

# Represented Political Parties' Fund



SOUTH AFRICA

## ANNUAL REPORT

2006/2007



**PIM**





**SOUTH AFRICA**

## **Electoral Commission**

**Report regarding the Management and Administration of the  
Represented Political Parties' Fund  
during the financial year 1 April 2006 to 31 March 2007 in terms of  
Section 8 of the Public Funding of Represented Political Parties Act, 1997  
(Act 103 of 1997)**





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## Management and Administration

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The Public Funding of Represented Political Parties Act, 1997 (hereafter referred to as the Act) determined that the financial year of the Fund will run from 1 April of every year until 31 March in the following year.

The Chief Electoral Officer, subject to the direction of the Commission, is responsible for the management and administration of the Fund and is its Accounting Officer and Chief Executive Officer.

For each financial year the Commission must have records kept of moneys received by/or accruing to the Fund, allocations made/and payments therefrom and of expenditure arising from the allocation of moneys and a current record of the capital and liabilities of the Fund.

Allocations to parties are made in accordance with the prescribed formula. A number of purposes for which such moneys may not be used by parties, is set out in the Act.

The manner in which parties have to deal with and account for moneys allocated to them, is set out in the Act. At the end of each financial year every party must prepare a statement showing the amount received and the purposes for which it was spent and have the statement and its books of records of accounts audited. The auditor must express an opinion as to whether the allocated moneys were spent for purposes not authorised by the Act.

The auditor's report and the audited statements must be submitted to the Commission.

Particulars of allocations made to represented political parties in respect of the 2006/2007 financial year are included in this report.

Extracts from the financial statements of represented political parties, as they were filed with the Commission, are published in this report.

This audit report is qualified in paragraph 8 of the Auditor-General's report as regard matters of non-compliance in the financial statements of some of the represented political parties. At publication date the omissions of the independent auditors and the two political parties referred to in paragraph 8 of the auditor general's report have not been remedied. Action in terms of section 6(7) and 7(2)(b) have been instituted where applicable. Only one of the represented political parties mentioned in paragraph 10 of the Auditor-General's report has not corrected their financials to classify expenditure under specific descriptive categories in terms of section 6(3) of the Act. See note 7 on page 66.

The Commission expresses its appreciation to the accounting officers of all the political parties for their co-operation.





**SOUTH AFRICA**

**Allocations to  
Represented  
Political Parties**



**2006/2007**





## Allocations to Represented Political Parties for the year ended 31 March 2007

R79,085,400.00 was available to the nineteen Represented Political Parties, as follows:      R 71,176,860      Proportional (90%)  
R 7,908,540      Equitable (10%)

**Table 1: Total Number of Members – Representation**

### Legislatures

Represented Political Parties	National Assembly	Western Cape	Limpopo	Eastern Cape	Gauteng	KwaZulu-Natal	Northern Cape	North West	Mpumalanga	Free State	Total
African Christian Democratic Party	4	2	1	NIL	1	1	1	NIL	NIL	1	11
Alliance of Free Democrats	NIL	NIL	NIL	NIL	1	NIL	NIL	NIL	NIL	NIL	1
African National Congress	293	24	45	51	51	40	24	27	27	25	607
Azanian People's Organisation	1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1
Christian Party	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1	NIL	1
Democratic Alliance	47	13	2	5	12	5	3	2	2	3	94
Federal Alliance	NIL	NIL	NIL	NIL	2	NIL	NIL	NIL	NIL	NIL	2
Federation of Democrats	1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1
Freedom Front Plus	4	NIL	NIL	NIL	1	NIL	1	1	NIL	1	8
Independent Democrats	5	1	NIL	NIL	1	NIL	1	NIL	NIL	NIL	8
Inkhatha Freedom Party	23	NIL	NIL	NIL	2	27	NIL	NIL	NIL	NIL	52
Minority Front	2	NIL	NIL	NIL	NIL	2	NIL	NIL	NIL	NIL	4
National Democratic Convention	4	NIL	NIL	NIL	NIL	4	NIL	NIL	NIL	NIL	8
Pan Africanist Congress	3	NIL	NIL	1	1	NIL	NIL	NIL	NIL	NIL	5
Progressive Independent Movement	1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1
United Christian Democratic Party	3	NIL	NIL	NIL	NIL	NIL	NIL	3	NIL	NIL	6
United Democratic Movement	6	NIL	NIL	4	NIL	1	NIL	NIL	NIL	NIL	11
United Independent Front	2	2	1	2	1	NIL	NIL	NIL	NIL	NIL	8
United Party of South Africa	1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1
<b>Total</b>	<b>400</b>	<b>42</b>	<b>49</b>	<b>63</b>	<b>73</b>	<b>80</b>	<b>30</b>	<b>33</b>	<b>30</b>	<b>30</b>	<b>830</b>
<b>Number of Parties</b>		<b>6</b>	<b>4</b>	<b>4</b>	<b>8</b>	<b>6</b>	<b>6</b>	<b>4</b>	<b>3</b>	<b>4</b>	

## Allocations to Represented Political Parties for the year ended 31 March 2007

(continued)

Table 2: Transfer Effectuated to the Represented Political Parties

Represented Political Parties	National Assembly R	Provincial Legislature R	Total R	Paid Apr-06 R	Paid Jul-06 R	Paid Oct-06 R	Paid Jan-07 R
African Christian Democratic Party	943 307.78	972 540.22	1 915 848.00	478 962.00	478 962.00	478 962.00	478 962.00
Alliance of Free Democrats	85 755.25	134 261.26	220 016.51	55 004.51	55 004.00	55 004.00	55 004.00
African National Congress	52 053 438.61	1 539 932.00	53 593 370.61	13 398 344.61	13 398 342.00	13 398 342.00	13 398 342.00
Azanian People's Organisation	85 755.25	–	85 755.25	21 441.25	21 438.00	21 438.00	21 438.00
Christian Party	85 755.25	183 919.55	269 674.80	67 420.80	67 418.00	67 418.00	67 418.00
Democratic Alliance	8 060 993.78	1 539 932.00	9 600 925.78	2 400 232.78	2 400 231.00	2 400 231.00	2 400 231.00
Federal Alliance	171 510.51	134 261.26	305 771.77	76 445.77	76 442.00	76 442.00	76 442.00
Federation of Democrats	85 755.25	–	85 755.25	21 441.25	21 438.00	21 438.00	21 438.00
Freedom Front Plus	686 042.02	534 286.25	1 220 328.27	305 082.27	305 082.00	305 082.00	305 082.00
Independent Democrats	686 042.02	399 105.39	1 085 147.41	271 289.41	271 286.00	271 286.00	271 286.00
Inkatha Freedom Party	4 459 273.16	344 455.01	4 803 728.17	1 200 932.17	1 200 932.00	1 200 932.00	1 200 932.00
Minority Front	343 021.01	210 193.75	553 214.76	138 305.76	138 303.00	138 303.00	138 303.00
National Democratic Convention	686 042.02	210 193.75	896 235.77	224 061.77	224 058.00	224 058.00	224 058.00
Pan Africanist Congress	428 776.27	365 999.87	794 776.14	198 694.14	198 694.00	198 694.00	198 694.00
Progressive Independent Movement	85 755.25	–	85 755.25	21 441.25	21 438.00	21 438.00	21 438.00
United Christian Democratic Party	514 531.52	151 733.62	666 265.14	166 567.14	166 566.00	166 566.00	166 566.00
United Democratic Movement	943 307.78	441 932.36	1 385 240.14	346 310.14	346 310.00	346 310.00	346 310.00
United Independent Front	686 042.02	745 793.71	1 431 835.73	357 961.73	357 958.00	357 958.00	357 958.00
United Party of South Africa	85 755.25	–	85 755.25	21 441.25	21 438.00	21 438.00	21 438.00
<b>Total</b>	<b>71 176 860.00</b>	<b>7 908 540.00</b>	<b>79 085 400.00</b>				

## Expenditure by Represented Political Parties for the year ended 31 March 2007

	African Christian Democratic Party (ACDP)	Alliance of Free Democrats (AFD)	African National Congress (ANC)	Azanian People's Organisa- tion (AZAPO)	Christian Party (CP)	Democratic Alliance (DA)	Federal Alliance (FA)	Federation of Democrats (FD)	Freedom Front Plus (FF)	Indepen- dent Democrats (ID)	Inkatha Freedom Party (IFP)	Minority Front (MF)	National Democratic Conven- tion (NADECO)*	Pan Africanist Congress (PAC)	Progressive Indepen- dent Movement (PIM) *	United Christian Democratic Party (UCDP)	United Democratic Movement (UDM)	United Indepen- dent Front (UIF) ♀	United Party Of South Africa (UPSA)	Total
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
<b>Allocations for the year</b>	1 915 848	220 017	53 593 371	85 755	269 675	9 600 926	305 772	85 765	1 220 328	1 085 147	4 803 728	553 215	896 236	794 776	85 755	665 265	1 385 240	1 431 836	85 755	79 085 400
<b>Less: Total Expenditure</b>	(1 859 604)	(162 259)	(53 095 247)	(85 287)	(134 977)	(9 668 540)	(221 123)	(50 073)	(1 093 258)	(1 314 854)	(4 750 280)	(460 536)	-	(973 616)	-	(666 075)	(1 444 304)	(1 347 147)	(75 160)	(77 422 340)
Personnel expenditure	615 129	22 590	23 445 459	13 093	62 176	4 209 153	-	2 066	344 337	216 644	3 795 387	9 269	-	360 224	-	307 829	240	-	28 531	33 432 127
Accommodation expenditure	2 465	10 558	1 709 216	-	-	113 359	-	4 130	-	-	-	-	-	-	-	6 951	4 447	-	-	1 851 126
Travel expenditure	297 108	24 521	3 483 094	-	18 583	788 805	24 451	11 864	126 225	32 000	80 379	3 804	-	35 243	-	32 220	12 012	-	20 512	5 000 821
Arrangements of meetings and rallies	246 433	86 900	2 378 285	-	7 000	-	1 900	800	-	6 963	7 977	5 050	-	-	-	88 790	224 274	-	7 775	3 062 147
Administrative expenditure	506 979	15 390	17 494 102	72 194	5 113	4 505 846	173 979	25 475	481 311	219 985	860 199	73 380	-	575 932	-	222 889	264 243	-	9 699	25 506 716
Promotion and publications	191 480	2 300	4 488 165	-	3 643	38 372	12 290	2 970	141 385	839 262	6 338	389 033	-	-	-	-	939 088	-	8 643	7 042 979
Fixed asset expenditure	-	-	86 926	-	38 462	33 005	8 503	2 768	-	-	-	-	-	2 217	-	7 396	-	-	-	179 277
Unspent money at the end of year	56 244	57 758	488 124	468	134 698	(87 614)	84 649	35 682	127 070	(229 707)	53 448	92 679	896 236	(178 840)	85 755	190	(59 064)	84 689	10 595	1 663 060
Plus: Interest and other income received	20 507	-	-	-	2 730	-	-	-	11 691	2 048	-	-	-	-	-	144	10 133	217 000	-	264 253
<b>Surplus/(deficit) for the year</b>	<b>76 751</b>	<b>57 758</b>	<b>488 124</b>	<b>468</b>	<b>137 428</b>	<b>(87 614)</b>	<b>84 649</b>	<b>35 682</b>	<b>138 761</b>	<b>(227 659)</b>	<b>53 448</b>	<b>92 679</b>	<b>896 236</b>	<b>(178 840)</b>	<b>85 755</b>	<b>334</b>	<b>(46 931)</b>	<b>301 689</b>	<b>10 595</b>	<b>1 927 313</b>

### Notes:

- Six political parties failed to submit audit reports and audited annual financial statements for the year ending 31 March 2007 within the statutory deadline (on or before 30 June 2007) as prescribed in section 6(5) of the Public Funding of Represented Political Parties Act 103, 1997. They are as follows: AZAPO, IFP, NADECO, PIM, UIF and UPSA.
- Two political parties did not comply with section 6 (4) of the Public Funding of Represented Political Parties Act 103, 1997, which states that the auditor should explicitly state whether monies allocated to the fund has not been spent for purposes not authorised in the Act. They are as follows: ID and UIF.
- Two political parties financial statements did not comply with the disclosure requirements as set out in section 6 (3) of the Public Funding of Represented Political Parties Act 103, 1997, read with section 8(1) of the Public Funding of Represented Political Parties Regulations, 1998, that require the financial statements to be prepared showing the amounts spent for purposes classifiable under specific descriptive categories.
- They are as follows: FF and UIF. The FF has corrected their financial statements prior to the signing of the Represented Political Parties Fund financial statements. ♀-The UIF has not as yet rectified this omission.

\* Two political parties failed to submit financial statements for the period under review. They are as follows: NADECO and PIM.







**SOUTH AFRICA**

**Extracts of the Represented  
Political Parties' Statements  
published in this Report  
as filed with the Commission**



**2006/2007**



**Represented Political Party**  
**African Christian Democratic Party (ACDP)**



**Balance Sheet**  
**at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	71 645	89 501
<b>Current assets</b>			
Trade and other receivables	6	34 844	32 718
Cash and cash equivalents	7	209 128	314 132
		<u>243 972</u>	<u>346 850</u>
<b>Total assets</b>		<u>315 617</u>	<u>436 351</u>
<b>Equity</b>			
<b>Capital and reserves</b>			
Retained earnings		251 153	174 402
<b>Current liabilities</b>			
Trade- and other creditors	8	64 464	261 949
<b>Total equity and liabilities</b>		<u>315 617</u>	<u>436 351</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Mr. SN Swart <b>AUDITED BY:</b> PriceWaterhouseCoopers <b>AUDIT OPINION:</b> Unqualified			

**Cash Flow Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flow from operating activities</b>			
Cash flow from operating activities	12	(103 325)	(114 928)
<b>Cash flow from investing activities</b>			
Acquisition of fixed assets		(22 187)	(34 306)
Interest received		20 507	33 902
Net cash used in investing activities		<u>(1 680)</u>	<u>(404)</u>
Net decrease in cash and cash equivalents		(105 004)	(115 332)
Cash and cash equivalents at beginning of year		314 132	429 464
<b>Cash and cash equivalents at end of year</b>	7	<u>209 128</u>	<u>314 132</u>

**Represented Political Party**  
**African Christian Democratic Party (ACDP)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	2007 R	2006 R
<b>Income</b>		
Allocation from Fund	1 915 848	1 967 826
Interest received	20 507	33 902
	<u>1 936 355</u>	<u>2 001 728</u>
<b>Expenses</b>	1 859 604	2 295 621
<b>Accommodation</b>	2 465	2 746
<b>Arrangements of meetings and rallies</b>	246 433	116 118
Meals and refreshments	68 747	33 427
Rent – conference venues	158 341	67 880
Rent – equipment	9 704	1 660
Security	6 841	3 524
Travel	2 800	–
Training workshops	–	9 627
<b>Administration</b>	506 979	718 719
Audit fees	19 890	18 030
– audit fees current year	17 600	16 000
– other services	2 290	2 508
– overprovision previous year	–	(478)
Bank charges	10 798	9 194
Cleaning materials	3 564	3 798
Courier services	1 991	–
Depreciation	40 043	34 288
Insurance	–	3 279
Legal costs	1 063	226 167
Membership and licences	450	950
Rental	191 708	200 030
– Head office	45 076	44 517
– Provincial office	96 382	85 485
– Parking	3 131	–
– Other office space	10 800	40 999
– Office equipment	36 319	29 029
Repairs and maintenance	13 205	5 259
Stationery	29 922	21 165
Telephone and postage	156 095	153 409
Loss on scrapped assets	–	316
Water and electricity, rates and taxes	38 250	42 834

**Represented Political Party**  
**African Christian Democratic Party (ACDP)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**  
**(continued)**

	2007 R	2006 R
<b>Promotions and publications</b>	191 490	647 989
Advertisements	4 613	17 258
Entertainment expenditure	995	3 948
Printing	126 282	543 977
Promotions	59 600	82 806
<b>Personnel expenditure</b>	615 129	654 931
Salaries	584 304	641 217
Skills Development Levy	5 964	6 467
Telephone allowance	18 216	–
Unemployment Insurance Fund	5 964	6 467
Regional Council Levies	681	780
<b>Travel</b>	297 108	155 118
<b>Net surplus/(deficit) for the year</b>	<u>76 751</u>	<u>(293 893)</u>



**Represented Political Party**  
**Alliance of Free Democrats (AFD)**



**Balance Sheet**  
**at 31 March 2007**

	2007 R	2006 R
<b>Assets</b>		
<b>Non-current assets</b>	6 254	–
Property, plant and equipment	6 254	–
<b>Current assets</b>		
Cash and cash equivalents	146 441	94 937
<b>Total assets</b>	<u>152 695</u>	<u>94 937</u>
<b>Equity and Liabilities</b>		
Accumulated funds	138 466	80 708
Current liabilities	14 229	14 229
Interfund account	14 229	14 229
<b>Total equity and liabilities</b>	<u>152 695</u>	<u>94 937</u>
<b>ACCOUNTING OFFICER:</b>	Mr. EK Futter	
<b>AUDITED BY:</b>	Mokwena and Partners	
<b>AUDIT OPINION:</b>	Unqualified	

**Cash Flow Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flows from operating activities</b>			
Cash receipts from the Gauteng Provincial Legislature		220 017	103 105
Cash paid to suppliers and employees		(161 674)	(8 172)
Cash generated/(utilised) by operations	4	58 343	94 933
Net cash flows from operating activities		58 343	94 933
<b>Cash flows from investing activities</b>			
Additions to plant and equipment		(6 839)	–
Interest received		–	4
Net cash generated/(used) by investing activities		(6 839)	4
<b>Cash flows from financing activities</b>			
Net cash generated by financing activities		–	–
Net increase in cash and cash equivalents		51 504	94 937
Cash and cash equivalents at beginning of year		94 937	–
<b>Cash and cash equivalents at end of year</b>		<u>146 441</u>	<u>94 937</u>

**Represented Political Party  
Alliance of Free Democrats (AFD)**



**Detailed Income Statement  
for the year ended 31 March 2007**

	2007 R	2006 R
<b>Revenue</b>	220 017	103 335
IEC allocation	220 017	103 105
Interest income	–	230
<b>Expenses</b>	(162 259)	(22 627)
Accommodation	10 558	–
Administration	15 390	6 824
Arrangement of meetings and rallies	86 900	–
Personnel	22 590	–
Promotions and publications	2 300	11 744
Travel expenses	24 521	4 059
<b>Operating (deficit)/surplus</b>	<u>57 758</u>	<u>80 708</u>

**Represented Political Party**  
**African National Congress (ANC)**



**Balance Sheet**  
**at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>		733 820	146 210
Furniture and equipment	2	676 824	146 210
Intangible assets	3	56 996	–
<b>Current assets</b>			
Cash and cash equivalents	4	973	5 248
<b>Total assets</b>		<u>734 793</u>	<u>151 458</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated surplus		551 800	53 676
<b>Current liabilities</b>			
Trade and other payables	5	182 993	97 782
<b>Total equity and liabilities</b>		<u>734 793</u>	<u>151 458</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Mr. MMTB Msimang <b>AUDITED BY:</b> Deloitte & Touche <b>AUDIT OPINION:</b> Unqualified			

**Cash Flow Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Operating activities</b>			
Cash received from the IEC		53 593 371	49 304 221
Cash paid to suppliers and employees		(52 923 110)	49 199 346
Cash generated by operations	6	670 261	104 875
Interest received		–	226
Net cash from operating activities		<u>670 261</u>	<u>105 101</u>
<b>Investing activities</b>			
Additions to furniture and equipment		(604 633)	(154 939)
Additions to intangible assets		(69 903)	–
Net cash utilised in investing activities		<u>(674 536)</u>	<u>154 939</u>
Net decrease in cash and cash equivalents		(4 275)	(49 838)
Cash and cash equivalents at beginning of year		5 248	55 086
<b>Cash and cash equivalents at end of year</b>	4	<u>973</u>	<u>5 248</u>

**Represented Political Party**  
**African National Congress (ANC)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	2007 R	2006 R
<b>Income</b>	53 593 371	49 304 447
Grants received	53 593 371	49 304 221
Interest received	–	226
<b>Expenditure</b>	53 095 247	49 283 257
<b>Personnel expenditure</b>		
Salaries	23 445 459	–
<b>Accommodation expenditure</b>		
Accommodation and meals	1 709 216	68 934
<b>Travel expenses</b>	3 493 094	1 303 516
Air travel – internal	1 834 678	1 236 624
Air travel – external	1 401 278	–
Travel insurance	1 440	–
Car rental	255 698	65 116
Hotel expenditure – meals	–	1 776
<b>Arrangements of meetings and rallies</b>	2 378 285	7 459 489
Catering	33 472	19 307
Decorations	–	750
Hiring – buses and taxis	188 814	1 262 162
– conference venues	1 073 948	5 036 355
Organising for events	315 000	–
Photographic costs	950	1 350
Renting equipment – public addressing	–	420 556
– tables and chairs	–	12 625
Training	766 101	706 384
<b>Administrative – general</b>	16 023 026	5 877 928
Cleaning	981 529	574 051
Communication expenses – cell phones	1 348 999	1 136 655
– telephone fax modem	2 373 540	890 654
Consultation fees	78 402	–
Courier services	446 063	162 232
Entertainment expense – meetings & rallies	–	54 000
– other	–	7 000
Insurance – pool vehicles	600 000	–
Maintenance and repairs – buildings	3 010 510	73 430
– computers	–	24 488
– equipment	1 007 197	12 393
– motor vehicles	95 712	139 271
Motor vehicle licence	2 118	732
Postage	–	1 596
Refuse removal	20 824	139 656
Regional Service Levy expenses	24 809	53 143
Sanitation	286 519	137 690
Security services	5 030 152	1 974 681
Server expenses	337 269	236 830

**Represented Political Party**  
**African National Congress (ANC)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**  
**(continued)**

	2007 R	2006 R
<b>Expenditure (continued)</b>		
Stationery	175 278	113 186
Website maintenance	204 105	146 240
<b>Administrative – other</b>	1 471 076	3 567 055
Audit costs – Independent Electoral Commission	84 000	137 813
Bank charges	7 684	6 696
Legal costs	813 884	–
Office catering	–	1 446
Office removal	31 060	–
Post box rental	–	940
Renewal of licences	–	675
Rental	3 380	2 747 151
– office equipment	28 737	21 662
– office plant	188 665	161 719
– parking	13 227	–
Services rendered	22 230	8 720
Staff training	53 560	18 400
Subscription fees	843	–
Travel	223 806	461 833
Water, lights and electricity		
<b>Promotions and publications</b>	4 488 165	30 997 461
Advertisements – other	2 391 295	19 046 779
Banners	2 839	5 472
Books/magazines	–	5 830
Courier services	–	2 423 429
Flags	–	28 671
Hire of sound system	625 329	2 500
Photographic costs	–	5 454
Press conference and media	53 949	–
Printing and production	1 058 398	360 006
– books	50 230	633 359
– pamphlets	268 843	677 923
– posters	8 128	–
– cards	–	13 110
Promotional	–	4 832 084
– badges and stickers	–	2 166 000
– t-shirts and caps	–	–
Research	–	760 576
Royalty fees	–	36 268
Strings	–	–
Translations	11 954	–
Trophies	17 200	–
<b>Depreciation and amortisation</b>	86 926	8 874
<b>Surplus for the year</b>	498 124	21 190



**Represented Political Party**  
**Azanian People's Organisation (AZAPO)**



**Balance Sheet**  
**at 31 March 2007**

	Notes	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	2	2
<b>Current assets</b>			
Bank balances		10 070	446
<b>Total assets</b>		<u>10 072</u>	<u>448</u>
<b>Equity and Liabilities</b>			
<b>Capital and reserves</b>			
Accumulated loss		(39)	(9 413)
<b>Current liabilities</b>			
Trade and other payables	3	10,111	9 861
<b>Total equity and liabilities</b>		<u>10 072</u>	<u>448</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Mr. RD Monnakgotla <b>AUDITED BY:</b> Barrus and Associates <b>AUDIT OPINION:</b> Unqualified			

**Cash Flow Statement**  
**for the year ended 31 March 2007**

	2007 R	2006 R
<b>Cash flows from operating activities</b>		
Cash generated by/(utilised in) operating activities	9 624	(6 342)
Interest received	–	1
Interest paid	–	(8)
<b>Net cash from operating activities</b>	<u>9 624</u>	<u>(6 349)</u>
<b>Cash flows from investing activities</b>		
Expenditure to maintain operating capacity	–	(1 500)
Property, plant and equipment acquired	–	(1 500)
<b>Net cash used in investing activities</b>	<u>–</u>	<u>(1 500)</u>
Increase/(decrease) in cash and cash equivalents	9 624	(7 849)
Cash and cash equivalents at beginning of the year	446	8 295
<b>Cash and cash equivalents at end of the year</b>	<u>10 070</u>	<u>446</u>

**Represented Political Party**  
**Azanian People's Organisation (AZAPO)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	2007 R	2006 R
<b>Income</b>		
Allocation from Fund	94 661	80 374
<b>Other income</b>		
Interest received	—	1
	94 661	80 375
<b>Expenses</b>	85 287	92 558
Auditors remuneration	3 750	3 500
Bank charges	1 650	1 961
Depreciation	—	1 499
E-mail and internet	1 680	4 674
Interest	—	8
Postage	—	225
Printing and stationery	234	3 331
Rent paid	30 186	38 715
Repairs and maintenance	264	—
Salaries	13 093	9 616
Telephone and fax	34 430	29 029
<b>(Deficit)/Surplus</b>	<b>9 374</b>	<b>(12 183)</b>

**Represented Political Party  
Christen Party (CP)**



**Balansstaat  
op 31 Maart 2007**

	<b>Aantekeninge</b>	<b>2007 R</b>	<b>2006 R</b>
<b>Bates</b>			
<b>Nie-bedryfsbates</b>			
Meubels en toerusting	<b>2</b>	76 136	48 677
<b>Bedryfsbates</b>			
Kontant en kontantekwivalente	<b>3</b>	191 441	54 013
<b>Totale bates</b>		<u>267 577</u>	<u>102 690</u>
<b>Reserwes</b>			
Opgehoopte fondse	<b>4</b>	<u>267 577</u>	<u>102 690</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Mr. LJB Marneweck <b>AUDITED BY:</b> G. Van Der Merwe & CO <b>AUDIT OPINION:</b> Unqualified			

**Kontantvloeistaat  
vir die jaar geëindig 31 Maart 2007**

	<b>2007 R</b>	<b>2006 R</b>
<b>Kontantvloei uit bedryfsaktiwiteite</b>	175 890	104 736
Fondse ontvang	269 675	126 376
Betalings aan personeel en verskaffers	<u>96 515</u>	<u>21 640</u>
	173 160	104 736
Rente ontvang	<u>2 730</u>	–
<b>Kontantvloei na beleggingsaktiwiteite</b>		
Nie-bedryfsbates aangekoop	<u>(38 462)</u>	<u>(50 723)</u>
Netto toename in kontantekwivalente	137 428	54 013
Kontantekwivalente aan die begin van die jaar	<u>54 013</u>	–
<b>Kontantekwivalente aan die einde van die jaar</b>	<u>191 441</u>	<u>54 013</u>

**Represented Political Party**  
**Christen Party (CP)**



**Inkomste- en Uitgawestaat**  
**vir die jaar geëindig 31 Maart 2007**

	<b>2007</b> <b>R</b>	<b>2006</b> <b>R</b>
<b>Inkomste</b>	272 405	126 376
Fondse ontvang vanaf OVK in terme van Wet 103 van 1997	269 675	126 376
Rente ontvang	2 730	–
<b>Min uitgawes</b>	134 977	72 363
<b>Administratiewe uitgawes (Art 8(1)e)</b>		
Bankkoste	883	523
Ouditeursvergoeding	3 370	–
Rekenaaruitgawes	860	–
Skryfbehoeftes	–	494
Verskuiwingskoste	–	106
<b>Akkommodasie (Art 8(1)b)</b>	–	5 100
<b>Promosies en publikasies (Art 8(1)f)</b>	3 643	–
<b>Personeeluitgawes (Art 8(1)a)</b>		
Salarisse	62 176	11 417
<b>Reiskoste (Art 8(1)c)</b>	18 583	1 280
<b>Reël van vergaderings en byeenkomste (Art 8(1)d)</b>	7 000	2 720
<b>Vaste bates aangekoop (Art 8(1)e)</b>		
Rekenaartoerusting	31 554	28 483
Kantoortoerusting	6 908	18 240
Kantoormeubels	–	4 000
<b>Netto oorskot vir die jaar</b>	<u>137 428</u>	<u>54 013</u>

(Bedrag oorgedra na volgende finansiële jaar in terme van Par 9 (1) van Wet 103 van 1997)

**Represented Political Party  
Democratic Alliance (DA)**



**Balance Sheet  
at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	329	307
Long term deposit	3	10 000	10 000
		<u>10 329</u>	<u>10 307</u>
<b>Current assets</b>			
Accounts receivable	4	8 234	8 513
Cash and cash equivalents	5	496 302	161 858
		<u>504 536</u>	<u>170 371</u>
<b>Total assets</b>		<u><u>514 865</u></u>	<u><u>180 678</u></u>
<b>Funds and Liabilities</b>			
<b>Funds</b>			
Retained surplus		<u>79 567</u>	<u>101 171</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable	6	435 298	79 507
<b>Total funds and liabilities</b>		<u><u>514 865</u></u>	<u><u>180 678</u></u>

**CERTIFIED BY ACCOUNTING OFFICER:**  
**AUDITED BY:**  
**AUDIT OPINION:**

Mr. R. Coetzee  
BBR Van der Grijp & Associates  
Unqualified

**Cash Flow Statement  
for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flows from operating activities</b>			
Cash generated from operations	11	447 342	323 445
Interest income		33 005	10 413
Finance costs		(171)	–
Net cash from operating activities		<u>480 176</u>	<u>333 858</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	<u>(145 732)</u>	<u>(322 583)</u>
Total cash movement for the period		334 444	11 275
Cash at the beginning of the period		161 858	150 583
<b>Total cash at end of the period</b>	5	<u><u>496 302</u></u>	<u><u>161 858</u></u>



**Represented Political Party  
Democratic Alliance (DA)**



**Detailed Income Statement  
for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Income</b>			
Grants received from Independent Electoral Commission		9 600 926	9 318 333
Interest received		33 005	10 413
	1.1	<u>9 633 931</u>	<u>9 328 746</u>
<b>Expenditure</b>			
<b>Personnel expenditure</b>			
Insurance: UIF		18 976	22 182
Medical funds		143 658	531 743
Pension funds		171 345	239 102
Recruitment of staff		213 149	752
Salaries		3 630 312	4 176 028
Staff gifts		15 920	–
Staff training		15 793	7 058
		<u>4 209 153</u>	<u>4 976 865</u>
<b>Travel expenditure</b>		<u>788 805</u>	<u>174 611</u>
Administrative expenditure			
Assistance to regions		–	26 318
Audit cost		–	16 751
Bank charges		6 355	5 248
Communication expenditure: telephone and fax		1 144 852	574 610
Consultancy fees		145 350	–
Courier and postage services		16 871	82 542
Depreciation		145 718	322 478
Government levies		225	82 282
Insurance		–	52 554
Interest paid		171	–
Internet		250 015	170 280
Maintenance and repairs: furniture and fittings		–	4 854
Maintenance and repairs: building		47 740	111 449
Maintenance and repairs: computers		129 805	16 563
Maintenance and repairs: equipment		295 497	157 535
Maintenance: National database		97 584	13 224
Newspapers, books and publications		2 566	–
Parking		24 108	35 156
Participation fees		47 500	–
Printing and stationery		390 299	119 187
Refreshments and sundries		30 573	63 088
Rent and electricity		643 156	488 829
Rental office equipment		1 012 373	435 683
Security expenses		36 625	42 822
Skills development levies		38 463	43 784
		<u>4 505 846</u>	<u>2 865 237</u>
<b>Promotions and publications</b>			
Advertisements		37 825	950 922
Miscellaneous promotion expenses		547	555
Printing and production of pamphlets		–	274 154
		<u>38 372</u>	<u>1 225 631</u>

**Represented Political Party  
Democratic Alliance (DA)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**  
**(continued)**

	Note	2007 R	2006 R
<b>Expenditure (continued)</b>			
<b>Arrangements of meetings and rallies</b>			
Meetings and conferences		100 935	–
Rallies		12 424	–
		<u>113 359</u>	<u>–</u>
		9 655 535	9 242 344
<b>(Deficit) Surplus for the period</b>		<u>(21 604)</u>	<u>86 402</u>

# Represented Political Party Federal Alliance (FA)



## Balance Sheet at 31 March 2007

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Current assets</b>			
Bank		105 743	4 088
<b>Total assets</b>		<u>105 743</u>	<u>4 088</u>
<b>Equity and Liabilities</b>			
Capital and reserves			
Accumulated surplus		105 743	4 088
<b>Total equity and liabilities</b>		<u>105 743</u>	<u>4 088</u>

CERTIFIED BY ACCOUNTING OFFICER:

Mr. QR Smith

AUDITED BY:

PKF (JHB) INC.

AUDIT OPINION:

Unqualified

## Cash Flow Statement for year ended 31 March 2007

	Note	2007 R	2006 R
<b>Cash flows from operating activities</b>		101 655	4 088
Cash generated by operations	3.1	93 202	2 610
Net financing income	2	8 453	1 478
Net increase in cash resources		<u>101 655</u>	<u>4 088</u>
Cash resources at beginning of period		4 088	–
<b>Cash resources at end of period</b>	3.2	<u>105 743</u>	<u>4 088</u>

**Represented Political Party  
Federal Alliance (FA)**



**Detailed Income Statement  
for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Revenue</b>			
Allowances from the IEC		305 722	143 291
<b>Other income</b>		8 503	1 478
Interest received		8 453	1 478
Other		50	—
		<u>314 275</u>	<u>144 769</u>
<b>Expenses</b>			
Advertising		—	128 000
Bank charges		669	290
Communication		93 509	6 391
Computer expenses		1 900	—
Election deposit fee		—	6 000
Entertainment		2 615	—
Interest paid		1	—
Other expenses		600	—
Production and distribution		12 290	—
Rent paid		72 502	—
Travel		24 451	—
Prior year misstatement		4 083	—
<b>Surplus before taxation</b>		<u>101 655</u>	<u>4 088</u>

**Footnote:**

Financial statements must show the amounts spent during a financial year in descriptive categories per section 8 (1) of the Regulations to Act, 103 of 1997  
This provision has not been complied with regardless of specific IEC request dated 25 June 2007.

**Represented Political Party  
The Federation of Democrats (FD)**



**Balance Sheet  
at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Equipment	2	—	2 768.00
<b>Current assets</b>			
Accounts receivable	3	60 369.88	23 103.88
Cash	4	20 093.41	20 093.41
		40 276.47	3 010.47
<b>Total assets</b>		<u>60 369.88</u>	<u>25 871.88</u>
<b>Equity and Liabilities</b>			
<b>Capital and reserves</b>			
Retained earnings		55 340.98	19 658.88
<b>Total equity</b>		<u>55 340.98</u>	<u>19 658.88</u>
<b>Current liabilities</b>			
Accounts payable	5	5 028.90	6 213.00
<b>Total equity and liabilities</b>		<u>60 369.88</u>	<u>25 871.88</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Mr. LM Green			
<b>AUDITED BY:</b> Sizwe Ntsaluba			
<b>AUDIT OPINION:</b> Unqualified			

**Cash Flow Statement  
for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flow from operating activities</b>			
Cash received from IEC		85 755.25	40 186.82
Cash paid to suppliers		(48 589.25)	(34 327.80)
Interest paid		—	(1.55)
<b>Net cash inflow from operating activities</b>		<u>37 266.00</u>	<u>5 857.47</u>
<b>Cash flow from investing activities</b>			
Purchases of items of property, plant & equipment		—	(2 847.00)
<b>Net cash inflow from investing activities</b>		<u>—</u>	<u>(2 847.00)</u>
<b>Net cash flow</b>		<u>37 266.00</u>	<u>3 010.47</u>
Cash resources and funds on deposit at beginning of year		3 010.47	—
<b>Cash resources and funds on deposit at end of year</b>		<u>40 276.47</u>	<u>3 010.47</u>

**Represented Political Party**  
**The Federation of Democrats (FD)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Income</b>		85 755.25	40 186.82
<b>Less: Expenses</b>		50 073.15	20 527.94
Advertisements		—	7 216.20
Accommodation		4 130.00	
Audit fees		—	6 213.00
Bank charges		629.56	167.59
Conference fees		800.00	—
Depreciation		2 768.00	79.00
Interest		—	0.55
Parking		1 000.00	—
Printing		15 800.00	5 104.60
Promotional items		2 970.00	—
Refreshments		874.35	—
Rental		5 130.00	—
Salaries and wages		2 065.90	—
Stationery		1 730.27	—
Telephone		441.97	—
Transport		11 864.13	1 747.00
Workshop		6 081.80	—
Reversal of provision for audit fees		(6 213.00)	—
<b>Surplus</b>		35 682.10	19 658.88

**Footnote:**

Financial statements must show the amounts spent during a financial year in descriptive categories per section 8 (1) of the Regulations to Act, 103 of 1997  
This provision has not been complied with regardless of specific IEC request dated 25 June 2007.

## Represented Political Party Freedom Front Plus (FF)



### Balance Sheet at 31 March 2007

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Equipment, furniture and motor vehicle	2	1	1
<b>Current assets</b>			
Cash and cash equivalents	4	153 764	20 552
Debtors – Olien Eiendomme (Pty) Ltd		127 966	20 552
		25 798	0
<b>Total assets</b>		<u>153 765</u>	<u>20 553</u>
<b>Reserve and Liabilities</b>			
Unutilised surplus	4	153 765	20 553
Creditors		0	15 003
			5 550
<b>Total reserve and liabilities</b>		<u>153 765</u>	<u>20 553</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Col. PD Uys <b>AUDITED BY:</b> Brink & Brink <b>AUDIT OPINION:</b> Unqualified			

### Cash Flow Statement for the year ended 31 March 2007

	Note	2007 R	2006 R
<b>Cash (utilised)/generated from operations</b>	8	95 723	-199 840
Interest received		11 691	22 252
<b>Net cash (outflow)/inflow from operating activities</b>		<u>107 414</u>	<u>-177 588</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		107 414	-177 588
Cash and cash equivalents at beginning of period		20 552	198 140
<b>Cash and cash equivalents at end of year</b>		<u>127 966</u>	<u>20 552</u>



**Represented Political Party  
Freedom Front Plus (FF)**



**Detailed Income Statement  
for the year ended 31 March 2007**

	<b>2007 R</b>	<b>2006 R</b>
<b>Income</b>	1 232 020	1 299 484
Allocation from Fund	1 220 329	1 277 232
Interest received	11 691	22 252
<b>Expenditure</b>	1 093 258	1 477 622
Audit fees	6 299	5 500
Bank charges & interest	4 134	5 939
Communication expenditure: telephone & fax	63 848	132 396
Computer expenses	0	6 081
Courier services	10 087	18 757
Election & congress costs	0	1 428
Grant to branches	312 596	120 650
Insurances – equipment	20 028	24 247
Legal cost	8 260	52 201
Maintenance & cleaning	42 243	18 416
Media office – Potchefstroom	0	28 000
Municipal charges	11 816	11 559
Personnel expenditure	344 337	555 196
Promotions, publications & stationery	141 385	448 029
Subscriptions	2 000	0
Travelling & entertainment expenses	126 225	49 223
<b>Surplus/(shortage) for the year</b>	<b>138 762</b>	<b>-178 138</b>

**Represented Political Party  
Independent Democrats (ID)**



**Balance Sheet  
at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	173 125	112 217
<b>Current assets</b>			
Trade and other receivables	3	71 934	23 693
Cash and cash equivalents	4	350	742
		72 284	24 435
<b>Total assets</b>		<b>245 409</b>	<b>136 652</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated loss		(164 119)	63 540
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Finance lease obligation	5	133 633	32 226
<b>Current liabilities</b>			
Finance lease obligation	5	17 798	18 584
Trade and other payables	6	258 097	22 302
		275 895	40 886
<b>Total liabilities</b>		<b>409 528</b>	<b>73 112</b>
<b>Total equity and liabilities</b>		<b>245 409</b>	<b>136 652</b>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Ms. P de Lille <b>AUDITED BY:</b> C2M Chartered Accountants <b>AUDIT OPINION:</b> Unqualified			

**Cash Flow Statement  
for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flows from operating activities</b>			
Cash generated from (used in) operations	10	7 724	(353 766)
Interest income		2 048	17 876
Net cash from operating activities		9 772	(335 890)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(162 959)	(67 971)
Sale of property, plant and equipment	2	52 174	—
Net cash from investing activities		(110 785)	(67 971)
<b>Cash flows from financing activities</b>			
Finance lease payments		100 621	(16 271)
Total cash movement for the period		(392)	(420 132)
Cash at the beginning of the period		742	420 874
<b>Total cash at end of the period</b>	<b>4</b>	<b>350</b>	<b>742</b>

**Represented Political Party  
Independent Democrats (ID)**




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**Detailed Income Statement**  
**for the year ended 31 March 2007**

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	Note	2007 R	2006 R
<b>Revenue</b>			
Represented political party fund allocation		<u>1 085 147</u>	<u>1 213 027</u>
<b>Other Income</b>			
Interest received	<b>8</b>	<u>2 048</u>	<u>17 876</u>
<b>Operating Expenses</b>			
Administration		(219 985)	(471 713)
Arrangement of meeting and rallies		(6 963)	(65 681)
Personnel expenditure		(216 644)	(119 994)
Promotions and publications		(839 262)	(781 665)
Travel expenses		<u>(32 000)</u>	<u>(133 124)</u>
		<u>(1 314 854)</u>	<u>(1 572 177)</u>
<b>Surplus/(shortfall) for the period</b>		<u><u>(227 659)</u></u>	<u><u>(341 274)</u></u>

**Represented Political Party**  
**Inkatha Freedom Party (IFP)**



**Balance Sheet**  
**at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Equipment, furniture and motor vehicles	2	288	288
<b>Current assets</b>			
Cash and cash equivalents	3	62 140	22 171
<b>Total assets</b>		<u>62 428</u>	<u>22 459</u>
<b>Reserve and Liabilities</b>			
<b>Reserve</b>			
Accumulated (surplus)/deficit	4	62 428	-341
<b>Current liabilities</b>			
Trade and other payables		—	22 800
<b>Total reserve and liabilities</b>		<u>62 428</u>	<u>22 459</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Mr. K Worthington <b>AUDITED BY:</b> M Richmond & Company <b>AUDIT OPINION:</b> Unqualified			

**Cash Flow Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flow from operating activities</b>			
Cash generated by operations	6	30 648	17 297
Interest received		9 321	3 256
Net cash inflow from operating activities		<u>39 969</u>	<u>20 553</u>
Net increase in cash and cash equivalents		39 969	20 553
Cash and cash equivalents at beginning of year		22 171	1 618
<b>Cash and cash equivalents at end of year</b>	3	<u>62 140</u>	<u>22 171</u>

**Represented Political Party  
Inkatha Freedom Party (IFP)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	<b>2007 R</b>	<b>2006 R</b>
<b>Income</b>	4 813 049	4 859 165
Allocation from Fund	4 803 728	4 855 909
Interest received	9 321	3 256
<b>Expenditure</b>	4 750 280	4 838 612
Personnel expenditure	3 795 387	3 952 703
Travel expenditure	80 379	81 094
Arrangements of meetings and rallies	7 977	169 022
Administrative expenditure	860 199	603 351
Promotions and publications	6 338	32 442
<b>Surplus for the year</b>	<b>62 769</b>	<b>20 553</b>

**Represented Political Party  
The Minority Front (MF)**



**Balance Sheet  
at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Equipment, furniture and motor vehicles	2	25	25
<b>Current assets</b>			
Receivables and prepayments	3	2 706	2 706
Cash and cash equivalents	4	107 866	13 939
		<u>110 572</u>	<u>16 645</u>
<b>Total assets</b>		<u>110 597</u>	<u>16 670</u>
<b>Reserve and Liabilities</b>			
<b>Reserve</b>			
Unutilised surplus/(deficit)	5	87 448	(5 231)
<b>Current liabilities</b>			
Trade and other payables	6	23 149	21 901
Bank overdraft		<u>23 149</u>	<u>21 901</u>
<b>Total reserve and liabilities</b>		<u>110 597</u>	<u>16 670</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b>			
<b>AUDITED BY:</b>			
<b>AUDIT OPINION:</b>			
		Ms. S Rajbally	
		L Govendor & Co	
		Unqualified	

**Cash Flow Statement  
for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flow from operating activities</b>			
Cash generated/(utilised) from operations	9.1	93 927	(47 277)
Interest received		—	—
Interest paid		—	—
Net cash inflow/outflow from operating activities		<u>93 927</u>	<u>(47 277)</u>
<b>Cash flow from investing activities</b>			
Purchase of equipment, furniture and motor vehicles		<u>—</u>	<u>(15 436)</u>
Net increase/(decrease) in cash and cash equivalents		93 927	(62 713)
Cash and cash equivalents at beginning of period		13 939	76 652
<b>Cash and cash equivalents at end of year</b>		<u>107 866</u>	<u>13 939</u>

**Represented Political Party**  
**The Minority Front (MF)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	2007 R	2006 R
<b>Income</b>	553 215	534 914
Allocation from Fund	553 215	534 914
<b>Expenditure</b>	460 536	598 761
<b>Personnel expenditure</b>	9 269	14 400
Salaries: Employees	–	14 400
Staff welfare	4 293	–
Insurance: UIF	1 076	–
Skills development	3 900	–
<b>Travel expenditure</b>	3 804	1 187
Car rental	3 804	1 187
<b>Arrangements of meetings and rallies</b>	5 050	–
Renting tables and chairs	5 050	–
<b>Administrative expenditure</b>	73 380	95 074
Communication expenditure: Telephone, fax, modem	–	21 973
Maintenance and repairs: Equipment	3 442	3 595
Stationery	11 276	4 532
Entertainment expenditure: Meetings and rallies	1 750	12 903
Entertainment expenditure: Other	5 200	1 800
Audit cost	13 728	12 480
Bank charges	1 813	2 284
Workshops	6 400	–
Security services	125	–
Rental – Provincial office	29 646	35 507
<b>Promotion and publications</b>	369 033	472 666
Advertisements – Newspaper	248 887	162 811
Advertisements – Other	26 598	194 197
Promotion – T shirts, caps, flags	8 950	–
Promotional stickers	70 600	–
Subscriptions	899	520
Other	13 099	56 839
Printing and production of pamphlets	–	14 944
Printing and production of posters	–	3 056
Printing and production of books	–	35 796
Printing and production of banners	–	4 503
<b>Fixed assets written down</b>		15 434
<b>Surplus/(deficit) for the year</b>	92 679	(63 847)



**Represented Political Party**  
**National Democratic Convention (NADECO)**



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**Audited Financial Statements**  
**at 31 March 2007**

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Not submitted at date of printing.

**Represented Political Party**  
**Pan Africanist Congress of Azania (PAC)**



**Balance Sheet**  
**at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Equipment, furniture and motor vehicles	2	31 148	8 366
<b>Current assets</b>			
Cash and cash equivalents	6	–	566
<b>Total assets</b>		<u>31 148</u>	<u>8 932</u>
<b>Reserve and Liabilities</b>			
<b>Reserves</b>			
Accumulated surplus	3	(141 177)	8 738
<b>Non-current liabilities</b>			
Long-term liabilities	4	60 748	–
<b>Current liabilities</b>			
		111 577	194
Creditors	5	87 103	–
Current portion of long-term liability	4	24 469	–
Bank overdraft	6	4	194
<b>Total reserves and liabilities</b>		<u>31 148</u>	<u>8 932</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Mr. CN Tabane <b>AUDITED BY:</b> SAB & T Chartered Accountants Inc. <b>AUDIT OPINION:</b> Qualified			

**Cash Flow Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flow from operating activities</b>			
Cash generated from operation	9	(58 116)	(123)
Interest paid	8	(2 479)	(84)
Net cash inflow from operating activities		<u>(60 595)</u>	<u>(207)</u>
<b>Cash flow from investing activities</b>			
Purchases of equipment	2	(25 000)	–
<b>Cash flow from financing activities</b>			
Loans raised		85 217	
Net increase in cash and cash equivalents		<u>(378)</u>	<u>(207)</u>
Cash and cash equivalents at beginning of period		374	581
<b>Cash and cash equivalents at end of period</b>	6	<u>4</u>	<u>374</u>

**Represented Political Party**  
**Pan Africanist Congress of Azania (PAC)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	2007 R	2006 R
<b>Income</b>	794 776	792 462
Allocation of Funds	794 776	792 462
<b>Expenses</b>	944 692	798 108
<b>Personnel expenditure</b>	360 224	321 384
Salaries: Employees	357 745	321 300
Interest paid	2 479	84
<b>Travel expenditure</b>	35 243	4 400
Travel and accommodation	35 243	4 400
<b>Administrative expenditure</b>	575 932	209 632
Telephone and faxes	28 955	23 656
Consultation	22 800	–
Computer expenses	1 000	–
Motor vehicle expenses	89 686	–
Petty cash expenses	2 066	–
Meetings and conferences	30 925	–
Printing and stationery	53 725	194 250
Entertainment expenditure: Other	–	4 500
Legal costs	79 136	40 542
Audit costs	26 500	12 468
Bank charges	9 012	7 553
Rental: Provincial Office	203 202	184 000
Depreciation	2 217	5 439
<b>Surplus/(loss) for the year</b>	(149 916)	(5 646)

**Represented Political Party**  
**Progressive Independent Movement (PIM)**



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**Audited Financial Statements**  
at 31 March 2007

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Not submitted at date of printing.

Represented Political Parties

**Represented Political Party**  
**United Christian Democratic Party (UCDP)**



**Balance Sheet**  
**at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>		46	44
Equipment, furniture and fittings	2	46	44
<b>Current assets</b>		928	3 679
Receivables and prepayments	3	636	636
Cash and cash equivalents	4	292	3 043
<b>Total assets</b>		<u>974</u>	<u>3 723</u>
<b>Reserve and Liabilities</b>			
<b>Reserve</b>		(5 454)	(5 788)
Unutilised deficit	5	(5 454)	(5 788)
<b>Current liabilities</b>		6 428	9 511
Trade and other payables		6 428	9 511
<b>Total reserve and liabilities</b>		<u>974</u>	<u>3 723</u>
<b>CERTIFIED BY ACCOUNTING OFFICER:</b> Mr. IS Mfundisi <b>AUDITED BY:</b> Newton Walker <b>AUDIT OPINION:</b> Unqualified			

**Cash Flow Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flows from operating activities</b>			
Cash generated by operations	8.1	4 503	2 133
Interest received		144	21
Net cash flow from operating activities		<u>4 647</u>	<u>2 154</u>
<b>Cash flows from investing activities</b>			
Acquisition of fixed assets		(7 398)	—
Net cash flows from investing activities		<u>(7 398)</u>	<u>—</u>
Net (decrease)/increase in cash and cash equivalents		(2 751)	2 154
Cash and cash equivalents at beginning of year		3 043	889
<b>Cash and cash equivalents at end of year</b>		<u>292</u>	<u>3 043</u>

**Represented Political Party**  
**United Christian Democratic Party (UCDP)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	2007 R	2006 R
<b>Income</b>	666 409	624 474
Allocation from Fund	666 265	624 453
Interest received	144	21
<b>Expenditure</b>	666 075	623 020
<b>Personnel expenditure</b>	307 829	295 353
Salaries: Employees	262 909	250 727
PAYE	19 697	17 560
Medical fund	16 552	16 133
Casual wages	3 105	5 610
Insurance: UIF	5 566	5 323
<b>Accommodation expenditure</b>	6 951	7 740
Hotel	6 951	7 740
<b>Travel expenditure</b>	32 220	50 250
Pool vehicles	32 220	50 250
<b>Administrative expenditure</b>	222 889	195 484
Communication expenditure: Telephone, fax, modem	75 711	82 341
Courses and workshops	4 118	9 846
Courier services	1 617	600
Consulting fees	–	2 221
Insurances	12 537	7 790
Maintenance and repairs: Equipment	1 267	2 437
Maintenance and repairs: Software computer	5 012	–
Maintenance and repairs: Building	254	–
Stationery	10 474	15 515
Entertainment expenditure: Office teas	7 333	11 461
Audit and accounting fees	26 661	17 670
Bank charges	7 080	9 208
Cleaning	8 036	3 500
Security services	3 725	3 559
Rental office equipment and consumables	46 269	23 599
Water and lights, rates and taxes	12 795	5 737
<b>Party development</b>	88 790	74 193
Workshops, meetings and rallies	88 790	20 299
Printing and production pamphlets	–	53 894
Fixed assets written off during the year	7 396	–
<b>Surplus for the year</b>	334	1 454

**Represented Political Party**  
**United Democratic Movement (UDM)**



**Balance Sheet**  
**at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Equipment, furniture and motor vehicles	2	23	23
<b>Current assets</b>			
Receivables and prepayments	3	102 167	13 612
Cash and cash equivalents	4	—	—
		102 167	13 612
		<u>102 190</u>	<u>13 635</u>
<b>Reserve and Liabilities</b>			
<b>Reserve</b>			
Unutilised profit	5	-35 296	13 635
<b>Current liabilities</b>			
Trade and other payables	6	137 486	—
		<u>102 190</u>	<u>13 635</u>

**CERTIFIED BY ACCOUNTING OFFICER:**  
**AUDITED BY:**  
**AUDIT OPINION:**

Mr. BH Holomisa  
Fourie & Botha  
Unqualified

**Cash Flow Statement**  
**for the period ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flow from operating activities</b>			
Cash applied in operations	9.1	78 424	10 640
Interest received		10 133	908
Interest paid		-2	-6
Net cash flow applied in operating activities		<u>88 555</u>	<u>11 542</u>
<b>Cash flow from investing activities</b>			
Purchases of equipment, furniture and motor vehicles		—	—
Net increase in cash and cash equivalents		<u>88 555</u>	<u>11 542</u>
Cash and cash equivalents at beginning of period		<u>13 612</u>	<u>2 070</u>
<b>Cash and cash equivalents at end of period</b>		<u><u>102 167</u></u>	<u><u>13 612</u></u>



**Represented Political Party**  
**United Democratic Movement (UDM)**



**Detailed Income Statement**  
**for the period ended 31 March 2007**

	2007 R	2006 R
<b>Income</b>	1 395 373	1 908 839
Allocation from Fund	1 385 240	1 907 931
Interest received	10 133	908
Other income	–	–
<b>Expenditure</b>	1 444 304	1 888 380
<b>Personnel expenditure</b>	240	106 798
Salaries: Employees	240	82 244
PAYE	–	6 479
Telephone allowance	–	6 000
Insurance: UIF	–	1 320
Skills development levies	–	555
Casual wages	–	200
Salaries: Temporary staff	–	10 000
<b>Accommodation expenditure</b>	4 447	34 489
Hotel	4 447	34 489
<b>Travel expenditure</b>	12 012	207 554
Public transport	–	187 209
Car rental	6 000	14 298
Private transport – Reimburse	3 012	2,459
Air travel – Internal	3 000	3 588
<b>Arrangements of meetings and rallies</b>	224 274	278 265
Hiring: Conference venues	202 774	248 115
Hiring: Buses and taxis	21 500	22 350
Renting equipment – Other	–	2,800
Conference facilitators	–	5 000
<b>Administrative expenditure</b>	264 243	357 735
Communication expenditure: Telephone, fax, modem	18 116	43 698
Communication expenditure: Postal services	–	225
Maintenance and repairs: Equipment	2 734	10 264
Maintenance and repairs: Computers	2 238	5 459
Membership and registration – National	–	2 000
Stationery	2 237	5 919
Insurance – Equipment	3 184	–
Cleaning	–	9226
Entertainment expenditure: Meetings and rallies	1 000	8 494
Entertainment expenditure: Other	114	–
Legal cost	188 730	193 686
Audit cost	19 543	–
Bank charges	3 500	4 533
Interest paid	2	6
Market research costs	–	4 000
Security services	1 867	5 356
Registration fees	500	2 480
Rental – Head Office	13 157	51 442
Rental – Office equipment	7 321	10 947

**Represented Political Party**  
**United Democratic Movement (UDM)**



**Detailed Income Statement**  
**for the period ended 31 March 2007**  
**(continued)**

	2007 R	2006 R
<b>Promotion and publications</b>	939 088	903 539
Advertisements – Newspapers	110 000	112 020
Promotions – T shirts, caps, flags	23 682	27 410
Printing and production of pamphlets	36 092	22 578
Printing and production of posters	388 814	402 889
Printing and production of books	–	35 000
Printing and production of banners	216 500	224 500
Press conference and media	164 000	79 142
<b>Surplus/(deficit) for the year</b>	<b>-48 931</b>	<b>20 459</b>

**Represented Political Party  
United Independent Front (UIF)**



**Balance Sheet  
at 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>		36 312	36 774
Property, plant and equipment	2	36 312	36 774
<b>Current assets</b>		323 586	2 436
Trade and other receivables		—	—
Cash and cash equivalents	3	323 586	2 436
<b>Total assets</b>		<u>359 898</u>	<u>39 210</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>		239 188	(62 500)
Accumulated profit (loss)		<u>239 188</u>	<u>(62 500)</u>
<b>Current liabilities</b>		120 710	101 710
Trade and other payables	4	<u>120 710</u>	<u>101 710</u>
<b>Total equity and liabilities</b>		<u>359 898</u>	<u>39 210</u>

**CERTIFIED BY ACCOUNTING OFFICER:**  
**AUDITED BY:**  
**AUDIT OPINION:**

Ms. YG Matsaneng  
Maimela Xhobasa Incorporated  
Unqualified

**Cash Flow Statement  
for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flows from operating activities</b>		334 409	43 585
Cash generated from operations	8	<u>334 410</u>	<u>43 585</u>
Interest paid		<u>(1)</u>	
<b>Cash flows from investing activities</b>		(13 259)	(41 149)
Additions to property, plant and equipment		<u>(13 259)</u>	<u>(41 149)</u>
<b>Cash flows from financing activities</b>		—	—
Issue of shares		<u>—</u>	<u>—</u>
Loans (repayments)/raised		<u>—</u>	<u>—</u>
Net decrease in cash and cash equivalents for the year		321 150	2 436
Cash and cash equivalents at the beginning of the year		<u>2 436</u>	<u>—</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>323,586</u>	<u>2 436</u>

**Represented Political Party**  
**United Party of South Africa (UPSA)**



**Balance Sheet**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	2	–	3 000
Cash and cash equivalents	3	43 778	36 713
		<u>43 778</u>	<u>39 713</u>
<b>Total assets</b>		<u>43 778</u>	<u>39 713</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained surplus		<u>10 986</u>	<u>345</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	4	32 792	39 368
		<u>43 778</u>	<u>39 713</u>
<b>Total equity and liabilities</b>		<u>43 778</u>	<u>39 713</u>

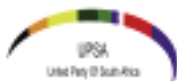
**CERTIFIED BY ACCOUNTING OFFICER:**  
**AUDITED BY:**  
**AUDIT OPINION:**

Mr. RC Stemmet  
BBR van der Grijp & Associates  
Unqualified

**Cash Flow Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Cash flow from operating activities</b>			
Cash generated from operation	9	7 019	36 702
Interest paid		46	11
		<u>7 065</u>	<u>36 713</u>
<b>Net cash from operating activities</b>		<u>7 065</u>	<u>36 713</u>
<b>Total cash movement for the period</b>		<u>7 065</u>	<u>36 713</u>
<b>Cash at the beginning of the period</b>		<u>36 713</u>	<u>–</u>
<b>Total cash at end of the period</b>	3	<u>43 778</u>	<u>36 713</u>

**Represented Political Party**  
**United Party of South Africa (UPSA)**



**Detailed Income Statement**  
**for the year ended 31 March 2007**

	Note	2007 R	2006 R
<b>Income</b>			
Grants received from Independent Electoral Commission		85 755	40 187
Interest received		46	11
	<b>1.2</b>	<u>85 801</u>	<u>40 198</u>
<b>Expenditure</b>			
<b>Personnel expenditure</b>			
Salaries		8 000	750
Wages – Casual		20 531	–
<b>Travel expenses</b>		20 512	–
<b>Arrangements of meetings and rallies</b>			
Meetings and conferences		7 775	–
<b>Administrative expenditure</b>			
Bank charges		661	29
Insurance		2 591	–
Legal expenses		–	1 767
Local government election expenses		3 500	8 000
Maintenance and repairs: Equipment		–	3 327
Telephone and fax		2 947	–
<b>Promotions and publications</b>		8 643	25 980
<b>Total expenditure</b>		<u>75 160</u>	<u>39 853</u>
<b>Surplus for the period</b>		<u>10 641</u>	<u>345</u>





**SOUTH AFRICA**

**Report of  
the Auditor-General**



**2006/2007**





# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF THE REPRESENTED POLITICAL PARTIES' FUND FOR THE YEAR ENDED 31 MARCH 2007

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the accompanying financial statements of the Represented Political Parties' Fund which comprise the balance sheet as at 31 March 2007, income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 59 to 68.

### Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997) and Auditor-General Audit Circular 1 of 2005. This responsibility includes:
  - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
  - selecting and applying appropriate accounting policies
  - making accounting estimates that are reasonable in the circumstances.

### Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004), and section 8(2) of the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997) my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing, and *General Notice 648 of 2007*, issued in *Government Gazette No. 29919 of 25 May 2007*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the

auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

6. An audit also includes evaluating the:
  - appropriateness of accounting policies used
  - reasonableness of accounting estimates made by management
  - overall presentation of the financial statements.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **Basis for qualified opinion – political parties**

8. With reference to note 7 of the financial statements, the following matters of non-compliance in the political parties' financial statements were identified during the audit:
  - Audit reports submitted by two political parties (Independent Democrats and United Independent Front) did not state explicitly that monies allocated to the party had not been spent for purposes not authorised in the act.
  - Two political parties (Progressive Independent Movement and National Democratic Convention) did not submit audited annual financial statements for the year ended 31 March 2007.

In the absence of the audited financial statements as required in terms of section 6(3), I am not in a position to determine whether the political parties spent the money allocated to them in accordance with the requirements of the Public Funding of Represented Political Parties Act.

#### **Qualified opinion**

9. In my opinion, except for effects of the matters described in the basis for qualified opinion paragraphs, the financial statements present fairly, in all material respects, the financial position of the Represented Political Parties' Fund as at 31 March 2007 and its financial performance and cash flows for the year then ended, in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997).

### Emphasis of matters

I draw attention to the following matters:

10. With reference to note 7 of the financial statements,

- Two political parties (Freedom Front Plus, United Independent Front) did not comply with the disclosures as set out in section 6 (3) of the Public Funding of Represented Political Parties Act, that require the financial statements to be prepared showing the amounts spent for purposes classifiable under specific descriptive categories.
- Late submission of audited financial statements by six political parties (Azanian People's Organisation, Inkatha Freedom Party, National Democratic Convention, The Progressive Independent Movement, United Independent Front and United Party of South Africa)

### OTHER MATTERS

I draw attention to the following matter that is ancillary to my responsibilities in the audit of the financial statements:

#### Unaudited supplementary schedules

11. The supplementary information set out on pages 71 to 72 do not form part of the annual financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion on them.

### APPRECIATION

12. The assistance rendered by the staff of the Represented Political Parties' Fund during the audit is sincerely appreciated.

Auditor-General

**Auditor-General**

**Pretoria**

**05 December 2007**



**AUDITOR-GENERAL**





**SOUTH AFRICA**

**Financial Statements  
of the Represented  
Political Parties' Fund**

for the year ended 31 March 2007



**2006/2007**






## Represented Political Parties' Fund

### Balance Sheet at 31 March 2007

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	2	28 926	28 926
Cash and cash equivalents	3	1 446 279	927 062
		<u>1 475 205</u>	<u>955 988</u>
<b>Total assets</b>		<u><b>1 475 205</b></u>	<u><b>955 988</b></u>
<b>Reserve and Liabilities</b>			
<b>Reserve</b>			
Unutilised surplus/(deficit)	4	1 030 029	496 515
<b>Current liabilities</b>			
Trade and other payables	5	408 821	427 431
Provisions	6	36 355	32 042
		<u>445 176</u>	<u>459 473</u>
<b>Total reserve and liabilities</b>		<u><b>1 475 205</b></u>	<u><b>955 988</b></u>

  
 NW du Plessis  
 ACTING ACCOUNTING OFFICER

2007/4/29  
 DATE





## Represented Political Parties' Fund

### Income Statement for the year ended 31 March 2007

	Note	2007 R	2006 R
<b>Revenue</b>		<b>79 385 000</b>	<b>74 891 000</b>
Allocation to parties	7	(79 085 400)	(74 093 433)
Administration expenses		(180 258)	(123 450)
Personnel cost		(242 375)	(284 486)
Operating (deficit)/surplus	8	(123 033)	389 631
Finance income	9	656 547	369 309
<b>Net surplus for the year</b>		<b>533 514</b>	<b>758 940</b>



## Represented Political Parties' Fund

### Statement of Changes in Equity for the year ended 31 March 2007

	Unutilised (deficit)/surplus R
Balance at 31 March 2005	(262 425)
Surplus for the year	<u>758 940</u>
Balance at 31 March 2006	496 515
Surplus for the year	<u>533 514</u>
Balance at 31 March 2007	<u><u>1 030 029</u></u>



## Represented Political Parties' Fund

### Cash Flow Statement for the year ended 31 March 2007

	Note	2007 R	2006 R
<b>Cash flow from operating activities</b>			
Cash utilised by operations	10	(137 330)	260 273
Interest received		656 547	369 309
Net cash inflow from operating activities		<u>519 217</u>	<u>629 582</u>
Net increase in cash and cash equivalents		519 217	629 582
Cash and cash equivalents at beginning of period		927 062	297 480
<b>Cash and cash equivalents at end of year</b>		<u><u>1 446 279</u></u>	<u><u>927 062</u></u>



## **Represented Political Parties' Fund**

### **Notes to the Annual Financial Statements for the year ended 31 March 2007**

#### **1. Accounting policy**

The annual financial statements have been prepared on the historical cost basis and conform, in all material respects, to Generally Accepted Accounting Practice (SA GAAP) and the requirements of the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997) and Public Funding of Represented Political Parties Regulations, 1998.

The principal accounting policies adopted and applied during this year of operation, are set out below.

##### **1.1 Revenue recognition**

Government appropriation for the funding of political parties participating in Parliament and Provincial Legislatures and for the financing of operating expenditure and capital are accounted for as income on the accrual basis.

Interest is recognised on a time proportion basis.

Income, other than Government appropriations and interest, are accounted for when collectable and measurable.

##### **1.2 Financial instruments**

###### **Recognition**

Financial assets and financial liabilities are recognised on the balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

All "regular way" purchases and sales of financial assets are initially recognised using trade date accounting.

###### **Measurement**

Financial instruments are initially measured at fair value, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below.

###### **Financial assets**

The Fund's principle financial assets are accounts receivable, cash and cash equivalents and call deposits.

###### **Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms of



## Represented Political Parties' Fund

### Notes to the Annual Financial Statements for the year ended 31 March 2007 (continued)

receivables. Significant financial difficulties of the debtor, default or delinquency in payments are considered indicators that the trade and other receivables are impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Income Statement within 'personnel cost'.

#### Cash and cash equivalents

Cash and cash equivalents consisting of cash on hand and cash in banks are measured at amortised cost.

#### Financial liabilities

The Fund's principle financial liabilities are accounts payable and provisions.

All financial liabilities are initially recognised at fair value which is subsequently measured at amortised cost using the effective interest rate method.

#### Trade and other payables

Trade and other payables are stated at their amortised cost

#### De-recognition

#### Financial assets

Financial assets are de-recognised when the contracted right to the cash flow from the asset expires, or when substantially all the risk and rewards of ownership of the financial assets is transferred.

#### Financial liabilities

Financial liabilities are de-recognised when the obligation in the contract is discharged, cancelled or expires.

### 1.3 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

### 1.4 Cash flow

For the purposes of the Cash Flow Statement, cash includes cash on hand and deposits held on call with banks.



## Represented Political Parties' Fund

### Notes to the Annual Financial Statements for the year ended 31 March 2007 (continued)

	2007 R	2006 R
<b>2. Trade and other receivables</b>		
Trade accounts receivable	28 926	28 926
	<u>28 926</u>	<u>28 926</u>
The executive considers that the carrying amount of trade and other receivables approximates the fair value.		
This amount was fully recovered in April 2007.		
<b>3. Cash and cash equivalents</b>		
Bank balances – Call deposits	1 446 279	927 062
	<u>1 446 279</u>	<u>927 062</u>
Cash and cash equivalents comprise cash and short-term, highly liquid investments that are held with a registered bank institution with maturities of three months or less and that are subject to insignificant interest rate risk. The carrying amount of these assets approximates the fair value.		
<b>4. Unutilised surplus/(deficit)</b>		
Opening unutilised surplus/(deficit)	496 515	(262 425)
Surplus for the year	533 514	758 940
Unutilised surplus at 31 March 2006	<u>1 030 029</u>	<u>496 515</u>
<b>5. Trade and other payables</b>		
Trade accounts payable	408 821	427 431
The executive considers that the carrying amount of trade and other payables approximates to their fair value.		
<b>6. Leave Pay Provisions</b>		
– At beginning of the year	32 042	51 779
– Additional provisions	36 355	32 042
	<u>68 397</u>	<u>83 821</u>
– Utilised during the year	(32 042)	(51 779)
– At end of the year	<u>36 355</u>	<u>32 042</u>

## Represented Political Parties' Fund

### Notes to the Annual Financial Statements for the year ended 31 March 2007

(continued)

#### Expenditure per Political Party for the year ended 31 March 2007

7.

Part A

	African Christian Democratic Party (ACDP)	Alliance of Free Democrats (AFD)	African National Congress (ANC)	Azanian People's Organisa- tion (AZAPO)	Christian Party (CP)	Democratic Alliance (DA)	Federal Alliance (FA)	Federation of Democrats (FD)	Freedom Front Plus (FF)	Indepen- dent Democrats (ID)	Inkatha Freedom Party (IFP)	Minority Front (MF)	National Democratic Conven- tion (NADECO)*	Pan Africanist Congress (PAC)	Progres- sive Inde- pendent Movement (PIM)*	United Christian Democratic Party (UCDP)	United Democratic Movement (UDM)	United Indepen- dent Front (UIF)♀	United Party Of South Africa (UPSA)	Total
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Allocations for the year	1 915 848	220 017	53 593 371	85 755	269 675	9 600 926	305 772	85 755	1 220 328	1 085 147	4 803 728	553 215	896 236	794 776	85 755	666 265	1 385 240	1 431 836	85 755	79 085 400
Less: Total Expenditure	(1 859 604)	(162 259)	(53 095 247)	(85 287)	(134 977)	(9 669 540)	(221 123)	(50 073)	(1 093 258)	(1 314 854)	(4 750 280)	(460 536)	-	(973 616)	-	(666 075)	(1 444 304)	(1 347 147)	(75 160)	(77 422 340)
Personnel expenditure	615 129	22 590	23 445 459	13 093	62 176	4 209 153	-	2 066	344 337	216 644	3 795 387	9 269	-	360 224	-	307 829	240	-	28 531	33 432 127
Accommodation expenditure	2 465	10 558	1 709 216	-	-	113 359	-	4 130	-	-	-	-	-	-	-	6 951	4 447	-	-	1 851 126
Travel expenditure	297 108	24 521	3 493 094	-	18 583	788 805	24 451	11 864	126 225	32 000	80 379	3 804	-	35 243	-	32 220	12 012	-	20 512	5 000 821
Arrangements of meetings and rallies	246 433	86 900	2 378 285	-	7 000	-	1 900	800	-	6 963	7 977	5 050	-	-	-	88 790	224 274	-	7 775	3 062 147
Administrative expenditure	506 979	15 390	17 494 102	72 194	5 113	4 505 846	173 979	25 475	481 311	219 985	860 199	73 380	-	575 932	-	222 889	264 243	-	9 689	25 508 716
Promotion and publications	191 490	2 300	4 488 165	-	3 643	38 372	12 290	2 970	141 385	839 262	6 338	369 033	-	-	-	-	939 088	-	8 643	7 042 979
Fixed asset expenditure	-	-	86 926	-	38 482	33 005	8 503	2 768	-	-	-	-	-	2 217	-	7 396	-	-	-	179 277
Unspent money at the end of year	56 244	57 758	498 124	468	134 698	(87 614)	84 649	35 682	127 070	(229 707)	53 448	92 679	896 236	(178 840)	85 755	190	(59 064)	84 689	10 595	1 663 060
Plus: Interest and other income received	20 507	-	-	-	2 730	-	-	-	11 691	2 048	-	-	-	-	-	144	10 133	217 000	-	264 253
Surplus/(deficit) for the year	76 751	57 758	498 124	468	137 428	(87 614)	84 649	35 682	138 761	(227 659)	53 448	92 679	896 236	(178 840)	85 755	334	(48 931)	301 689	10 595	1 927 313

Notes:

- Six political parties failed to submit audit reports and audited annual financial statements for the year ending 31 March 2007 within the statutory deadline (on or before 30 June 2007) as prescribed in section 6(5) of the Public Funding of Represented Political Parties Act 103, 1997. They are as follows: AZAPO, IFP, NADECO, PIM, UIF and UPSA.
- Two political parties did not comply with section 6 (4) of the Public Funding of Represented Political Parties Act 103, 1997, which states that the auditor should explicitly state whether monies allocated to the fund has not been spent for purposes not authorised in the Act. They are as follows: ID and UIF.
- Two political parties financial statements did not comply with the disclosure requirements as set out in section 6 (3) of the Public Funding of Represented Political Parties Act 103, 1997, read with section 8(1) of the Public Funding of Represented Political Parties Regulations, 1998, that require the financial statements to be prepared showing the amounts spent for purposes classifiable under specific descriptive categories. They are as follows: FF and UIF. The FF has corrected their financial statements prior to the signing of the Represented Political Parties Fund financial statements. ♀-The UIF has not as yet rectified this omission.

\* Two political parties failed to submit financial statements for the period under review. They are as follows: NADECO and PIM



# Represented Political Parties' Fund

## Notes to the Annual Financial Statements

### for the year ended 31 March 2007

(continued)



## Part B

### Expenditure per Political Party

#### for the year ended 31 March 2006

7.

	African Christian Democratic Party (ACDP)	African National Congress (ANC)	Alliance of Free Democrats (AFD)	Azanian People's Organisa- tion (AZAPO)	Christian Party (CP)	Democratic Alliance (DA)	Federal Alliance (FA)	Federation of Democrats (FD)	Freedom Front Plus (FF)	Indepen- dent Democrats (ID)	Inkatha Freedom Party (IFP)	Minority Front (MF)	New National Party (NNP)	National Democratic Conven- tion (NADECO)*	Pan Africanist Congress (PAC)*	Progressive Indepen- dent Movement (PIM)	United Christian Democratic Party (UCDP)	United Democratic Movement (UDM)	United Indepen- dent Front (UIF)*	United Party Of South Africa (UPSA)	Total
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Allocations for the year	1 967 826	49 304 221	74 179	80 374	126 376	9 318 333	143 291	40 187	1 277 232	1 213 027	4 855 909	534 914	666 042	419 996	787 779	40 187	624 453	1 907 930	670 990	40 187	74 093 433
Less: Total Expenditure	(2 295 621)	(49 283 257)	(22 627)	(92 556)	(72 362)	(9 242 344)	(140 681)	(20 528)	(1 477 622)	(1 572 177)	(4 838 612)	(598 761)	(666 074)	-	-	(40 203)	(623 020)	(1 888 390)	-	(109 786)	(72 984 613)
Personnel expenditure	647 684	-	-	9 616	11 416	4 976 865	-	-	555 196	119 894	3 952 703	14 400	497 827	-	-	5 100	295 353	106 798	-	31 804	11 224 756
Accommodation expenditure	2 746	68 934	-	-	-	-	-	-	-	-	-	-	2 719	-	-	-	7 740	34 489	-	-	116 628
Travel expenditure	155 118	1 303 516	4 059	-	-	174 611	-	1 747	47 328	133 124	81 094	1 187	23 900	-	-	1 286	50 250	207 554	-	-	2 190 774
Arrangements of meetings and rallies	116 118	7 459 489	-	-	9 100	26 318	-	-	-	65 681	169 022	-	28 810	-	-	650	20 299	278 265	-	-	8 173 752
Administrative expenditure	1 239 287	9 444 983	18 568	76 769	1 123	2 838 919	12 681	11 486	436 166	471 713	603 351	95 074	106 818	-	-	19 667	195 484	357 735	-	16 431	15 946 255
Promotion and publications	100 064	30 987 461	-	4 674	-	1 225 631	128 000	7 216	438 932	781 665	32 442	472 666	-	-	-	13 500	53 894	903 539	-	56 559	36 216 643
Fixed asset expenditure	34 604	8 674	-	1 499	50 723	-	-	79	-	-	-	15 434	-	-	-	-	-	-	-	4 592	115 805
Unspent money at the end of year	(327 795)	20 964	51 552	(12 184)	54 014	75 989	2 610	19 659	(200 390)	(359 150)	17 297	(63 847)	(32)	419 996	787 779	(16)	1 433	19 550	670 990	(69 599)	1 108 820
Plus: Interest and other income received	33 902	226	230	1	-	10 413	1 478	-	22 252	17 876	3 256	-	-	-	-	548	21	908	-	131 735	222 846
Surplus / (deficit) for the year	(283 893)	21 190	51 782	(12 183)	54 014	86 402	4 088	19 659	(178 138)	(341 274)	20 553	(63 847)	(32)	419 996	787 779	532	1 454	20 458	670 990	62 136	1 331 666

#### Notes:

- Four political parties failed to submit audit reports and audited annual financial statements for the year ending 31 March 2006 within the statutory deadline (on or before 30 June 2006) as prescribed in section 6(5) of the Public Funding of Represented Political Parties Act 103, 1997. They are as follows: FD, NADECO, PAC and UIF.
- Independent Party Auditors did not sign the audit reports of the following parties: AFD and UPSA.
- Six political parties did not comply with section 6(4) of the Public Funding of Represented Political Parties Act 103, 1997, which states that the auditor should explicitly state whether monies allocated to the fund has not been spent for purposes not authorised in the Act. They are as follows: ACDP, AFD, CP, FD, PIM and UPSA.
- Seven political parties financial statements did not comply with the disclosure requirements as set out in section 6(3) of the Public Funding of Represented Political Parties Act 103, 1997, read with section 8(1) of the Public Funding of Represented Political Parties Regulations, 1998, that require the financial statements to be prepared showing the amounts spent for purposes classifiable under specific descriptive categories. They are as follows: ACDP, AFD, AZAPO, CP, FD, PIM and UPSA.

\* Financial Statements not yet received at date of printing the 2005/2006 annual report





## Represented Political Parties' Fund

### Notes to the Annual Financial Statements for the year ended 31 March 2007 (continued)

	2007 R	2006 R
<b>8. Operating (deficit)/surplus is arrived at after taking the following into account:</b>		
<b>8.1 Revenue from:</b>		
– Government appropriation	<u>79 385 000</u>	<u>74 891 000</u>
<b>8.2 Auditors remuneration:</b>		
– Audit fees – Current year	69 169	61 701
– Previous year	<u>–</u>	<u>–</u>
	<u>69 169</u>	<u>61 701</u>
<b>8.3 Allocations to Parties</b>	<u>79 085 400</u>	<u>74 093 433</u>
<b>9. Finance income</b>		
Interest received	<u>656 547</u>	<u>369 309</u>
<b>10. Reconciliation of surplus/(deficit) for the year to cash utilised by operating activities</b>		
<b>Surplus/(deficit) for the year</b>	<b>533 514</b>	<b>758 940</b>
Adjustments for:		
– Interest received	<u>(656 547)</u>	<u>(369 309)</u>
Operating surplus before working capital changes	(123 033)	389 631
Working capital changes:	(14 297)	(129 358)
– (Increase) in trade and other receivables	<u>–</u>	<u>(28 684)</u>
– (Decrease) in trade and other payables and provisions	<u>(14 297)</u>	<u>(100 674)</u>
<b>Cash utilised by operations</b>	<u><b>(137 330)</b></u>	<u><b>260 273</b></u>
<b>11. Taxation</b>		
No provision is made for taxation, as the Represented Political Parties' Fund is exempt from taxation in terms of the Income Tax Act.		
<b>12. Fund administration</b>		
The Chief Electoral Officer of the Electoral Commission is the accounting officer of the Fund. Staff of the Electoral Commission execute Fund responsibilities alongside other duties assigned to them. The Electoral Commission charges the Fund with costs related to the administration of the Fund.		
<b>13. Post retirement benefits</b>		
No retirement plans are operated by the Fund.		
<b>14. Related party transactions</b>		
<b>Electoral Commission</b>		
– Expenditure arising from the allocation of moneys from the Fund	<u>408 821</u>	<u>427 431</u>



**SOUTH AFRICA**

## **Appendix A**



**2006/2007**





## Represented Political Parties' Fund

### Detailed Income and Expenditure Statement for the year ended 31 March 2007 (Appendix A)

	2007 R	2006 R
<b>Income</b>	<b>80 041 547</b>	<b>75 260 309</b>
Government appropriation	79 385 000	74 891 000
Interest received	656 547	369 309
<b>Expenditure</b>	<b>79 508 033</b>	<b>74 501 369</b>
<b>Allocations to parties</b>	<b>79 085 400</b>	<b>74 093 433</b>
African Christian Democratic Party (ACDP)	1 915 848	1 967 826
African National Congress (ANC)	53 593 371	49 304 221
Alliance of Free Democrats (AFD)	220 017	74 179
– Total allocation for the year	220 017	103 105
– Less: Unused funds receivable at 31 March 2006	–	(28 926)
Azanian People's Organisation (AZAPO)	85 755	80 374
Christian Party (CP)	269 675	126 376
Democratic Alliance (DA)	9,600 926	9 318 333
Federal Alliance (FA)	305 772	143 291
Federation of Democrats (FD)	85 755	40 187
Freedom Front (FF)	1 220 328	1 277 232
Independent Democrats (ID)	1 085 147	1 213 027
Inkatha Freedom Party (IFP)	4 803 728	4 855 909
Minority Front (MF)	553 215	534 914
National Democratic Convention (NADECO)	896 236	419 996
New National Party (NNP)	–	666 042
Pan Africanist Congress (PAC)	794 776	787 779
Progressive Independent Movement (PIM)	85 755	40 187
United Christian Democratic Party (UCDP)	666 265	624 453
United Democratic Movement (UDM)	1 385 240	1 907 930
United Independent Front (UIF)	1 431 836	670 990
United Party of South Africa (UPSA)	85 755	40 187



## Represented Political Parties' Fund

### Detailed Income and Expenditure Statement for the year ended 31 March 2007 (Appendix A continued)

	2007 R	2006 R
<b>Expenditure (continued)</b>		
<b>Personnel expenditure</b>	242 375	284 486
Salaries: Employees	242 216	284 486
Subsistence allowance	159	–
<b>Travel expenditure</b>	1 370	439
Private transport – Reimburse	1 328	439
Parking fees and toll roads	42	–
<b>Arrangements of meetings and rallies</b>	–	–
Hiring: Conference venues	–	–
<b>Administrative expenditure</b>	82 058	65 896
Audit cost	69 238	61 701
Bank charges	9 500	–
Courier services	3 002	2 047
Stationery	318	2 148
<b>Promotion and publications</b>	96 830	57 115
Printing and production of books	96 830	57 115
<b>Surplus/(deficit) for the year</b>	<b>533 514</b>	<b>758 940</b>

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