

June 2021

Compliance Review Report

**Australian Conservation Foundation
Incorporated**

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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 Director of Finance and Operations of the Australian Conservation Foundation Incorporated (the third party) with the Australian Electoral Commission's (AEC) assessment of the level of compliance of the 2018–19 annual disclosure return with disclosure obligations under sections 314AEB and 314AEC of the Electoral Act.

Disclosure obligations

A person or entity must provide a disclosure return for a financial year in accordance with Part XX of the Electoral Act if the person or entity is a third party during the year.

Section 314AEB of the Electoral Act requires the third party to furnish a return within 20 weeks after the end of each financial year, disclosing:

- total electoral expenditure incurred greater than the disclosure threshold;
- details of gifts received totalling more than the disclosure threshold received and used (wholly or partly) to incur or reimburse electoral expenditure

and

- certifying compliance with section 302E of the Electoral Act relating to donations to third parties by foreign donors signed by the members, agents or officers (however described) of the third party.

For the 2018–19 financial year, the threshold was for sums in excess of \$13,800.

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 third parties under Part XX of the Electoral Act.

Subsection 316(2A) requires the financial controller of the third 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 financial controller under s 316(2A) requiring the third party to provide its financial records and other documents in relation to its financial operations for 2018–19.

Scope of the review

The records which were requested by the AEC from the third party were limited to those which enabled the AEC to assess the following aspects of compliance with its disclosure obligations 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 third party's annual disclosure return for the 2018–19 financial year:
 - total electoral expenditure
 - gifts received totalling more than the disclosure threshold used for electoral expenditure

The AEC did not examine other aspects of the financial operations of the third 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 third party by phone, email and/or face to face meetings as appropriate to cover the following topics:

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

During the review the third 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 9 June 2021. The third party was provided with an opportunity to comment on the draft report by 14 June 2021. The third party did not provide any comment.

Review outcomes

1. Timely lodgement

Subsection 314AEB(3) of the Electoral Act requires the third party to lodge an annual disclosure return with the AEC within 20 weeks after the end of the financial year. As lodgement occurred on 18 November 2019 which is before the due date the return complied with the requirement under s 314AEB(3) to lodge a return for third party within 20 weeks after the end of the financial year.

2. Completeness and accuracy in reporting

After examining the documents provided by the third party for the review, the authorised officer of the AEC identified no issues relating to compliance with disclosure obligations under ss 314AEB and 314AEC 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 2018–19 annual disclosure return for the third party lodged with the AEC on 18 November 2019 complied with the requirement under s 314AEB (3) of the Electoral Act to lodge a return for a third party within 20 weeks after the end of the financial year.

An authorised officer of the Australian Electoral Commission has assessed the 2018–19 annual disclosure return lodged on behalf of the third party accurately includes the information required to be disclosed under the provisions of sections 314AEB and 314AEC of the Electoral Act.

Joanne Reid
Assistant Commissioner
Australian Electoral Commission

16 June 2021