

Auditor's report template and explanatory notes

When to use this form?

If you spend more than £250,000 campaigning at an election you must submit a report prepared by an independent qualified auditor – as defined by section 160 of PPERA – when you submit your campaign spending return.

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 summary of expenditure reported is a fair representation of the campaign spending return you are submitting.

Presentation and content of the report

The audit report should be attached to the summary of campaign expenditure incurred at the election.

The summary should specify:

- the party name
- the amount of expenditure incurred in each part of Great Britain
- the number of constituencies/ regions contested in each part of Great Britain
- the party's campaign spending limit

The auditor's report should confirm that the party's total campaign expenditure, as reported in the summary of expenditure, has been prepared from the expenditure return. It should provide an opinion as to whether this summary provides a fair representation in all material respects of the party's spending as reported in the return and whether the summary has been prepared in accordance with the law.

What you should expect from the audit

The auditor will need to carry out sufficient work to be satisfied that the campaign spending return is free from material misstatement. This work should

include a review of the controls in place to ensure that all campaign expenditure 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 party to ensure that expenditure is incurred and paid in accordance with PPERA. For example, that formal delegation of authority was set up, or that proof exists that services have been incurred by a responsible person. If the auditor is unable to verify that a material amount of expenses have been incurred or paid in accordance with PPERA, 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 officer reflects the requirements of the PPERA. They will review the controls for identifying, valuing and reporting items of notional expenditure and, as far as can be reasonably expected, will satisfy themselves that all items of notional expenditure have been included in the return at a fair value. For our guidance on notional spending see [Overview of party campaign spending](#). 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 campaign return and audit report. This letter will not be made public.

The campaign spending return, auditor's report and summary of the return of campaign spending 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

You should submit the completed campaign spending return and the auditor's report to us within 6 months of the date of the poll.

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

How we can help

If you need help you can call us on 020 7271 0616 or contact us by email at pef@electoralcommission.org.uk.

Template auditor's report

[Name of the responsible officer], [Responsible officer],

[Name of the registered party] (the party)

Campaign expenditure limit:

Amount spent:

We have examined the attached summary of campaign spending for the party's 20[xx] [relevant election] campaign, which has been extracted from the campaign spending return prepared by [name of responsible officer], under section 80 of the Political Parties, Elections and Referendums Act 2000 (PPERA).

It is our opinion that the summary of campaign spending reported by [responsible officer] [fairly represents] [does not fairly represent] the party's campaign expenditure between [start of regulated period] and [date of election].

Respective responsibilities

The party's [responsible officer] is accountable for:

- Keeping proper accounting records for the registered party in respect of the [relevant election] campaign.
- Ensuring that the party's campaign expenditure was authorised in accordance with the requirements of section 75 of PPERA.
- The completion, under section 80 of PPERA, of the return of campaign spending incurred by or on behalf of the party between [start of regulated period] and [date of the election] in respect of the 20[xx] [relevant election].
- Making reasonable judgements and estimates in determining the party's campaign spending.
- Confirming to the best of his/her knowledge and belief that the expenditure reported in the party's return is complete and correct.
- Preparing the summary of campaign expenditure and ensuring it is consistent with the return.

It is our responsibility, as a qualified auditor, to report on the summary of campaign spending under section 81 of PPERA. Specifically, our objective is to provide an opinion on whether the campaign expenditure reported on the summary is fairly presented in all material respects, in accordance with the law.

Our opinion does not extend to the completeness of notional expenditure or campaign expenditure incurred by the party's accounting units.

We also report to you if, in our opinion, [responsible officer] has not kept proper accounting records in respect of the party's campaign expenditure – except in relation to the completeness of notional expenditure and spending incurred by the party's accounting units – if expenses have not been incurred or paid in accordance with the requirement of sections 75–78 of PPERA, or if we have not received all the information and explanations we require for our examination.

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 officer] has prepared the summary of campaign expenditure. This included examination, on a test basis, of evidence relevant to the campaign expenditure incurred by or on behalf of the party in respect of the 20[xx] [relevant election]. We have also assessed the significant estimates and judgements made by the party's [responsible officer] 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 summary of campaign expenditure fairly presents in all material respects the party's campaign expenditure, in accordance with the law. As noted, our opinion does not extend to the completeness of either notional campaign expenditure or campaign expenditure incurred by the party's accounting units.

Opinion

In our opinion the summary of campaign expenditure [does not] fairly present[s] in all material respects the campaign expenditure incurred by, or on behalf of, the party between [start of regulated period] and [date of election] in respect of its 20[xx] [relevant election] campaign, in accordance with the law, except that our opinion does not extend to the completeness of either the party's notional expenditure or spending incurred by its accounting units.

This report is intended solely for the use of party's [responsible officer] and The Electoral Commission, in connection with the party's responsibilities under section 84 of PPERA. The Electoral Commission may allow the report to be viewed by members of the public, as required by PPERA, but may not allow such persons to take copies of the report. 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]