

These notes refer to the Political Parties, Elections and Referendums Act 2000 (c.41) which received Royal Assent on 30th November 2000

POLITICAL PARTIES, ELECTIONS AND REFERENDUMS ACT 2000

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part III: Accounting requirements

Section 42 : Annual statement of accounts

97. *Section 42* establishes a requirement to prepare an annual statement of accounts. *Subsection (2)* empowers the Electoral Commission to make regulations specifying the form and contents of a statement of accounts. The intention is that, over time, the Commission should be able to require best practice to be followed and ensure that the parties' accounts can be fairly compared with each other. The regulation-making power may be used, in particular, to specify information which is to be provided by way of notes to the accounts. The Commission could exercise this power to require, for example, that the notes to the accounts list all disclosable donations to the party in the period covered by the accounts.
98. The Commission may prescribe different requirements according to whether the income or expenditure of a party falls into one of three bands (up to £5,000; between £5,000 and £250,000; over £250,000). The intention is that, where a party has only a small turnover, the Electoral Commission should be able to apply a 'light touch' regime requiring only a simple annual statement.