

Administrative Expenditure Funding

Calendar Year Return

Administrative expenditure funding

Independent elected members (IEM) and registered political parties (RPP) with at least one elected member are entitled to receive administrative expenditure funding (AEF) under the *Electoral Act 2002* (Vic) (Electoral Act). The Victorian Electoral Commission (VEC) pays recipients the full AEF entitlement amount quarterly in advance (except when there is an election, in which case payments are made retrospectively).

Section 207GA Entitlement to administrative expenditure funding

Claimable expenditure

AEF may be used for the expenses incurred in operating a political office and complying with funding and disclosure requirements. Expenses are inclusive of Goods and Services Tax (GST). If a recipient is only eligible to receive AEF for part of the calendar year, expenditure can only be claimed for that period. A subsequent annual return acquittal process recoups any monies not spent on claimable expenditure.

Expenses that may be claimed as administrative expenses include:

1. Expenditure for the administration or management of the activities of the RPP/IEM
2. Expenditure for conferences, seminars, meetings or similar functions at which the policies of the RPP/IEM are discussed or formulated
3. Expenditure by the RPP/IEM in respect of the audit of financial accounts, or claims for payment or disclosure under the Electoral Act
4. Expenditure on the remuneration of staff engaged in the activities mentioned in points 1, 2 or 3 (above) for the RPP/IEM to the extent that that expenditure relates to the time that the staff are engaged in those matters
5. Expenditure on equipment or vehicles used by staff for the purpose of the activities mentioned in points 1, 2 or 3 (above) for the RPP/IEM to the extent that the expenditure relates to use of the equipment or vehicles by the staff whilst engaged in those matters
6. Expenditure on office accommodation for the staff and equipment mentioned in points 4 or 5 (above)
7. Expenditure on interest payments on loans.

Expenses that **may not** be claimed as administrative expenses include:

1. Political expenditure as defined in the Electoral Act
2. Electoral expenditure as defined in the Electoral Act
3. Expenditure for which an elected member has claimed a parliamentary allowance as a member

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4. Expenditure incurred substantially in respect of operations or activities relating to the election of members to a Parliament other than the Parliament of Victoria.

Section 207G Definitions

Reporting requirements

If an RPP or IEM received AEF during any part of a calendar year, the registered officer of the RPP or the registered agent of the IEM must submit an audited AEF annual return to the VEC within 16 weeks after the end of that calendar year. If an IEM has not appointed a registered agent with the VEC, they are taken to be their own registered agent.

Section 207GC Annual return and section 207GD Audit of annual return

Audit certificate

An audit certificate comprises part of an AEF annual return.

For RPPs the audit must be conducted by a registered company auditor within the meaning of the *Corporations Act 2001* (Cth) and the prescribed VEC audit certificate form must be used. The VEC will not accept any other format of audit certificate.

For IEMs the audit must be conducted by an independent auditor and the prescribed VEC audit certificate form must be used. The VEC will not accept any other format of audit certificate.

Section 207GD Audit of annual return

Determination 1 of 2024 – Form of audit certificates for annual returns and other financial statements

Submission process

The completed AEF annual return form and accompanying audit certificate are submitted via email to disclosures@vec.vic.gov.au.

Information provided in this return will be audited by the VEC. We may request documentation to support any information disclosed in this form.

Due date

Returns are due by 21 April (in a leap year) or 22 April (in a non-leap year) for the previous calendar year. The due date does not change if it falls on a non-business day. The VEC is unable to offer any extensions to this legislative deadline.

Consequences of not submitting your return by the due date

If an AEF recipient does not give the VEC a properly completed AEF annual return by the due date, they are taken to have incurred no claimable expenditure in that calendar year. As a consequence, they must repay to the VEC the total amount of all AEF received during that calendar year.

Section 207GC(3) Annual return

Offences

Any intention to circumvent a prohibition or requirement of Part 12 of the Electoral Act, or to provide false or misleading information, is a serious offence. Certain offences may also result in fines, prison sentences, as well as penalties attached to the recovery of donation amounts.

The offences include (but are not limited to):

- A person who fails to provide an annual return as required under Part 12 of the Electoral Act is guilty of an offence.
Penalty: 200 penalty units

Section 218A(1) Offences in relation to disclosure returns and annual returns

- A person who provides an annual return that contains particulars that are, to the knowledge of the person, false or misleading in a material particular is guilty of an offence.
Penalty: 300 penalty units or 2 years imprisonment or both.

Section 218A(2) Offences in relation to disclosure returns and annual returns

See Part 12 Division 4 of the Electoral Act for further information on offences.

The VEC recommends that funding recipients consult a taxation adviser to ensure that any possible GST implications are understood in relation to funding and this return.

More information

For more information, please visit our website www.vec.vic.gov.au, or contact Funding, Disclosures and Registration via email at: disclosures@vec.vic.gov.au.

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Funding recipient		
Recipient is a: <i>(tick one box)</i>	Registered political party (RPP) <input type="checkbox"/>	Independent elected member (IEM) <input type="checkbox"/>
Name of recipient		
Name of person completing form		
Role of person completing form		

Entitlement period start date	Entitlement period end date	Entitlement amount	Amount received from VEC
		\$	\$

Expenditure	
Total administrative expenditure The total amount of administrative expenditure paid (including interest payments if applicable) by, or on behalf of, the funding recipient during the entitlement period	\$
Total interest payments on loans for administrative expenses The total amount paid, as at the end of the relevant calendar year, on interest accrued during the entitlement period on loans for administrative expenses by, or on behalf of, the funding recipient	\$

Funding recipient	
The funding recipient has, in relation to the entitlement period, spent or incurred claimable expenditure: <i>(tick one box)</i>	
Not less than the amount of the entitlement to AEF under section 207GA	<input type="checkbox"/>
Less than the amount of the entitlement to AEF under section 207GA	<input type="checkbox"/>
The amount of claimable expenditure spent is \$ _____	

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Fill in **either** the IEM attestation **or** the RPP attestation.

Attestation – IEM	
I certify that the information contained in this administrative expenditure return is true and complete to the best of my knowledge.	<input type="checkbox"/>
I have made due and reasonable inquiries of the independent elected member for whom I am the Registered Agent for the purpose of Division 1C – Administrative Expenditure Funding under Section 207GC and 207GD of the <i>Electoral Act 2002</i> (Vic).	<input type="checkbox"/>
I understand that failing to provide an Administrative Expenditure Return; submitting incomplete, false or misleading information; or the destruction of records which are, or could be, required to be specified in a return and must be retained for at least 4 years after the return is provided to the VEC is an offence under section 218A of the <i>Electoral Act 2002</i> (Vic) that may be prosecuted.	<input type="checkbox"/>
I have attached the independent auditor certificate using the VEC template.	<input type="checkbox"/>

Attestation – RPP	
I certify that the information contained in this administrative expenditure return is true and complete to the best of my knowledge.	<input type="checkbox"/>
I have made due and reasonable inquiries of the political party for which I am the Registered Officer for the purpose of Division 1C – Administrative Expenditure Funding under Section 207GC and 207GD of the <i>Electoral Act 2002</i> (Vic).	<input type="checkbox"/>
I understand that failing to provide an Administrative Expenditure Return; submitting incomplete, false or misleading information; or the destruction of records which are, or could be, required to be specified in a return and must be retained for at least 4 years after the return is provided to the VEC is an offence under section 218A of the <i>Electoral Act 2002</i> (Vic) that may be prosecuted.	<input type="checkbox"/>
I have attached the registered company auditor certificate using the VEC template.	<input type="checkbox"/>

Signature	
Signature	
Date	

Please provide the original signed document (a scanned copy is acceptable provided the original document is retained for record keeping).