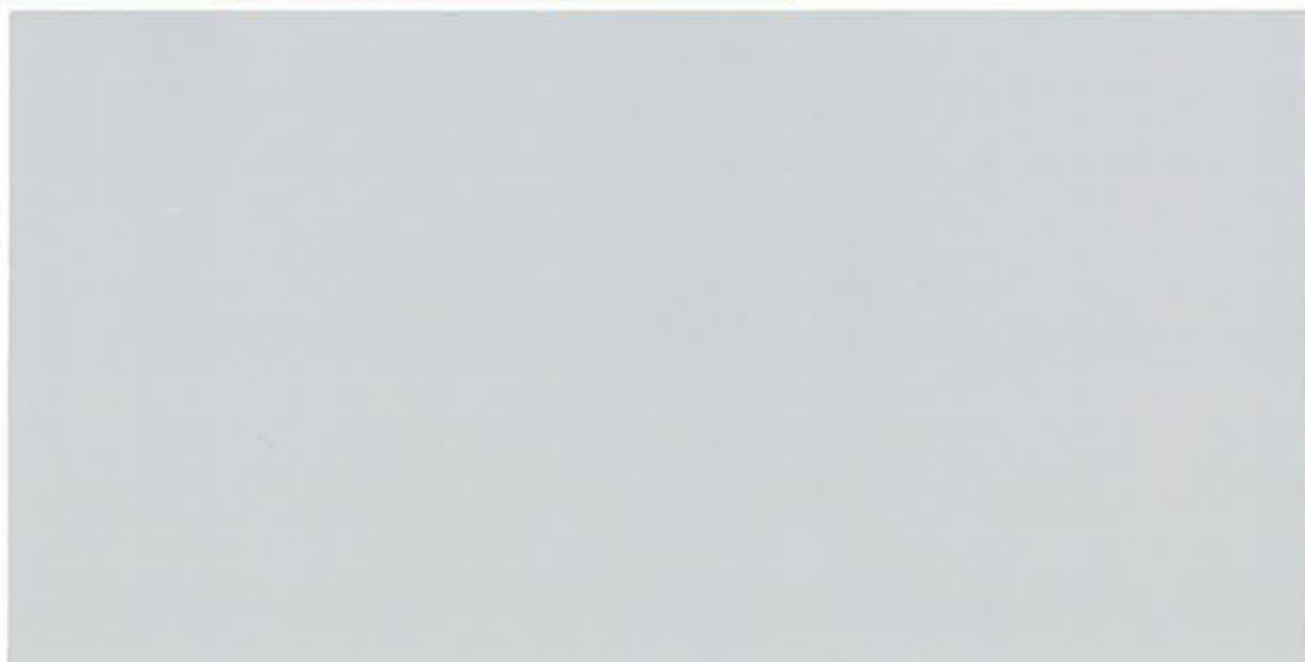


Compliance Review Report

The Free Enterprise Foundation

June 2013



AEC

Australian Electoral Commission

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: Anthony Bandle

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 2011–12 financial year lodged on behalf of The Free Enterprise Foundation (the Entity) complies with disclosure obligations as set out in the Act.

Compliance and co-operation with the notice

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.

The financial controller of the Entity provided the following requested documents by the due deadline of 17 May 2013 set in the notice:

- excel spread sheet listing transaction records;
- copies of bank statements;
- bank reconciliation statements; and
- copies of invoices and receipts.

Review findings

Total receipts, payments and debts

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, for or on behalf of, the entity during the financial year. These transactions must be reported on a gross basis inclusive of GST.

Section 314AB(2)(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.

The review did not identify any discrepancies between the total amount of receipts, payments and debts reported in the disclosure return and the documentation provided by the Entity. The records examined provided sufficient and appropriate evidence to support the total amounts reported in the disclosure return.

Receipts above the disclosure threshold

Section 314AC of the Act, requires disclosure of the particulars of the sum of individual amounts received by, or on behalf of, an entity from a person or organisation during the 2011–12 financial year of more than \$11 900.

In calculating the sum, an amount of \$11 900 or less need not be counted (s.314AC(2)).

The review did not identify any discrepancies between the information contained in the disclosure return regarding receipts above the disclosure threshold and the documents examined. The only receipt above the disclosure threshold declared by the Entity as a donation received from Ramsay Holdings Pty Ltd for \$500 000 was fully supported by the records provided.

Conclusion

Based on the records presented 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 by calling us on (02) 6271 4552 or by email at fad@aec.gov.au.