

**Instructions to Chief Agent for Completing the
Electoral Financial Return for Registered Political Party**
(Political Process Financing Act, S.N.B. 1978, c. P-9.3, s. 82)



P 04 906
(2014-10-27)

Please read these instructions carefully prior to completing the Return.

A. Submitting the Return

The *Electoral Financial Return for Registered Political Party* (the “Return”) must be submitted within 120 days of the end of the election period.

Please perform the following steps to ensure your Return is complete:

- Obtain detailed accounting reports from the Official Representative of your registered political party that should contain the following election expenses:
 - election expenses - paid and unpaid,
 - goods and services provided at a discount by a supplier,
 - contributed property and services – “donations-in-kind”,
 - signage used in both a previous and the current election
- Sign the Declaration in the presence of a Commissioner of Oaths for the Province of New Brunswick.
- Along with the Return, submit the following required documents or photocopies thereof:**
 - Detailed accounting reports; and**
 - Invoices greater than \$1,000.**
- Send the original Return to Elections New Brunswick by registered mail or courier.
- Submit a photocopy of the Return to your political party’s Official Representative and/or financial officer.
- Retain a photocopy of the Return and the other documents identified above. You may need to confirm details of the Return when it is examined by Elections New Brunswick. Elections New Brunswick will retain your submission for seven years before sending it to the Provincial Archives.

B. Communications

For assistance in completing the Return, please contact us.

<i>Office:</i>	Elections New Brunswick
<i>Contact:</i>	Nathan Phillips, CA, Assistant Supervisor of Political Financing
<i>Courier/civic address:</i>	102-551 King Street, Fredericton NB E3B 1E7
<i>Mailing address:</i>	P.O. Box 6000, Fredericton NB E3B 5H1
<i>Telephone Number:</i>	506-453-2218 or 1-800-308-2922
<i>Facsimile Number:</i>	506-457-4926
<i>Email address:</i>	nathan.phillips@electionsnb.ca

C. Scope of the Return

For political financing purposes, the **election period** for a provincial election begins the day the writ of election was issued and ends with the close of polls on Election Day.

The Return also introduces the concept of a **reporting period**. The reporting period begins with the incurring of the first election expense and ends with the reporting date chosen by the Chief Agent. **For general elections, choose a date no later than December 31 as the reporting period end-date.**

The Return is prepared on an “accrual” basis; i.e. both **paid** and **unpaid amounts** are included.

In addition to election expenses incurred by the Chief Agent *during* the election period, the Return must also include all **expenditures incurred prior to the election period** for literature, objects or materials of an advertising nature *used during* the election period.

You may have received an invoice from a supplier which you do not intend to pay. Where a Chief Agent contests or fails to pay any invoice for election expenses allegedly authorized by him or her, the invoice is deemed to be a “**contested claim**”. The supplier may bring an action in court to recover the claim. To provide a record of such contested claims, complete the appropriate Schedule.

D. Structured Approach

Beginning in 2013, we assume that the Official Representative of your registered political party has processed and accounted for all election expenses in the financial accounts of the Party. The Party may or may not have used a bank account dedicated to paying election expenses. As Chief Agent, you may or may not have been directly involved in incurring election expenses or in issuing payments to suppliers. In any case, subsection 70(1) of the *Political Process Financing Act* requires the Chief Agent to authorize all election expenses.

The Official Representative will provide you with detailed accounting transaction reports that categorize election expenses in the same manner as those provided in the Return. Provided they contain substantially all of the information required in the Schedules, these reports may be submitted in lieu of completing the detailed Schedules.

Specific items included in “election expenses”:

- a. **Goods or services at a discount:** Any person who accepts, for election expenses, a price less than his regular price for similar work, merchandise or services outside the election period is deemed to have made a contribution equal in value to the difference between his regular price and the price accepted [subsection 72(2)]. The regular cost of the goods, prior to the discount, must be included in election expenses.
- b. **“Donations-in-kind”:** Contributions of property and services received during the election period must be included in the election expenses. As provided in subsection 39(3) of the *Political Process Financing Act*, they must be valued at retail, or fair market, value. Each donation requires an invoice marked “Donation” to support the election expense (and contribution).
- c. **Used signs:** Any signage, used in both a previous and the current election, must be included in election expenses at the current retail value of such signage.
- d. **HST:** The full amount of HST paid to suppliers must be included in election expenses.

E. Completing the Return

If preparing the Return by hand, please prepare legibly and in pen. We recommend, however, that you complete the Return using the spreadsheet template that is available on our website at <http://www.electionsnb.ca/finance-e.asp>. The template uses formulas to link all schedules together. This will significantly reduce mathematical errors and speed up the process of completing the Return.

Page 1

Identification

- The dates of the **election period** are from the date the writ of election is issued until Election Day.
- Indicate whether it was a general election or a by-election. For a by-election, enter the number and name of the electoral district.
- The **reporting period** begins with the incurring of the first election expense. The reporting period ends with the reporting date chosen by the Chief Agent. For general elections, choose a date no later than December 31 as the reporting period end-date.
- Enter the communication coordinates as requested.
- Indicate with an “X” that the required supporting documents are being submitted with the Return.

Questionnaire

- Answer each question with a “Yes”, “No”, or “Not Applicable”. “No” responses may indicate a violation of the Act or an incomplete financial return.

Declaration

- The Declaration must be signed by the Chief Agent in the presence of a Commissioner of Oaths for the Province of New Brunswick. The Declaration states that the information contained in the Return is true (the transactions are real and not fraudulent), complete (any and all transactions related to the election are reported), and accurate (calculations are mathematically correct).

Page 2: Statement of Election Expenses

- First, complete Schedules 1 through 9, providing the details of election expenses. Carry forward the balances to the Statement of Election Expenses.
- If they include substantially all of the information required in the Schedules, you may simply attach the accounting reports provided by the Official Representative in lieu of completing the Schedules.
- Enter the Election Expenses Limit for the election as provided in separate correspondence from Elections New Brunswick.

General Instructions for completing schedules of election expenses

- a. Working from the transaction reports provided by the Official Representative, list each cheque number, payee and/or supplier, the nature of the expense, and the amount of the expense. List each cheque even if the amount of the cheque is \$100 or less.
- b. If the cheque is payable to a payee different from the supplier, list the payee along with the supplier; e.g. a person may use their credit card to make purchases on behalf of the campaign.
- c. If more than one invoice is paid by the cheque, list separately each invoice of more than \$100 and the total of invoices of \$100 or less. Provide legible, detailed invoices to support all expenses. An invoice should provide all the particulars required for auditing each purchase and the rate or unit price used for computing the amount of the invoice. A statement of account will not be accepted in lieu of an invoice.
- d. Election expenses must include the fair market value of every contribution of goods and services made during an election period. Each donation requires an invoice marked "Donated" to support the expense.
- e. If there is insufficient space in the Schedule, attach a separate sheet with the same Schedule headings and indicate on the Return "See attached Appendix X".
- f. Calculate the total for a Schedule and carry it forward to the corresponding line on the Statement of Election Expenses.

Schedule 1: Election Advertising

Advertising incurred during the election period is an election expense. Election advertising also includes all expenditures incurred before an election period for literature, objects or materials of an advertising nature that are used during the election period for such purposes. Election advertising includes all costs of design, production, and distribution of the advertising, including postage.

- Enter details of advertising costs including the cheque number, the payee-supplier, the nature of the expense, and the amount including HST.

Signs that were used in previous election campaigns, and that are used again during the current election period, must be assigned a value equal to the current retail value of similar, new signs. This would apply to the signs, wooden frames, posts, etc. This assigned cost is part of the election expenses of the Party. This practice places all Parties in the same position with respect to their advertising expenses, regardless of whether they participated in a previous election or not.

- To recognize the value of the used signs in the financial accounts, determine the current retail value of similar, new signs and lumber. Obtain a competitive quote from suppliers of these products. Provide the current retail value to the Official Representative of the Party so that he or she may record the election expense (and an offsetting "other income".)

Schedule 2: Office and Administration

- Enter office and administration expenses, other than the reasonable expenses incurred for the current operation of the principal permanent office of the Party, including:
 - office rent,
 - utilities,
 - telecommunications,
 - printing (other than advertising),

- paper and office supplies, and
- rental or purchase of computers, printers, and fax machines, etc.

- If the registered political party paid for items whose value extended from the pre-writ period into the election period, the Official Representative should only charge a *pro rata* share of the expenditure as election expenses.

For example, the rent for a campaign office for the month of in which the election was called would be prorated so that the expenditure consumed prior to the writ would be a non-election expenditure while the portion beginning with the day of the writ to month's end would be an election expense. Similarly, for the days up to and including polling day, the value of the rent would be an election expense while the balance of the month would be a non-election expenditure.

Schedule 3: Travel, Lodging and Meals

Where a Chief Agent reimburses the travel, lodging and meals of any person, such expenditures are included as election expenses. The Chief Agent may pay for such travel costs either by reimbursing an individual or by paying a vendor directly for these items.

- Enter the details of travel, lodging, and meals reimbursed to individuals.

In contrast, where a Chief Agent does not reimburse a person for their own reasonable travel expenses incurred out of their own money during a journey for election purposes, these expenses are not considered election expenses (and they are not considered contributions of property and services).

Schedule 4: Rallies and Meetings (other than Nominating Convention)

- Report expenses such as rental of a hall, food and refreshments, and entertainment. In the case of a supplier who does not usually invoice for their services, such as a musician, you may submit a receipt signed by the musician acknowledging receipt of payment for the service rendered.

Schedule 5: Salaries, Wages, and Honoraria

Other than the permanent employees of the Party previously communicated by the Chief Agent to the Supervisor, report:

- All payments to individuals serving as campaign chair(s), regional coordinators, office workers, etc.
- All payments to poll workers on Election Day on Schedule 6, Election Day Expenses.

Schedule 6: Election Day Expenses

- If a poll captain is provided with funds to operate their poll, provide a statement signed by the poll captain acknowledging receipt of the funds, the amount spent, and the amount, if any, returned to the Chief Agent. Include an itemized statement of expenses; e.g. payments to poll workers, drivers and transportation, meals, etc.
- Do not include expenditures related to celebrations held after the close of polls.

Schedule 7: Research and Polling

- Report expenses such as public opinion polling, research on voter-related issues, and voter contact services.

Schedule 8: Interest and Banking Service Charges

- Report interest on loans taken out to finance the election campaign. Report only interest related to the election period.
- Report banking service charges related to transactions processed during the election period.

Schedule 9: Other Election Expenses

- Report any other election expenses on this schedule.

Schedule 10: Claims for Election Expenses Contested by Chief Agent

Every person to whom an amount is due for election expenses shall present his claim to the Chief Agent not more than 45 days following polling day. Otherwise, such person shall forfeit the right to recover the claim [subsection 76(1)].

Where a Chief Agent contests or fails to pay any claim for election expenses allegedly incurred by the Chief Agent or by a person authorized by him, the claim shall be deemed to be a contested claim. The claimant may bring an action in any court of competent jurisdiction to recover the claim [subsection 91(1)].

- Report claims for election expenses that you, as the Chief Agent, are contesting on this schedule [subsection 81(1)].

Note that, subsequent to filing this Return, the particulars of any subsequent payment, including a payment in consequence of a judgment of any court, on any claim for election expenses allegedly incurred by a Chief Agent or a person authorized by him and previously listed as contested shall be disclosed forthwith to the Supervisor [section 84].

(Ce document est également disponible en français)