

# Audit Waiver Policy

Version 3.0

**Approval**



Pat Vidgen

**Electoral Commissioner**

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## Version history

Version	Notes	Author	Date of Change
1.0	Issued for use	Director, Elections, Disclosure and Spatial	February 2017
1.1	Review	Director, Elections, Disclosure and Spatial	August 2018
2.0	Issued for use	Director, Elections Disclosure and Spatial	August 2018
2.1	Review	Director, Funding, Disclosure and Compliance	October 2020
3.0	Issued for use	Electoral Commissioner	October 2020

## Review

This policy will be reviewed **annually** from the approval date, or if the relevant regulatory frameworks change in a way that means this policy is no longer contemporary.

A Human Rights Impact Assessment, in accordance with [section 58\(5\)](#) of the *Human Rights Act 2019*, has been conducted to identify any human rights that may be affected by the actions recommended in this policy. Section 22, 'Peaceful assembly and freedom of association', and section 23, 'Taking part in public life', were identified as being potentially impacted by the proposed actions.

The ECQ is responsible for ensuring compliance with the disclosure provisions under the *Electoral Act 1992* (the Act). Section 310 of the Act outlines the legislative requirement for registered political parties and associated entities to give an audit certificate with their disclosure returns, unless the ECQ waives compliance because the cost is unreasonable. Accordingly, the principles and processes set out in this policy are justifiable as being in the public interest and do not place a limit on a human right under the *Human Rights Act 2019*.

## Purpose

To provide guidance to the Electoral Commission of Queensland (ECQ) in dealing with requests received from political entities to waive the requirement to provide an audit certificate with their periodic or election summary returns.

## Rationale

Section 310 of the *Electoral Act 1992* (the Act) requires registered political parties and associated entities to provide a certificate from an auditor with their periodic disclosure returns. Registered political parties must also provide an audit certificate with their election summary returns, which are required to be lodged after each State election.

Section 310 of the Act provides that the ECQ may waive compliance with the requirement to give an audit certificate if the ECQ considers the cost of compliance with the requirement would be unreasonable.

Audit certificates provide a high level of assurance to both the ECQ and the public regarding the compliance of certain political entities with their disclosure obligations under the Act. At the same time, granting a waiver of the requirement to provide an audit certificate can also serve the public interest by encouraging a range of political entities to participate in the political process.

## Guiding Principles

1. A consistent framework for dealing with audit waiver requests supports open, transparent and accountable governance.
2. In order to approve an audit waiver request, the ECQ must be satisfied that the cost of an audit would be unreasonable.
3. Procedures for assessing and determining audit waiver requests should take into account not only the financial position of the entity making the request and the contents of their periodic or election summary return, but also relevant public interest factors.
4. The final decision on whether or not an audit waiver is granted is at the ECQ's discretion.

## Policy

Any entity required to give an audit certificate with their periodic or election summary return may submit a request to the ECQ for an audit waiver.

The ECQ will provide assistance to entities wishing to submit an audit waiver request.

The ECQ will assess audit waiver requests on a case by case basis using the guidelines in the established Audit Waiver Procedure.

The ECQ will be open and consistent in its decision making and will provide reasons for its decision.

Entities may request a review of the ECQ's decision to reject an audit waiver request.

The ECQ will reflect on reviewed decisions and identify improvements to policies and procedures as appropriate.

## Delegations

1. Only the following persons are authorised to determine whether or not an audit waiver should be granted in accordance with this policy and the Audit Waiver Procedure:
  - Principal Elections Officer, Funding and Disclosure
  - Manager, Funding, Disclosure and Compliance
  - Director, Funding, Disclosure and Compliance
  - Assistant Electoral Commissioner
  - Electoral Commissioner.

## Appendix 1 — Definitions

### Definitions

Term	Definition
<b>Audit certificate</b>	<p>A certificate from an auditor stating:</p> <ul style="list-style-type: none"> <li>• that the auditor was given full and free access at all reasonable times to the records related to a matter required to be disclosed in the return; and</li> <li>• the auditor examined the accounts and documents mentioned above that the auditor considered material for giving the certificate; and</li> <li>• the auditor received all the information and explanations the auditor asked for in relation to any matter required to be stated in the certificate, subject to the qualifications, if any, stated in the certificate; and</li> <li>• the auditor has no reason to think any statement in the declaration is not correct.</li> </ul>
<b>Audit waiver</b>	A waiver of the requirement to give an audit certificate with a periodic or election summary return.
<b>Auditor</b>	<p>An auditor who provides an audit certificate for a return must not be, nor have ever been, a member of a political party (under section 197 of the Act) and must have any of the following qualifications:</p> <ul style="list-style-type: none"> <li>• registration as an auditor under the Corporations Act;</li> <li>• membership of CPA Australia Ltd ACN 008 392 452 and an entitlement to use the letters 'CPA' or 'FCPA';</li> <li>• membership of the Institute of Public Accountants Ltd ACN 004 130 643 and an entitlement to use the letters 'MPA' or 'FIPA';</li> <li>• membership of Chartered Accountants Australia and New Zealand ARBN 084 642 571 and an entitlement to use the letters 'CA' or 'FCA'.</li> </ul>
<b>Election summary return</b>	A disclosure return that is required to be given within a specified timeframe after an electoral event.
<b>Periodic disclosure return</b>	A disclosure return that is required to be given within a specified timeframe after the end of a calendar-based reporting period.

## Appendix 2 — Regulatory Framework

### Regulatory framework

- *Electoral Act 1992* section 310
- *Electoral Regulation 2013*, section 6