

EU referendum auditor's report template and explanatory notes

When to use this form

If you spend more than £250,000 on referendum activities during the referendum period, the responsible person must submit a report prepared by an independent qualified auditor – as required by section 121 and section 122 of the Political Parties, Elections and Referendums Act 2000 (PPERA) as applied by the European Union Referendum Act 2015 (EURA). You must submit the auditor's report at the same time as submitting your spending return. You can find the spending return (EUR3B) [here](#).

The template provided sets out the minimum requirements for the auditor's report.

Explanatory notes

The purpose of the auditor's report

The purpose of the auditor's report is to provide an opinion as to whether the spending reported in the return by the registered referendum campaigner ('the campaigner') is a fair representation of the spending incurred in the referendum period.

Presentation and content of the report

The audit report must be submitted with the spending return. The auditor's report will confirm as to whether or not the campaigner's total spending (including total joint campaign spending with a designated lead campaigner) as reported in the spending return is a fair representation of the spending incurred during the referendum period (15 April 2016 – 23 June 2016).

The auditor will examine particular parts of the spending return:

'Section 4 - summary of spending' which specifies spending incurred by the campaigner on their own campaigns and on any joint campaigns. These include:

- the total amount of spending incurred before the campaigner registered as a referendum campaigner
- the total amount of payments made
- the total amount of notional spending
- the total amount of disputed claims
- the total amount of unpaid claims

‘Section 5 - Summary of spending with other campaigners who are not designated lead campaigners’ which specifies:

- the names of the other non-lead campaigners that the campaigner worked together with
- details of any spending the campaigner incurred as part of any joint campaigns that count towards the other non-lead campaigner’s spending limit
- the total spending that each of the other campaigners incurred as part of the joint campaign that count towards the campaigner’s spending limit

‘Section 6 - Spending incurred in a joint campaign with a designated lead campaigner’ which specifies spending incurred by the campaigner on joint campaigns with a designated lead campaigner. These include:

- the total amount of spending incurred before the campaigner registered as a referendum campaigner
- the total amount of payments made
- the total amount of notional spending
- the total amount of disputed claims
- the total amount of unpaid claims

What you should expect from the audit

The auditor will need to carry out sufficient work to be satisfied that the spending return is free from material misstatement. This work should include a review of the controls in place to ensure that all spending has been properly recorded and has been included in the return. It will include testing to ensure that misstatements are identified.

The auditor will examine the key systems of control employed by the campaigner to ensure that spending has been incurred and paid in accordance with PPERA Part 7 as applied by EURA. For example, that formal delegation of authority was set up, or that proof exists that services have been incurred by the responsible person. If the auditor is unable to verify that a material amount of spending has been incurred or paid in accordance with PPERA as applied by EURA, they will give a qualified audit opinion.

The auditor should be aware of the reporting requirements for notional spending and they will satisfy themselves that the declaration signed by the responsible person reflects the requirements of PPERA as applied by EURA. They will review the controls for identifying, valuing and reporting items of

notional spending and, as far as can be reasonably expected, will satisfy themselves that all items of notional spending have been included in the return at a fair value. For our guidance on notional spending see: [Spending for EU referendum campaigners](#). Similar consideration should be given to the completeness and value of incremental overhead costs.

The auditor engaged to carry out this task should provide a letter of engagement that sets out the scope and nature of the work to be carried out in order to form their audit opinion. You should submit this letter of engagement to the Commission when you submit the spending return and audit report. Subject to any legal requirements including 'freedom of information' this letter will not be made public.

The spending return and auditor's report will be made available for public inspection. Copies may be taken of the supporting documents submitted with the return.

Time frame and public inspection of report

If the campaigner has spent over £250,000 on [referendum activities during the referendum period](#), they must submit a completed spending return and auditor's report to us by 23 December 2016.

How we can help

If you need help you can call us on 0333 103 1928 or contact us by email at pef@electoralcommission.org.uk.

Template auditor's report

[Name of registered referendum campaigner]

[Name of the responsible person],

Spending limit:

Amount spent:

We have examined the attached spending return for the 2016 Referendum on the UK's membership of the EU prepared by [registered campaigner's name], under section 120 of the Political Parties, Elections and Referendums Act 2000 (PPERA) (as applied by section 3 and modified by paragraph 23 of Schedule 1 and Part 4 of Schedule 2 to the European Referendum Act 2015).

It is our opinion that the referendum spending reported by [responsible person] [fairly represents]/[does not fairly represent] the campaigner's spending between 15 April 2016 and 23 June 2016 as required by PERA.

Respective responsibilities

The campaigner's responsible person, [name of responsible person] is accountable for:

- Ensuring that the campaigner's campaign spending was authorised in accordance with the requirements of section 113 and 114 of PERA.
- The completion, under section 120 of PERA (the European Referendum Act 2015) of the spending return incurred by or on behalf of the referendum campaigner between 15 April 2016 and 23 June 2016 in respect of the 2016 referendum on the UK's membership of the EU.
- Confirming to the best of his/her knowledge and belief that the spending reported in the referendum campaigner's return is complete and correct.
- Preparing the spending return and ensuring it is consistent with the return.

It is our responsibility, as a qualified auditor, to report on the spending return under section 121 of PERA as applied by EURA. Specifically, our objective is to provide an opinion on whether the referendum spending reported on the summary is fairly presented in all material respects, in accordance with the law.

Basis of our opinion

The nature of our examination is set out in our letter of engagement dated [insert date]. A copy has been provided to The Electoral Commission. We

have reviewed the basis on which [responsible person] has prepared the spending return. This included examination, on a test basis, of evidence relevant to the referendum spending incurred by or on behalf of the referendum campaigner in respect of the 2016 referendum on the UK's membership of the EU. We have also assessed the significant estimates and judgements made by the referendum campaigner's [responsible person] in preparing the return.

We planned and performed our procedures so as to obtain all the information and explanations that we considered necessary to provide us with sufficient evidence to give a reasonable assurance that the spending return fairly presents in all material respects the referendum campaigner's spending, in accordance with the law.

Opinion

In our opinion the spending return [does not] fairly represent[s] in all material respects the referendum spending incurred by, or on behalf of, the referendum campaigner which is used between 15 April 2016 and 23 June 2016 in respect of the 2016 referendum on the UK's membership of the EU, in accordance with the law.

This report is intended solely for the use of the referendum campaigner's [responsible person] and the Electoral Commission, in connection with the referendum campaigner's responsibilities under section 111-123 of PPERA as applied and modified by the European Referendum Act 2015. Our report is not to be used for any other purpose or to be distributed to any other parties. We do not accept any duty of care or responsibility to the Electoral Commission in relation to our report and will not accept any liability or responsibility to any other third party to whom it is shown or into whose hands it may come.

[Signed and dated by the auditor]