

August 2024

Compliance Review Report

Centre Alliance

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Purpose of this report

Pursuant to s 316(2A) of the *Commonwealth Electoral Act 1918* (Electoral Act), this report provides the party agent of the Centre Alliance (the party) with the Australian Electoral Commission's (AEC) assessment of the level of compliance of the 2021–22 annual disclosure return lodged on behalf of the party with obligations under Part XX of the Electoral Act.

Disclosure obligations and foreign donation restrictions

Registered political parties and associated entities are required under Part XX of the Electoral Act to furnish returns.

Section 314AB of the Electoral Act requires the party agent of a registered political party to furnish a return within 16 weeks after the end of each financial year, disclosing:

- the total amount received by, or on behalf of, the party, during the financial year, together with the details specified by s 314AC of the Electoral Act;
- the total amount paid by, or on behalf of, the party, during the financial year;
- 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 specified by s 314AE of the Electoral Act;
- details of any discretionary benefits received by, or on behalf of the party, from the Commonwealth, a State or a Territory during the financial year.

Section 314AC of the Electoral 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 amount specified therein, the annual disclosure return must include the particulars of that sum.

Section 314AE of the Electoral 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 amount specified therein, the annual disclosure return must include the particulars of that sum.

For the 2021–22 financial year, the threshold was for sums in excess of \$14,500.

Section 302D of the Electoral Act restricts political parties from receiving gifts from foreign donors. Section 302F further restricts gifts from foreign donors to political parties for the purpose of incurring electoral expenditure.

The Electoral Act is available in full [here](#).

Conduct of the review

The authorised officer of the AEC has authority under s 316(2A) to require the production of documents and giving of evidence for the purpose of assessing compliance with the disclosure obligations required of registered political parties under Part XX of the Electoral Act.

Subsection 316(2A) requires the party agent of a registered political party to produce the documents or other things referred to in a notice served by the authorised officer within the period and in the manner specified in the notice or to appear, at the 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.

As part of this process, the authorised officer of the AEC served a notice on the party agent under s 316(2A) requiring the party to provide its financial records and other documents in relation to its financial operations for 2021–22.

Scope of the review

The records which were requested by the AEC from the party were limited to those which enabled the AEC to assess the following aspects of compliance with its disclosure obligations and foreign donation restrictions under Part XX of the Electoral Act:

- the timeliness of lodgement of the annual disclosure return
- the completeness and accuracy of the following information disclosed in the party's annual disclosure return for the 2021–22 financial year:
 - total gifts in kind
 - individual receipts above \$14,500
 - total debts
 - individual debts above \$14,500
- that the party has not received foreign donations restricted by ss 302D and 302F of the Electoral Act.

With exception to assessing the controls in place to identify and appropriately manage potential donations received from foreign donors, the AEC did not examine 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 is to communicate with the relevant officer of the party by phone, email and/or face to face meetings as appropriate to cover the following topics:

- financial reports and documentation available from the party's accounting system
- compliance issues arising from the AEC review of the financial reports and documentation provided by the party
- required and suggested amendments to the annual disclosure return which arise from the compliance review
- potential enhancements in the party's understanding of disclosure obligations and accounting processes to improve future compliance.

During the review the party provided documentation to the AEC as requested and within set timeframes.

A draft compliance review report was issued by the authorised officer of the AEC on 2 July 2024. The party was provided with an opportunity to comment on the draft report by 16 July 2024. The party did not provide any comment.

Review outcomes

1. Timely lodgement

Subsection 314AB(1) of the Electoral Act requires the party agent of the registered political party to lodge an annual disclosure return with the AEC within 16 weeks after the end of the financial year. As lodgement occurred on 24 October 2022 which is after the due date of 20 October 2022, the return did not comply with the requirement under s 314AB(1) to lodge a return for a registered political party within 16 weeks after the end of the financial year.

2. Accuracy in reporting – amendments

After examining the documents provided by the party for the review, the authorised officer of the AEC identified no issues relating to compliance with disclosure obligations under ss 314AB, 314AC and 314AE of the Electoral Act.

3. Foreign donations

After examining the information provided by the party for the review, the authorised officer of the AEC identified no issues relating to compliance with foreign donation provisions under ss 302D and 302F of the Electoral Act.

Conclusion

The authorised officer of the AEC for the purposes of s 316(2) of the Electoral Act has assessed the 2021–22 annual disclosure return for the party lodged with the AEC on 24 October 2022 did not comply with the requirement under s 314AB(1) of the Electoral Act to lodge a return for a registered political party within 16 weeks after the end of the financial year.

An authorised officer of the AEC has assessed the 2021–22 annual disclosure return lodged on behalf of the party accurately includes the information required to be disclosed under the provisions of sections ss 314AB, 314AC and 314AE of the Electoral Act.

An authorised officer of the AEC has assessed the party's compliance with foreign donation requirements under ss 302D and 302F of the Electoral Act in relation to the financial year 2021-22. No issues have been identified.

Joanne Reid
Assistant Commissioner
Australian Electoral Commission
6 August 2024