

INTERPRETATION BULLETIN NO.	ESKIB-2020/01	DATE: MARCH 6, 2020 (Updated April 18, 2023)
SUBJECT	AUDITOR PREPARATION OF WRITTEN REPORTS	
REFERENCE	SECTION 222, 237, 238 AND 250 OF <i>THE ELECTION ACT, 1996</i>	

Disclaimer

This interpretation bulletin sets out Election Saskatchewan’s current interpretation of provisions of *The Election Act, 1996* (the “Act”) and are issued to provide assistance and guidance in understanding and complying with the Act. The views expressed in interpretation bulletins are not law and are not intended to replace the official text of the Act. How the Act applies to any particular case will depend on the individual circumstances of that case. Elections Saskatchewan reserves the right to reconsider any interpretations expressed in interpretation bulletins, either generally or in light of the actual circumstances of any case, and in accordance with continuing legislative and judicial developments.

Introduction

This bulletin discusses the requirements placed on the auditor of a registered political party or candidate when preparing a written report under sections 237, 238 and 250.

Context

The Act requires that an appointed auditor provide a written report on three types of returns, to be included by the chief official agent or financial agent when filing the return with the Chief Electoral Officer.

Section 222(2) states the principles that must be applied by the auditor in making a report pursuant to the Act:

222(2) In conducting an examination or in making a report pursuant to this Act every auditor shall:

- (a) apply generally accepted accounting principles; and
- (b) take any additional steps that are necessary to ensure the examination and report comply with this Act.

Section 237(3) requires the auditor to prepare a report to the chief official agent of a registered political party for each annual return and for each election expense return prepared by the party:

237(3) The auditor appointed by a registered political party shall make a written report to the chief official agent of the party on:

- (a) each return of receipts and expenses for the party for a fiscal year; and
- (b) each election expenses return of the party prepared during the auditor's term of office

Section 237(5) states three items that must be addressed in the auditor's report on a return prepared on behalf of a registered political party, if they consider necessary:

237(5) In the auditor's written report, the auditor shall make any statements that the auditor considers necessary if:

- (a) the return to which the report relates does not present fairly the information contained in the accounting records on which it is based;
- (b) the auditor has not received from the chief official agent of the registered political party all the information and explanations that the auditor has requested; or
- (c) it appears from the auditor's examination that proper accounting records have not been kept by the registered political party.

Section 238(5) requires the auditor to prepare a report to the candidate's financial agent for each election expense return prepared on behalf of a candidate:

238(5) The auditor for a candidate shall make a report to the candidate's financial agent on the election expenses return prepared by or on behalf of the candidate.

Section 238(7) states three items that must be addressed in the auditor's report on a report prepared on behalf of a candidate, if they consider necessary:

238(7) In the auditor's written report, the auditor shall make any statements that the auditor considers necessary if:

- (a) the return to which the report relates does not present fairly the information contained in the accounting records on which it is based;
- (b) the auditor has not received from the candidate's financial agent all the information and explanations that the auditor has requested; or
- (c) it appears from the auditor's examination that proper accounting records have not been kept by the candidate.

The information provided in these returns forms the basis for reimbursement of election expenses which are paid from public funds.

Sections 264 and 265 of the Act provides for reimbursement of a portion of election expenses reported in election expense returns for eligible registered political parties and candidates.

Section 267 of the Act provides for reimbursement of auditing expenses for all parties and candidates up to a maximum annually adjusted amount.

Section 268 of the Act specifies that the above noted reimbursements are a charge on the general revenue fund of the province.

Chief Electoral Officer's Interpretation

In order to respect and protect taxpayer funds, the Chief Electoral Officer must have confidence that the financial information presented in the return complies with relevant sections of the Act so that the corresponding, taxpayer funded, reimbursements are calculated based on reliable and accurate information.

In order to ensure the appropriate level of rigor in assessing compliance with the Act in accordance with section 222(2), the Chief Electoral Officer requires that the auditor's reports required by sections 237(3) and 238(5) include a completed Audit Checklist and report on supplementary matters arising from an audit engagement under Canadian Standard for Related Services (CSRS) 4460. The report shall be addressed to the Chief Electoral Officer of Saskatchewan in addition to the chief official agent or financial agent as required by sections 237(3) and 238(5). Elections Saskatchewan will provide chief official agents and financial agents with an Audit Checklist to be completed and reported on by the auditor.

Application

The Chief Electoral Officer understands that reports prepared under CSRS 4460 do not provide an opinion on the fairness of the financial information contained on the return. Rather, the results of the completion of the Audit Checklist will provide the Chief Electoral Officer with confidence on whether the return has been appropriately prepared in compliance with relevant legislation.

The Audit Checklist will also address whether the auditor was provided all information requested, and whether proper accounting records were maintained by the candidate or registered political party.

The auditor will be required to communicate to the Chief Electoral Officer any misstatements resulting from error discovered during the audit, other than trivial errors, whether or not the error has been corrected. The auditor will inform the Chief Electoral Officer if the auditor becomes aware of any fraud, suspected fraud, illegal acts or possible illegal acts that come to the auditor's attention during the course of the audit.

Guidance for auditors will be provided on the Elections Saskatchewan website including sample reports on supplementary matters arising from an audit engagement and engagement letters.

A handwritten signature in blue ink that reads 'Michael D. Boda'.

DR. MICHAEL BODA, D.PHIL., PH.D.
CHIEF ELECTORAL OFFICER
PROVINCE OF SASKATCHEWAN
MARCH 6, 2020