



ÁLLAMI
SZÁMVEVŐSZÉK

AUDIT OF CAMPAIGN FUNDS – INDIVIDUAL CANDIDATES
OBTAINING SEAT IN THE PARLIAMENT

Press Summary of the Audit on the Accounting for the Financial Resources Allotted to the Campaigns of the 2014 National Parliamentary Elections Performed at the Individual Candidates Obtaining Parliamentary Seat
(15056)

The State Audit Office of Hungary has concluded the audit of central budget subsidies for 103 candidates of the 106 individual candidates obtaining parliamentary seat. The SAO findings were in accordance with those of the Hungarian State Treasury performing a first-round audit. The 103 candidates had used their subsidies for covering operating expenditures relating to campaign activities in the election campaign period with the exception of one expense item not supported by documents. Four candidates had not fully observed the regulations on the use of subsidies. Additionally, documents supporting the accounts of further three candidates had not fully complied with the act on election procedures due to services supplied out of the campaign period.

Among the 106 individual candidates obtaining parliamentary seat during the 2014 national parliamentary elections three, taking the opportunity provided by law, relinquished their subsidies for the benefit of their nominating parties. In these cases the SAO audited the use of subsidies at the nominating organisations. The other 103 candidates accounted for HUF 98,029.3 thousand towards the Treasury out of the HUF 103,000 thousand made available for them. The subsidies not used by the candidates amounted to HUF 4970.7 thousand. The use of the treasury card accounts and cards were lawful in every case among the 103 candidates. The 103 candidates submitted their accounts on the use of subsidies to the Treasury in time. The invoices and other documents supporting the accounts complied with the legal rules, were authentic and contained the operating expenditures related to the campaign activities. In six cases invoices did not fully contain the requirements stipulated by the act on VAT, for which the invoice issuers were responsible. These defects did not affect the evaluation of the regularity of the use of funds allotted to campaign financing. The SAO informed the competent authority about these deficiencies.

Out of the 103 candidates 99 utilised subsidies in a lawful way according to the accounts submitted to the Treasury and the supporting documents. The Treasury made orders for the repayment of subsidies unlawfully used by the four candidates in an amount twice the original sum of total HUF 99.9 thousand. All of the candidates concerned have fully met this obligation. Further repayment obligations have not arisen according to the SAO findings.

Data of the invoices of the political advertisements published in the campaign period did not correspond in 16 cases with the price list and/or briefing sent to the SAO by the press organs. The invoice issuers (press organs) were responsible for the deviations. The deviations did not have an effect on the evaluation of the use of funds appropriated for campaign expenditures. The SAO has informed the media authority about the deviations lying in the responsibility of the press organs concerning the political advertisements.

The State Audit Office of Hungary as the financial and economic audit organisation of the National Assembly, is one of the key basic institutions of the democratic state organisation. Its mission is to promote the transparency of public finances with its value creating audits performed on a solid professional basis, thus contributing to 'good governance'. With its recommendations, the SAO facilitates the regular, economical, efficient and effective utilisation and use of public funds.

The 2014 parliamentary elections were organised and financed in a different system than before. According to the new legislation, accounting for subsidies provided for individual candidates or for nominating organisations if individual candidates relinquished for their benefit was audited by the Hungarian State Treasury in the first round prior to the SAO audit. The objective of the SAO audit was to evaluate whether individual candidates spent the subsidies of HUF 1 million provided from the central budget on financing operating expenditure related to electoral campaign activities in the election period according to legal regulations. During the audit SAO acted in compliance with its legal mandate and provisions in force.