

# Compliance Review Report

Liberal Party of Australia

November 2013



**AEC**

Australian Electoral Commission

## Contents

<b>Review details</b> .....	<b>2</b>
Background .....	2
Compliance and cooperation .....	2
<b>Review findings requiring amendment</b> .....	<b>3</b>
Receipts above the disclosure threshold .....	3
<b>Conclusion</b> .....	<b>5</b>
Enquiries and Assistance .....	5

## Review details

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

AEC review officers: Brad Edgman  
Anna Jurkiewicz

Party staff involved: Colin Gracie

### Background

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 Liberal Party of Australia (the Party) complies with disclosure obligations as set out in the Act.

### Compliance and cooperation

The compliance review was conducted under the provisions of the *Commonwealth Electoral Act 1918*. In accordance with s316 (2A)(c), the party agent of a political party is required to produce the documents requested in the notice within the period and in the manner specified in the notice.

The Party provided the key documents requested in the notice by the due date of 17 May 2013. However, the response to item 8 of the notice to provide “any document or record forming part of the Party’s accounting records not covered in *Attachment A* of the notice but which was used in the compilation of the disclosure return” had been overlooked. The missing accounting record related to debts above the threshold was subsequently provided during the meeting with the Party Agent.

Whilst the key components of the review process had been finalised by the end of July 2013, the meeting with the Party was postponed until November 2013 in recognition of the Party's involvement in the federal election held in September 2013.

## Review findings requiring amendment

### Receipts above the disclosure threshold

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 2011-12 financial year the threshold was the sum of the relevant amounts in excess of \$11,900.

In calculating the sum, an amount of \$11,900 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.

The Party reported sixty eight receipts above the threshold of \$11,900. However, an examination of the Party's records revealed that one of those receipts requires correction and further two were identified as not reported. The details of those receipts are discussed below.

#### Doyle Capital Ltd

The Party's bank statement records show one deposit of \$33,000 received from *Doyle Capital Ltd*. According to the bank statement number 723 of the *Imprest* account the amount was deposited on 12 December 2011.

In the course of the review, the Party Agent advised that the deposit shown in the bank statement represented payments for three separate invoices of \$11,000 each and as such the Party did not consider those amounts to be reportable. However, following clarification surrounding this receipt, the Party acknowledged that the amount deposited should be disclosed as a single 'other' receipt from the company as evidenced in the bank statement.

To correct this omission, Part 2 of the *Request for Amendment* form must be completed showing the details of the receipt as set out below.

Required amendment		
Name	Address	Amount
Doyle Capital Ltd	[to be provided]	\$33,000

### 2. Visa Worldwide Pte Ltd

Bank statement number 706 for *Imprest* account shows a deposit of \$19,242 made on 12 August 2011 with a description of *Ref – ICP 3039/588155 Proceeds of Overseas, Inward Transfer*. This transaction is reflected in the Party's accounting records as payment received from Visa Worldwide Pte Limited with an additional \$8.00 reported as a transaction fee.

A copy of the tax invoice provided by the Party indicates that the amount was received for a sponsorship of the policy luncheon at the Business Observer Programme of the 55<sup>th</sup> Federal Council held on 24 June 2011.

In the course of the review, the Party confirmed that the amount was inadvertently omitted. As the Party is required to report its receipts on a gross basis, the full amount of \$19,250 should be disclosed in Part 2 of the *Request for Amendment* to correct the omission.

Required amendment		
Name	Address	Amount
Visa Worldwide Pte. Limited	[to be provided]	\$19,250

### 3. Paul Cooke

The Party reported in its disclosure return the amount of \$16,500 as received from Mr Paul Cooke. However, the description used in the bank statement number 714 for

*Imprest* account with regard to this transaction indicates that the amount was deposited by The Fuel Agency.

Following further clarification in the course of the review, the Party Agent acknowledged that the company's name should be shown as an "other" receipt.

In view of this Part 2 of the *Request for Amendment* should show the details of the receipt as set out below

Required amendment		
Name	Address	Amount
The Fuel Agency	[to be provided]	\$19,242

## Conclusion

Except for the omissions noted above, nothing has come to our attention that causes us to believe that the Party has not complied, in all material respects, with its disclosure obligations under the Act. To ensure full compliance with the Act, the matters noted above should be remedied.

## Enquiries and Assistance

Should the party 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).