

Party Election Expenses Return for the for the 2014 General Election

Fill in boxes highlighted in yellow
If completing the form manually - also fill in orange boxes

Party
Name

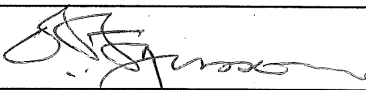
ACT NEW ZEALAND

Party
Secretary
Name

LINDSAY FERGUSON

I declare that to the best of my knowledge this return, filed pursuant to section 206I of the Electoral Act 1993, is an accurate record of the party election expenses for the 2014 General Election and is not false in any material particular.

Signed:


(Party Secretary)

Date:

17/02/2015
(dd/mm/yyyy)

Where you have completed the return electronically you will need to print the return. The return needs to be signed and dated by the party secretary and both the party secretary and the auditor must initial each page of the return. The signed return and the auditor's report must be received by the Electoral Commission by **Wednesday 18 February 2015**. Returns can be filed:

- By post at PO Box 3220 Wellington 6140
- Delivered to Level 10, 34-42 Manners Street, Wellington
- By fax to 04 495 0031
- By email to enquiries@elections.govt.nz

Please note, where the return is sent by fax or email the original signed return should also be sent or delivered to the Electoral Commission.

CHECKLIST

| | |
|---|-----|
| Parts A to C completed (if no expenses, then answer Nil on the Summary Sheet) | Yes |
| Party Secretary has initialled every page | Yes |
| All relevant supporting documentation supplied to auditor | Yes |
| Auditor has stamped or initialled every page | Yes |
| Auditor's report enclosed | Yes |
| Representation letter enclosed, if used | Yes |

Party Election Expense Return 2014 General Election

Party Name

ACT NEW ZEALAND

| | | | | |
|---|------------------|-----|------------------------|----------------|
| Did you contest the party vote? | Answer Yes or No | Yes | "Yes" = \$1,091,000 | \$0.00 |
| Number of electorate candidates for the party | | 39 | Number * \$25,700 | \$1,091,000.00 |
| | | | | \$1,002,300.00 |
| | | | | \$0.00 |
| Expenditure limit (incl GST) | | | Total | \$2,093,300.00 |



SUMMARY

| | | |
|---|--|----------------------|
| Total expenditure returned (incl GST) | | \$0.00 |
| If you do not have any expenses to declare answer Nil | | |
| Part A | Party advertisements promoted solely by the party | Total A \$294,406.09 |
| Part B | Apportionment of party advertisements shared with candidates or another party or parties | Total B Nil |
| Part C | Authorised party advertisements promoted by candidate or third party promoters | Total C Nil |
| | | \$0.00 |
| TOTAL | Total A to C | \$294,406.09 |

| | |
|--|-------------------------|
| Please indicate in each box | Answer Yes or No |
| All party election expenses have been included | Yes |
| All expenses greater than \$100 vouched by invoice and receipt | Yes |
| All relevant papers provided to auditor | Yes |

Notes/Comments: (Add any notes/comments in this section)

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

| | | | |
|----------------------------|---|--------------------------|---|
| Party Secretary Initial |  | Auditor Stamp/Initial |  |
|----------------------------|---|--------------------------|---|

Note: the only apportionment permitted is for advertisements published both before and during the regulated period (20 June to 19 September 2014).

Party Secretary Initial:

Note: apportionment is permitted between the party and candidate/other party, and for advertisements published both before and within the regulated period (20 June to 19 September 2014).

Total B \$0.00

Party Name

NiI

Total returned expense for B

ACT NEW ZEALAND

Party Secretary Initial:



Note: the only apportionment permitted is for advertisements published both before and within the regulated period (20 June to 19 September 2014).

Total C \$0.00

Party Secretary Initial:



Chartered Accountant & Business Adviser

3 Owens Rd, EPSOM
PO Box 28 898
Auckland 1541
New Zealand
Phone (64 9) 623-7778
MOB (64 9) 021901122
Fax (64 9) 623-7779
Email: david@laydodd.co.nz

INDEPENDENT AUDITOR'S REPORT

To the Party Secretary of ACT New Zealand

Report on the Party Expenses Return for the 2014 General Election

I have audited the Party Expenses Return for the 2014 General Election (the Return) on pages 1 to 5, prepared by ACT New Zealand (the Party) for the 2014 general election period 20 June 2014 to 19 September 2014. The Return is stated to be in accordance with section 206L of the Electoral Act 1993.

This Audit Report is made solely to the Party Secretary. My audit has been undertaken so that I might state to the Party Secretary those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Party Secretary, for my audit work, for this report, or for the opinions I have formed.

Party Secretary's Responsibility

The Party Secretary is responsible for the preparation of the Return which correctly presents the Party's election expenses incurred by the Party during the period 20 June 2014 to 19 September 2014.

Auditor's Responsibility

My responsibility is to express an independent opinion on the Return in terms of the requirements of section 206L of the Electoral Act 1993. I conducted my audit in accordance with International Standards on Auditing (New Zealand). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Return is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the position disclosed in the Return do not exceed the maximum amount prescribed by section 206C of the Electoral Act 1993. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Return, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of and fair presentation of the Return in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Other than in my capacity as auditor I have no relationship with, or interests in, ACT New Zealand.

Basis for Qualified Opinion

I am unable to form an unqualified opinion on the Return for the following reasons:

- The risk surrounding the completeness of the election expenses specifically as stated below:
 - I am not the auditor of ACT New Zealand, regions and electorate's, my scope was therefore limited in respect to assessing the completeness of election expenses which may have been incurred at region and electorate level.
 - It is possible that the Party may have received public funds for election expenses and my scope is limited in respect of my access to information regarding such expenses.
 - Controls over the recording of election expenses that may have been provided at no cost are limited as there are no practical audit procedures to determine the effect of this limited control
 - Difficulties in the apportionment of election expenses of election activity between candidates and ACT New Zealand as a whole.

Due to the nature of the limitations above, I do not believe there is further information available that can be provided by ACT New Zealand to allow me to determine the effects of these limited controls.

Unqualified Opinion

Because of the potential effect of the limitations in the evidence available to me, I am unable to form an unqualified opinion as to whether the position disclosed in the Return does not exceed the maximum amount prescribed by section 206C of the Electoral Act 1993.

In forming my opinion I am reliant on the information provided to me by the Party Secretary.



David G Knightley
17 February 2015
Newmarket
AUCKLAND

17 February 2015

David Knightley
David Knightley Accounting
P O Box 28 898
Auckland 1541

Dear David

**Letter of Representation for Party Election Expenses Return for the 2014
General Election**

This representation letter is furnished in connection with the return of party election expenses for the 2014 general election (the return) by ACT New Zealand (the Party) made in accordance with section 206I of the Electoral Act 1993 (the Act) which has been subject to an assurance engagement and reported on by you in accordance with section 206L of the Act.

I understand that your assurance engagement was conducted in accordance with the relevant provisions of the Act and the applicable auditing and assurance standards issued by the New Zealand Auditing and Assurance Standards Board.

I confirm and take responsibility for the following representations after taking all reasonable steps to assure myself of them:

- 1 The return has been prepared in accordance with the relevant provisions of the Act.
- 2 I am responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the return. I have done this, and all explanations or demonstrations of this to you have been complete and accurate.
- 3 All records, documents and accounts (records) have been kept by the Party (including subsidiary entities) and made available to you, and these materials will be retained in accordance with the requirements of the Act.
- 4 I have disclosed to you:
 - 4.1 any material transactions not disclosed in the records;
 - 4.2 the existence of all relevant agreements or activities relating to the Party's members of the previous Parliament, electorate candidates, subsidiary or closely connected political entities, third party promoters (whether registered or not), and other political parties (whether registered or not) or their electorate candidates;

- 4.3 any alleged, suspected or proven illegal activity under the Act or other legislation potentially relevant to the return or instances of non-compliance with applicable requirements;
 - 4.4 any outstanding disputed claims, matters with authorities, or planned or continuing litigation;
 - 4.5 the fact of, and results from, any assessment made by me that considered whether the records of the Party may be materially misstated or incomplete for any reason; and
 - 4.6 any design deficiencies in the compliance system and instances where that system has not operated as described.
- 5 The return contains the total returnable election expenses of the Party for the 2014 general election whether paid or incurred before, during, or after the regulated period. The return includes all expenses, including apportioned expenses, and irrespective of the source of funds or entity paying for the activities concerned, and irrespective of whether or not a party advertisement contained a promoter statement.
- 6 The return's contents have been determined by considering, in the following sequence, these questions and the relevant provisions of the Act:
- 6.1 Was the advertising undertaken by the party secretary, or with their authority? [section 206(1), definition of **election expenses**, paragraph (a)(ii)] (If no, advertising is not an election expense.)
 - 6.2 If yes - did the advertising constitute **publishing**? [section 3D, definition of **publish**; section 206(1), definition of **election expenses**, paragraph (a)(i)] (If no, advertising is not an election expense.)
 - 6.3 If yes - was that the publishing of a **party advertisement**? That is, did the advertisement encourage or persuade, or appear to encourage or persuade, voters to vote for the party, or against another party, or both? [section 3(1), definition of **party advertisement**; section 206(1), definition of **election expenses**] (If no, advertising is not an election expense.)
 - 6.4 If yes - was the advertising undertaken (or deemed to be undertaken) during the regulated period (from 20 June 2014 to 19 September 2014)? [section 3B, definition of **regulated period**; section 206(1), definition of **election expenses**, paragraph (a)(i)] (If no, advertising is not an election expense.)
 - 6.5 If yes:
 - 6.5.1 What expense was incurred in undertaking the advertising? [definition of **advertising expenses**, section 3E; definition of **election expenses**, section 206(1)]



- 6.5.2 What cost was involved in respect of the preparation, design, composition, printing, distribution, postage and publishing of the party advertisement? [section 3E(1)(a)(i)]
- 6.5.3 What was the reasonable market of any **material** used for or applied toward the party advertisement, including material provided free of charge, or below reasonable market value? [section 3E(1)(a)(ii)]
- 6.5.4 Was the advertisement a **joint party advertisement** [section 206CB], or a **joint party and candidate advertisement** [section 206CC]? (If yes, the costs can be apportioned based on coverage.)
- 6.6 Do any of the costs identified above fall within any of the expense exceptions? [section 3E(1)(b)]
- 6.6.1 The conduct of any survey or public opinion poll (other than push-polling)
- 6.6.2 Framework, other than a commercial framework, supporting a hoarding displaying the party advertisement
- 6.6.3 The labour of any person provided free of charge by that person
- 6.6.4 Replacement of election materials damaged in circumstances out of the party's control
- 6.6.5 Expenses, including running costs, of a vehicle used to display a party advertisement (provided payment was not made or promised) for the display of the advertisement on the vehicle
- 6.6.6 Allocations from the Electoral Commission of time and money for election broadcasting [definition of **election expenses**, section 206(1)(c)]

If yes, that specific cost is not an election expense.

7 I have sought, received, and hold in the Party's records confirmation from, or on behalf of, any Party members of the previous Parliament that all party advertisements published, or election expenses incurred by those members of Parliament have been disclosed to me, with adequate supporting records, for inclusion in this return.

8 Where an apportionment of election expenses is given in the return:

- the basis of apportionment is appropriate, and has been properly applied and recorded, and
- the information contained in the Party's return is known to be consistent with that of the Party's electorate candidates, or the undertakings of other entities involved in the apportionment included in the records.



- 9 Any and all misstatements you have identified during the course of your assurance engagement have been adjusted in the final return.
- 10 I have completed my own procedures, distinct from your assurance engagement processes, to evaluate the accuracy and completeness of the return.
- 11 The return is free of any material misstatements or omissions.

These representations are made in terms mutually agreed between us, and to supplement information obtained by you from the records of the Party and to confirm information given to you orally.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Lindsay Fergusson'.

Lindsay Fergusson
Party Secretary