



2 June 2009

Deidre Brookes  
Statutory Relationships Manager  
Electoral Commission  
P O Box 3050  
**WELLINGTON 6140**

Dear Deidre

## **AUDIT REPORT IRREGULARITIES**

I acknowledge the error regarding the references to section 149 of the Electoral Finance Act 2007 contained in the original audit report. This error was the result of an oversight when referencing the audit report to specific sections of the Act. This error is entirely typographical and in no way impacts the way in which the audit was conducted. An updated copy of the audit report, which contains the correct referencing to section 51 of the Act, is attached to this letter.

I apologise for any inconvenience this error has created and trust that the matter is now resolved.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jacqueline Robertson'.

**Jacqueline Robertson**  
Partner

Revised Audit Report

cc: Mark Oldershaw, Financial Agent, New Zealand National Party

**AUDIT REPORT  
TO THE FINANCIAL AGENT OF  
THE NEW ZEALAND NATIONAL PARTY**

We have audited the attached Return of Party Donations (the 'Return') for the period 1 January 2008 to 31 December 2008. The Return is prepared in accordance with section 51 of the Electoral Finance Act 2007. The return provides information about party donations made to the New Zealand National Party.

This report is made solely to the Financial Agent. Our audit has been undertaken so that we might state to the Financial Agent those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Financial Agent, for our audit work, for this report, or for the opinions we have formed.

**Financial Agent's Responsibilities**

The Financial Agent is responsible for the preparation of a Return which fairly reflects the party donations received by the New Zealand National Party for the period 1 January 2008 to 31 December 2008 in accordance with the Electoral Finance Act 2007.

**Auditor's Responsibilities**

It is our responsibility to express an independent opinion on the Return presented by the Financial Agent.

**Basis of Opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the Return.

We conducted our audit in accordance with New Zealand Auditing Standards except that our work was limited as explained below. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the Return is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Return.

Other than in our capacity as auditor, we have no relationship with or interests in the New Zealand National Party.

**Qualified Opinion**

Donation income belongs to an organisation once it is received, but there are generally no practical procedures available to give an auditor assurance that all income of this nature received by an organisation, whether in the form of cash or as donated services, is actually recorded by that entity. Accordingly, an auditor of an organisation receiving significant amounts of donations usually qualifies their audit opinion to reflect the practical implications of an audit in this area.

In common with other organisations receiving similar income, control over donations income received by the New Zealand National Party prior to it being recorded is limited, and, as commented on the preceding paragraph, there are no practical audit procedures to determine the effect of this limited control. Due to the nature of the issue, we do not believe there is further information that can be provided to us by the New Zealand National Party which would allow us to determine the effect of this limited control.

Proper accounting records of party donations, once entered in those records, have been kept by the New Zealand National Party as far as appears from our examination of those records.

In our opinion, except for the effects of the limited control over party donations as mentioned above, the attached Return of Party Donations fairly reflects, in accordance with section 51 of the Electoral Finance Act 2007, the party donations received by the New Zealand National Party for the period 1 January 2008 to 31 December 2008.

Our audit was completed on 30 April 2009 and our qualified opinion is expressed as at that date.



Chartered Accountants  
WELLINGTON, NEW ZEALAND