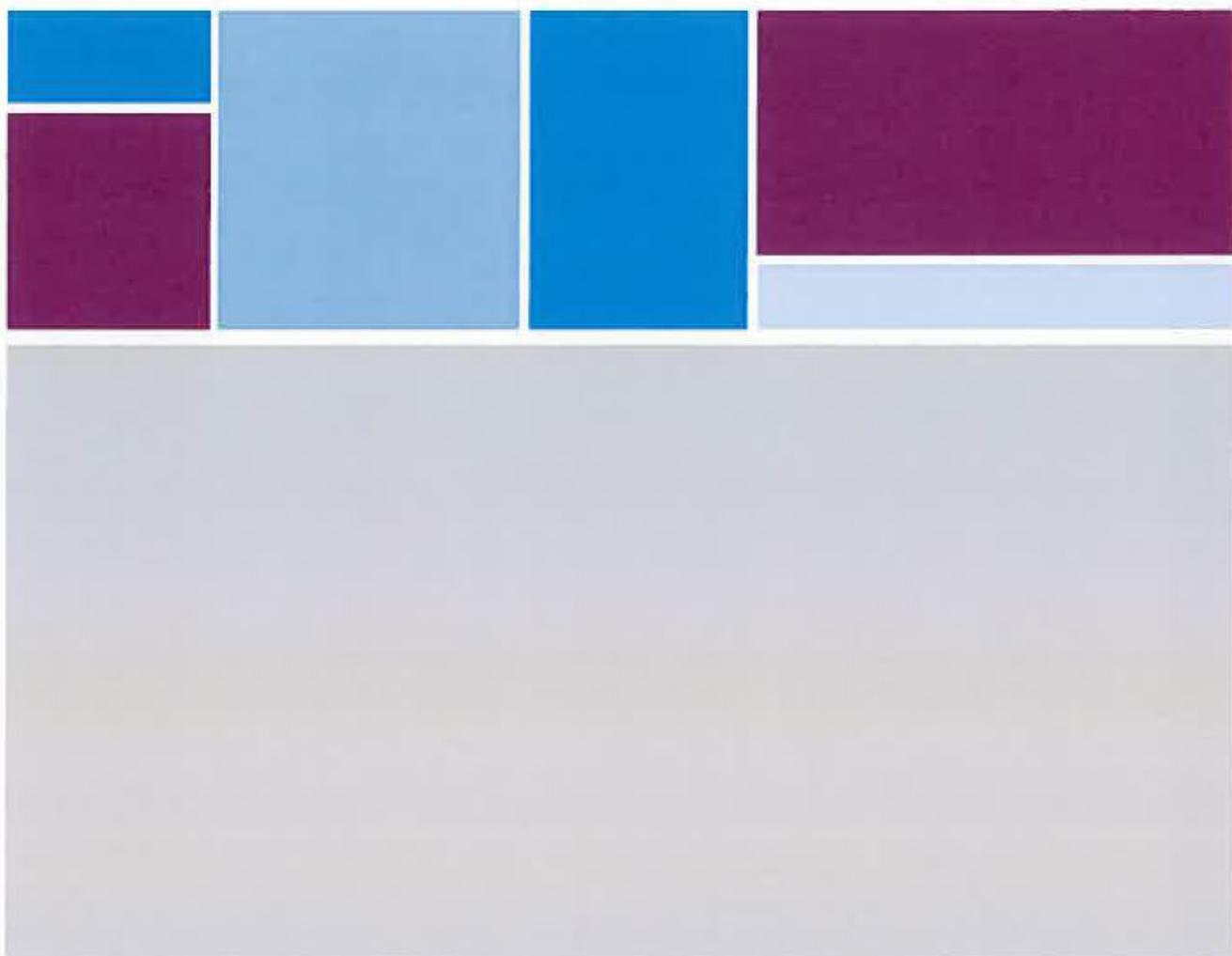


Compliance Review Report

Altum Pty Ltd ATF The HQ Trust

March 2014



AEC

Australian Electoral Commission

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Review details

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

AEC review officers: Anna Jurkiewicz
Warren Kelly

Entity staff involved: 1 [REDACTED]
Harry Charlton

Background

Federally registered Political Parties and Associated Entities are required under the provisions of the *Commonwealth Electoral Act 1918* (the Act) to lodge annual disclosure returns. The Australian Electoral Commission (AEC) has powers under the Act to review records and gather relevant information to assess whether disclosure obligations have been met.

The purpose of the review was to assess whether the disclosure return for the 2012-13 financial year lodged by Altum Pty Ltd as Trustee for the Head Quarters Trust (the Entity) complies with disclosure obligations as set out in the Act.

Compliance and cooperation

The compliance review of the Entity was conducted under the authority of s.316(2A) of the Act by a notice served on the Entity's financial controller. In accordance with s.316(2A)(c), the financial controller of an associated entity is required to produce the documents requested in the notice within the period and in the manner specified in the notice.

Part of the records requested in the first notice five days after the deadline of 12 December 2013. Difficulties in accessing all the records following separation of the Entity from the Liberal National Party of Queensland complicated compliance with the notice. However, the Entity provided the remaining records in advance of the deadline in response to the second notice.

Review findings

Total receipts and payments

Section 314AEA(1)(a) of the Act requires the financial controller of an associated entity to report the total amount received by, or on behalf of, the entity during the financial year. Similarly, s.314AEA(1)(b) of the Act requires the financial controller of an associated entity to report the total amount paid by, or on behalf of, the party during the financial year.

To satisfy this, the Entity must account for all transactions that result in receipts from and payments to external sources including those received from and paid to other associated entities or parties. These transactions must be reported on a gross basis inclusive of GST.

Any internal transactions within the Entity should be eliminated in the process of consolidation of all transactions to avoid over-reporting of the total amounts.

Following examination of the records provided, the review identified a number of discrepancies between the records examined and the financial information reported in the return. However, during the review the Entity lodged a *Request for Amendment* form containing the revised figures which reflected the figures arrived at by the review.

The table below contrasts the revised figures against those reported in the original disclosure return.

Table 1: Total amounts received - comparison

Details	\$ Total receipts	\$ Total payment
Annual Return	5,178.00	5,178.00
Reviewed/Amended amount	11,611.00	19,851.00
Difference	6,433.00	14,673.00

In view of the above, Part 2a and Part 4 of the *Request for Amendment* have been accepted showing the amended amounts as set out below.

Accepted amendment

Amended total receipts	\$11,611
Amended total payments	\$19,851

Total debts

Section 314AEA(1)(c) of the Act requires the financial controller of an associated entity to report the total outstanding amount, as at the end of the financial year, of all debts incurred by, or on behalf of, the entity if the sum of all outstanding debts is more than the threshold amount. For the 2012-13 financial year the threshold was the sum of the outstanding amounts in excess of \$12,100.

Following examination of the Entity's accounting records, the total debts amount was under-reported by \$174. Whilst the review considered the amount to be immaterial, the Entity corrected the figure in its *Request for Amendment*. Part 5 of the *Request for Amendment* therefore, reflects the amended amount as indicated below:

Accepted amendment

Amended total debts	\$332,163
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Debts above the threshold

Section 314AE of the Act provides that if the sum of all outstanding debts, incurred by, or on behalf of, the entity to a person or an 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.

It is important to clearly identify persons and organisations to avoid any potential confusion for readers of disclosure returns. With political parties it is preferable that they be identified by the full name they are registered with for federal elections. In the case of the \$331,989 debt owed to the Liberal National Party of Queensland, the Entity amended the entry in Part 6 of the *Request for Amendment* to show the party's federally registered name.

Accepted amendment

Liberal National Party of Queensland	\$331,989
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Conclusion

Based on the records presented, including a *Request for Amendment* provided in the course of the review, nothing has come to our attention that causes us to believe that the Entity has not complied, in all material respects, with its disclosure obligations under the Act.

Enquiries and Assistance

Should the Entity 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.

REDACTION CODES

- 1 Personal Information (name) redacted.
- 2 Personal Information (facsimile of signature) redacted
- 3 Personal Information (facsimile of manuscript initialling) redacted
- 4 Personal Information (Individual's address)
- 5 Personal information (individual's telephone number)
- 6 Business information (Bank Account details) redacted.
- 7 Business information (Billing Account details) redacted.
- 8 Legal Professional Communication redacted.
- 9 Deliberative material redacted.
- 10 Irrelevant material redacted.