details of receipts at the disclosure threshold of more than \$12 400; and

e. details of debts at the disclosure threshold of more than \$12 400.

10. A completed and signed *Document Checklist* to be returned with these documents.

All the documents requested were supplied except for the details of party units which Mr Collins advised were incorporated within the Party's records. Also, although the Document Checklist was completed, it was not signed by Mr Collins.

In delivering the available documents to the AEC on 1 December 2014, Mr Collins failed to comply with the due date of 26 November 2014 set out in the s.316(2A) notice by 5 days. There is, however, no statutory penalty attaching to this issue.

### AEC's opinion

After examining the documents provided by Mr Collins, the AEC has formed the following opinion concerning Mr Collins' compliance with the disclosure obligations under Part XX of the Act.

#### 1. Timely lodgement

The 2013–14 annual disclosure return for the Party was lodged on 20 October 2014. As lodgement occurred by the due date of 20 October 2014 Mr Collins complied with the requirement under s.314AEA(1) to lodge a return for a political party within 16 weeks after the end of the financial year.

#### 2. Inaccuracy in reporting – receipts above the threshold

Section 314AC of the Act requires particulars to be disclosed for all amounts received of more than \$12 400. The AEC identified two receipt amounts of more than \$12 400 which were omitted, but required disclosure in the Party's 2013–14 annual disclosure return. These are detailed below.

##### NAB Bank

The Party advised that it had obtained a new loan of \$250 000 from the NAB Bank during the financial year. Although the loan amount was included in the figure reported for total receipts, the Party omitted to report the individual particulars as required under s.314AC of the Act.

##### Aspen Medical

In the case of Aspen Medical, the Party received the amount of \$15 000. After a time period of almost two weeks, the Party returned the amount of \$15 000 to Aspen Medical.

During the course of the investigation Mr Collins was advised to amend the return by submitting an amendment to include the following particulars of receipts above \$12 400 in its 2013–14 disclosure return as set out below.

### Required amendments

Name	Postal address	\$ Amount received	Donation or Other Receipt
NAB	179 London Circuit, Canberra City, ACT, 2600.	\$250 000	Other Receipt
Aspen Medical	PO Box 231, Deakin West, ACT, 2600.	\$15 000	Other Receipt

The respective amendment was lodged by Mr Collins with the AEC on 2 February 2015.

### Conclusion

On 17 June the AEC provided Mr Collins with a draft of the report for his consideration and comment. No response was received and the AEC proceeded to finalise the report. The AEC opinion therefore is that, based on the records examined the original 2013–14 annual disclosure return for the Party lodged with the AEC on 20 October 2014 complied with the requirement under s.314AB(1) of the Act to lodge a return for a political party within 16 weeks after the end of the financial year.

In omitting to disclose the particulars of the individual receipt amounts from the NAB Bank and Aspen Medical, the 2013–14 annual disclosure return for the Party lodged with the AEC on 20 October 2014 did not comply with s.314AC of the Act.

Following discussions with the AEC, Mr Collins lodged an amendment to the Party's 2013–14 annual disclosure return on 2 February that included the particulars of the NAB Bank and Aspen Medical receipts. The AEC is of the opinion that the disclosure return now accurately sets out the information required to be disclosed under s.314AC of the Act.

### Enquiries

Should Mr Collins have any enquiries regarding this report he should contact the AEC's Funding and Disclosure Branch either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).



Seema Srivastava

Assistant Commissioner  
Funding and Disclosure Branch  
Australian Electoral Commission

19 June 2015





Our Ref: 10/697

Mr Brian Loughnane  
Federal Director  
Liberal Party of Australia (Federal Secretariat)  
PO Box 6004  
Kingston ACT 2604

Dear Mr Loughnane

**Disclosure Compliance Investigation – Liberal Party of Australia**

Thank you for your assistance with our investigation of the 2013–14 disclosure return lodged for the Liberal Party of Australia (Federal Secretariat).

I wish to inform you that the AEC has now finalised its investigation and a copy of our report is enclosed for your records.

If you have any queries in relation to the report, please call Mr Chris Byrne, Assistant Director, Compliance, on (02) 6271 4745 or by email at: [fad@aec.gov.au](mailto:fad@aec.gov.au).

Yours sincerely

Tim Courtney  
A/g First Assistant Commissioner  
Australian Electoral Commission

29<sup>th</sup> October 2015

Encl

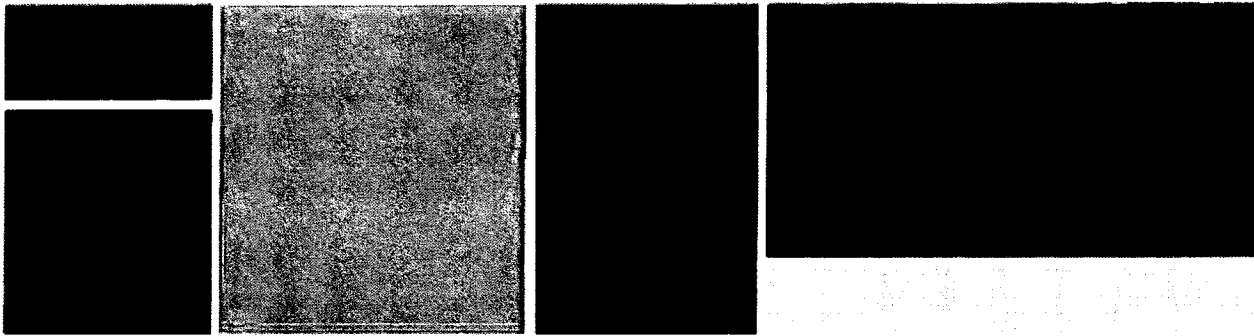


# Compliance Investigation Report

Liberal Party of Australia

2013–14 Annual Return

October 2015



**AEC**

Australian Electoral Commission

## Contents

<b>Purpose of this report</b> .....	<b>2</b>
<b>Disclosure obligations</b> .....	<b>2</b>
<b>Conduct of the investigation</b> .....	<b>2</b>
<b>Scope of the investigation</b> .....	<b>2</b>
<b>Stakeholder engagement</b> .....	<b>3</b>
<b>AEC's opinion</b> .....	<b>3</b>
<b>1. Timely lodgement</b> .....	<b>3</b>
<b>2. Accuracy and completeness</b> .....	<b>4</b>
<b>Conclusion</b> .....	<b>4</b>

## Purpose of this report

This report provides the agent of the Liberal Party of Australia (Liberal Party), Mr Brian Loughnane, with the Australian Electoral Commission's (AEC) opinion as to whether the annual disclosure return lodged on behalf of the Liberal Party for the financial year 2013–14 has complied with the obligation under s.314AB, 314AC and 314AE of the *Commonwealth Electoral Act 1918* (the Act).

## Disclosure obligations

Registered political parties are required under the provisions of the Act to lodge annual disclosure returns.

Section 314AB of the Act requires the agent of a registered political party and each state branch of the registered party to report after the end of each financial year:

- the total amount received by, or on behalf of, the party
- the total amount paid by, or on behalf of, the party
- the total outstanding amount of all debts incurred by, or on behalf of, the party.

Section 314AC of the Act also provides that if the sum of all amounts received by, or on behalf of, the party from a person or organisation during a financial year is more than the threshold, the annual disclosure return must include the particulars of that sum.

Section 314AE of the Act provides that if the sum of all outstanding debts incurred by, or on behalf of, the party to a person or an organisation during a financial year is more than the threshold, the annual disclosure return must include the particulars of that sum.

Extracts of the texts of these provisions of the Act are reproduced in *Attachment A* to this report.

## Conduct of the investigation

The AEC has authority under s.316 (2A) of the Act to review records and gather relevant information to assess whether these disclosure obligations have been met. Section 316(2A) requires the agent of a registered party to produce the documents requested in a notice from the AEC within the period and in the manner specified in the notice.

As part of this process, the AEC issued a notice to Mr Richardson, the previous party agent, under s.316 (2A) which required the Party to provide its financial records and other documents in relation to its financial operations for 2013-14. A copy of the notice issued under s.316 (2A) of the Act is provided at *Attachment B*.

## Scope of the investigation

The AEC's investigation was limited to those financial records and documents which were considered relevant to determine the completeness and accuracy of information reported in the Party's 2013-14 annual disclosure return in accordance with the requirements of sections 314AB, 314AC and 314AE of the Act.

The AEC does not have the authority under Part XX of the Act to examine any other aspects of the financial operations of the Party such as the existence or effectiveness of internal controls.

## Stakeholder engagement

The AEC's general practice, prior to commencing an investigation, is to contact the relevant officer of the political party to discuss the scope of the investigation. This contact may involve face to face meetings.

Prior to commencement of this compliance investigation staff of the AEC contacted Mr Richardson by telephone to discuss the scope of the investigation process.

It is also the AEC's practice, prior to finalising an investigation, to discuss with the relevant officer of the political party its opinion on compliance issues. Where there are any errors or omissions the AEC will discuss with the relevant officer how they might have occurred.

The objective of such discussions is to encourage the political party to examine its internal processes and systems in order to improve the accuracy of future annual disclosure returns and thereby improve compliance with Part XX of the Act.

## AEC's opinion

There are two issues relevant to compliance with disclosure obligations under Part XX of Act and as detailed below, the party agent has complied with both of these issues.

### 1. Timely lodgement

The 2013–14 annual disclosure return for The Liberal Party was lodged on 20 October 2014. An amendment to the return was lodged on 27 October 2014. This amendment was identified by the party and did not change the total receipts but correctly identified the source of the donations. The amendment details were:

#### Amendment – Part 2: Amounts of more than \$12 400 received

Received from	Amount
<u>Original entry</u>	
Paul Marks	\$750,000
<u>Amended entry</u>	
Paul Marks	\$250,000
Nimrod Resources Ltd	\$500,000

As lodgement occurred by the due date of 20 October 2014, the party agent has complied with the requirement under s.314AB(1) to lodge a return for a political party within 16 weeks after the end of the financial year.

## 2. Accuracy and completeness

No discrepancies were identified between the figures reported for total receipts, total payments, total debts and receipts and debts above the threshold i.e. more than \$12 400. Therefore the annual disclosure return complied with the requirements under s.314AB, 314AC and 314AE of the Act to:

1. report the total amount received by, or on behalf of, the Party during the financial year including the value of a gift, loan or bequest;
2. report the total amount paid by, or on behalf of, the Party during the financial year;
3. report the total outstanding amount as at the end of the financial year, of all debts incurred by, or on behalf of, the Party;
4. disclose the particulars of the sum of individual amounts received by, or on behalf of, the entity from a person or organisation during the 2013–14 financial year of more than \$12 400; and
5. disclose the particulars of any of individual debt owed by the Party of more than \$12,400 which is outstanding at 30 June 2014.

## Conclusion

Based on the records examined the AEC's opinion is that the 2013–14 annual disclosure return, as amended, lodged on behalf of The Liberal Party complied with the disclosure requirements under s. 314AB, 314AC and 314AE respectively by being lodged by the due date required and accurately sets out the information required to be disclosed by a political party.



Tim Courtney  
Acting First Assistant Commissioner  
Australian Electoral Commission

21<sup>st</sup> October 2015

## Extracts from the *Commonwealth Electoral Act 1918*

### 314AA Interpretation

- (1) In this Division:  
*amount* includes the value of a gift, loan or bequest.

### 314AB Annual returns by registered political parties

- (1) Subject to this Division, the agent of each registered political party and of each State branch of each registered political party must, within 16 weeks after the end of each financial year beginning on or after 1 July 1992, furnish to the Electoral Commission a return:
- (a) that is in an approved form; or
  - (b) that is constituted by the audited annual accounts of the registered political party or the State branch, in a form that is approved by the Electoral Commission.
- (2) A return under paragraph (1)(a) or (1)(b) must set out the following:
- (a) the total amount received by, or on behalf of, the party during the financial year, together with the details required by section 314AC;
  - (b) the total amount paid by, or on behalf of, the party during the financial year
  - (c) the total outstanding amount, as at the end of the financial year, of all debts incurred by, or on behalf of, the party, together with the details required by section 314AE.

### 314AC Amounts received

- (1) If the sum of all amounts received by, or on behalf of, the party from a person or organisation during a financial year is more than \$10,000, the return must include the particulars of that sum.  
Note: The dollar amount mentioned in this subsection is indexed under section 321A.
- (2) In calculating the sum, an amount of \$10,000 or less need not be counted.  
Note: The dollar amount mentioned in this subsection is indexed under section 321A.
- (3) The particulars of the sum required to be furnished under subsection (1) are the amount of the sum and:
- (a) if the sum was received from an unincorporated association, other than a registered industrial organisation:
    - (i) the name of the association; and
    - (ii) the names and addresses of the members of the executive committee (however described) of the association; or
  - (b) if the sum was purportedly paid out of a trust fund or out of the funds of a foundation:
    - (i) the names and addresses of the trustees of the fund or of the foundation; and
    - (ii) the title or other description of the trust fund, or the name of the foundation, as the case requires; or
  - (ba) if the sum was received as a result of a loan—the information required to be kept under subsection 306A(3), or the name of the financial institution, as the case requires; or
  - (c) in any other case—the name and address of the person or organisation.

### 314AE Outstanding amounts

- (1) If the sum of all outstanding debts incurred by, or on behalf of, the party to a person or an organisation during a financial year is more than \$10,000, the return must include the particulars of that sum.  
Note: The dollar amount mentioned in this subsection is indexed under section 321A.
- (2) The particulars of a sum required to be furnished under subsection (1) are the amount of the sum and:



- (a) if the sum was owed to an unincorporated association, other than a registered industrial organisation:
  - (i) the name of the association; and
  - (ii) the names and addresses of the members of the executive committee (however described) of the association; or
- (b) if the sum was purportedly incurred as a debt to a trust fund or to a foundation:
  - (i) the names and addresses of the trustees of the fund or of the foundation; and
  - (ii) the title or other description of the trust fund, or the name of the foundation, as the case requires; or
- (c) in any other case the name and address of the person or organisation.

### 316 Investigation etc.

- (1) In this section:

**authorised officer** means a person authorised by the Electoral Commission under subsection (2).

**prescribed person** means a person whose name is included in a list in a report mentioned in subsection 17(2A).

- (2A) An authorised officer may, for the purpose of finding out whether a prescribed person, the financial controller of an associated entity or the agent of a registered political party has complied with this Part, by notice served personally or by post on:
- (a) the agent or any officer of the political party; or
  - (aa) the financial controller of the associated entity or any officer of the associated entity; or
  - (b) the prescribed person or, if the prescribed person is a body corporate, any of its officers;
- as the case may be, require the agent, financial controller, person or officer:
- (c) to produce, within the period and in the manner specified in the notice, the documents or other things referred to in the notice; or
  - (d) to appear, at a time and place specified in the notice, before the authorised officer to give evidence, either orally or in writing, and to produce the documents or other things referred to in the notice.

**COMMONWEALTH ELECTORAL ACT 1918 – SECTION 316(2A)****NOTICE TO PRODUCE DOCUMENTS  
DISCLOSURE RETURN 2013–14**

**To:** Mr Brett Richardson  
Party Agent  
Liberal Party of Australia  
PO Box 6004  
Kingston ACT 2604

I, Seema Srivastava, an authorised officer within the meaning of s.316 of the *Commonwealth Electoral Act 1918* (the Act), for the purpose of finding out whether you, as the party agent of the Liberal Party of Australia (the Party), have complied with Part XX of the Act, hereby require you, pursuant to s.316 (2A) of the Act, to produce the information referred to below within the period and in the manner specified in this notice.

**Information to be produced in relation to Financial Year ending 30 June 2014**

1. Reports from the Party's accounting system in electronic format listed in Attachment A.  
(Attachment A to this notice lists the reports, the file format required and instructions on how to download and provide the data).
2. Reports from the Party's accounting system not listed in Attachment A but used in the compilation of the disclosure return.
3. Documents or other records not maintained as part of the accounting system but used in the compilation of the disclosure return, including, but not limited to:
  - a. excel spreadsheets;
  - b. extracts from any database system/s maintained in conjunction with the accounting system;
  - c. manual records, such as deposit slips, receipts, register of non-cash gifts received.
4. Statements of all bank financial institutions accounts including:
  - a. any investment accounts;
  - b. loan accounts; and
  - c. broker accounts, if applicablefor the period from 1 July 2013 to 31 July 2014 (i.e. 13 Months).
5. Bank reconciliation statements for:
  - a. each account as at 30 June 2013; and
  - b. each account as at 30 June 2014
6. Audited financial statements for the 2013-14 financial year.

- 7 Terms and conditions of all loans outstanding as at 30 June 2014.
8. A list of all gifts-in-kind received during the period 1 July 2013 to 30 June 2014, including the calculations of the valuation ascribed to each gift.
9. The working documents clearly demonstrating how the final total receipts, total payments and total debts figures shown on the Party's 2013-14 annual disclosure return were derived.
10. A completed and signed Document Checklist provided at Attachment B.

**Timing and manner of production**

You are required to produce the documents referred to in this notice to:

Attention: Chris Byrne  
Australian Electoral Commission  
West Block Offices, Queen Victoria Terrace  
PARKES ACT 2600

by no later than 5:00pm, 22 April 2015

**Refusal or failure to comply with this notice**

It is an offence for you to refuse or fail to comply with this notice to the fullest extent capable—s.316(5) and (5A). It is also an offence to supply false or misleading evidence in purported compliance with this notice—s.316(6).

Dated: 24 March 2015



Seema Srivastava  
Assistant Commissioner  
Funding and Disclosure

An authorised officer for the purposes of section 316 of the Act.

## Attachment A

**TECHNICAL SPECIFICATION FOR COMPUTER DATA – MYOB**

Your office informed us that the Party uses MYOB accounting system to record all its financial transactions. The AEC uses IDEA audit software to assist in the review process and interrogation of data. The steps below provide you with guidance on how to prepare and provide the data.

**Step 1: Required reports from the accounting system**

- a. Trial Balance as at 30 June 2014 (include all zero balances and account no's)
- b. Cash Receipt Journals
- c. Cash Payment journals
- d. Chequebook/Bank Deposit Slips for all amounts >\$12,400
- e. Aged creditor listing as at 30 June 2014
- f. Audit trail
- g. Any other report used in the compilation of the selected information included in the disclosure return

**Step 2: Extract reports**

For extraction from the MYOB system the above reports must be set to cover the period from 1 July 2013- 30 June 2014 ensuring that no other range limits are applied to these reports and no other editing is performed on the data. Where the accounting system provides an option of producing reports with or without account numbers ensure that all reports are set to include account numbers.

The key steps to extract each of the above reports:

*Important Before extracting reports from the accounting system, please ensure that all fields, in particular the memo description field in the report are sufficiently expanded to display the full contents of the fields.*

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>a. Open the report</li> <li>b. Restrict to the financial year 2013 14</li> <li>c. Select <i>Destination</i></li> <li>d. <u>If Adobe Acrobat installed:</u> <ul style="list-style-type: none"> <li>• Tick <i>File</i> box; and</li> <li>• Select a <i>PDF</i> file format</li> <li>• Encrypt the data*</li> </ul> </li> </ol> | <u>If no Adobe Acrobat installed:</u> <ul style="list-style-type: none"> <li>• Change printer setup to a <i>PDF Writer</i></li> <li>• Tick <i>Screen</i> box and select <i>OK</i> , then</li> <li>• Select <i>Print</i></li> <li>• From screen output select <i>Print</i> command</li> <li>• Once report is displayed, select <i>Print</i> then <i>OK</i></li> <li>• Encrypt the data*</li> </ul> |
|---|---|

\* Encrypting the data prior to copying the reports to CD-ROM/DVD is an optional step but strongly recommended by the AEC Step 3 contains details for encrypting and copying the data.

### Step 3: Encrypt the data and copy the reports

If you do not have your own encryption software:

- save the reports in a location of your choice prior to encrypting the data (e.g. your local desktop)
- open encryption procedure manual available at <http://www.aec.gov.au/encryption>
- follow the instructions in the encryption document which provides details of how to save, encrypt, burn and password protect\* the data

Copy the reports to a CD-ROM or DVD (we do not recommend copying the data to USB sticks/thumb drives or attaching it to email since these media are less secure)

\* Please ensure the password/pass-phrase used to encrypt the data is NOT transported with the CD-ROM/DVD. We will contact you to obtain the password from you directly once the data has been received.

### Step 4: Deliver the data

To ensure the secure delivery of the data, it is recommended that the data is either:

- delivered by 'safe hands' courier; or
- posted via *Registered Mail*.

AEC's postal address  
PO Box 6172  
KINGSTON ACT 2604

or

AEC's physical address  
West Block Offices  
Queen Victoria Terrace  
PARKES ACT 2600

**Enquiries:** for further assistance contact Chris Byrne on (02) 6271 4745 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).



**AEC**

Australian Electoral Commission

Reference: 2013/967 RF

Mr Grantley Siviour  
Party Agent  
National Party of Australia (SA) Inc.  
PO Box 133  
CLEVE SA 5640

Dear Mr Siviour

**Disclosure Compliance Investigation – National Party of Australia (SA) Inc.**

Thank you for your assistance with our investigation of the 2013–14 disclosure return lodged for the National Party of Australia (SA) Inc. The purpose of the investigation was to assess the accuracy and completeness of the financial information disclosed in that return and ensure that it complied with the requirements of the *Commonwealth Electoral Act 1918*.

The AEC's opinion is that the investigation did not identify any errors or omissions that would require the Party to lodge an amendment to its return lodged with the Australian Electoral Commission.

Should you have any queries in relation to this investigation, please do not hesitate to contact Ralph Fayed, Assistant Director on (02) 6271 4513 or email us at: [fad@aec.gov.au](mailto:fad@aec.gov.au)

Yours sincerely

Seema Srivastava  
Assistant Commissioner  
Funding and Disclosure Branch

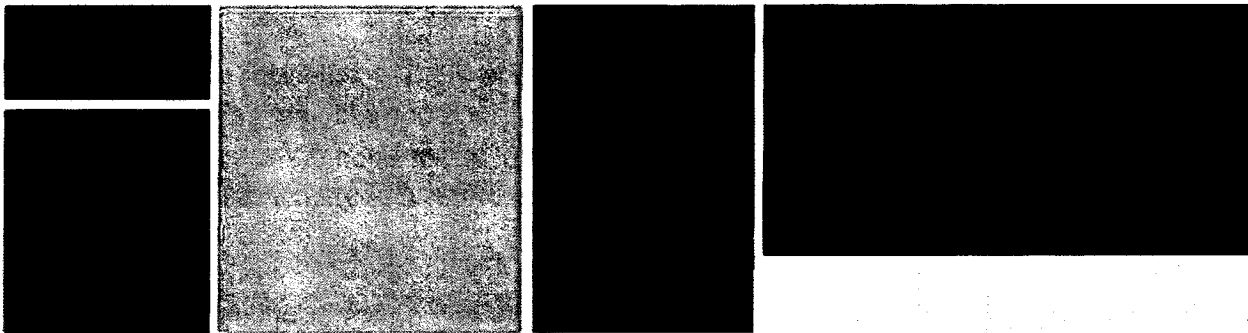
19 May 2015

# Compliance Investigation Report

National Party of Australia (SA) Inc.

2013–14 Annual Disclosure Return

May 2015



**AEC**

Australian Electoral Commission



## Contents

<b>Purpose of the report .....</b>	<b>2</b>
<b>Compliance obligations .....</b>	<b>2</b>
<b>Power to investigate .....</b>	<b>2</b>
<b>The investigation .....</b>	<b>3</b>
<b>Scope of the investigation .....</b>	<b>4</b>
<b>The AEC's opinion: investigation outcomes .....</b>	<b>5</b>
<b>Conclusion .....</b>	<b>6</b>
<b>Enquiries .....</b>	<b>6</b>

## Purpose of the report

This report provides the party agent of the National Party of Australia (SA) Inc. (the Party), Mr Grantley Siviour, with the Australian Electoral Commission's (the AEC) opinion as to whether he has complied with the obligation under s.314AB of the *Commonwealth Electoral Act 1918* (the Act) in lodging an annual disclosure return on behalf of the Party for the financial year 2013–14.

## Compliance obligations

Section 314AB, under Part XX of the Act, sets out the information to be provided on behalf of a party in order to comply with the disclosure requirements of the Act. Section 314AB provides:

- (1) Subject to this Division, the agent of each registered political party and of each State branch of each registered political party must, within 16 weeks after the end of each financial year beginning on or after 1 July 1992, furnish to the Electoral Commissioner a return:
  - (a) that is in the approved form; or
  - (b) that is constituted by the audited annual amounts of the registered political party or the State branch, in a form that is approved by the Electoral Commissioner.
- (2) A return under paragraph (1)(a) or (1)(b) must set out the following:
  - (a) the total amount received by, or on behalf of, the party during the financial year, together with the details required by section 314AC;
  - (b) the total amount paid by, or on behalf of, the party during the financial year;
  - (c) the total outstanding amount, as at the end of the financial year, of all debts incurred by or on behalf of the party, together with the details required by section 314AE.

Section 314AC, in its application to a political party, requires that if the sum of all amounts received by, or on behalf of, the political party from a person or organisation during a financial year is more than the disclosure threshold, the return must include the particulars of that sum.

Section 314AE provides that if the sum of all outstanding debts incurred by, or on behalf of, the political party to a person or an organisation during a financial year is more than the disclosure threshold, the return must include particulars of that sum.

The disclosure threshold mentioned in s.314AC and s.314AE is indexed annually. For the 2013–14 financial year amounts above \$12 400 were required to be disclosed.

## Power to investigate

The AEC's power to investigate whether there has been compliance with any of the disclosure obligation provisions under Part XX of the Act is authorised by s.316(2A), which sets out the powers of the AEC as follows:

(2A) An authorised officer may, for the purpose of finding out whether a prescribed person, the financial controller of an associated entity or the agent of a registered political party has complied with this Part, by notice served personally or by post on:

- (a) the agent or any officer of the political party; or
  - (aa) the financial controller of the associated entity or any officer of the associated entity; or
  - (b) the prescribed person or, if the prescribed person is a body corporate, any of its officers;
- as the case may be, require the agent, financial controller, person or officer:
- (c) to produce, within the period and in a manner specified in the notice, the documents or other things referred to in the notice; or
  - (d) to appear, at a time and place specified in the notice, before the authorised officer to give evidence, either orally or in writing, and to produce the documents or other things referred to in the notice.

## The investigation

On 2 March 2015 the AEC issued a notice under s.316(2A) (the notice) to Mr Siviour in his capacity as the party agent of the Party. The notice required Mr Siviour to produce copies of the financial records of the Party in relation to its operations for the financial year 2013–14. The financial records requested from the Party were:

1. Reports from the Entity's accounting system:
  - a. Chart of Accounts
  - b. Trial Balance Summary
  - c. Aged Trial Balance
  - d. General Ledger Detail
  - e. General Ledger Summary
  - f. Bank Deposit Slips
  - g. Sales Journal
  - h. General Journal
  - i. Audit Trail
2. Documents or other records not maintained as part of the accounting system but used in the compilation of the disclosure return, including, but not limited to:
  - a. excel spreadsheets;
  - b. extracts from any database system/s maintained in conjunction with the accounting system; and
  - c. manual records, such as deposit slips and, receipts.
3. Statements of all bank / financial institutions accounts including:
  - a. any investment accounts;
  - b. loan accounts; and
  - c. broker accounts, if applicable.

4. Bank reconciliation statements for:
  - a. each account as at 30 June 2013; and
  - b. each account as at 30 June 2014
5. Audited financial statements for the 2013–14 financial year.
6. Terms and conditions of all loans outstanding as at 30 June 2014.
7. A list of all gifts-in-kind received during the period 1 July 2013 to 30 June 2014, including the calculations of the valuation ascribed to each gift.
8. The working documents clearly demonstrating how the final total receipts, total payments and total debts figures shown on the Party's 2013–14 annual disclosure return were derived.
9. A completed and signed Document Checklist to be returned with these documents.

All the documents requested were supplied except the following which Mr Siviour advised in writing did not exist. These were:

- Chart of Accounts;
- Aged Trial Balance
- Bank Deposit Slips;
- Sales Journal;
- Audit Trail;
- Terms and conditions of outstanding loans (there were no outstanding loans); and
- A list of all gifts-in-kind received (no gifts-in-kind were received).

Financial statements were supplied although the Party advised that it does not have these statements audited.

Mr Siviour provided all of the available records by the date identified in the notice of 2 April 2015 and therefore complied with the terms of the notice.

## Scope of the investigation

The AEC's investigation was limited to those financial records which were considered to be relevant and sufficient to determine the completeness and accuracy of the information disclosed in the Party's annual disclosure return for the 2013–14 financial year. Under the Act the AEC does not have authority under Part XX to, and therefore did not, examine any other aspects of Party's financial operations such as the existence or effectiveness of internal controls.

However, it is the AEC's practice prior to finalisation of a compliance investigation to discuss with the relevant officer of the political party, the reasons why such errors and omissions may have occurred. The objective of such discussions is to encourage the political party to examine its

internal processes and systems in order to improve the accuracy of future annual disclosure returns and compliance with Part XX of the Act.

## The AEC's opinion: investigation outcomes

Mr Siviour has complied with the requirements of Part XX of the Act as detailed below.

### 1. Lodgement requirements

Subsection 314AB(1) of the Act provides that the party agent of each political party and of each State branch of each registered political party must furnish a return to the Electoral Commission, in the approved form, within 16 weeks after the end of the financial year, which for the 2013-14 financial year was 20 October 2014.

The 2013–14 annual disclosure return for the Party was lodged on 29 July 2014 which was prior to the due date.

### 2. Disclosure requirements

Paragraph 314AB(1)(a) of the Act requires the party agent of a party to report the total amount received by, or on behalf of, the party during the financial year. The amount received must include the value of a gift, loan or bequest in accordance with s.314AA of the Act.

Similarly, s.314AB(1)(b) of the Act requires the party agent of a party to report the total amount paid, for or on behalf of, the party during the financial year.

Paragraph 314AB(1)(c) of the Act requires the party agent of a party to report the total outstanding amount as at the end of the financial year of all debts incurred by, or on behalf of, the party.

The compliance investigation did not identify any discrepancies between the total amount of receipts and payments reported in the annual disclosure return and the documentation provided by the Party. The records provided by the Party did not show it to be carrying any outstanding debts as at 30 June 2014. The records examined were reconciled to the total amounts for receipts, payments and debts reported in the disclosure return.

Section 314AC of the Act, requires disclosure of the particulars of the sum of individual amounts received by, or on behalf of, a party from a person or organisation during the 2013–14 financial year of more than \$12 400.

In calculating the sum, an amount of \$12 400 or less need not be counted (s.314AC(2)).

To comply with this obligation, the details of any amount above the threshold received from any external sources must be disclosed in the return regardless of the nature of the receipt. In the case of an unincorporated association or trust fund/foundation, the names and addresses of the executive committee or of the trustees of the trust fund or foundation must also be provided.

No receipts or debts above the disclosure threshold were listed in the annual disclosure return and none were evident in the supporting financial records examined.

## Conclusion

Based on the records examined the AEC is of the opinion that Mr Siviour has complied with the disclosure requirements under s.314AB. He has provided an annual disclosure return for the Party, for the financial year 2013–14, which accurately sets out the information required to be disclosed by a party under s.314AB of the Act.

## Enquiries

Should Mr Siviour have any enquiries regarding this report he should contact the AEC's Funding and Disclosure Branch either on telephone number (02) 6271 4552 or by email at [fad@aec.gov.au](mailto:fad@aec.gov.au).



Seema Srivastava

Assistant Commissioner  
Funding and Disclosure Branch

19 May 2015