

*Annual Report 2003*

**ELECTION FUNDING AUTHORITY OF NEW SOUTH WALES**

**ANNUAL REPORT TO  
PARLIAMENT  
OF THE**

**ELECTION FUNDING AUTHORITY  
OF NEW SOUTH WALES**

**FOR THE YEAR ENDED  
30 JUNE 2003**

ISSN 1320-8616

## **ACCESS**

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## **ANNUAL REPORT**

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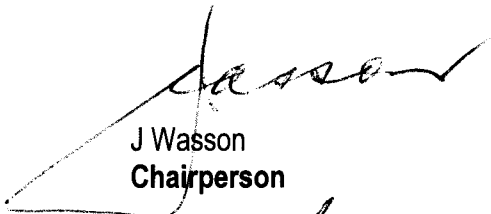
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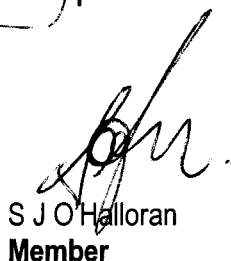
*Dear Premier*

*Report of the Election Funding Authority of New South Wales*

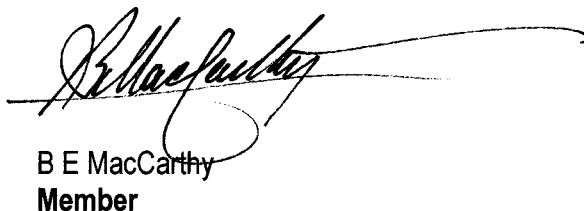
*In accordance with section 8 of the Annual Reports (Statutory Bodies) Act 1984 we submit for tabling in both Houses of Parliament the report on the operations of the Authority for the financial year ended 30 June 2003.*



**J Wasson  
Chairperson**



**S J O'Halloran  
Member**



**B E MacCarthy  
Member**



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## **CHARTER**

The Election Funding Authority is established pursuant to the provisions of the Election Funding Act 1981. This Act is designed to achieve two major purposes, viz. to prescribe a scheme of public funding of election campaigns and to provide for the public disclosure of the sources of funds used and expenditure incurred in election campaigns. The Act also provides for the annual payment to eligible parties of amounts from the Political Education Fund.

Section 22(2) of the Act imposes a duty on the Authority to exercise its functions in a manner that is not biased against or in favour of any particular party, group, candidate or other person, body or organisation.

### **AIMS & OBJECTIVES**

The Authority is responsible for dealing with:

- (a) applications by groups and candidates for registration;
- (b) claims by parties, groups and candidates for payment of election campaign expenditure in respect of Parliamentary elections;
- (c) declarations by parties, groups, candidates and third parties of political contributions received and electoral expenditure incurred in respect of Parliamentary and Local Government elections; and
- (d) claims by parties for payment from the Political Education Fund.

The Authority has a number of other responsibilities including a wide research role in relation to election funding, political contributions, electoral expenditure and other matters relating to the Act.



## **MANAGEMENT & STRUCTURE**

Part II of the Election Funding Act 1981 provides that the Authority shall consist of:

- (a) The Electoral Commissioner for New South Wales as Chairperson;
- (b) A member appointed on the nomination of the Premier; and
- (c) A member appointed on the nomination of the Leader of the Opposition in the Legislative Assembly.

During the 2002/2003 year members of the Authority were:

Mr J Wasson, Dip.Law  
Electoral Commissioner and Chairperson

Mr S J O'Halloran  
Appointed on the nomination of the Premier

Mr B E MacCarthy  
Appointed on the nomination of the Leader of the Opposition

Alternate members were:

Mr D W Kirby  
Appointed on the nomination of the Premier

Mrs A M Cohen  
Appointed on the nomination of the Leader of the Opposition

Mrs M Floyd held the position of Secretary of the Authority.

Meetings of the Authority were held on the dates set out below:

11 December 2002  
12 June 2003

These meetings were attended as follows:

Mr J Wasson - 2  
Mr S J O'Halloran - 2  
Mr B E MacCarthy - 2

## **SUMMARY REVIEW OF OPERATIONS**

### **GENERAL**

During the year the Authority considered declarations of political contributions received and electoral expenditure incurred lodged by candidates contesting by-elections conducted in various Council areas under the provisions of the Local Government Act 1993.

Claims for payment from the Political Education Fund lodged by eligible parties were considered and appropriate payments made.

A review was completed of forms and instructional material used by parties and candidates at the State general election held on 22 March 2003.

In the lead up to the March general election political parties were invited to attend an instructional seminar conducted in December. The rights and obligations under the Election Funding Act 1981 of those participating in the electoral process were explained with reference to practical examples. From the standard of documents already lodged with the Authority it would appear that the level of compliance is continuing to improve.

The Authority takes the opportunity to again express its appreciation to the staff of the State Electoral Office for their assistance and support.

### **2003 General Election**

A general election was held on Saturday 22 March 2003. All parties, groups and candidates contesting the election were registered for the purpose of the Act.

The following number of parties, groups and candidates contested the election:-

Parties	17
Groups	1
Ungrouped Legislative Council Candidates	7
Legislative Assembly Candidates	660

A total of \$10,372,669 is available for distribution to eligible parties, group and candidates contesting the election. Of this amount two-thirds (\$6,915,113) comprises the Central Fund from which eligible parties, groups and candidates contesting the Legislative Council election are paid. The balance (\$3,457,556) comprises the Constituency Fund from which eligible candidates contesting the Legislative Assembly elections are paid. The amount available for payment in respect of the 93 electoral districts is calculated by dividing the Constituency Fund by the 93 electoral districts i.e.  $\frac{\$3457556}{93} = \$37,178$ .

The parties set out below are entitled to receive payment from the Central Fund. No groups or candidates are eligible to receive payment from this fund.

<b>Party</b>	<b>Maximum Entitlement \$</b>
Australian Labor Party (NSW Branch)	2,927,092
Country Labor Party	399,149
Liberal Party of Australia New South Wales Division	1,695,920
National Party of Australia - NSW	847,960
The Greens	656,978
Christian Democratic Party	231,711
The Shooters Party	156,300

A total of 336 candidates are entitled to payment from the Constituency Fund.

At the close of the reporting period only a few declarations and claims have been lodged with the Authority. The last day for lodgement of documents is 27 August 2003. In order to provide a complete record of the 2003 general election details of all documents lodged will be included in the next Annual Report.

Documents lodged are available for inspection once they have been dealt with by the Authority.

### ***Hornsby By-election***

John Muirhead, a candidate at this by-election, has lodged a declaration with the Authority disclosing contributions of \$3,995 and expenditure of \$23,682 in relation to his campaign.

Although eligible to receive \$14,988 in funding Mr Muirhead has not nor does it appear he intends to make any claim for payment.

### **Local Government By-elections**

By-elections were held in the undermentioned Council areas:-

<b>Council</b>	<b>Date</b>
Kempsey Shire	16.3.02
Bourke Shire	16.3.02
Central Darling Shire – C Ward	16.3.02
Newcastle City – Ward 4	16.3.02
Glen Innes Municipal	16.4.02
Wingecarribee Shire	11.5.02
Byron Shire	1.6.02
Bellingen Shire	22.6.02
Rockdale City – Ward 1	31.8.02
Rockdale City – Ward 4	31.8.02
Blue Mountains City – Ward 4	14.9.02
Wollongong City – Lord Mayor	14.9.02
Tenterfield Shire – D Ward	5.10.02
Tumbarumba Shire	12.10.02
Sutherland Shire – A Ward	16.11.02
Wollongong City – Ward 3	7.12.02
Severn Shire – B Ward	7.12.02
Severn Shire – C Ward	7.12.02
Narromine Shire	14.12.02
Rylstone Shire – A Ward	1.2.03
Mudgee Shire	1.2.03

It will be noted that the list contains by-elections for Kempsey, Bourke, Central Darling, Newcastle, Glen Innes, Wingecarribee, Byron and Bellingen Councils held during the last reporting period. The time for lodgement of declarations by candidates from these by-elections did not expire until after 30 June 2002 and therefore they are included in this report.

With the exception of one candidate contesting the Byron Council by-election all candidates have lodged declarations required under the Act. Proceedings for a breach of the Act have been commenced against the delinquent candidate. Declarations are available for inspection at the Authority or at the office of the relevant Council.

Twelve third parties were identified in relation to the Wollongong City – Lord Mayor, four from the Wollongong City – Ward 3, two each from the Wingecarribee Shire and Sutherland Shire – A Ward and one each from the Rockdale City Ward 1 and Ward 4 by-elections. The necessary declarations have been lodged in compliance with the Act. These were the only third parties at the by-elections.

## **POLITICAL EDUCATION FUND**

### **Entitlement for 2003 calendar year**

Amounts payable to eligible parties for the 2003 calendar year from the Political Education Fund are as follows:-

<b>Party</b>	<b>Entitlement \$</b>
Australian Democrats (NSW Division)	56,034
Australian Labor Party (NSW Branch)	709,598
Christian Democratic Party (Fred Nile Group)	25,118
Liberal Party of Australia New South Wales Division	417,315
National Party of Australia - NSW	149,104
Outdoor Recreation Party	1,503
The Greens	65,258
Unity Party	17,802

The Labor Party, Liberal Party, National Party, Christian Democratic Party, Outdoor Recreation Party and The Greens have been paid their entitlement.

At the reporting date claims for payment by the Australian Democrats and the Unity Party were being considered

Claims for payment from the Political Education Fund are available for inspection at the Authority.

### **CHIEF & SENIOR EXECUTIVE OFFICERS**

By virtue of section 6(a) of the Election Funding Act the Electoral Commissioner is Chairperson of the Authority. The Electoral Commissioner's office is included in the Public Office Holder Group listed under section 11A of the Statutory and Other Office Remuneration Act 1975.

The Chairperson is John Wasson, who as Electoral Commissioner receives a total remuneration package of \$204,640. The Chairperson did not receive any payments in addition to his remuneration.

The total number of senior executive positions in the Authority during the reporting year was one. No female filled the position during this period.

### **CODE OF CONDUCT**

The Code of Conduct is set out in the Annual Report of the State Electoral Office.

## ***CONSULTANTS***

The Authority did not use the services of consultants during the reporting period.

## ***CONTRACT & MARKET TESTING***

Internal auditing of the State Electoral Office extends to the records of the Authority. This function is contracted out and for the reporting period the cost to the Authority was \$9,900.

## ***CONTROLLED ENTITIES***

The Authority has no controlled entities.

## ***DEPARTURE FROM THE SUBORDINATE LEGISLATION ACT***

There have been no departures from the provisions of the Subordinate Legislation Act. No extensions have been sought under that Act.

## ***DISABILITY STRATEGIC PLAN***

Details of the Disability Strategic Plan applicable to the Authority are set out in the Annual Report of the State Electoral Office.

## ***ECONOMIC OR OTHER FACTORS***

There were no economic or other factors that have affected the achievement of the operational objectives of the Authority during the reporting year.

## ***ELECTRONIC SERVICE DELIVERY***

Proposals are being examined to make forms and instructional material necessary for parties, groups and candidates to comply with the requirements of the legislation available on the Internet.

At the present details of contributions received, expenditure incurred and payments made are available on the Internet.

## ***EQUAL EMPLOYMENT OPPORTUNITY***

EEO details are set out in the Annual Report of the State Electoral Office.

## ***ETHNIC AFFAIRS POLICY STATEMENT***

Details of the Ethnic Affairs Policy Statement are set out in the Annual Report of the State Electoral Office.

## ***FINANCE***

The financial statements of the Authority prepared in accordance with the Public Finance and Audit Act 1983, the Auditor-General's Certificate in relation to these statements together with a detailed budget of the Authority for the financial year commence on page 24.

## ***GOVERNMENT ENERGY MANAGEMENT POLICY***

Details of the Government Energy Management Policy are shown in the Annual Report of the State Electoral Office.

## ***GRANTS TO COMMUNITY ORGANISATIONS***

No grants were made to non-government community organisations other than payments made to eligible parties under the Act.

## ***GUARANTEE OF SERVICE - CONSUMER RESPONSE***

On the basis of the continuing improved compliance rate consumer response to the redesigned forms and instructional material has been good.

Areas where some misunderstandings exist on the part of parties, groups and candidates were identified and given further attention in the material and at seminars for parties and held prior to the March general election.

## ***HUMAN RESOURCES***

The duties of the position Manager, Parliamentary Elections Division, State Electoral Office, include the functions of the Secretary of the Authority. Staff of the Parliamentary Elections Division provides administration, accounting and research services to the Authority (See "Organisation Structure").

Details of information relating to staff required by virtue of clause 4(1)(j) of the Annual Reports (Statutory Bodies) Regulation 1985 are included in the Annual Report of the State Electoral Office.

No overseas visits were undertaken.

## ***IMPLEMENTATION OF PRICE DETERMINATION***

No publications of the Authority are sold.

## **INVESTMENT PERFORMANCE & LIABILITY MANAGEMENT PERFORMANCE**

The Authority has no investments or liabilities.

## **LAND DISPOSAL**

The Authority does not own or have an interest in any realty.

## **LEGAL CHANGE**

The Act was amended to allow candidates to direct the Authority to pay an amount to which they are entitled to the party which endorsed them.

There were no other amendments to the legislation or significant judicial decisions affecting the Authority, parties, groups or candidates during 2002/2003.

## **MAJOR ASSETS**

The Authority does not possess any assets, major or otherwise.

## **MANAGEMENT & ACTIVITIES**

The general nature and range of activities of the Authority are set out in the item "Summary Review of Operations".

## **OCCUPATIONAL HEALTH AND SAFETY**

Details relating to Occupational Health and Safety are shown in the Annual Report of the State Electoral Office.

## **ORGANISATION STRUCTURE**

Chairperson:	<i>John Wasson</i>
Member nominated the Premier:	<i>Steve O'Halloran</i>
Member nominated by the Leader of the Opposition:	<i>Bruce MacCarthy</i>
Alternate Member nominated by the Premier:	<i>Donald Kirby</i>
Alternate Member nominated by the Leader of the Opposition:	<i>Anne Cohen</i>
Secretary:	<i>Monica Floyd</i>



## **PAYMENT OF ACCOUNTS**

Accounting functions are managed by the Finance Section of the State Electoral Office. Details of payment of accounts are set out in the Annual Report of that Agency.

## **PERFORMANCE INDICATORS/PROGRAM EVALUATION RESULTS**

The service functions provided by the Authority are set out on page 7 under the heading "Aims & Objectives".

### **PARLIAMENTARY ELECTIONS**

The following results have been obtained at the by-elections in the reporting period:-

Registration of candidates and agents within one week of receipt of application:

1997	1998	2001	2002
100%	100%	100%	100%

Lodgement of declarations and claims by parties and candidates within the statutory period of 120 days after the day for the return of the writ:

1997	1998	2001	2002
91%	100%	100%	92%

Payment of claims properly lodged by parties and candidates within two weeks after lodgement:

1997	1998	2001	2002
100%	100%	100%	100%

Examination of declarations lodged by parties and candidates not entitled to funding within two weeks after lodgement:

1997	1998	2001	2002
91%	100%	100%	100%

### **POLITICAL EDUCATION FUND**

Payment of claims for payment from the Political Education Fund within two weeks after lodgement in proper form:

1999	2000	2001	2002	2003
100%	100%	100%	100%	100%

### **LOCAL GOVERNMENT ELECTIONS**

#### **By-elections**

The following results have been obtained at by-elections in the reporting period:-

Registration of groups, candidates and agents within one week of receipt of application:

1999	2000	2001	2002	2003
100%	100%	100%	100%	100%

Lodgement of declarations by parties, groups, candidates and third parties within the statutory period of 120 days after polling day:

1999	2000	2001	2002	2003
89%	90%	92%	92%	92%

Examination of declarations lodged by parties, groups, candidates and third parties within two weeks after lodgement

1999	2000	2001	2002	2003
100%	100%	100%	100%	100%

## **PERFORMANCE STATEMENT**

Name: J Wasson

Position and Level: Electoral Commissioner  
Chairperson, Election Funding Authority  
Public Office Holder Group

Period in the position: Date appointed - 2 November 1999

By virtue of section 6(a) of the Election Funding Act 1981 the Electoral Commissioner is appointed Chairperson of the Election Funding Authority.

The Electoral Commissioner is appointed by the Governor pursuant to section 21A of the Parliamentary Electorates and Elections Act 1912 and his functions relating to that Act are set out in the annual report of the State Electoral Office.

The Authority administers the public funding of Parliamentary election campaigns and ensures the disclosure of political contributions and electoral expenditure by parties, groups, candidates and third parties.

During the reporting period:-

- the Authority prepared and distributed instructional material to parties, groups and candidates contesting the 2003 general election;
- ensured the disclosure of political contributions and electoral expenditure by parties, groups and candidates at Local Government by-elections;
- administered the Political Education Fund established to provide money to eligible parties for expenditure on political education;
- examined any declarations of political contributions received and electoral expenditure incurred lodged by parties, groups and candidates contesting the 2003 general election and, where appropriate, made payments; and
- ensured that third parties disclosed expenditure incurred in relation to the electoral process in both the State and Local Government elections.

The Authority, under the Chairperson, undertook all these matters together with others outlined in this Report. The Chairperson attended all meetings of the Authority.

## ***PRIVACY MANAGEMENT PLAN***

Pursuant to the provisions of the Election Funding Act 1981 all documents lodged with the Authority must be made available for public inspection.

The details of the Privacy Management Plan generally are set out in the Annual Report of the State Electoral Office.

## ***PROMOTION***

The Authority publishes instructional handbooks for use by parties, groups and candidates contesting State and Local Government elections. These publications explain their rights and responsibilities under the Act and contain examples of the proper manner of completing documents to be lodged with the Authority.

## ***RESEARCH & DEVELOPMENT***

Research into declarations lodged by parties, groups and candidates indicate that the level of compliance with the requirements of the legislation continues to increase.

Areas where there appears to be some misunderstanding have been identified and these were highlighted in instructional material and presentations to those involved in the March general election.

## ***RESPONSE TO MATTERS RAISED BY AUDITOR-GENERAL IN MANAGEMENT LETTERS***

No matters were raised by the Auditor-General.

## ***RISK MANAGEMENT & INSURANCE ACTIVITIES***

Details of risk management and insurance activities are shown in the Annual Report of the State Electoral Office.

## ***SOCIAL PROGRAMS***

The Authority does not provide any Social Programs.

## ***SUBSIDIARIES, PARTNERSHIPS, JOINT VENTURES & OTHER ASSOCIATIONS***

The Authority has no bodies of this nature with which it is associated or has arrangements.

## **WASTE REDUCTION PLAN**

Details of the activities in relation to waste reduction are shown in the Annual Report of the State Electoral Office.

## **WOMEN'S ACTION PLAN**

Details of the Women's Action Plan are shown in the Annual Report of the State Electoral Office.

## **REGISTERED PARTIES AS AT 30 JUNE 2003**

The undermentioned parties are registered under the Act for the purposes of both State and Local Government elections:-

Australian Democrats (NSW Division)  
Australian Family Alliance  
Australian Labor Party (NSW Branch)  
Australians Against Further Immigration  
Christian Democratic Party (Fred Nile Group)  
Country Labor Party  
Four Wheel Drive Party  
Horse Riders Party  
Liberal Party of Australia New South Wales Division  
National Party of Australia – NSW  
No Privatisation People's Party  
One Nation NSW Political Party  
Outdoor Recreation Party  
Peter Breen – Reform the Legal System  
Save Our Suburbs  
Socialist Alliance  
The Fishing Party  
The Greens  
The Shooters Party  
Unity Party

The undermentioned parties are registered or have applied for continued registration under the Act for the purposes of Local Government elections only. 81 of the parties have not complied with the new measures in the Act which required an application for continued registration to be lodged by 1 June 2003 and action is presently being taken for cancellation of their registration.

A Better Mosman  
Advance Eurobodalla Group  
Australian Justice Party  
Bathurst Civic Reform Party  
Best For Bathurst  
Blue Mountains First - Community Independents Incorporated  
Bob Thompson's Independent Team  
Burwood Community Voice

Byron Community Alliance Network  
Campbelltown Environmental Management Team  
Canada Bay Independents  
Canterbury City Ethnic Party  
Central Coast First  
Change The Name Party  
Citizens Reform Group  
City of Fairfield Community Independents  
Clive Taylor A Better Bankstown Independents  
Col Ritchie, West Ward Progress Association  
Community Action Group - Eurobodalla  
Community Before Developers – Stop Over Development  
Community Development "Environment" Save Campbelltown Koalas  
Community First Alliance  
Community Sports Party  
David Barr's Independent Team  
De-Amalgamation Party  
Democracy Party  
Don't Amalgamate My Municipality  
DMRA  
Eurobodalla - A Better Vision For All  
Eurobodalla First  
Genevieve Rankin - Community Independents  
Get Rid of Woods Party  
Gosford Community Independents  
Holroyd Independents  
Hume Ward Independents  
Hunter Citizens  
Ian Longbottom Independents' Group  
Independent Residents  
Jim Taylor, Connells Point Progress Association  
Jobs For Shoalhaven  
John Caputo Community Action Team  
John May's Independent Party  
Julie Sutton Working for "C" Ward  
Kogarah Municipality Combined Progress Association  
Kogarah North Ward Progress Association  
Lane Cove Community Action Group  
Lane Cove Community Independents  
Leichhardt Community Alliance  
Leichhardt Council Community Independents  
Leichhardt Lilyfield Independents For Open Council  
Lismore and District United Ratepayer's Association  
Lismore Community Independents  
Lismore First  
Lismore Progressive Independents  
Lismore Young Independents  
Liverpool Community Independents Team  
Living Sydney Team  
Local Community Independents Group

Local Voice Party  
Lorraine Wearne Independents  
Manly Community Independents  
Max Boyd Group  
More Car Parking Party  
Mosman Residents Group  
Newcastle Community Independents  
No Politics  
One Happy Valley Party  
Our Community – Our Council  
Our Sustainable Future  
Paul Sinclair Independents Group  
Peter Bryant Independent  
Peter Moxham Forest First  
Pride in our City Independents  
Progress for Richmond Valley  
Progressive Action Group  
Protect Our Garden Shire  
Randwick City Community Independents  
Randwick Ratepayers and Residents Association  
Real Peoples Party  
Residents Action Group for Auburn Area  
Residents and Friends of Manly  
Residents First Woollahra  
Road and Services Action Party  
Ron Owers Independents Group  
Russell Matheson Community First Team  
Ryde Reform Group  
Save the Rabbitohs Party  
Save Tuggerah Lakes  
Secure A Future For Your Pet  
Senior Citizens First  
Shire Watch Independents  
Shire Wide Action Group  
Shoalhaven Community Action  
Shoalhaven Independents Group  
Shoalhaven Residents and Ratepayers  
Small Business Support Network  
South Sydney Community Independents  
Stop Subsidence and Mining Madness  
Stop the Rot Environment First  
Strathfield Council Community Independents  
Sustaining the Tweed Rhonda James Group  
Sydney Alliance  
Sydney Independents  
The Kevin Hill Independent Party  
The National Republic Party  
The No Paid Parking Party  
The Progressive Team - Eurobodalla  
The Trevor Kilner for Shoalhaven

The Womens Team for Wyong Shire  
Totally Locally Committed Party  
Treasure Our Lifestyle  
Tweed Shire Residents & Ratepayers Group  
United Action Party  
United Communities Group  
Vince De Luca's Community Team  
Vision for our Young  
Voice for Eurobodalla Group  
Wagga Wagga Ratepayers and Citizens Association  
Warnervale Anti-Airport Noise Party  
Warringah Community Action Team  
Warringah Community Environment Group  
Warringah Community Representation Party  
Warringah Conservative Independents  
Warringah Independent Network  
West Ward Community Independents Network  
Woolahra Independents' Network  
Working for Warringah  
Wyong Shire First Team  
Youth Alliance Party  
Yvonne Bellamy Independents





GPO BOX 12  
SYDNEY NSW 2001

**INDEPENDENT AUDIT REPORT**  
**ELECTION FUNDING AUTHORITY OF NSW**

To Members of the New South Wales Parliament

**Audit Opinion**

In my opinion, the financial report of the Election Funding Authority of NSW:

- (a) presents fairly the Authority's financial position as at 30 June 2003 and its financial performance and cash flows for the year ended on that date, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and
- (b) complies with section 41B of the *Public Finance and Audit Act 1983* (the Act).

The opinion should be read in conjunction with the rest of this report.

**The Authority's Role**

The financial report is the responsibility of the members of the Authority. It consists of the statement of financial position, the statement of financial performance, the statement of cash flows and the accompanying notes.

**The Auditor's Role and the Audit Scope**

As required by the Act, I carried out an independent audit to enable me to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing and Assurance Standards and statutory requirements, and I:

- evaluated the accounting policies and significant accounting estimates used by the Authority in preparing the financial report, and
- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that Authority members had failed in their reporting obligations.

My opinion does *not* provide assurance:

- about the future viability of the Authority,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

### **Audit Independence**

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



M P Abood CPA  
Director of Audit

SYDNEY  
20 October 2003

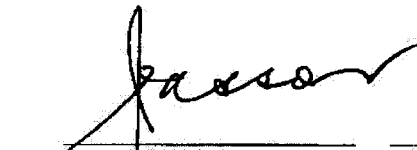
# ELECTION FUNDING AUTHORITY OF NEW SOUTH WALES

## STATEMENT BY MEMBERS OF THE AUTHORITY

Pursuant to the provisions of the Public Finance and Audit Act 1983, and in accordance with a resolution of the members of the Election funding Authority, we declare that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the Election Funding Authority as at 30 June 2003 and transactions for the year then ended.
2. The statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, and Public Finance and Audit (General) Regulation 1995.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



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J Wasson  
Chairperson



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S J O'Halloran  
Member



---

B E MacCarthy  
Member

16 October 2003

**ELECTION FUNDING AUTHORITY OF NSW  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2003**

<b>2002</b>		Notes	<b>2003</b>
<b>\$</b>			<b>\$</b>
	<b>REVENUE FROM ORDINARY ACTIVITIES</b>		
	Consolidated Fund:		
	(Specially appropriated under the Election Funding Act No. 78 of 1981)		
251,534	Payments to candidates, groups and parties		10,032,280
1,379,248	Political Education Fund		1,445,941
253,565	Contribution in kind	1	276,079
<b>1,884,347</b>	<b>TOTAL REVENUE</b>		<b>11,754,300</b>
	<b>EXPENDITURE ON ORDINARY ACTIVITIES</b>		
129,002	Employee related	2(a)	142,998
124,563	Other operating	2(b)	133,081
	2003 General Election payments from Central Fund	2(c)	6,816,834
	2003 General Election payments to individual candidates from Constituency Fund		3,203,392
251,534	Payments to individual candidates from By-election Constituency Fund		12,054
1,379,248	Payments to political parties from Political Education Fund	2(d)	1,445,941
<u>1,884,347</u>	<b>TOTAL EXPENDITURE</b>		<u>11,754,300</u>
	<b>TOTAL REVENUES, EXPENSES AND VALUATION</b>		-
-	<b>ADJUSTMENTS RECOGNIZED IN EQUITY</b>		-
	<b>SURPLUS/ DEFICIT FOR THE YEAR FROM ORDINARY</b>		-
-	<b>ACTIVITIES</b>		-
	<b>TOTAL CHANGES IN EQUITY</b>		-
-			-
<u>-</u>			<u>-</u>

These financial statements should be read in conjunction with the notes thereto.

**ELECTION FUNDING AUTHORITY OF NSW  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2003**

2002		Notes	2003
\$			\$
	<b>Current Assets</b>		
-	Receivables		-
-	<b>Total Current Assets</b>		-
-	<b>Total Assets</b>		-
	<b>Current Liabilities</b>		
-	Payables	6	-
-	<b>Total Current Liabilities</b>		-
-	<b>Total Liabilities</b>		-
-	<b>Net Assets</b>		-
	<b>Equity</b>		
-	Accumulated funds		-
-	<b>Total Equity</b>		-

THESE FINANCIAL STATEMENTS SHOULD BE READ IN CONJUNCTION WITH THE NOTES THERETO

**ELECTION FUNDING AUTHORITY OF NSW  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2003**

<b>2002</b>		Notes	<b>2003</b>
<b>\$</b>			<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	<b>Payments</b>		
(1,686,816)	Payments to candidates, groups and parties		(7,779,730)
	<b>Receipts from Government</b>		
1,686,816	Consolidated Fund receipts via State Electoral Office		7,779,730
-	<b>Cash Flows from Operating Activities</b>	5	-
-	<b>Net Change in cash from Operating Activities</b>		-
-	<b>Opening cash and cash equivalents</b>		-
-	<b>Closing cash and cash equivalents</b>		-

THESE FINANCIAL STATEMENTS SHOULD BE READ IN CONJUNCTION WITH THE NOTES THERETO

**ELECTION FUNDING AUTHORITY  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2003**

**Principal Activities**

The Election Funding Act 1981 provides for the public funding of Parliamentary election campaigns and for the Political Education Fund.

Payments from the Central Fund are to eligible candidates, groups and parties at a General Election contesting election to the Legislative Council of New South Wales. Payments from the Constituency Fund are to eligible candidates and parties at a General Election contesting election to the Legislative Assembly of New South Wales. Payments from the By-election Constituency Fund are to eligible candidates and parties at a By-election contesting election to the Legislative Assembly of New South Wales.

As amended, the Election Funding Act 1981 provides for the establishment of a Political Education Fund from which eligible registered parties are entitled to receive annual payments for the purposes of political education.

**1. Summary of Accounting Policies**

The Authority has kept proper accounts and records for all of its operations as required under Section 41(1) of the Public Finance and Audit Act, 1983.

The Authority's financial report is a general purpose financial report and has been prepared on an accrual basis in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group (UIG) Consensus Views, the requirements of the Public Finance and Audit Act 1983, and Regulations, and the Treasurer's Directions.

In the absence of a specific Accounting Standard, other authoritative pronouncement of the AASB or UIG Consensus view, the hierarchy of other pronouncements as outlined in AAS 6 "Accounting Policies" is considered.

The Statement of Cash Flows has been prepared on a cash basis using the direct method, and includes all receipts and payments made during the year.

All amounts are expressed in Australian dollars.

All revenue arises from operating activities consistent with the Authority's core operations. Parliamentary appropriations are generally recognised as revenues when the Authority obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions are normally obtained upon the receipt of cash.

Administration expenses of the Authority were included within those of the State Electoral Office shown in the Public Accounts under the vote of the Premier. The value of these expenses paid for by the State Electoral Office, has been disclosed in the Authority's accounts with a corresponding Non-Cash Funding income item (Contributions in kind). The detailed break-up of this administrative expenditure, provided at Notes 2(a) and 2(b), is based on information provided by the State Electoral Office.

The Authority has no employees, nor does it own or control any non-current assets.

## 2. Expenditure

2002  
\$

2003  
\$

**(a) Administrative Expenditure - Employee Related**  
*(contributed by the State Electoral Office)*

104,892	Salaries	111,360
1,126	Annual leave	4,177
6,763	Long service leave	10,545
1,084	Workers compensation	963
7,220	Payroll tax	8,498
7,917	Superannuation	7,455
129,002	<b>Total</b>	142,998

**(b) Administrative Expenditure - Other Operating Expenses**  
*(contributed by the State Electoral Office)*

31,685	Depreciation	41,890
48,416	Rent	47,381
166	Maintenance	461
4,326	Insurance	1,505
176	Travel - staff	114
1,172	Motor vehicles	1,179
102	Advertising	184
9,900	Auditors remuneration	9,900
11,322	Members' fees	8,029
749	Electricity	711
1,495	Postage/ Freight	2,407
3,054	Telephones	4,505
437	Printing	2,104
3,559	Stores	3,649
-	Training	-
8,004	Miscellaneous	9,062
124,563	<b>Total</b>	133,081



2002		2003
\$		\$
<b>(c) Central Fund</b>		
<b>2003 General Election Payments</b>		
-	Australian Labor Party (NSW Branch)	2,927,092
-	Country Labor Party	399,149
-	Liberal Party of Australia New South Wales Division	1,695,920
-	Christian Democratic Party (Fred Nile Group)	231,711
-	National Party of Australia - NSW	847,960
-	The Greens	558,702
-	The Shooters Party	156,300
-	<b>Total Payments from Central Fund</b>	<b>6,816,834</b>
<b>(d) Political Education Fund</b>		
709,598	Australian Labor Party (NSW Branch)	709,598
417,315	Liberal Party of Australia New South Wales Division	417,315
25,118	Christian Democratic Party (Fred Nile Group)	25,118
-	Australian Democrats (NSW Division)	56,034
149,104	National Party of Australia - NSW	149,104
58,188	The Greens	71,951
16,919	Unity Party	15,671
3,006	Outdoor Recreation Party	1,150
1,379,248	<b>Total Payments from Political Education Fund</b>	<b>1,445,941</b>

### 3. Contingent Liabilities

There are no known contingent liabilities at balance date (\$NIL at 30 June 2002).

### 4. Commitments

The Authority has no contractual commitments, nor any operating or finance leases (\$NIL at 30 June 2002).

## 5. Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus

2002		2003
\$		\$
-	Operating Surplus	-
-	Increase in Accounts Payable	-
-	Increase in Accounts Receivable	-
-	<b>Net Cash From Operating Activities</b>	-

## 6. Payables

Liabilities are recognised for amounts due to political parties and individuals. No interest is payable on these amounts.

2002		2003
\$		\$
-	Liability – Payments to candidates, group and parties	3,698,491
-	Less – Amount recoverable from State Electoral Office	(3,698,491)
-		-

**END OF AUDITED FINANCIAL STATEMENTS**

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