



ELECTORAL COMMISSION  
**ANNUAL REPORT**  
**2023**

*Ensuring Free and Fair Elections*



**SOUTH AFRICA**

National and Provincial Elections

# 1994



## FIRST DEMOCRATIC ELECTIONS.

# ENSURING FREE AND FAIR ELECTIONS FOR 30 YEARS





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## FOREWORD BY THE CHAIRPERSON

*“This annual report is a record of the work done by the Electoral Commission for the period 1 April 2022 to 31 March 2023. We are deeply proud to present it to the National Assembly and, by extension, to the citizens of our country.”*

Chairperson  
Mosotho Moepya



This annual report is a record of the work done by the Electoral Commission for the period 1 April 2022 to 31 March 2023. We are deeply proud to present it to the National Assembly and, by extension, to the citizens of our country.

One of the duties of the Commission is to propose enhancements to the legislative framework to Parliament for the management of elections. It is within this context that the Commission made submissions to Parliament during the processing of the Electoral Amendment Act, 2023. Our submissions were designed to improve the functional viability of the provisions in the Bill that sought to make amendments to the electoral system.

Primarily, these changes related to the inclusion of candidates in the electoral process without party affiliation. The process of amending the electoral system was a response to the injunction of the Constitutional Court that Parliament must amend the Electoral Act to enable independent candidates to contest seats in the provincial and national legislatures. As a novel reality, the National and Provincial Elections 2024 is set to experience the participation of candidates with no party affiliation. This development is deepening the political rights of citizens as expressed in section 19 of our Constitution.

The Commission also applauds the Chief Electoral Officer and his staff members for achieving yet another clean audit opinion from the Auditor-General. This achievement must provide comfort to all South Africans that the Commission is handling allocations from National Treasury with the necessary prudence and in terms of the relevant financial prescripts.

The Commission remains proud of its work on the continental and international front. In October 2022, the Commission started a two-year tenure as the first African country to chair the Association of World Election Management Bodies (A-WEB). In this role, it will seek to ensure that electoral democracy does not recede in different parts of the world. Accordingly, the legacy projects of its tenure will focus on strengthening credible electoral processes and building resilient election management bodies through electoral scholarship.

This will be realised by partnering with academic institutions for formal qualifications, as well as the publication of scholarly articles on various aspects of election management.

Research conducted on behalf of the Electoral Commission has revealed important trends on the status of the country's electoral democracy. Trends based on 10 to 15 years of research were presented at a research seminar hosted by the Commission in Johannesburg on 21 September 2022. Some of the salient research findings are as follows:

- The Electoral Commission is the second-most trusted public institution, with the courts being first.
- The majority of the voting public, at 92%, considered the electoral processes that characterised the recent elections to be free and fair.
- The majority of South Africans, at 97%, have expressed satisfaction with the secrecy of their vote.

A number of scholars and academics presented their analyses of surveys conducted. Indeed, these surveys reflect changing trends in perceptions of the country's electoral democracy over the past decade or more.

The Commission will harness the positive elements arising from these longitudinal surveys, while working with all the actors in the political system to address the negative perceptions about electoral democracy. Furthermore, identified challenges, which are within the remit of the Commission, will be factored into the electoral programme ahead of the 2024 elections.

I hope that, with the contents of this report, our state of readiness for the 2024 elections is indicated. For the removal of doubt, we will be ready to deliver a credible electoral process when the 2024 general elections are proclaimed.



**Chairperson**  
**Mosotho Moepya**

31 July 2023



# CHIEF ELECTORAL OFFICER'S OVERVIEW

*“The Commission takes special pride in achieving a third successive clean audit.”*

Chief Electoral Officer  
Phatudi Simon Mamabolo



We table this report as an account of our performance vis-à-vis the Electoral Commission's legal mandate. It is also a story we are telling with the help of our constitutional assurance provider about the manner in which we expended the fiscal resources that were placed at our disposal. In a sense, therefore, this report is about our institutional efficacy, on the one hand, and the forte of our internal controls, on the other.

In the reporting period, the Electoral Commission has successfully managed 120 by-elections. By-elections are a statutorily defined electoral mechanism, which ensures that citizens enjoy the benefit of political representation within local communities. By-elections nationally ensure stability within municipal councils through the filling of ward vacancies. Thus, the business of municipal governance is maintained.

The timing of the passing into law of the changed electoral system coincided with the increase in the intensity of planning for the National and Provincial Elections 2024 (NPE 2024). A substantial portion of these plans are now firmly in place. Preparations for NPE 2024 include re-developing a number of information and communication technology business applications, such as the candidate nomination and the results systems, to accommodate the participation of independent candidates in national and provincial elections.

Consequent to the revised electoral system, voters will have a changed ballot experience at voting stations. Pertinently, the change involves the use of three ballot papers instead of two, as was previously the case. The three ballots will represent the following aspects of the electoral system:

- The first ballot is the Regional Ballot. This is a novel introduction to our electoral system. The regional ballot is intended to ensure the representation of provincial interests in the National Assembly. The nine regions (provinces) of the country will share the second 200 seats of the National Assembly based on the number of registered voters in each province. Nine unique regional ballots will contain the names of the participating parties and independent candidates contesting the respective regional elections.

- The second ballot is the National Compensatory Ballot, which contains only the names of participating political parties contesting 200 seats in the National Assembly. The central purpose of this component of the electoral system is to ensure the restoration of proportionality to the allocation of seats.
- The third ballot is the Provincial Ballot. This will contain political parties and independent candidates contesting seats in the provincial legislature of a specific province.

A well-executed logistical operation is the cornerstone of a successful registration process. Procurement of logistical supplies for the conduct of the general registration weekend is well underway and the delivery of ordered item will start in July 2023.

Our campaign to motivate young South Africans to register online is beginning to succeed. In the period under review, 134 125 citizens used the online portal to register or re-register. Since the portal was launched in 2021, close to 717 064 citizens used the portal for registration activities.

The Commission takes special pride in achieving a third successive clean audit. This is an important stamp of approval from the Auditor-General that the Electoral Commission continues to exercise fiscal prudence. Essentially, a clean audit speaks to the strength of governance processes, as well as the strength of internal controls. We salute the horde of the Electoral Commission Electoral Commission for achieving this feat yet again. Their reward is organisational sustainability and the subsistence of electoral democracy.

We extend our gratitude to the Chairperson and members of the Commission for the leadership of our institution.



**Phatudi Simon Mamabolo**  
**Chief Electoral Officer**  
**Electoral Commission**

31 July 2023



# GENERAL INFORMATION

## STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, we confirm the following:

- All information and amounts disclosed in this annual report are consistent with the annual financial statements audited by the Auditor-General South Africa (AGSA).
- The annual report is complete, accurate and free from any omissions.
- The annual report has been prepared in accordance with the guidelines on annual reports as issued by National Treasury.
- The Annual Financial Statements (Part E) have been prepared in accordance with the effective standards of Generally Recognised Accounting Practice (GRAP) applicable to the Electoral Commission.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgments made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that is designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors (AGSA) are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, performance information, human resources information and financial affairs of the Electoral Commission for the financial year ended 31 March 2023.



**Mosotho Moepya**  
**Chairperson**  
31 July 2023



**Phatudi Simon Mamabolo**  
**Chief Electoral Officer**  
31 July 2023



## STRATEGIC OVERVIEW



### VISION

To be a pre-eminent leader in electoral democracy.



### MISSION

The Electoral Commission is an independent constitutional body, which manages the free and fair elections of legislative bodies and institutions through the participation of citizens, political parties and civil society in deepening electoral democracy.



### IMPACT STATEMENT

Manage free and fair elections of public representatives into legislative bodies to strengthen electoral democracy.

## VALUES

To enable the Electoral Commission to serve the needs of stakeholders, including the electorate, political parties, the media, and permanent and temporary staff members, the organisation subscribes to the following values:



### **Impartiality**

to act free of favour



### **Integrity**

the quality of being honest and having strong moral principles



### **Accountability**

to take responsibility for one's actions



### **Transparency**

to invite trust by revealing that one has nothing to hide



### **Responsiveness**

the quality of reacting quickly and positively.

## STRATEGIC OUTCOME-ORIENTATED GOALS

The strategic outcome-oriented goals of the Electoral Commission are as follows:

**1**

Strengthening governance, institutional excellence, professionalism and enabling business processes at all levels of the organisation

**2**

Achieving pre-eminence in the area of managing elections and referenda, including the strengthening of a cooperative relationship with political parties

**3**

Strengthening electoral democracy

## LEGISLATIVE AND OTHER MANDATES

The Electoral Commission is a constitutional institution that falls under Schedule 1 of the Public Finance Management Act (PFMA) (Act 1 of 1999).

### CONSTITUTIONAL MANDATE

In terms of section 190 of the Constitution of the Republic of South Africa (Act 108 of 1996), the Electoral Commission must do the following:

- Manage the elections of national, provincial and municipal legislative bodies in accordance with national legislation.
- Ensure that those elections are free and fair.
- Declare the results of those elections within a period that must be prescribed by national legislation and that is as short as reasonably possible.

### LEGISLATIVE MANDATES

The duties and functions of the Electoral Commission are outlined in section 5 of the Electoral Commission Act (Act 51 of 1996), and are as follows:

- Manage any election.
- Ensure that any election is free and fair.
- Promote conditions that are conducive to free and fair elections.
- Promote knowledge of sound and democratic electoral processes.
- Compile and maintain a voters' roll by means of a system of registering eligible voters by utilising data that is available from government sources and information furnished by voters.
- Compile and maintain a register of parties.
- Establish and maintain liaison and cooperation with parties.
- Undertake and promote research into electoral matters.
- Develop and promote the development of electoral expertise and technology in all spheres of government.

- Continuously review electoral legislation and proposed electoral legislation, and make recommendations in connection therewith.
- Promote voter education.
- Promote cooperation with and between persons, institutions, governments and administrations for the achievement of its objects.
- Declare the results of elections for national, provincial and municipal legislative bodies within seven days after such elections.
- Adjudicate disputes that may arise from the organisation, administration or conducting of elections, and which are of an administrative nature.
- Appoint appropriate public administrations in any sphere of government to conduct elections when necessary.

The Electoral Commission's duties and functions in respect of national and provincial elections are outlined in the Electoral Act (Act 73 of 1998). This Act contains, among other things, the requirements for registration as a voter and for the compilation of the voters' roll. It provides for the administration of elections, election timetables, procedures for voting, the counting and determination of results, the accreditation of observers and voter education. Several regulations have been published in terms of the Electoral Act.

The Municipal Electoral Act (Act 24 of 2000) deals with the specific nature of municipal elections. It provides for the administration of parties and candidates, and all related voting and counting issues. As in the case of the Electoral Act, appropriate regulations have been published in support of the provisions of this Act.

The Municipal Structures Act (Act 117 of 1998) deals with the establishment, management and functions of the various municipalities, as well as the electoral system for local government, which includes seat calculation formulae (the conversion of votes into seats). This legislation is required to conclude the



results process in respect of municipal elections. The Political Party Funding Act (Act 6 of 2018) provides for the establishment of the Represented Political Parties Fund as well as the Multi-Party Democracy Fund. The Commission administers quarterly disbursements to Political Parties from the fund

## POLICY MANDATES

The Electoral Commission undertakes its work within the Republic of South Africa independently, but the government of South Africa often requests the Commission to assist it with the implementation of foreign policy by providing electoral assistance to other countries. When this happens, funding and permission is sought and obtained from the Department of International Relations and Cooperation.





## THE COMMISSION



**Mosotho Moepya**  
Chairperson

Mr Moepya joined the Electoral Commission's Commission in November 2018. He has been associated with election management since 1998, when he joined the Commission and successfully held various positions, including that of Director for Electoral Logistics, Senior Manager: Electoral Logistics, Planning and Infrastructure, Deputy Chief Electoral Officer, and Chief Electoral Officer.

Prior to his appointment as a member of the Commission, he completed several continental consulting assignments in the management of elections, democratic governance, peacebuilding, and electoral conflict resolution. These assignments included work completed with the United Nations Development Programme (UNDP), International Institute for Democracy and Electoral Assistance (International IDEA), the African Union Commission (AUC), the Electoral Institute for Sustainable Democracy in Africa (EISA), and the Electoral Commissions Forum of SADC Countries.

He has covered various election-related assignments in diverse jurisdictions, including Australia, Belgium, Botswana, Canada, the Comoros, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Nigeria, Somalia, South Africa, South Sudan, Spain, Sudan, Tanzania, Zanzibar and Zimbabwe.

**YEAR OF APPOINTMENT**  
**NOVEMBER 2018**

**COMMITTEES**  
**Elections Management Committee**



**Janet Love**  
Vice-Chairperson

Commissioner Janet Love joined the Electoral Commission as a part-time Commissioner in April 2016, and then full-time as Vice-Chairperson in November 2018. Having played a role in fighting for freedom as an anti-apartheid activist in the 1970s, Ms Love returned to South Africa in 1990 and immediately became involved in negotiating South Africa's new constitution and establishing its first government.

Ms Love served as a Member of Parliament for the African National Congress in the first democratic Parliament from 1994 to 1999 and was a member of the 22-person Constitutional Committee of the Constitutional Assembly, the body responsible for steering the constitution-making process.

Ms Love then served in various government and civil society institutions, including working in the South African Reserve Bank for five years as head of strategic analysis, serving as National Director of the Legal Resources Centre, and as a part-time member of the South African Human Rights Commission.

**YEAR OF APPOINTMENT**  
**MAY 2015**

**COMMITTEES**  
**Finance, Risk and Compliance Committee; Governance and Ethics Committee**



**Glen Mashinini**  
Commissioner

Mr Glen Mashinini's electoral management experience started when he became part of the founding Executive Management team that was pivotal in establishing the IEC in 1998.

He was responsible for conceptualisation, business processes and organisational design, as well as institutional building with intricate human resources recruitment, programme management, and management systems for the delivery of elections, which have received international acclaim. Having established the Electoral Commission, Mr Mashinini spread his wings to the rest of the continent, jointly establishing a highly respected consultancy that provided electoral advisory and management services across the continent, including in Nigeria, Mozambique and Angola. In 2012, having served as the Deputy Chairperson of the Presidential Review Committee on State-owned Entities tasked with a review of these organisations, Mr Mashinini was appointed as a Special Projects Advisor to the President of the Republic of South Africa to help implement the recommendations.

**YEAR OF APPOINTMENT**  
**MAY 2015**

**COMMITTEES**  
**Finance, Risk and Compliance Committee; Governance and Ethics Committee**



**Dr Nomsa Masuku**  
Commissioner

Dr Nomsa Masuku is an academic currently appointed as one of five commissioners of the Electoral Commission.

She has served in several positions in the Electoral Commission's Administration, culminating in the role of Deputy Chief Electoral Officer responsible for Outreach. She previously headed Standard Bank's Corporate Social Investment Unit.

Before joining Standard Bank, Dr Masuku spent eight years working for the Electoral Commission of South Africa, where her portfolio included the strategic development of programmes that assisted the Commission in contributing to the entrenchment of constitutional democracy – including overseeing the provision and promotion of civic, balloting and voter education.

Dr Masuku has a PhD in Applied English Linguistics from the University of Birmingham, UK.

She has contributed to the body of work related to South Africa's National Curriculum Statement and the protection of human rights, values and inclusivity.

**YEAR OF APPOINTMENT**  
**NOVEMBER 2018**

**COMMITTEES**

**Human Resources Governance Committee Research, Knowledge Management and Publications Committee Management and Publications Committee**



**Judge Dhaya Pillay**  
Commissioner

Judge Dhayanithie Pillay is a defender of human rights and an expert in labour law. She was appointed a Commissioner of South Africa's Electoral Commission in November 2018.

Judge Pillay holds the position of an Extraordinary Professor at the University of Pretoria, while serving as a judge of the High Court in Pietermaritzburg and Durban. She also served as an Acting Judge of the Constitutional Court from February to September 2021. Before this, she was a judge of the Labour Court of South Africa for 10 years until 2010.

Admitted as an attorney in 1982, Pillay was drawn to the plight of political detainees, specialising in human rights and administrative law disputes arising from the various emergency and security laws in force at the time. She was recognised as a human rights defender by the Amnesty International SA Durban Group in 2005. After turning to labour law and industrial relations, Judge Pillay was selected to be involved in the drafting of key pieces of national legislation, including the Public Service Labour Relations Act, the new Labour Relations Act, and clauses of the Constitution relating to the Public Service Commission and Electoral Commission.

She was a Senior Commissioner (parttime) of the Commission for Conciliation, Mediation and Arbitration (CCMA) since 1996 until her appointment to the bench. Judge Pillay attained a doctorate in law from the University of Pretoria in 2020.

**YEAR OF APPOINTMENT**  
**NOVEMBER 2018**



## EXECUTIVE PROFILES



### ADMINISTRATION

#### **Simon Mamabolo** Chief Electoral Officer

The head of the administration of the Commission is the Chief Electoral Officer (CEO), who is appointed by the Commission and who also functions as the Electoral Commission's accounting officer. In consultation with the Commission, the CEO is responsible for appointing additional officers and employees of the Electoral Commission. The Office of the CEO is responsible for managing commission services, internal audits, civic education and research, and the nine Provincial Electoral Offices. Four departments – Corporate Services, Outreach, Electoral Operations and Party Funding – and Financial Management report to the CEO.

Mr Simon Mamabolo is the CEO of the Electoral Commission following his appointment in October 2017.

Mr Mamabolo served as Acting Chief Electoral Officer from April to September 2017. Prior to his time, he served as Deputy Chief Electoral Officer of Electoral Operations for five years, during which time he oversaw operations for the 2014 National and Provincial Elections and the 2016 Municipal Elections.

This position entails the strategic leadership of the entire electoral programme, which involves the articulation of the legal mandate into a coherent strategic plan with its concomitant business plans. He spearheaded the legislative amendments in Parliament for both the last general elections. Before that he was Provincial Electoral Officer for Gauteng, the province that is the economic hub of South Africa. Simon Mamabolo has extensive experience in research and public administration. He is a student of politics and holds a bachelor's degree in Arts and a master's degree in Management, both from the University of the Witwatersrand.



## CORPORATE SERVICES

**Akhtari Henning**  
Deputy Chief Electoral Officer

Corporate Services manages support business functions of the Electoral Commission, which are necessary for both the Commission's compliance as a Chapter 9 institution and to provide for the operation and management of fundamental resources that enable the processes of electoral management. The Human Resources Department implements the Electoral Commission's human resources strategy and plan, in compliance with relevant employment legislation, and includes a Training Unit, an Industrial Relations Unit, and a Support Services Unit responsible for the management of facilities, fleet services, and health and safety. The ICT Department is responsible for all the Commission's platforms, processes and systems supported by appropriate ICT computing infrastructure in respect of core business functions. ICT is the lifeblood of the entire organisation and underpins everything from financial and procurement systems to voter registration and election results. The Legal Services Department maintains a proactive and responsive legal framework for the Electoral Commission, both in terms of supporting the Electoral Commission in respect of litigation and objections arising from the electoral management of all other legal assistance – from service-level agreements to the evaluation of tender processes.

Ms Akhtari Henning joined the Electoral Commission in April 2018 as Deputy Chief Electoral Officer for Corporate Services, where she is responsible for Human Resources and Support Services, Information and Communication Technology, and Legal Services. Before joining the Electoral Commission, she served in a similar role – as Deputy Director-General for Corporate Services – at Statistics South Africa for six years. Ms Henning has hands-on experience as a Chief Financial Officer and has managed a significant team and budget, with multiple projects across a vast logistical landscape. Her strengths lie in complex logistics, integrating resources such as finance, human capital and tools of the trade.

Ms Henning has proven experience in the Public Finance Management Act, Treasury Regulations, and in establishing the King III governance requirements for the Public Sector Guide for National, Provincial and Local Government. She also has experience of leading and overseeing a public-private partnership (PPP) process from the pre-bid phase to completion. Ms Henning has achieved a Bachelor of Commerce in Accounting and completed her Articles of Clerkship at Ernst & Young Chartered Accountants. In 2015, she completed the Advanced Management Programme at Harvard Business School in Boston (USA).

## EXECUTIVE PROFILES



### OUTREACH

**Mawethu Mosery**  
Deputy Chief Electoral Officer

Outreach is responsible for creating interfaces between the legal obligations and operations of the Electoral Commission, and the people the Electoral Commission serves: the citizens of South Africa. The duties of Outreach include civic and voter education, balloting education, research and knowledge management, communications, public relations, and media liaison. These platforms enable the Electoral Commission to maintain a constant flow of engagement with all stakeholders.

Outreach works to continuously inform the discourse and dialogue around voting and democracy – not just during an election year, but all the time – and to explain the decisions and operations of the Electoral Commission in a way that promotes maximum transparency around the democratic and electoral process. A strategic priority of the Electoral Commission is to inform and engage citizens and stakeholders in electoral democracy. The role of the communications function in this regard is to advance and promote electoral processes through communication campaigns on diverse platforms to sustain the visibility of the organisation and its mandate across the electoral cycle.

Civic and democracy education aims to foster participation in electoral democracy and to create a climate conducive to free and fair elections. The Electoral Commission has long been focused on ongoing civic and democracy education to enable an enduring democratisation process, affirming elections as continuous processes rather than isolated events. As the head of Outreach, Mr Mawethu Mosery is an experienced electoral manager, having been in the service of the Electoral Commission for over 20 years. Before leading the Outreach function, he served for 15 years as Provincial Electoral Officer for KwaZulu-Natal, a highly contested province politically. Mosery has been integral to the strategic planning and project management of elections at a national level and in the province, including five national and provincial elections, six municipal elections, and countless by-elections. Mr Mosery was assigned to the Outreach function in 2018, ahead of preparations for the 2019 National and Provincial Elections.





## ELECTORAL OPERATIONS

### **Masego Sheburi** Deputy Chief Electoral Officer

Electoral Operations houses the core of the Electoral Commission's operations. The national voters' roll, which forms the basis of planning for any electoral event, is maintained by this division. Its components include the following:

- The delimitation of voting districts.
- Registration and de-registration of political parties.
- The compilation and administration of the voters' roll.
- Registration of voters.
- Political party liaison, candidate nomination and the management of proportional representation lists and vacancies.
- The compilation of results.
- Conflict management programmes.

Electoral Operations is also responsible for the Electoral Commission's Logistics and Infrastructure. This department determines the electoral bill of materials for all electoral events, specifications, procurement and disposal of items approved in terms of the bill of materials, warehousing and distribution of electoral materials and equipment, and voting station and local office infrastructure.

As the head of Electoral Operations, Mr Masego Sheburi has extensive experience in public administration, policy formulation and implementation, having served in various capacities in public service for a period of more than 20 years. In the formative years of the democratic state and following the 1994 elections, he was involved in and contributed to the evolution of executive accountability and parliamentary oversight as a necessary pillar for the entrenchment of constitutionalism. Mr Sheburi's tenure at the Electoral Commission started in 2008 and he has been involved in the administration of five elections, two of which were in the capacity of Provincial Electoral Officer for Gauteng, South Africa's most densely populated province, and one as Deputy CEO for Electoral Operations. He holds a BA Law degree.

## EXECUTIVE PROFILES



### PARTY FUNDING

**George Mahlangu**  
Deputy Chief Electoral Officer

The Party Funding Unit oversees the management of the Represented Political Parties Fund (RPPF), the Multiparty Democracy Fund, and the implementation of a disclosure framework through which political parties and donors must disclose donations above a threshold to the Electoral Commission. The aim of the RPPF is to provide funding for political parties represented in the national and provincial legislatures. Funds for the RPPF are provided annually from the National Revenue Fund and are distributed to political parties represented in the National Assembly or in any provincial legislature.

A seasoned financial expert having served as a Chief Financial Officer (CFO) in the private and public sectors for many years, Mr George Mahlangu joined the Electoral Commission on 1 August 2020.

He previously served as CFO at Gauteng's Department of Health (2014–2017) and Department of Local Government (2006–2010), and before that was CFO at the National Youth Commission (2002–2006). He joined the Electoral Commission from the private sector where he was most recently Chief Executive Officer of a transport company. Mr Mahlangu is qualified with both an LLB and a BCompt (Honours), which provide him with an ideal blend of legal and financial knowledge to fill this important new role as head of the new Party Funding Unit.

As responsible for party funding, Mr Mahlangu oversees the management of the Represented Political Parties' Fund, the Multiparty Democracy, and the implementation of a disclosure framework through which political parties and donors must disclose to the Electoral Commission donations above a threshold.



## FINANCIAL MANAGEMENT

### **Dawn Mbatha, CA (SA)** Chief Financial Officer

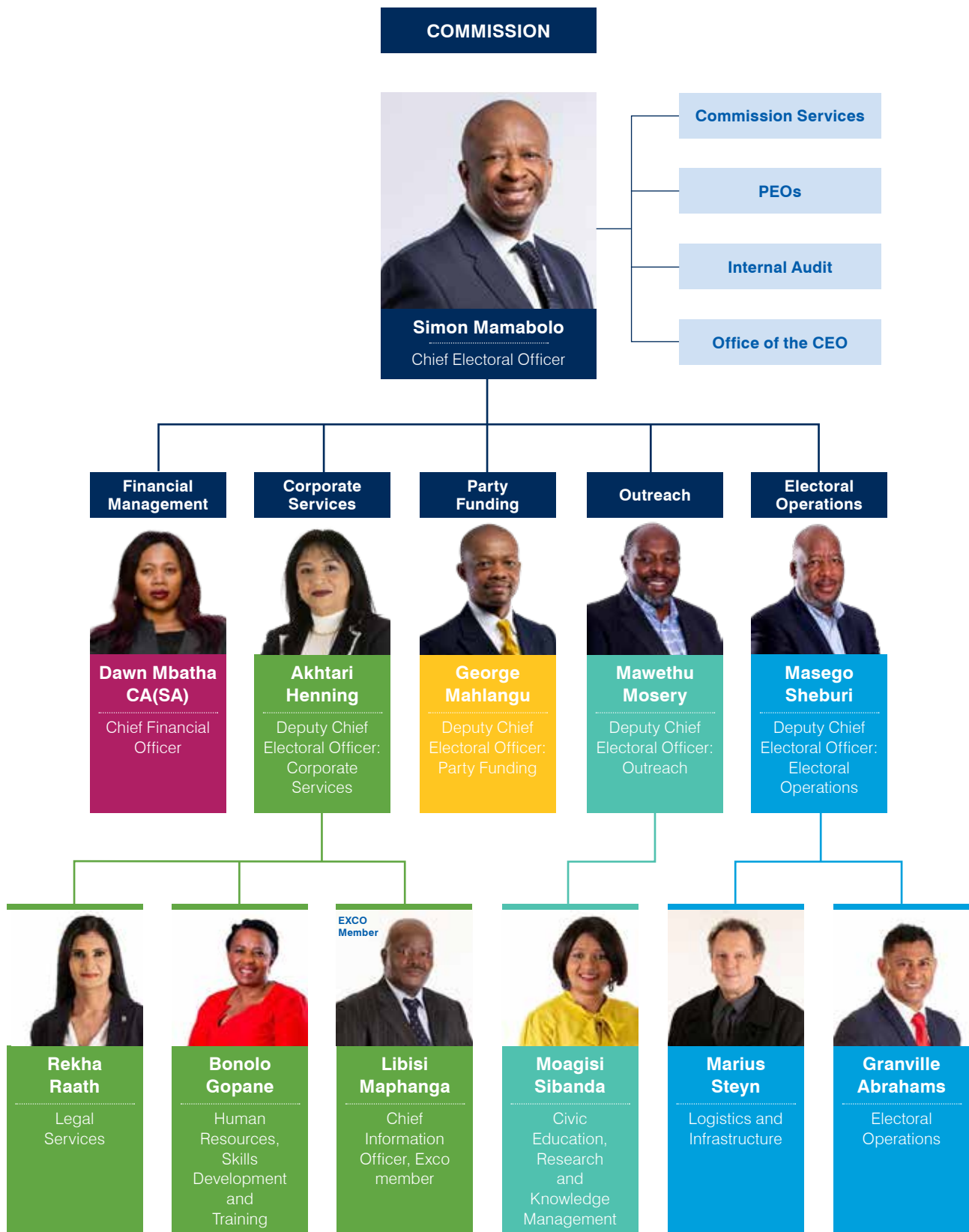
The Finance Department is responsible for the development and implementation of financial policies and standard operating procedures for the processing of all financial transactions. This includes dedicated units working with the Electoral Commission's budgets, procurement processes, compliance, the management of the Electoral Commission's assets and financial services (accounting).

The Compliance Unit assists the Accounting Officer with his statutory obligation in terms of sections 38(1)(n) and 51(1)(h) of the PFMA, which require accounting officers and accounting authorities, respectively, to comply and ensure compliance with the PFMA and any other legislation applicable to the Electoral Commission, which have financial implications. The Procurement Unit is responsible for developing and implementing an effective and efficient supply chain management system for the acquisition of goods and services, and the disposal and letting of state assets, including the disposal of goods no longer required. The Budgeting Unit sets out planned spending in terms of the National Treasury guidelines and policies.

Ms Dawn Mbatha is the Chief Financial Officer of the Electoral Commission, and a former inspector with the Independent Regulatory Board for Auditors. She is an experienced and qualified Chartered Accountant, with previous experience as an audit partner, consultant and finance executive with extensive management and operations experience in both the private and public sector. Former clients include the Development Bank of Southern Africa, Armscor, the Limpopo Roads Agency, Eskom, the Technology Innovation Agency, Eskom Treasury, MTN SP, the Transnet Group, the Airports Company South Africa, the Department of Defence and the International Market Centre (USA).

Ms Mbatha served on the interim board of Cricket South Africa (CSA). The interim board recently enabled the adoption of a Memorandum of Incorporation in terms of the Companies Act (section 60) after reaching an agreement with Cricket South Africa, a governance model was adopted, which is best practice both in South Africa and internationally.

## ORGANISATIONAL STRUCTURE







## PROVINCIAL ELECTORAL OFFICERS

					
	<b>Kayakazi Magudumana</b>	<b>Jabulani Tshabalala</b>	<b>Thabo Masemula</b>	<b>Ntombifuthi Masinga</b>	<b>Gugu Langa</b>
	Eastern Cape Provincial Electoral Officer	Free State Provincial Electoral Officer	Gauteng Provincial Electoral Officer	KwaZulu- Natal Provincial Electoral Officer	Mpumalanga Provincial Electoral Officer
					
	<b>2022/2023</b>				
Total Segment Revenue	R143 511 207	R60 729 611	R78 718 724	R136 902 400	R66 189 981
Total Segment Expenses	R139 132 202	R58 644 526	R75 719 096	R13 4128 932	R63 527 166
Surplus/(deficit) for the year	<b>R4 338 900</b>	<b>R2 079 656</b>	<b>R2 996 176</b>	<b>R2 742 653</b>	<b>R2 684 249</b>
Total assets	R30 106 454	R11 843 827	R17 851 804	R30 596 906	R12 815 956
Total liabilities	R20 032 498	R9 827 192	R11 098 189	R27 144 523	R8 574 698
<b>Other Information</b>					
No of Permanent Employees	152	56	81	133	54
No of Offices	40	20	38	52	18



## 2022/2023

Total Segment Revenue	R66 828 790	R88 909 704	R68 408 963	R79 660 034
Total Segment Expenses	R63 736 280	R86 497 420	R65 248 402	R78 351 985
Surplus/(deficit) for the year	<b>R3 152 494</b>	<b>R2 460 577</b>	<b>R3 186 478</b>	<b>R1 314 434</b>
Total assets	R21 872 605	R17 312 920	R16 498 796	R17 639 740
Total liabilities	R9 985 724	R13 879 972	R9 553 847	R9 750 805
<b>Other Information</b>				
No of Permanent Employees	59	86	68	72
No of Offices	27	26	19	30





# PERFORMANCE INFORMATION



## AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General South Africa performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit assessment. The audit assessment of the performance against predetermined objectives is included in the AGSA's Audit Report under the heading "Predetermined objectives" in the "Report on other legal and regulatory requirements" section. Refer to page 112 of the AGSA's report, published as Part E: Annual Financial Statements.

## SITUATIONAL ANALYSIS

### SOCIAL, POLITICAL AND ECONOMIC ENVIRONMENT

South Africa's social, political and economic landscape remains fluid. The war in Ukraine persists with associated adverse effects on geopolitics and the performance of the economy, particularly in the aftermath of Covid-19. This external reality will continue to impact on economic recovery, and thus the resources available to the state to meet competing national priorities. Accordingly, the period under review reflected a constrained economic environment.

At home, tenuous governance arrangements in certain municipal councils where no single party was able to obtain the majority to constitute a government continue to dominate the local body politic. Indications are that where these coalitions have not been properly managed, perceptions of regression in the delivery of services have emerged. Associated with these is increased internal contestation within political parties that play out in public as disputed leadership battles. If it is accepted that political parties are a key institution of democracy, this internecine strife, combined with tenuous coalitions, has the potential to impact on voting patterns.

During the period under review, 120 by-elections were conducted. That translates into an increase

compared with the previous period of 2021/22, in which 66 by-elections were conducted. Over the past 14-year period, the average number of by-elections per year stands at 112. The 120 by-elections conducted during 2022/23 is thus higher than the 14-year average, and is attributed to the dissolution of the Ditsobotla Local Council.

Ward vacancies are required by law to be filled within 90 days of the date on which the vacancy occurs. All 120 ward vacancies were filled within 90 days. The resignation of incumbents, death of an incumbent and loss of membership by the incumbent of the nominating party (expulsion from party) continue to be the preponderant reasons for vacancies.

In an effort to promote dialogue and the objective analysis of declining levels of participation in electoral processes, the Commission held several research seminars across the country. At these events, the Commission shared its research outcomes and the research outcomes of other institutions. All the research points to a disillusioned South African voter as a reason for the decline in voter turnout. The socio-political environment can be best described as having pockets of instability, owing to community protests because of insufficient provision of electricity, water and other services, as well as high levels of unemployment. There remains concerns about the quality of life of South Africans and their socio-economic difficulties. This remains a serious concern going into the elections process. The political party funding landscape is yet another testimony to the prevailing challenging social, political and economic environment. During the reporting period, the Commission concluded a year since the introduction of the Political Party Funding Act. The Act introduced, among others, a new method of funding for political parties, the Multi-Party Democracy Fund (MPDF). Unfortunately, the MPDF has not attracted significant corporate contributions. New initiatives for raising awareness of the MPDF are required going into the elections. The Commission's experience in the implementation of this Act is very ably captured in the research study on its implementation that was completed during the period under review. The Political Party Fund Annual Report for the 2021/22 financial year is a further resource in this regard.

## ORGANISATIONAL ENVIRONMENT

The Commission comprises five members appointed by the President for a seven-year term on recommendation of the National Assembly. A vacancy arose on the Commission following the conclusion of the term of one of the members. The vacancy has been filled with the reappointment of the Commissioner Mr Glen Mashinini. Additionally, the President has designated Commissioner Mosotho Moepya as the Chairperson of the Commission. Subsequently, a new vacancy occurred in the Commission following the conclusion of the term of another Commissioner, Ms Janet Love. The process to fill this vacancy has commenced at the behest of the Chief Justice.

The Commission has, for two years, assumed the position of Chairperson of The Association of World Election Bodies (A-WEB), the largest association of election management bodies. The Association has 118 members from 108 countries. The Commission's leadership role at A-WEB attests to the contribution that South Africa continues to make in further developing and enhancing proficient electoral management across the world.

South Africa hosted the fifth A-WEB General Assembly and International Conference in Cape Town from 17 to 22 October 2022. The decision for South Africa to host this global conference was a massive vote of confidence in both the Commission and our country. The conference provided an opportunity for the Commission and South Africa to showcase its electoral democracy work across Africa and the world. It was also a moment to exchange ideas on how to mitigate democratic recession.

Social media is entrenched as an accessible platform for the dissemination of information. It holds positive prospects, but also has negative aspects that, if not attended to, may manifest misinformation and disinformation that could be deleterious to the conduct of free and fair elections. With this realisation, the Commission has collaborated with the Department of International Relations and Cooperation (DIRCO) and the Association of African Electoral Authorities (AAEA) to develop a continental framework on the use of social media in elections. The Technical Working Group has made

significant progress in the drafting of principles and guidelines for the use of social media in elections. Validation and consultations across the continents are the next phase of the process.

On the labour relations front, the Commission continues to enjoy a healthy relationship with the National Education Health and Allied Workers Union, with whom it has signed a three-year wage agreement from 2022 to 2025.

## POLICY AND LEGISLATIVE ENVIRONMENT

During the period under review, Parliament has finalised amendments to the Electoral Act. This follows the judgment of the Constitutional Court in the New Nation Movement matter, which ruled that an electoral system that excludes independent candidates is constitutionally impermissible. The National and Provincial Elections 2024 (NPE 2024) will be managed under a revised electoral system in terms of which independent candidates will, for the first time, be able to contest seats in the National Assembly and provincial legislatures.

Over the past 25 years, the Commission has built and invested in business applications that supported the prevailing electoral system. With the changes in the electoral scheme, the Commission must develop new business systems and applications to support the revised system. This would include investment in resources for the retraining of its cohort of permanent and electoral staff to understand and implement the new electoral system. Work has already begun to rewrite and develop applications, systems, training content and manuals to give effect to the policy choices made by Parliament in the Amended Electoral Act.

Even as the Commission prepares to implement the Act, there are indications that certain interest groups will challenge the Act in judicial platforms. On its part, the Commission persists with preparations for elections in 2024, informed by the following principles, among others:

- Constitutionally, an election must be held no later than 90 days following the end of term.
- General elections may never be deferred beyond the 90 days following the end of term.

- An electoral scheme that excludes independents is unconstitutional.

consequential amendments required to the law, as well as proposed regulations to give effect to the revised electoral scheme.

In the period under review, the Commission has initiated discussions and consultations on

## STRATEGIC OUTCOME-ORIENTED GOALS

Programme	Strategic Outcome-Oriented Goal	Number of Targets	Number Achieved/Exceeded	Number not Achieved	Percentage Achievement
<b>Programme 1:</b> Administration	<b>Goal 1:</b> Strengthening governance, institutional excellence, professionalism and enabling business processes at all levels of the organisation	4	2	2	50%
<b>Programme 2:</b> Electoral Operations	<b>Goal 2:</b> Achieving pre-eminence in the area of managing elections and referenda, including the strengthening of a cooperative relationship with political parties	2	1	1	50%
<b>Programme 3:</b> Outreach	<b>Goal 3:</b> Strengthening electoral democracy	5	3	2	60%
<b>Programme 4:</b> Party Funding	<b>Goal 4:</b> Contributing to the enhancement of transparency in elections and party funding	3	3	0	100%
<b>Total</b>		<b>14</b>	<b>9</b>	<b>5</b>	<b>64%</b>



## Performance information by programme

### PROGRAMME 1: ADMINISTRATION

Programme 1 supports the achievement of Strategic Outcome-oriented Goal 1. It provides for the overall strategic management of the Electoral Commission, as well as centralised support services. This programme focuses on strengthening governance by refining institutional governance arrangements (including the Commission's committees and structures), exercising oversight, monitoring, evaluation and support. It encompasses Commission Services, Internal Audit, Risk Management, Human Resource Development, Financial Management, Supply Chain Management, and Information and Communication Technology.

Commissioners provide oversight in respect of the activities of the organisation, and facilitate the promotion of the principles of peaceful, free and fair elections.

The Office of the Chief Electoral Officer (CEO) monitors the implementation of and adherence

to the Commission's strategic priorities, as well as organisational policies as articulated in the organisational scorecard.

Corporate Services focuses on strengthening institutional excellence and professionalism at all levels of the organisation, building institutional capacity, expanding human capital development, adhering to performance standards, becoming people-centred, managing human resources well, maintaining sound industrial relations and building institutional memory.

This programme also provides for enabling business processes and systems in respect of legal services, information and communication technology (ICT), human resources management and facilities management to efficiently and effectively support the core business of the Commission.

### STRATEGIC OBJECTIVES

<b>Strategic Objective 1.1</b>	Exercise oversight (monitoring, evaluation and leadership) to ensure the effective implementation of the Electoral Commission's core mandate, strategic goals and objectives, aligned with the corresponding budget allocation
<b>Strategic Objective 1.2</b>	Exercise oversight (monitoring, evaluation and support), the provisioning of assurance and risk management services
<b>Strategic Objective 1.3</b>	Build institutional capacity to enable the Electoral Commission to deliver on its constitutional mandate
<b>Strategic Objective 1.4</b>	Manage financial resources efficiently to protect the public image of the Electoral Commission as an accountable institution
<b>Strategic Objective 1.5</b>	Provide and maintain a stable, secure and scalable ICT environment that meets the functional needs of the Electoral Commission to ensure the credibility of electronic electoral processes



## STRATEGIC OBJECTIVES, KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

No.	Outcome	Outputs	Output indicators	Audited/ actual per- formance 2020/21	Audited/ actual per- formance 2021/22	Planned annual target 2022/23	Actual achieve- ment 2022/23	Devia- tion from planned target to actual achieve- ment 2022/23	Reasons for deviations
1.1.1	Strengthened institutional effectiveness	Exercise leadership and governance, monitoring and evaluation to ensure the effective implementation of the Electoral Commission's core mandate, strategic outcomes and outputs, aligned with the corresponding budget allocations and risk mitigation.	Number of quarterly reviews of the Strategic Risk Register by the Executive Risk Management Committee within 30 days after the start of the next quarter.	4	4	4	4	0	Target achieved
1.1.2		Provide a cutting-edge, stable, secure ICT environment that meets all the functional needs of the Electoral Commission and supports innovative business processes.	Minimum annual percentage network and application systems availability measured in hours (system-generated report available)	97.384% (2 156.060 hours)	98.3% (2 214 hours achieved)	97% (2 223 hours achieved)	91.816% (2 042 hours achieved)	(5.18%)	Target not achieved due to loadshedding.
1.1.3		Recruit and retain a talented permanent staff complement to meet operational requirements, as well as constitutional obligations	Number of funded positions filled per annum	81% (909 of 1 121 approved posts filled)	81.4% (906 of 1 113 approved posts filled)	95% of funded posts filled (938 posts filled) calculated pro-rata over the year	906 posts filled at 31 March 2023	92% of funded posts filled (906 of 987 funded posts filled)	Target not achieved. Filing of posts delayed by the unexpected withdrawal of the risk assessment service provider as well as the HR review matter in the Labour Court
1.1.4		Effectively manage financial resources in compliance with legislation.	Obtain a clean audit outcome from the annual external audit process	Obtained a clean audit opinion	Obtained a clean audit opinion	Obtain a clean audit outcome	Obtained a clean audit opinion	None	Target achieved



## COMMISSION SERVICES

Corporate governance embodies processes and systems by which institutions are directed, controlled and held to account. In addition to legislative requirements based on the Electoral Commission Act, corporate governance principles and the PFMA and its various regulations are applied in the governance of the institution. Parliament, the executive authority, the commissioners, the Audit Committee, and the Electoral Commission's CEO are responsible for various aspects of corporate governance.

## INTERNAL AUDIT

Section 38 of the PFMA requires the Accounting Officer, among other things, to ensure that the Electoral Commission has and maintains a system of internal audit under the control and direction of an audit committee.

Accordingly, the purpose, authority and responsibility of the Internal Audit function is defined in its plan, approved by the Audit Committee, which is consistent with the International Professional Practices Framework (IPPF) set by the Institute of Internal Auditors (IIA) and other requirements stipulated in Treasury Regulation 3 of the PFMA. As required, the Chief Audit Executive (CAE) reports functionally to the statutory Audit Committee and administratively to the Accounting Officer.

In accordance with these requirements the Commission has appointed a CAE to ensure the execution of its Internal Audit Strategy and the annual Risk-based Operational Plan through the co-sourcing model it has adopted. A tender for co-sourced service providers up to and including the finalisation of the 2027/28 Internal Audit Operational Plan was finalised and the panel appointment process got underway during this period.

In the period where the co-sourced panel was not in place, the Accounting Officer secured resources via the mechanism provided in Treasury Regulation TR16A6.6. To this end, both the Accounting Officer and the statutory Audit Committee wish to express their appreciation to Statistics South Africa (Stats SA) for granting the necessary approval for the Electoral Commission to participate in its

existing contracts for internal audit services during the 2022/23 financial year.

The Audit Committee initially approved 10 audit projects, for which 18 audit reports were conceptualised. One audit project was rolled over to the ensuing year and was recrafted as a consulting review due to the state of readiness in this area to receive assurance. Accordingly, all the approved audit projects – equating to 18 audit reports (100%) funded in the 2022/23 Operational Plan – were completed and issued.

The responsibility for forensic investigations is assigned to the Labour Relations Unit of the Human Resources (HR) Department. Hence, the Internal Audit projects undertaken for the year ended 31 March 2023 excluded any forensic audits or investigations.

The CAE's annual opinion of "needs improvement" was derived by aggregating the ratings of each internal audit report issued for 2022/23.

## HUMAN RESOURCE DEVELOPMENT

### POST-ELECTIONS PERFORMANCE ASSESSMENT

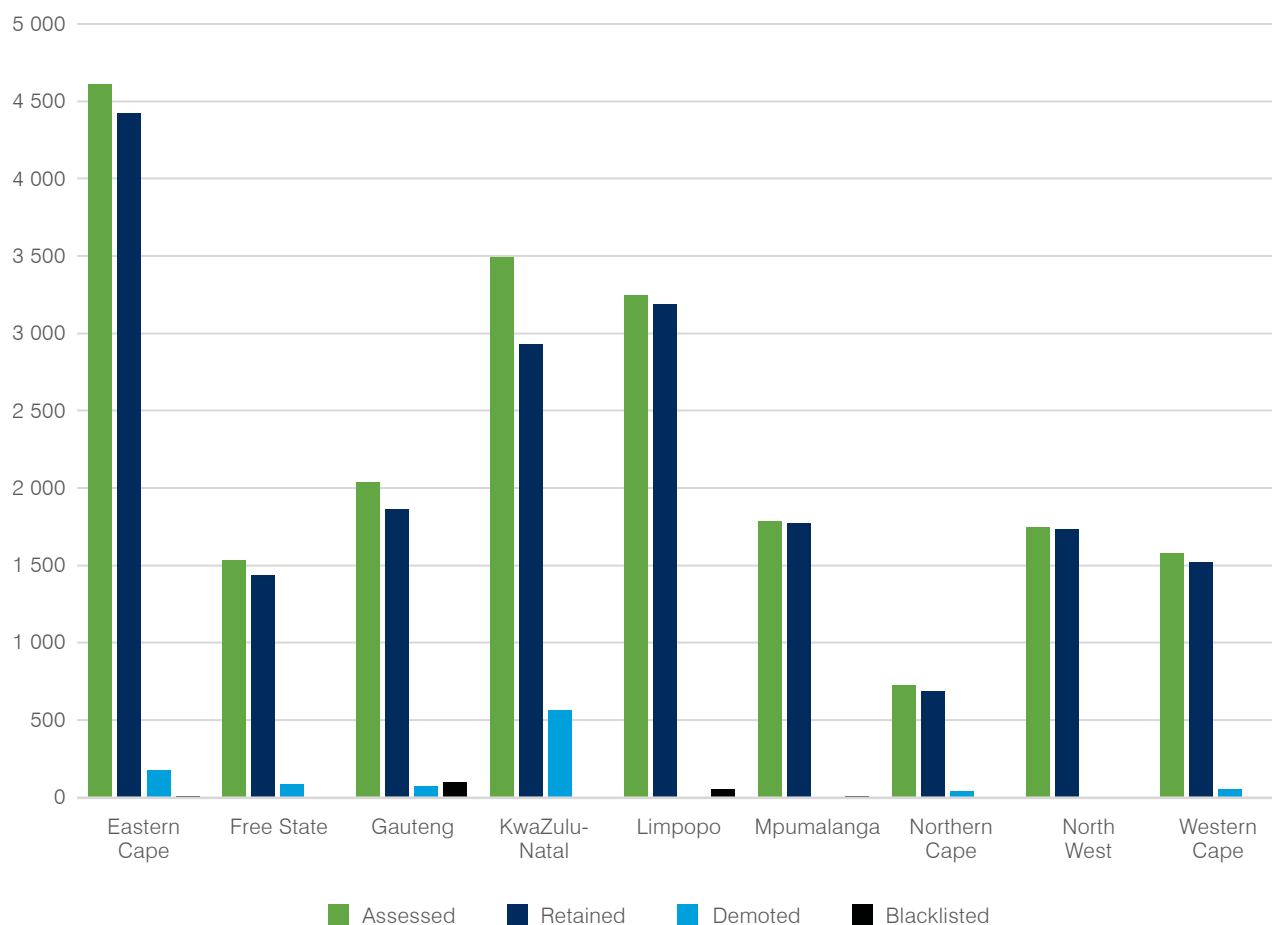
Following Local Government Election 2021 (LGE 2021), the organisation had an opportunity to conduct a "post-the-event" desktop review of the Presiding Officer's performance. Most of the work was done during the period under review. The purpose of the review was to identify strengths and weaknesses in the voting station management processes, as well as the performance of the presiding officers.

To this effect, it was recommended that each province assesses a sample of at least 10% of the presiding officers who had worked on Election Day. However, where possible based on the available resources, provinces could expand the scope. The assessment was based on the review and analysis of various performance areas covered in the Presiding Officer's diary and the result slips.

The figure on the opposite page gives a perspective of the outcome of the project. The results of the assessment also provided information that assisted

in the review of the training approach, and training and assessment material, with the view of enhancing performance in the next elections.

## PRESIDING OFFICER'S ASSESSMENT



## PROMOTING AN E-LEARNING CULTURE

Since the Electoral Commission introduced a digital learning platform for both permanent employees and electoral staff members, it became imperative to provide support, specifically for internal staff, as all the electoral staff training modules would be on the e-learning platform.

To this effect, 136 change champions were nominated across the organisation to support colleagues and encourage them to utilise the platform more often. Through this initiative, the organisation has established a pool of change champions that are utilised for various projects.

## THE ROLE OF A CHANGE CHAMPION

### INTEGRITY

- Change champions should be truthful and transparent at all times when fulfilling the role of change champion.
- Change champions should respect self, fellow change champions and all other members of the organisation.

### OWNERSHIP

- Change champions should take initiative on tasks and bring up timely concerns with product direction.
- Take responsibility for your own actions.

### DECISION MAKING

- Change champions should ensure all members have had adequate opportunity to provide input, and that no set of members has dominated that conversation.

### COMMUNICATION

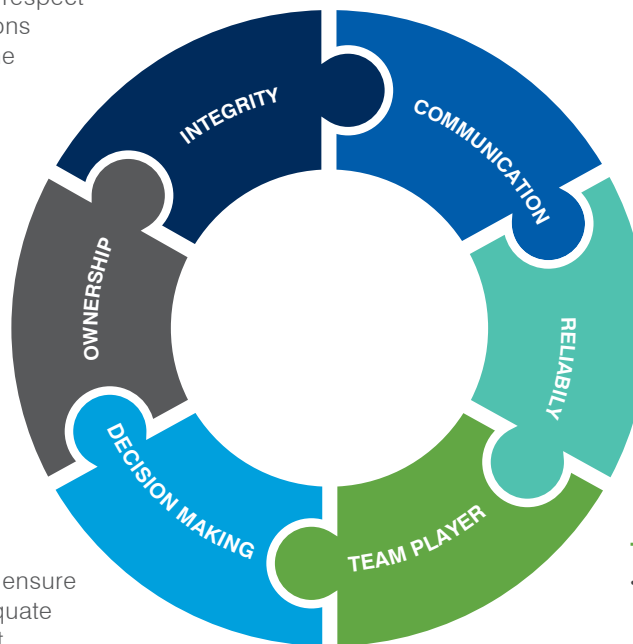
- Change champions should be responsive to messages and timely with honest updates about individual work.
- Change champions should give constructive criticism and take criticism with an open mind.

### RELIABILITY

- Change champions should attend group meetings on time and communicate absences ahead of time.
- Change champions should finish tasks by determined deadlines and ask for help if challenged to meet these deadlines.

### TEAM PLAYER

- Change champions should do the work that is necessary for team success, even if its "not my job" or not of particular interest.



As part of inculcating the culture of digital learning and maintaining the momentum on the platform, the Electoral Commission added the following three modules to the platform:

- Political Party Funding as per the Political Party Funding Act, 2018 (Act 6 of 2018)
- Induction (the Electoral Commission's On-boarding Programme)

- The By-election Training Manual as a tool for the ongoing training of electoral staff

These modules will be utilised by permanent staff members, political parties and other stakeholders who work closely with the Electoral Commission, as well as those who are interested in the organisation's activities.



## E-LEARNING DESIGN AND DEVELOPMENT

In accordance with the contractual obligations of skills transference and development, 16 employees from the provinces and National Office departments

attended Moodle training, which was aimed at providing skills to design e-learning material. As part of the practical learning, these employees designed and developed the three additional modules together with the service provider, utilising the following responsibility approach:

Module	Level of responsibility	
	Service provider	Commission employees
Political Party Funding	70%	30%
By-Elections	20%	80%
Induction	10%	90%

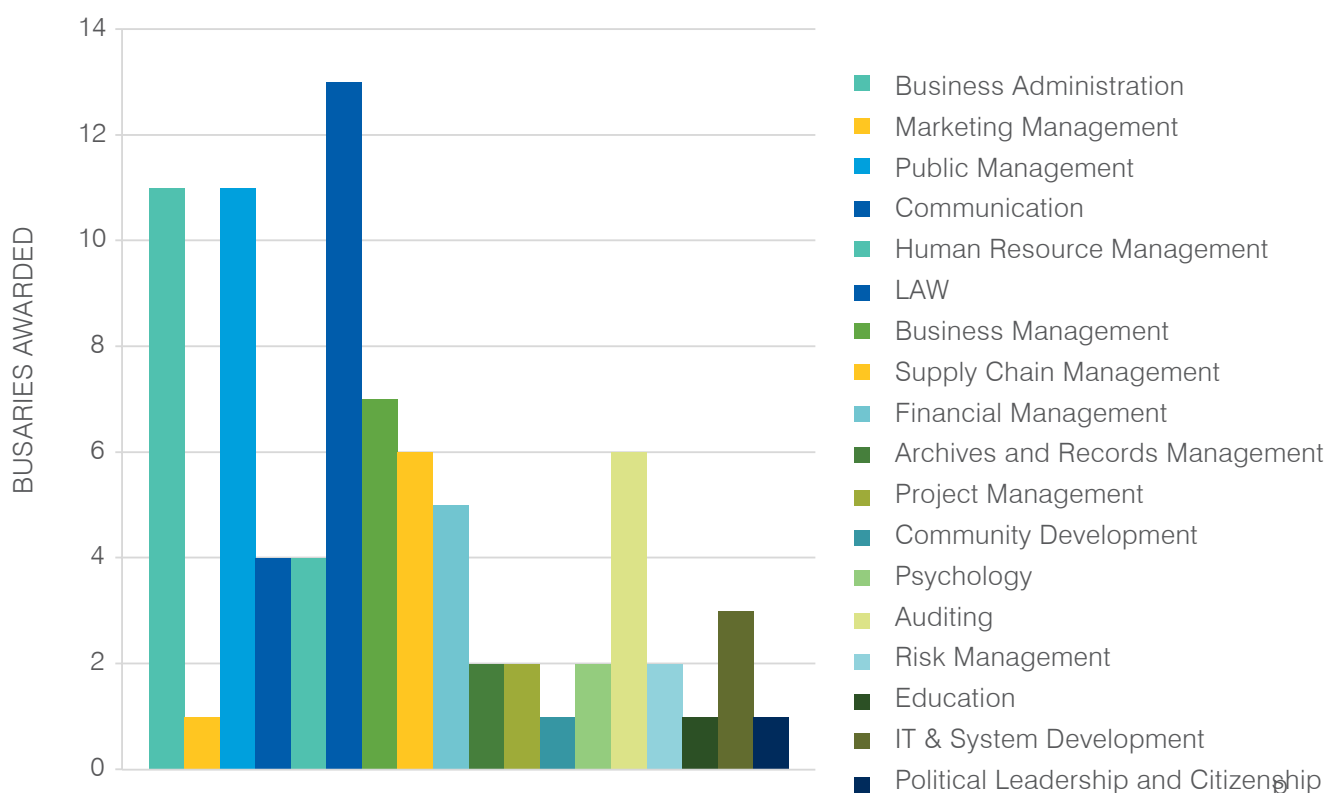
## BURSARIES

The Electoral Commission provides a bursary scheme to its permanent employees to propel growth and access to better opportunities within the Commission and the job market at large. For the year under review, 82 employees were awarded bursaries for the 2022 academic year. This is lower than the number of bursary holders in the previous financial year. Of the bursary holders, 55% were female, while 45% were male. This is in line with

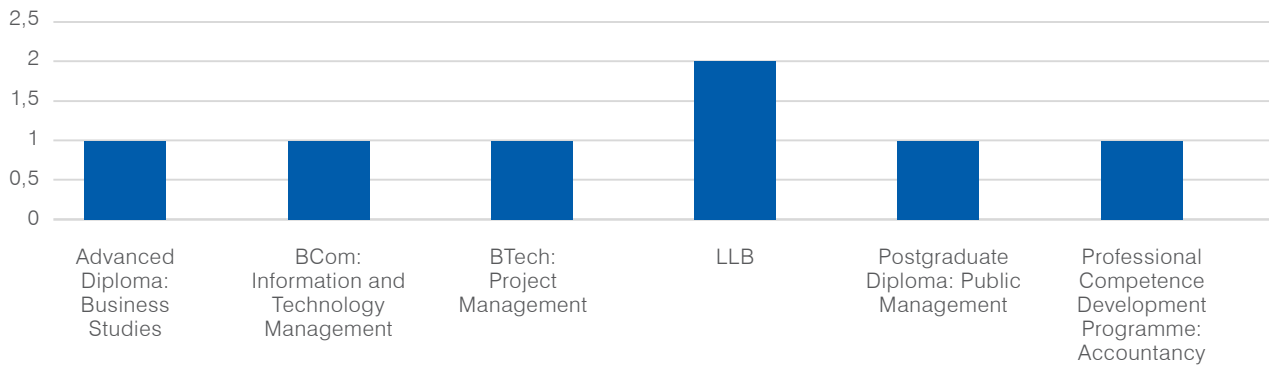
the demographics of the Electoral Commission's employees.

## BURSARIES AWARDED

It is, however, important to note that only 25.6% are first-time bursary holders, while 74.4% are continuing with their studies. Seven bursary holders completed their studies in various fields of study in 2022, as depicted in the graph below.



## BURSARY HOLDERS WHO COMPLETED THEIR STUDIES



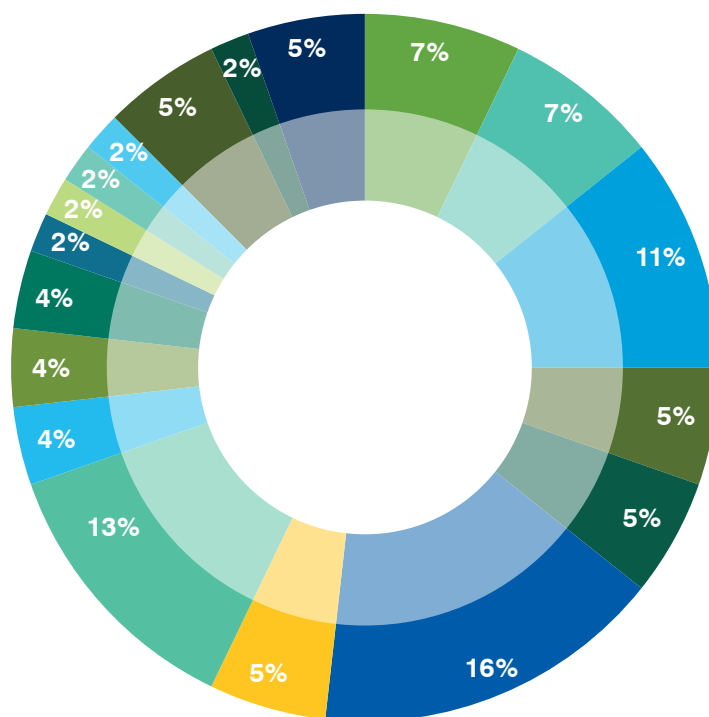
## INTERNSHIPS

As part of the goal of the National Skills Development Strategy to increase access to occupationally directed programmes, the Electoral Commission increased the number of internship opportunities. During the period under review, it hosted 56 graduate interns. They were based at the national and provincial offices. This demonstrates the Commission's commitment to giving unemployed graduates the opportunity to gain career-specific work experience during or after their studies to prepare them for the real world of work.

The Commission reviewed and approved its Internship Policy in March 2023. The programme makes provision for student interns who require formal experiential learning to attain their qualifications. The interns are provided with a stipend and workplace learning exposure relevant to their fields of study and the elections. Two of the 2022 graduate interns were appointed on a permanent basis after following the normal recruitment process, which confirms that the internship programme serves as a critical talent supply pipeline. The 24-month internship programme provides graduates with the required minimum experience and enables them to compete for positions in the job market.



## APPOINTED INTERNS



Eastern Cape	Free State	Gauteng
KwaZulu-Natal	Western Cape	Limpopo
Mpumalanga	North West	Communications
Supply Chain Management	Human Resource Development	Organisational Development and Performance Management and Development System
Human Resource Services	Legal Services	Security
Logistics	Labour Relations	Budget and Compliance

The interns received skills development opportunities by attending short course programmes, seminars and workshops in their field of study, as well as by-election training.

## TALENT MANAGEMENT

The Electoral Commission developed a Talent Management Strategy as part of enhancing performance and capacity building within the organisation. This was approved in 2022. The objective of the strategy is to create an integrated system, which will enable the organisation to build capacity and respond to business needs rapidly and effectively through the talent acquisition and management process. One of the key pillars of the strategy is to build a pool of competent managers and leaders to ensure the timely filling of critical positions, succession and business continuity in case of unforeseen circumstances.

The Electoral Commission prioritised the development of managers and leaders. In order to effectively achieve this outcome, the process commenced with an assessment of the competencies of employees between the levels of Deputy Manager and CEO. The assessment was based on the following core competencies:

- Strategic capability and leadership
- People management and empowerment
- Programme and project management
- Financial management

A total of 74 employees were subjected to the competency assessment. The reports have given the organisation an indication of the strengths that



exist, as well as the areas that require development. This will assist with the development of a targeted training and development programme to assist in the development of future leaders.

## SKILLS DEVELOPMENT INTERVENTIONS

Training and development interventions are a continuous effort designed to improve employees' competence and enhance both organisational and employee performance. The Electoral Commission recognises short courses, seminars and conferences, as well as on-the-job training, as vehicles that play a major role in the acquisition

of the knowledge and skills required for optimal performance.

In the years in which there are no major election events, the organisation steps up the number of training and development interventions for permanent employees. To that end, 1 135 employees attended various courses, which included employer-initiated interventions, in-house training, short courses, seminars and workshops. Most of the courses were identified through the performance management system, and were thus related to the employees' jobs

## STAFF DEVELOPMENT

Staff development interventions undertaken during the period under review can be summarised as follows:

No.	Description	Number of attendees	Service provider/ facilitator	Date of training
1.	Project Management (Phase 1)	89	National School of Government (NSG)	April 2022
2.	Microsoft (MS) Suite (Phase 1)*	87	State Information Technology Agency (SITA)	April to September 2022
3.	Occupational Health and Safety (OHS) Training	25	Dynamic Health Education and Training Institute	May 2022
4.	IPM Convention	9	Institution of People Management (IPM)	October 2022
5.	Online Data Analysis Course	70	CodeCademy	December 2022
6.	Forklift Training	2	DSV	September 2022
7.	By-election Training	19	Human Resource Development: National Office	December 2022/ February 2023
8.	Moodle Training	7	Gijima	February/ March 2023
9.	POPIA Training	11	Legal Services: National Office	November 2022



## PUBLIC FINANCE MANAGEMENT ACT COMPLIANCE

### IRREGULAR EXPENDITURE

	31 March 2023	31 March 2022
Opening balance	66 502 981	58 920 106
Add: Irregular expenditure confirmed	4 054 554	28 262 244
Less: Irregular expenditure condoned	-	(16 915 466)
Less: Irregular expenditure not condoned and removed	(343 526)	(3 763 903)
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
<b>Closing balance</b>	<b>70 214 009</b>	<b>66 502 981</b>

#### a) Reconciling notes to the annual financial statement disclosure

Irregular expenditure that was under assessment in 2021/2022	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23 <sup>1</sup>	-	183 514
Irregular expenditure for the current year	4 610 301	28 262 244
<b>Total</b>	<b>4 610 301</b>	<b>28 445 757</b>

<sup>1</sup> During the year ended March 2023, an amount of R183 514 was identified as irregular expenditure incurred in 2021/22, but was identified by internal auditors in the 2022/23 financial year during a review of irregular expenditure transactions

#### b) Details of current and previous-year irregular expenditure (under assessment, determination and investigation)

Irregular expenditure under assessment	555 747	-
Irregular expenditure under determination	4 054 554	22 493 095
Irregular expenditure under investigation	-	5 952 662
<b>Total</b>	<b>4 610 301</b>	<b>28 445 757</b>

The disclosed amount of 555 747 is expenditure under investigation as it might be possible irregular expenditure

#### c) Details of current and previous year irregular expenditure condoned

Irregular expenditure condoned	-	(16 915 466)
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#### d) Details of current and previous-year irregular expenditure removed (not condoned)

Irregular expenditure not condoned and removed	(343 526)	(3 763 903)
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#### e) Details of current and previous year irregular expenditure recovered

Irregular expenditure recovered	-	-
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#### f) Details of current and previous year irregular expenditure written off (irrecoverable)

Irregular expenditure written off	-	-
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#### g) Details of non-compliance where an institution is involved in an inter-institutional arrangement (where the Commission is not responsible for non-compliance)

None	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

31 March 2023

31 March 2022

**h) Details of non-compliance where an institution is involved in an inter-institutional arrangement (where the Commission is responsible for non-compliance)**

None		
<b>Total</b>	-	-

**Details of current and previous-year disciplinary or criminal steps taken as a result of irregular expenditure**

	-	-
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Human resources processes were followed in addressing consequence management in cases where an official was responsible. This was done in line with the Commission's disciplinary policy and procedures.

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**FRUITLESS AND WASTEFUL EXPENDITURE****Reconciliation of fruitless and wasteful expenditure**

	31 March 2023	31 March 2022
Opening balance	1 721 081	1 493 862
Add: Fruitless and wasteful expenditure confirmed	7 166	227 219
Less: Fruitless and wasteful expenditure written off	-	-
Less: Fruitless and wasteful expenditure recoverable	(53 212)	-
<b>Closing balance</b>	<b>1 675 036</b>	<b>1 721 081</b>

**Reconciling notes**

Fruitless and wasteful expenditure under assessment in 2022	-	-
Fruitless and wasteful expenditure that relates to 2022 identified in 2023	-	-
Fruitless and wasteful expenditure for the current year	7 166	227 219
<b>Total</b>	<b>7 166</b>	<b>227 219</b>

**Details of current and previous-year fruitless and wasteful expenditure (under assessment, determination and investigation)**

Fruitless and wasteful expenditure under assessment		
Fruitless and wasteful expenditure under determination		
Fruitless and wasteful expenditure under investigation	7 166	227 219
<b>Total</b>	<b>7 166</b>	<b>227 219</b>
Fruitless and wasteful expenditure recovered	(53 212)	-
Fruitless and wasteful expenditure written off	-	-

Details of current and previous-year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

REPORTING OF PROCUREMENT BY OTHER MEANS						
No.	Project description	Name of supplier	Contract number	Reason for the procurement by other means	Value of contract	Award date Contract start date Contract expiry
1.	Oracle Software Maintenance and Technical Support Licenses	Oracle Corp SA (Pty) Ltd	4500360619	<p>Oracle Corporation South Africa (Pty) Ltd is the representative of the original software manufacturer (OEM) and is the sole-source service provider of the software maintenance services in South Africa. It is the authorised reseller of the Oracle software in the country, but the resellers only deal with new software purchases and get their prices from Oracle.</p> <p>The Electoral Commission already acquired licenses from Oracle directly and is renewing the maintenance of Oracle licenses already in existence. There is no competitive element in this instance were software maintenance, updates and technical support are concerned.</p>	R2 810 762,46	30 January 2023 2 February 2023 1 February 2024



No	Project description	Name of supplier	Contract number	Reason for expansion or variation of contract	Original contract value	Value of contract expansion or variation of contract	Value of previous contract expansion or variation of contract	Award date	Contract start date	Contract expiry
2.	Commercial premises lease agreement	ANND Eiendomme BK	4600002689	On 16 February 2022, the Constitutional Court made a judgment around the Preferential Procurement Regulations, 2017 (PPR2017), emanating from matter of AfriBusiness NPC vs the Minister of Finance. This judgment ruled the PPR2017 to be invalid.  As a result, the Director-General of National Treasury issued a circular on 25 February 2022. The advice expressed by National Treasury was that all procurement above R30 000 including VAT be suspended while awaiting the outcome of the guidance National Treasury has sought from the Constitutional Court on the validity period of the PPR2017 or until such time as new regulations are in place.	R511 201,00	R192 000,00	Not applicable	23 October 2022	1 November 2020	30 April 2022
3.	Mobile device management solution	Phandu Communications (Pty) Ltd	4600002910		R999 713,40	R999 713,40	R149 756,45	23 November 2022	1 January 2022	30 April 2022
4.	Cleaning services at Eastern Cape Electoral Commission Provincial Office	Upview General Trading (Pty) Ltd	4600002909	Inevitably, this implied that the Electoral Commission could not proceed with its procurement processes to put new contracts in place. The only alternative was to extend existing contracts to ensure business continuity until such time as new procurement processes could be pursued again.	R183 347,00	R183 347,00	Not applicable	1 June 2022	3 January 2022	31 May 2022



No	Project description	Name of supplier	Contract number	Reason for expansion or variation of contract	Original contract value	Value of contract expansion or variation of contract	Value of previous contract expansion or variation of contract	Award date	Contract start date	Contract expiry
5.	Cloud DDOS and caching solution	Lockdown IT (Pty) Ltd	4600002843	It was not clear if Kemp uses Cloudflare as the service provider for this service. At a later stage, the ICT Department received verification that Kemp and Cloudflare have a global agreement for Kemp to provide services on behalf of Cloudflare.	R1 391 736,96	R336 720,00	Not applicable	25 October 2022	1 September 2022	30 November 2022
6.	Mobile device management	Phandu Communication (Pty) Ltd	4600002918	A competitive bid process was advertised on 8 August 2022. The bid had to be cancelled as the bid specification was changed during the tender preparation process and was not the same as the bid specification. Therefore, there was not enough time to run another procurement process.	R999 713,40	R999 713,40	R999 713,40	7 October 2022	7 October 2022	6 February 2023
7.	Electoral Commission Provincial Warehouse – Limpopo	Razina Cassim Moti Trust	4600001827	A competitive bid process was advertised on 5 August 2022. Following the primary compliance verification of the tender, it was established that the bid did not comply with the requirements and the bid was disqualified. The bidder redrafted the tender pricing schedules, which was not permissible in terms of the tender conditions.	R10 886 182,36	R861 332,90	R1 188 639,40	28 February 2023	1 November 2022	31 March 2023



No	Project description	Name of supplier	Contract number	Reason for expansion or variation of contract	Original contract value	Value of contract expansion or variation of contract	Value of previous contract expansion or variation of contract	Award date	Contract start date	Contract expiry
8.	Local office accommodation	Ebusha General Trading (Pty) Ltd	4600002886	On 16 February 2022, the Constitutional Court made a judgment around the Preferential Procurement Regulations, 2017 (PPR2017), emanating from the matter of AfriBusiness NPC vs the Minister of Finance. This judgment ruled the PPR2017 to be invalid.  The only alternative was to extend the existing contracts to ensure business continuity until such time as new procurement processes could be pursued again.	R385 200,00	R128 400,00	Not applicable	30 September 2022	1 October 2022	31 January 2023
9.	Electoral Commission provincial office accommodation – North West	Edge Bay Investment (Pty) Ltd	4600001705	The bid for North West was cancelled as a result of non-compliance to technical requirements by bidders. The bid has been re-adverted.	R9 554 394,90	R566 399,88	R1 423 452,36	31 March 2023	1 April 2023	31 July 2023

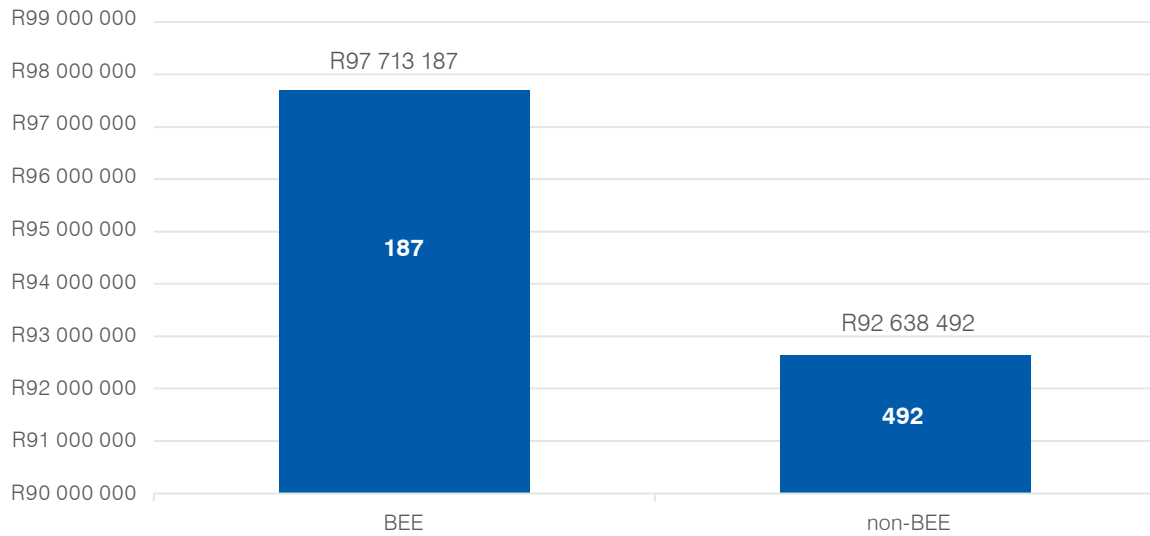
## SUPPLY CHAIN MANAGEMENT

The Electoral Commission continues to strive to achieve compliance with the PFMA and Treasury Regulations, as well as to enhance the efficiency and effectiveness of its supply chain management process. To achieve this aim, in 2022/23, the following projects were undertaken:

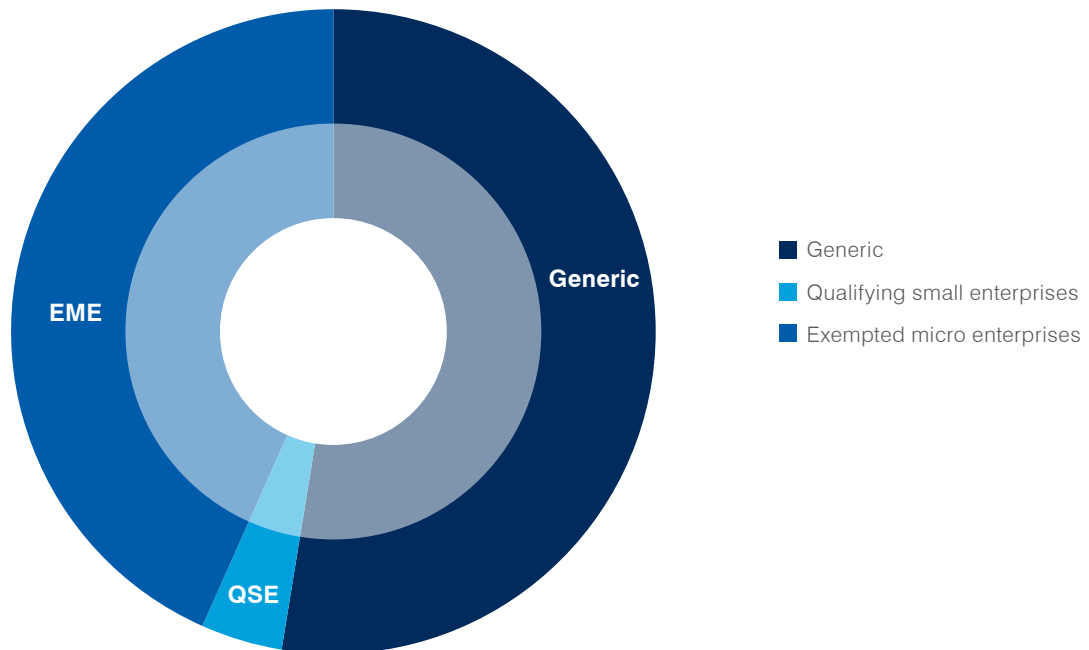
- A review of procurement policies, specifically, the development of the Preferential Procurement Policy resulting from the implementation of the Preferential Procurement Regulations, 2022.
- A review of Standard Operating Procedures (SOPs) and the Terms of Reference (ToRs) of bid committees to ensure alignment with statutory supply chain management (SCM) requirements. This included the continuous adjustment, where necessary, of procurement systems and processes.
- Continuous engagements with various stakeholders to identify challenges and opportunities to revamp and refresh the SCM framework and operational requirements within the Electoral Commission.
- The effective development, implementation and utilisation of procurement systems that are fair, equitable, transparent, competitive and cost-effective.
- The effective use of electronic SCM systems (SAP, eProcurement and the SCM system).
- The continuous monitoring of the effectiveness of the electronic SCM systems.
- The successful conclusion of 23 tenders of the Electoral Commission.
- Continuous compliance with National Treasury's reporting requirements in respect of the procurement plans and quarterly reporting on procurement spend against the Procurement Plan.
- Continuous utilisation of minimum local content requirements relating to textiles, office furniture and prefabricated offices to support local production.
- The implementation of stringent strategies in the Electoral Commission's bid evaluation processes.
- The integration of the Electoral Commission's systems with National Treasury's Central Supplier Database (CSD).
- The continuous alignment of the Electoral Commission's SCM systems and processes with National Treasury's instructions.
- The declaration as invalid of the Preferential Procurement Regulations, 2017, resulted in fewer contracts being concluded in the financial year under consideration.
- The promulgation of the Preferential Procurement Regulations, 2022, also resulted in delays in running tenders during the financial year since this change required institutions to develop new policies to deal with their procurement requirements.
- The introduction of the new Preferential Procurement Regulations, 2022, brought about some uncertainties with regards to the following:
  - Application and implementation of the broad-based black economic empowerment (B-BBEE) requirements
  - Implementation of the local content requirements
  - Silence on the use of functionality
- Absence of a minimum threshold for the application of preferential procurement
- During the period in which the Preferential Procurement Policy was not implemented, no new procurement requirements were published.

An estimated value of R190 million in contracts was concluded using the competitive bidding (tender) process during the 2022/23 financial year. Of these, 51% were awarded to B-BBEE companies as illustrated on the following pages.

### TENDERS AWARDED BY B-BEE CONTRIBUTOR STATUS

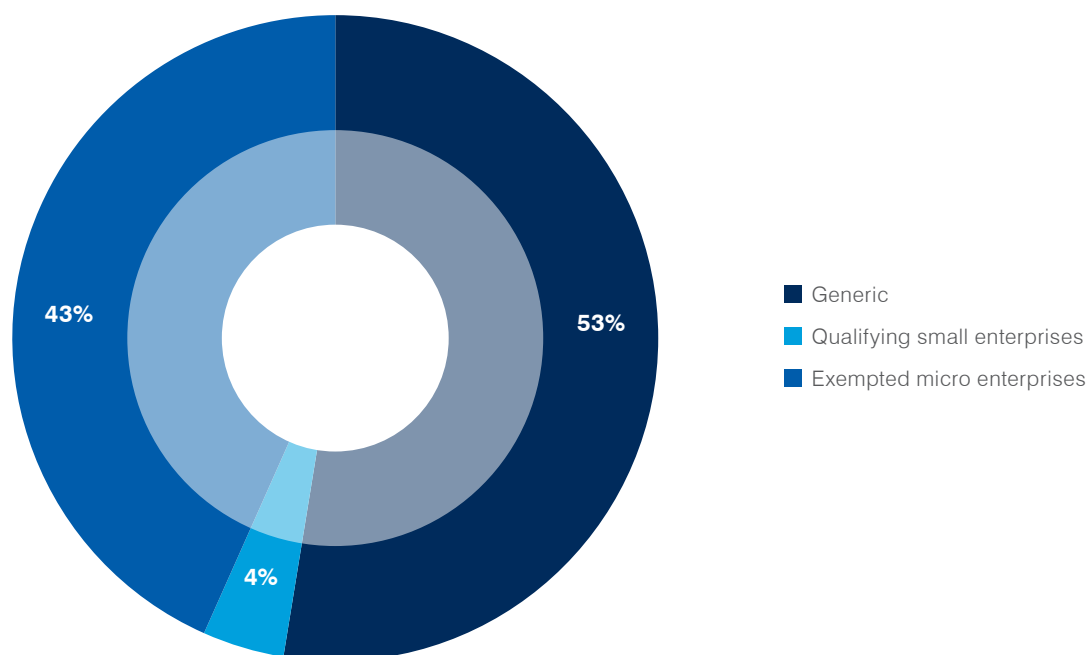


### TENDERS AWARDED BY B-BBEE CONTRIBUTOR STATUS LEVEL

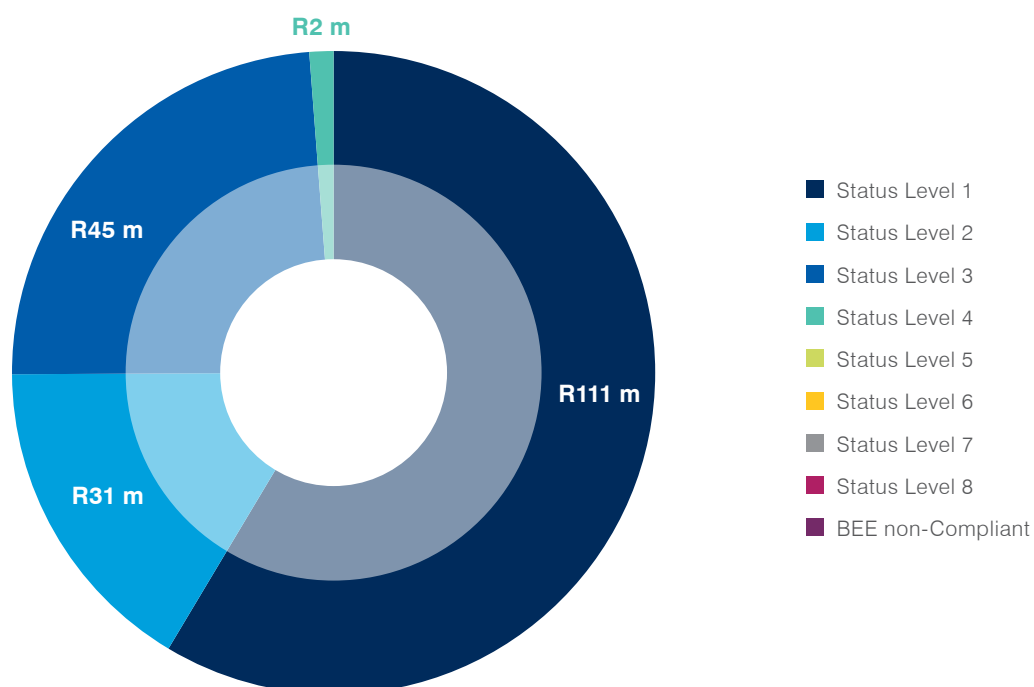




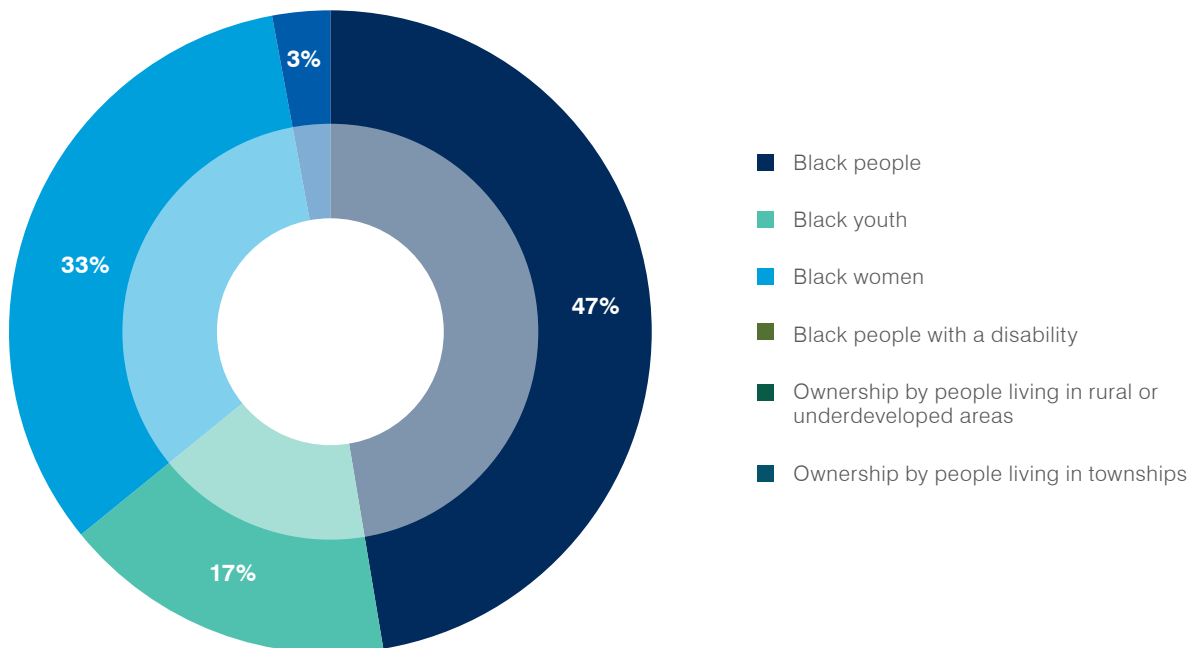
## TENDERS AWARDED BY ENTERPRISE TYPE AND CONTRACT VALUE



## TENDERS AWARDED BY BEE CONTRIBUTOR STATUS LEVEL AND CONTRACT VALUE



## BLACK OWNERSHIP CONTRACT VALUE



## INFORMATION AND COMMUNICATION TECHNOLOGY

Information and Communication Technology plays a critical role in supporting the various processes of the Electoral Commission. The following continuous support services are at the core of the Commission's ICT capability and provide the foundation for all other ICT activities:

- Stable applications to support and enable all business processes
- Closely integrated systems aimed at ensuring a seamless flow of information across the different systems
- A stable and secure ICT infrastructure, a stable network at both wide area network (WAN) and local area network (LAN) levels and at the data centre
- A scalable network and background server capacity, with the required capability of supporting increased election activity and network traffic
- The management of risks, disaster recovery and business continuity processes
- Integrated online self-service facilities for citizen engagement through the internet using

websites, mobile applications, SMS and social media

- Ensuring that the Electoral Commission can take advantage of and fully utilise all available and relevant technologies in the ICT market
- Stable and effective open data platforms that provide an integrated technology-enabled platform for all stakeholders through an application programming interface (API)
- A secure platform with controlled and restricted access and intrusion prevention mechanisms in place

Specific projects are undertaken in accordance with changing and evolving business requirements in various functional areas. During preparation for elections, the number of projects escalates and additional resources are sourced to service the additional workload. In addition, a number of maintenance and business support processes are executed to effectively support all relevant business processes in the Electoral Commission.

Preparations for NPE 2024 have already commenced and are detailed on the following pages, along with maintenance projects.



## BUSINESS SYSTEMS

### GEOGRAPHIC INFORMATION SYSTEMS

- **Voter district alignment:** Soon after LGE 2021, the Geographic Information Systems (GIS) Unit began with the physical inspection of all 23 148 voting districts to check the quality and correctness of each boundary in relation to the latest aerial imagery. A total of 7 301 minor voter district technical misalignments were picked up, of which 6 024 were updated and 1 277 were referred to the local offices for proposed resolution.
- **Delimitation:** Reviews and updates to the voting districts and voting station network for NPE 2024 commenced in November 2022. A total of 4 500 A1 ward working maps were produced and dispatched to the provinces. Following the consultation on a local level, maps with annotated required changes were returned and GIS applied same to the spatial database
- **Online delimitation:** Further mapping enhancements were done on the Online Delimitation Tool, which was used in parallel with traditional paper-based map delimitation.
- **Offline mobile GIS:** As a first for the Commission, the GIS Unit developed a nationwide offline map that covers South Africa wall-to-wall with a built-in offline address search functionality. The offline map will enable the voter management device (VMD) to give the first-time voter a fully functional mapping experience, even when there is no data coverage, either due to a lack of infrastructure or due to the absence of electricity (loadshedding).
- **GIS API and in-house mapping:** A new reverse geocoding API has been developed with results filtered by distance and address type to improve the accuracy of a returned address. Enhancements are also being applied to the in-house Mapping and Geocoding module, which will, inter alia, feature in the enhancements to the VMD applications, the Voter Portal and The Voter Registration System (VRS), among other applications.

### ELECTORAL APPLICATIONS AND SAP

The following new and enhancement systems were completed during the past financial year:

Project name	System/project description	Enhancements
<b>Electoral Event Management enhancements</b>	Electoral Event Management (EEM) is a system central to all electoral applications, and governs issues such as applicable dates and the delimitation set associated with any event. The latter part also facilitates accurate historical information.	A number of enhancements were required due to the increase in the number of by-elections. This causes overlapping events, which need to be separated.
<b>Intranet Portal rewrite</b>	The Intranet Portal is a central system from which all other internal systems are accessed and information is shared in the organisation.	The portal was one of the older systems in the Electoral Commission and required a rewrite both with respect to its look and feel, and the supporting platform.
<b>Event Evaluation Tool (new)</b>	The Event Evaluation Tool provides a facility for Electoral Commission users to create and evaluate participant responses to various events – online and in person.	The Event Evaluation Tool was created to expand on functionality provided by available commercial systems to allow for in-person event responses to be captured and aggregated. The creation, monitoring and evaluation of events are all built into the system.
<b>SAP – EHP8 migration</b>	SAP is the financial system used at the Electoral Commission.	The EHP8 enhancement pack was required to ensure that the SAP installation at the Electoral Commission remains current. A number of additional functionalities were also made available as part of the upgrade.



The following new and enhancement systems commenced during the year and are in progress:

Project name	System/project description	Enhancements
<b>Electoral Staff System and eRecruitment enhancements</b>	The eRecruitment system and Electoral Staff System deal, respectively, with the recruitment of electoral staff and the contracting, payment and attendance of staff. A VMD application is also available to facilitate the capture of effective staff attendance.	Enhancements to the two systems focus mainly on moving away from paper-based processes to electronic processes, for example, the signing of contracts, updating banking details and recording staff attendance. Numerous other changes will be done to render the administration of electoral staff and interaction with other systems more effective.
<b>Voter Management Device application enhancements</b>	The VMD applications are built on a mobile framework for the 40 000 units at the Electoral Commission and include voter registration and voters' roll applications.	Due to a performance issue regarding the scanning of ID numbers during LGE 2021, the voter registration and voters' roll applications are being rewritten into native Android. In addition, a full offline mapping module is being implemented, which will assist with the accuracy of registrations when connectivity on the devices is problematic.
<b>Outreach Management System enhancements</b>	The Outreach Management System (OMS) is used to create and monitor outreach events. Annual targets are set and progress is captured during the year.	The enhancements include a number of changes with respect to reporting and administration, as well as a VMD application for staff to use in the field.
<b>Logistics Information System enhancements</b>	The Logistics Information System (LIS) facilitates the process of planning materials for all registration and electoral events, as well as issuing materials to the different offices.	The LIS will henceforth be linked to a financial year. Old projects will be archived and notifications sent to relevant stakeholders via SMS when changes are made to the Materials Requirement Plan (MRP).
<b>Online Party Registration System (new)</b>	The Party Registration System (PRS) facilitates the capture of party registration details by Electoral Commission staff.	An online PRS module is being developed for prospective political parties to apply online. Along with that, the existing PRS is rewritten and enhanced in accordance with business requirements.
<b>Candidate Nomination System enhancements</b>	The Candidate Nomination System (CNS) deals with the capture and management of candidates (including an online facility for parties)	In line with changes to the Electoral Act with regard to the inclusion of independent candidates in national and provincial elections, a support signature module is being developed for independents and unregistered parties to capture, upload and verify details of the required number of supporters. The module will be available on the online CNS and link to the internal CNS.
<b>Special Votes Administration enhancements</b>	Special Votes Administration (SVA) facilitates the capture and management of special votes requests	The enhancement broadly entails the administration of pre-applications for section 24A voting, progressive web applications for the administration of home visits and out-of-country voting, home visit staff allocation and the masking of ID numbers on special votes lists.
<b>Ballot Paper Tracking</b>	Ballot Paper Tracking (BPT) comprises an internal system, as well as a VMD application, and tracks ballot papers from production through the various offices to the correct voting station	Lessons learnt from the production process during LGE 2021 led to a number of enhancements and process changes.
<b>Results System enhancements</b>	The NPE Results System manages the capture, monitoring, auditing, exceptions management, objections and seat calculations for national and provincial elections	The inclusion of independent candidates requires substantial changes to the NPE Results System, inter alia, the addition of a third ballot during capturing and auditing, including independent candidates in all seat calculations and a new vacancy module for the management of independents vacating seats during the five-year term.





## ICT OPERATIONS

During the past financial year, the following activities were completed:

Project name	Project description	Status
<b>PBX</b>	Deployment of a new virtual PBX	A new PBX was installed and configured at the National Office and the Provincial Electoral Offices. The implementation to Municipal Electoral Offices is at the planning phase.
<b>Exchange</b>	Stabilisation	Two more servers were added to the Disaster Recovery cluster. The Exchange 2010 migration to Exchange 2016 was completed. The latest updates or patches were applied (Exchange 2016 CU23).
<b>Systems Information and Events Management (SIEM)</b>	Deployment of a new SIEM solution	Commencement with the configuration of the SIEM.
<b>Retire old unsupported systems</b>	Decommission and retire old and unsupported systems	Retired old Windows 2008 servers: Old IBM server hardware. Replaced the unsupported Forefront TMG system with Kemp load-balancing configuration.
<b>Tenable</b>	Deployment of vulnerability assessment software	Installed, configured and deployed Tenable Nessus.
<b>Software renewals</b>	Renewed and configured software subscriptions	<ul style="list-style-type: none"><li>• Symantec Antivirus software</li><li>• Ivanti patch deployment software</li><li>• Check Point Management station</li><li>• DDOS mitigation subscription</li></ul>
<b>Hardware procurement</b>	Procurement and implementation	<ul style="list-style-type: none"><li>• Check Point and FortiGate FW for Disaster Recovery implementation delivered, installed and configured.</li><li>• Kemp load balancers delivered, installed and configured.</li><li>• Procured and distributed 450 laptops.</li></ul>
<b>Telkom network upgrade</b>	Upgrade the current connectivity medium to fibre, Micro Wave and new very small aperture terminal (VSAT) technology	<ul style="list-style-type: none"><li>• 196 sites were migrated from a total of 219.</li><li>• 41 sites were migrated from a total of 79.</li><li>• Eight sites were migrated to the new VSAT technology.</li></ul>
<b>APN SIM card distribution</b>	The provision of SIM cards to staff members for mobile connectivity	Configured and distributed 890 SIM cards across the whole organisation for users to connect to the network through the access point network (APN) when not in the office. This is an extension of the fixed network.
<b>Mobile device management solution</b>	The procurement and implementation of a mobile device management solution	Procured and implemented a mobile device management solution for a three-year period to manage the VMDs.
<b>Old desktop clean up</b>	Formatting of old desktops to be sold to staff members	A total of 1 436 desktops and 287 laptops were formatted.
<b>VPN MFA implementation</b>	The Multifactor Authentication (MFA) for our virtual private network (VPN) was enhanced with the implementation of the SMS one-time password (OTP) in keeping with our Security Policy	The SMS OTP has been implemented to complement the mobile application version.

## BUSINESS CONTINUITY AND HIGH-AVAILABILITY MECHANISMS

During the financial year, ICT continued on its journey to improve and enhance the availability of business applications by introducing the following:

- Set up the Demilitarised Zone (DMZ) at the Disaster Recovery (DR) site so that the public websites can be failed over to the DR site in case of a disaster at the National Office.
- Implement high-availability and automatic failover mechanisms to reduce recovery point objectives (RPOs) (the amount of data that will be lost or will have to be re-entered due to a disaster) and recovery time objectives (RTOs) (the duration of time and service level within which a business process must be restored). Technologies such as Microsoft SQL Always On and the Kemp Global Server Load Balancer mechanism were implemented.
- Add capability and capacity to failover more critical applications such as the VMD applications and Party Funding System (PFS) to ensure business continuity for such applications.

The goal is to further reduce scheduled and unscheduled downtime and increase system availability to beyond the current key performance indicators (KPIs) in line with business and our customers' requirements.

## ICT MODERNISATION

The Electoral Commission has also started on a journey to modernise its application landscape in keeping with available technologies. The following were achieved during the financial year:

- Migration to the Microsoft 365 environment. The project is to be concluded in the new financial year.
- The new intranet was implemented on a SharePoint environment, incorporating document management.
- A new front-end development tool, Blazor, is used for some of the business systems projects.

## GENERAL ICT MAINTENANCE ACTIVITIES

These activities include, but are not limited to the following:

- By-elections support, which includes supporting pre-by-elections voter registration activities, address capture support and investigations, and generating ballot papers and certified voters' rolls for by-elections. On By-election Day, support is provided for the capturing of results and scanning of results slips. The support is concluded with the generation of payment files and reimbursements.
- Ad-hoc data requests: Requests from outside parties are frequently made to the relevant line function departments for information pertaining to various election statistics. Once approved, this information is investigated, interpreted and consolidated by the appropriate ICT team, depending on the nature of the request.
- System investigations and impact analyses regarding new systems, potential changes or enhancements required by line function departments: Subsequent to discussions and/or investigations, project charters are compiled for line functions to capture their requirements, and provide the basis for further action.
- API maintenance and access management for both internal systems and external stakeholders.
- SAP stack maintenance and SAP governance, risk and compliance support pack upgrades are performed.
- Daily system checks are performed in all environments to ensure that all systems are available and stable before the start of business: This includes servers, switches, Storage Area Network (SAN) devices and provincial uninterrupted power supplies (UPSs).
- Backing up all systems according to the schedules set by the organisation and removing tapes off-site on a weekly basis.
- Security monitoring of the ICT infrastructure, which includes malicious code and virus propagation, operating system vulnerabilities and exploits, user activity monitoring, network analysis and monitoring, and daily audit and operational tasks.
- Monitoring all LAN and WAN activity on a daily basis to ensure the provision of high availability and adequate capacity.
- Maintaining a disaster recovery site of all business-critical systems.
- Monthly maintenance weekends during which patches and updates are deployed and systems refreshed.



## PROGRAMME 2: ELECTORAL OPERATIONS

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Programme 2 supports the achievement of Strategic Outcome-oriented Goal 2. Electoral Operations Management provides the strategic management for Programme 2. It encompasses Electoral Matters, and Electoral Logistics and Infrastructure

Electoral Matters facilitates the participation of voters in regular free and fair elections, using sustainable systems, people and processes. Activities include the delimitation of voting district boundaries, the compilation and maintenance of the national voters' roll, and the planning and coordination of activities during registration weekends, on Voting Day and on special voting days, as well as for home visits. The counting of

votes, collation of results and seat calculations are the eventual activities of the Department.

Political Liaison facilitates the participation of parties and independent candidates in regular free and fair elections.

Logistics and Infrastructure provides logistics, warehousing and distribution services, plus infrastructure, including voting stations and municipal electoral offices, and ensures the provisioning of electoral materials and equipment as specified in the Bill of Materials (BOM) for electoral projects.

### STRATEGIC OBJECTIVES

<b>Strategic Objective 2.1</b>	Manage free and fair elections in accordance with the applicable electoral timetables to ensure the efficient and credible execution of the mandate of the Electoral Commission.
<b>Strategic Objective 2.2</b>	Maintain an accurate national common voters' roll to ensure the credibility of elections.

## STRATEGIC OBJECTIVES, KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

No.	Outcome	Outputs	Output indicators	Audited/ actual performance 2020/21	Audited/ actual performance 2021/22	Planned annual target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
2.1.1	Free and fair elections delivered	Manage free and fair elections in accordance with the applicable electoral timetables to ensure the efficient and credible execution of the mandate of the Electoral Commission	Percentage of elections set aside	(None)	One election set aside	0%	0%	0%	Target achieved
2.1.2		Maintain a credible national voters' roll that is cutting-edge technology	Number of registered voters as at 31 March each year	25 802 362	26 096 884	26 180 000	26 048 668	(131 332)	Target not achieved. The variance is largely ascribed to the 2021/22 gap, which resulted in a reduced baseline and there being no voting station-based registration drives in 2022/23 owing to the period being a non-election period.

## ELECTORAL MATTERS

### VOTING DISTRICT DELIMITATION

The Electoral Act requires of the Electoral Commission to compile and maintain a national common voters' roll. Voters are required to register to vote in a voting district of a ward in which they are "ordinarily resident", i.e. the place to which a voter returns after a temporary absence. Each voting district is serviced by one voting station. Voters are required to register and then vote in the voting district in which they live. On Voting Day, a voter will find their name only on the unique voting district portion of the national voters' roll at their voting station. Voters are required to register in a voting district of a ward of ordinary residence for three main reasons:

- Ensure that voters have convenient access to voting stations and do not have to wait for too long in queues to vote.

- Ensure that voters do not vote more than once in an election.
- Assist the Electoral Commission with efficient administrative planning of elections.

The national common voters' roll used in the 2021 municipal elections contained 23 148 voting districts, which were serviced by 23 148 voting stations. During the period under review, preparations were made for the review of the delimitation of voting districts ahead of NPE 2024. However, changes to the delimitation of voting districts and voting stations for NPE 2024 are scheduled to occur in 2023/24.

The number of voting districts as at 31 March 2022, compared with the number of voting districts at 31 March 2023, is shown in the table below.

### CHANGE IN THE GEOGRAPHY OF VOTING DISTRICTS: 31 MARCH 2022 TO 31 MARCH 2023

Province	Number of voting districts: 31 March 2022	Number of voting districts: 31 March 2023
Eastern Cape	4 809	4 809
Free State	1 564	1 564
Gauteng	2 815	2 815
KwaZulu-Natal	4 940	4 940
Limpopo	3 186	3 186
Mpumalanga	1 786	1 786
North West	1 743	1 743
Northern Cape	728	728
Western Cape	1 577	1 577
<b>Total</b>	<b>23 148</b>	<b>23 148</b>

While the Electoral Commission is responsible for the delimitation of voting district boundaries as a means of maintaining the national voters' roll, the Municipal Demarcation Board (MDB) is responsible for demarcating (outer) municipal boundaries and delimiting ward boundaries.

In February 2023, the MDB re-determined the (outer) municipal boundaries of 74 municipalities.

The Electoral Commission was then responsible for assessing whether these re-determined municipal boundaries materially impacted on the representation of voters in the relevant municipal councils, and for publishing its view in the relevant provincial government gazettes. The Commission indicated that none of the municipal boundary changes materially impacted on voter representation in the municipal councils concerned.



## BY-ELECTIONS

A total of 120 by-elections to fill municipal vacancies were conducted during the year. This was comprised of 81 ward vacancies, and 19 proportional representation (PR) vacancies and 20 ward vacancies following the dissolution of the Ditsobotla Local Council. The table below provides a historical overview of the number of by-elections held each year since 2009/10.

### COMPARISON OF TOTAL NUMBER OF BY-ELECTIONS ACROSS FINANCIAL YEARS

Financial year	Total number of by-elections
2009/10	139
2010/11	126
2011/12	76
2012/13	63
2013/14	134
2014/15	228
2015/16	93
2016/17	25
2017/18	131
2018/19	100
2019/20	144
2020/21	133
2021/22	66
2022/23	120

The number of by-elections conducted in 2022/23 (120) shows an increase compared with the previous period of 2021/22 (66). Over the past 14-year period, the average number of by-elections per year stands at 112. The number of by-elections during 2022/23 (120) is thus higher than the 14-year average and is attributed to the dissolution of the Ditsobotla Local Council.

Ward vacancies are required by law to be filled within 90 days of the date on which the vacancy occurs. All 120 ward vacancies were filled within 90 days.

The reasons for the 120 ward vacancies in the period under review are shown below.

### REASONS FOR BY-ELECTIONS IN 2022/23

Reason for by-election	Number (and percentage) of by-elections
Dissolution of municipal council	39 (32%)
Death of councillor	38 (32%)
Resignation of councillor	25 (21%)
Expulsion or termination of membership from party of councillor	17 (14%)
Election set aside by court of law	1 (1%)
<b>Total</b>	<b>120 (100%)</b>

Details of the by-elections conducted, as well as the number of associated voting districts and registered voters, are presented on the following page.

## NUMBER OF BY-ELECTIONS FROM 1 APRIL 2022 TO 31 MARCH 2023

Province	Number of by-elections	Number of voting districts	Number of wards	Number of registered voters
Eastern Cape	13	65	13	61 164
Free State	0	0	0	0
Gauteng	6	23	6	53 861
KwaZulu-Natal	26	148	26	173 594
Limpopo	4	18	4	18 365
Mpumalanga	14	66	14	69 262
North West	40	102	21	72 522
Northern Cape	5	18	5	14 778
Western Cape	12	51	12	91 903
<b>Total</b>	<b>120</b>	<b>491</b>	<b>101</b>	<b>555 449</b>

In terms of the Local Government Municipal Electoral Act, the Electoral Commission is required to announce election results within seven days of an election. The results of all 120 by-elections were announced within seven days of the by-elections, with all 120 by-elections results announced the day after the by-elections.

## VOTERS' ROLL AND REGISTRATION STATISTICS

A voters' roll is the cornerstone for free and fair elections. The Electoral Commission is enjoined to compile and maintain a national common voters' roll through a process of registering eligible persons. This is so because the right to vote includes the responsibility on the part of citizens to register as voters. The Electoral Commission undertakes a programme of registering new voters, affording platforms to already registered voters to inspect and update their details and conducting quality assurance processes on the entire voters' roll in line with that obligation.

At the commencement of the reporting period on 1 April 2022, there were 26 103 641 voters on the

voters' roll. On 31 March 2023, which is the end of the reporting period, the voters' roll reflected 26 048 668 voters, which translates into a decline of 0.21%. In years where there are no elections, the voters' roll experiences a net decline owing to rate of attrition (30 000 deaths monthly), de-registration as a voter, persons losing citizenship status. In the year 2021/2022 there was only one registration weekend which was also organised under the then prevailing COVID-19 conditions that militated against communal activity. The yield in registrations in the year 2021/2022 was such that it did not offset the negative movement and thus resulted in a low base for the year 2022/2023. Again, year 2022/2023 was a non-election year and no voting station based registration drives were organised.

While most provinces recorded marginal growth in registered population the three provinces of Limpopo, North West and Mpumalanga recorded declines on their respective segments. There is a well-established correlation between decline on the roll and the rate of mortality. The provincial representation of the voters' roll is depicted in Table 5 below.

## CHANGES TO THE VOTERS' ROLL: MARCH 2022 TO MARCH 2023

Province	Mar-22	Mar-23	Change	% Change
Eastern Cape	3 233 359	3 222 481	10 878	0,34%
Free State	1 403 060	1 394 972	8 088	0,58%
Gauteng	6 165 711	6 123 140	42 571	0,69%
KwaZulu-Natal	5 444 701	5 430 524	14 177	0,26%
Limpopo	2 580 971	2 599 691	-18 720	-0,73%
Mpumalanga	1 895 920	1 899 221	-3 301	-0,17%
North West	1 661 006	1 672 104	-11 098	-0,67%
Northern Cape	619 346	614 005	5 341	0,86%
Western Cape	3 092 810	3 085 819	6 991	0,23%
Out of Country Voting	6 757	6 711	46	0,68%
<b>Grand Total</b>	<b>26 103 641</b>	<b>26 048 668</b>	<b>54 973</b>	<b>0,21%</b>

Negative sign denotes provinces that recorded decline in voter population



FIGURE 1: CHANGES TO THE VOTERS' ROLL BY PROVINCE (PERCENTAGE)

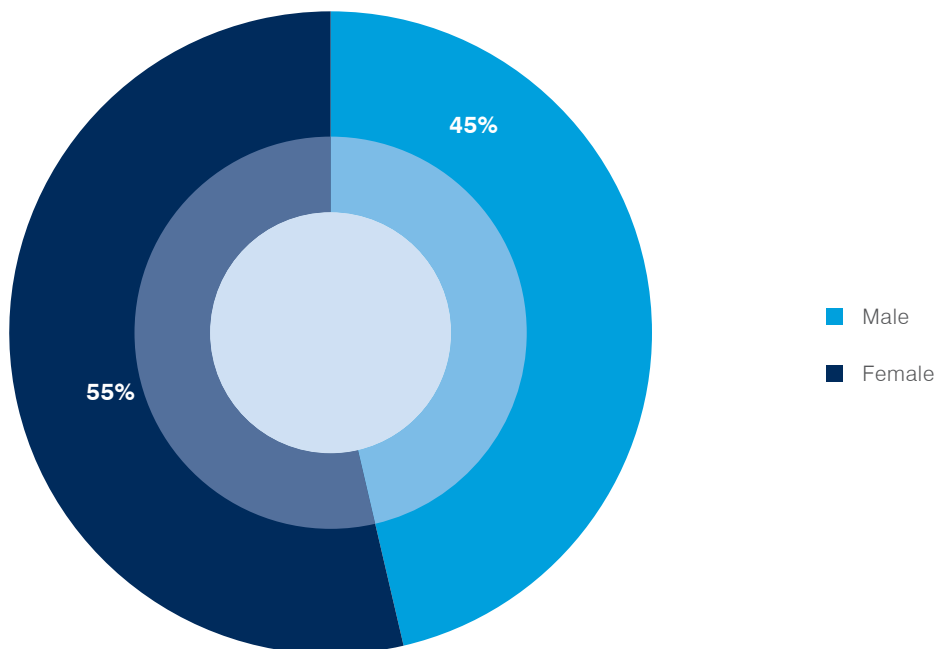


Females are still the predominant gender on the voters' roll with total registered voters constituting 55, 27 % or 14 396 446 out of 26 048 668 voters. Table 6 gives a breakdown of the registered voters by province and by gender for the reporting period. Figure 2 provides the percentage gender split overall.

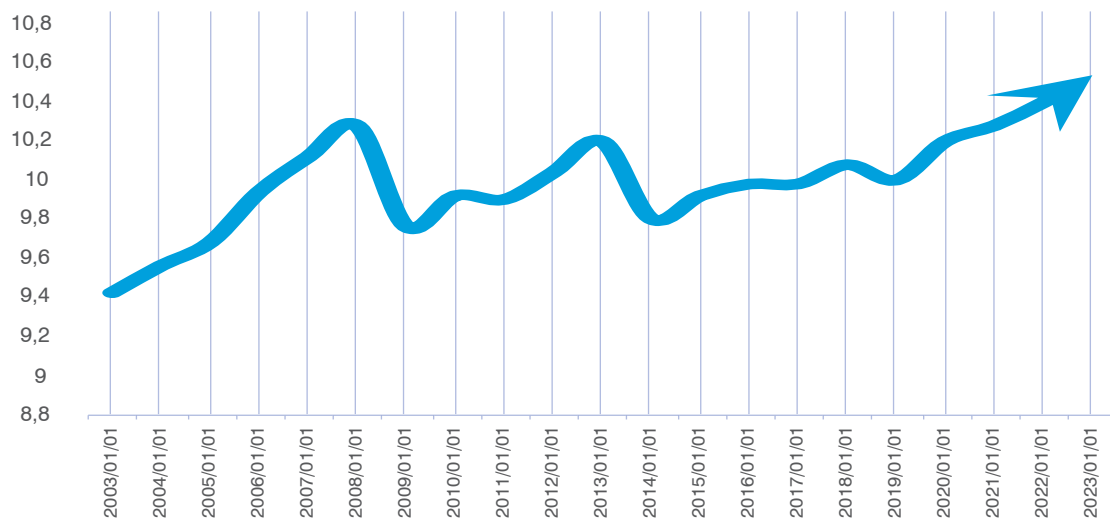
Figure 3 is a trajectory of female voter registrations against their male counterparts over 20 years expressed as a percentage. Beyond maintaining predominance, females are also widening the disparity in terms of gender representation on the voters' roll.

#### REGISTERED VOTERS BY PROVINCE AND GENDER AS AT THE END OF MARCH 2023

Province	F	M	Grand Total
Eastern Cape	1 842 157	1 380 324	3 222 481
Free State	773 415	621 557	1 394 972
Gauteng	3 209 634	2 913 506	6 123 140
KwaZulu-Natal	3 070 338	2 360 186	5 430 524
Limpopo	1 531 561	1 068 130	2 599 691
Mpumalanga	1 042 321	856 900	1 899 221
North West	885 667	786 437	1 672 104
Northern Cape	330 487	283 518	614 005
Western Cape	1 707 360	1 378 459	3 085 819
Out of Country Voting	3 506	3 205	6 711
<b>Grand Total</b>	<b>14 396 446</b>	<b>11 652 222</b>	<b>26 048 668</b>



#### REGISTERED VOTERS BY GENDER (PERCENTAGE)



## PERCENTAGE GAP OF TOTAL FEMALE VOTER REGISTRATIONS AGAINST MALES OVER TWO DECADES.

The trend of older voters constituting the biggest proportion of voters on the voters' roll persists, even with South Africa increasingly being a youthful country. Figure 4 and Table 7 depicts the age cohort 30–39 years as enjoying the greatest representation on the voters' roll, followed by 40-49 voters. The Electoral Commission is resolved to persist with strategies targeted at the youth with a view to further invert the under-representation of persons in

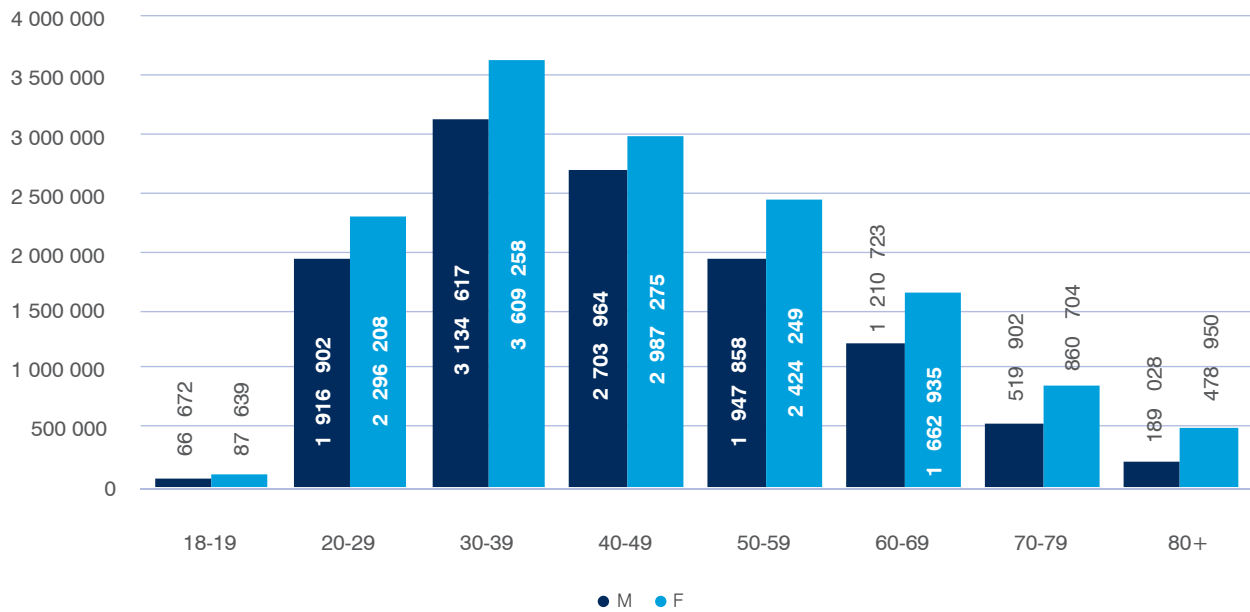
the age bands 18–29 years.

In terms of total voter registration activity for the period under review, a total of 633 314 registrations were processed of which 59% are new entrants on the roll. It is worth noting that, the Voter Management Device (VMD) is the prevalent modality of registration. See Table 4 and Figures 5 and 6.

## REGISTERED VOTERS BY AGE AND GENDER AS AT THE END OF MARCH 2023

Sum of Registered Population		Gender	
Age Category	F	M	Grand Total
18-19	87 639	66 672	154 311
20-29	2 296 208	1 916 902	4 213 110
30-39	3 609 258	3 134 617	6 743 875
40-49	2 987 275	2 703 964	5 691 239
50-59	2 424 249	1 947 858	4 372 107
60-69	1 662 935	1 210 723	2 873 658
70-79	860 704	519 902	1 380 606
80+	478 950	189 028	667 978
<b>Grand Total</b>	<b>14 407 218</b>	<b>11 689 666</b>	<b>26 096 884</b>

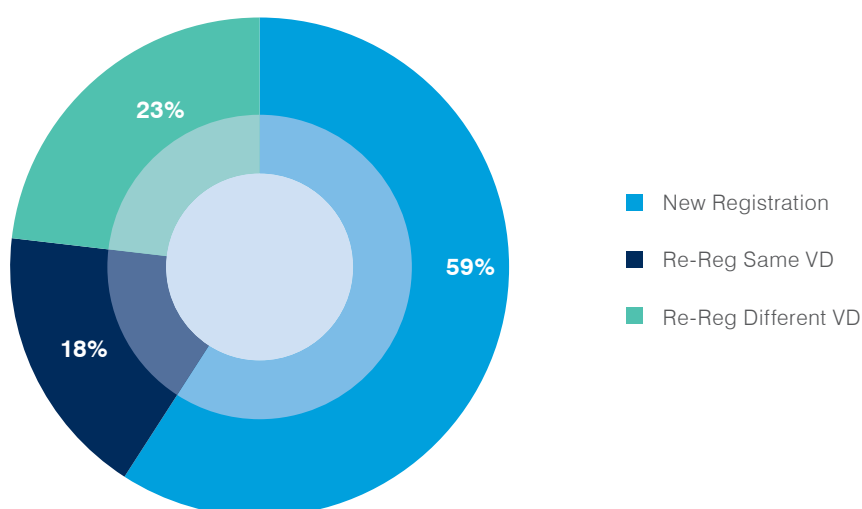




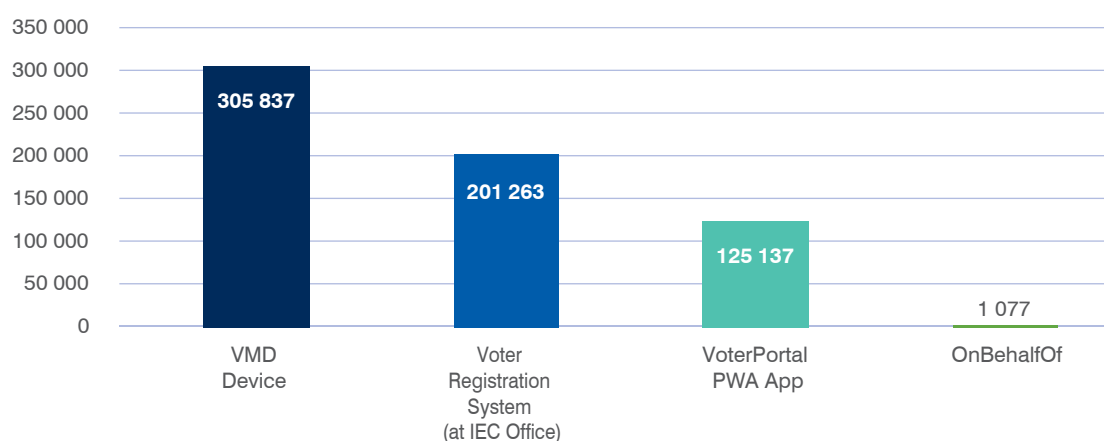
## TOTAL VOTER REGISTRATION ACTIVITY

In terms of total voter registration activity for the period under review, a total of 633 314 registrations were processed of which 59% are new entrants on the roll. It is worth noting that, the Voter Management Device (VMD) is the prevalent modality of registration. See Table 8 and Figures 5 and 6.

Voter Registration Modalities	New Registration	Re-Reg Same VD	Re-Reg Different VD	Grand Total
VMD Device	211 870	48 925	45 042	305 837
Voter Registration System (at IEC Office)	102 251	49 060	49 952	201 263
VoterPortal PWA App	59 474	14 221	51 442	125 137
OnBehalfOf	775	85	217	1 077
Grand Total	374 370	112 291	146 653	633 314



### TOTAL VOTER REGISTRATION ACTIVITY (PERCENTAGE)



### ADDRESSES ON THE VOTERS' ROLL

Since the order of the Constitutional court in the Mhlophe matter an address of a voter on the voters' roll has been elevated to almost a condition precedent to free and fair elections. When the order was handed down only 34% of voters had addresses on the voters' roll. The component of voters appearing on the roll without an address or sufficient details linked to the ward of registration has decreased substantially since as can be seen in Table 9. The focus in the reporting period and going

forward is the quality assurance to ensure that the addresses and or sufficient particulars bear a nexus to the ward in which the voter is registered. In the reporting period, about 20 million addresses on the voters' roll have been assessed for correctness in relation to the ward segment in which they appear. Following the assessment, areas of improvement have been identified and projects to remedy the defects are planned for the upcoming financial year.

## NO ADDRESS PER PROVINCE AS AT THE END OF MARCH 2023

Province	Has Voters' Roll Address	No Voters' Roll Address	Grand Total
Eastern Cape	3 119 103	103 378	3 222 481
Free State	1 316 074	78 898	1 394 972
Gauteng	5 786 380	336 760	6 123 140
KwaZulu-Natal	5 285 311	145 213	5 430 524
Limpopo	2 527 574	72 117	2 599 691
Mpumalanga	1 793 759	105 462	1 899 221
North West	1 609 749	62 355	1 672 104
Northern Cape	596 635	17 370	614 005
Western Cape	3 045 708	40 111	3 085 819
Out of Country Voting		6 711	6 711
<b>Grand Total</b>	<b>25 080 293</b>	<b>968 375</b>	<b>26 048 668</b>

## REGISTRATION OF POLITICAL PARTIES

The electoral scheme requires a political party to be registered before it can contest elections. The Electoral Commission is the registrar of political parties, and for this reason, maintains a register of all registered political parties. In the reporting period, 21 new political parties were registered. This brings the register of parties to 537 political parties with 322 registered nationally, 1 at the provincial level and 214 registered at the municipal level.

Registration at the national level entitles a party to contest all elections anywhere in the Republic, parties registered provincially can contest any elections within a particular province, this would include elections for the provincial legislature, district, metropolitan and local councils in that particular province. District registration level will allow a registered political party to contest any elections within a particular district municipality and all local municipalities in the district. Parties registered at the metropolitan level will only be allowed to contest elections in that particular metropolitan municipality.

Of the total of 537 registered political parties, 167 enjoy representation in some form in one or a combination of the three legislative bodies (National Assembly, Provincial Legislature and Municipal Council).

## PROPORTIONAL REPRESENTATION REPLACEMENTS

The Local Government Municipal Structures Act prescribes that a councillor elected on a Proportional Representative (PR) basis from a party list onto a local council and who ceases to hold office must be replaced from that party's reserve list of candidates. The CEO must declare, in writing, the person at the top of the party's list of candidates as elected. A party may amend its candidate list within 21 days of the vacancy occurring. The person at the top of the candidate list must be declared elected within 14 days after the expiration of the 21 days.

For the period under review, 322 PR councillors were replaced. The provinces of Gauteng and KwaZulu-Natal accounted for most of the replacements, while the North West had the least PR replacements.

## BREAKDOWN OF PR REPLACEMENTS PER MONTH PER PROVINCE

Period	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	Total
April 2022	8	3	0	2	1	2	6	2	1	25
May 2022	6	3	3	10	1	3	4	2	0	32
June 2022	3	0	6	4	0	7	1	2	9	32
July 2022	4	4	3	3	4	1	4	1	1	25
August 2022	3	3	5	7	0	2	2	1	3	26
September 2022	2	1	9	3	3	3	0	2	1	24
October 2022	2	1	4	3	2	2	3	2	5	24
November 2022	5	1	2	9	0	0	6	0	1	24
December 2022	3	1	0	1	2	1	2	2	3	15
January 2023	5	1	1	6	4	2	3	1	5	28
February 2023	2	1	12	4	4	3	3	2	2	33
March 2023	2	3	7	5	2	1	4	2	8	34
<b>Total</b>	<b>45</b>	<b>22</b>	<b>52</b>	<b>57</b>	<b>23</b>	<b>27</b>	<b>38</b>	<b>19</b>	<b>39</b>	<b>322</b>

The table below compares the number of PR councillors replaced since 2021 and points to a decreasing trend between March 2022 and March 2023.

## COMPARISON OF PR COUNCILLOR REPLACEMENT PER PROVINCE SINCE 2021

Province	March 2021	March 2022	March 2023
Eastern Cape	69	49	45
Free State	25	38	22
Gauteng	30	48	52
KwaZulu-Natal	53	62	57
Limpopo	33	45	23
Mpumalanga	47	35	27
North West	26	21	38
Northern Cape	22	18	19
Western Cape	46	61	39
<b>Total</b>	<b>351</b>	<b>377</b>	<b>322</b>

## ELECTIONS LOGISTICS AND INFRASTRUCTURE

### ELECTION LOGISTICS

#### Electronic support systems

The Electoral Commission's Logistics Information System (LIS) is a computerised system that underpins the planning, monitoring, management and control of electoral material in the Electoral Commission. A comprehensive Bill of Materials (BOM) is created for each electoral event. By registering the BOM on the LIS, detailed Materials Requirement Plan (MRP) lists are produced to enable the accurate procurement, distribution and allocation of electoral material per province, municipality and voting district. The LIS information is accessible internally at all levels of the organisation (national, provincial and municipal), thus providing a transparent planning and monitoring process.

#### Logistical support for by-elections

By-elections were supported throughout the year with logistics and materials. The Ballot Paper Generation (BPG) system creates the images of individual ballot papers and result slips for each ward by-election. These are printed in the correct controlled quantities. For each by-election a BOM and an MRP were created for each ward on the LIS. The general material supply chain for by-elections was managed, including the procurement, quality control, distribution and overall monitoring of

electoral material. All inventories were replenished on time and within budget.

#### Distribution network

The Electoral Commission's logistics distribution network consists of 11 warehouses: two central warehouses controlled from the National Office and one warehouse in each of the nine provinces. One of the central warehouses is a dedicated nodal point for the fleet of voter management devices (VMDs). The VMDs are maintained centrally and distributed to provincial warehouses in preparation for election events. Minimal permanent resources are maintained in support of this distribution network in the interests of cost containment. Contracted-in resources, such as human capacity and vehicles, are utilised as and when needed at the appropriate scale. These resources and support activities are scalable to handle the logistical demands of the various election cycles.

#### Voting station infrastructure

A voting station is a prism through which the voting public formulates perceptions about the performance of the Electoral Commission. Fixed and permanent structures, especially schools, remain the preferred venues that serve as voting stations. The table on the opposite page illustrates a slight decrease in the use of schools as preferred voting stations. It further illustrates a decrease in the number of temporary voting stations.

### TYPES OF VOTING STATIONS AS AT 31 MARCH 2023

Voting stations	NPE 2014	LGE 2016	NPE 2019	LGE 2021	Status at end of 2023	Percentage shift from LGE 2021
Total voting districts	22 263	22 612	22 924	23 148	23 148	0%
Permanent/schools	14 458	14 572	14 375	14 626	14 604	0.15%
Temporary voting districts	1 495	1 228	1 046	1 125	1 074	4.53%
Mobiles	32	32	29	30	28	6.67%



The Electoral Commission continues to drive a concerted effort to reduce the use of temporary facilities, as these have security and other implications for election administration and create a negative experience for the voting public. The use of temporary facilities has been reduced over successive electoral

cycles, except for LGE 2021, when a marginal increase was recorded, primarily because of the withdrawal of their use by certain landlords over Covid-19-related concerns. However, during the period under review, the number of temporary facilities dropped back to the pre-LGE 2021 trend.

## PERCENTAGE CHANGE IN THE USE OF TEMPORARY VOTING FACILITIES PER PROVINCE

Province	NPE 2014	LGE 2016	NPE 2019	LGE 2021	Status at the end of 2023	Percentage shift from LGE 2021
Eastern Cape	174	161	119	118	118	0%
Free State	212	189	148	179	179	0%
Gauteng	455	327	295	271	239	-11.80%
KwaZulu-Natal	167	133	116	154	146	-5.19%
Limpopo	202	145	138	152	152	0%
Mpumalanga	76	82	65	73	66	-9.58%
North West	120	115	126	134	130	-2.98%
Northern Cape	28	26	4	7	7	0%
Western Cape	61	50	35	37	37	0%
<b>Total</b>					<b>1 074</b>	

Regular surveys of the voting station network are conducted countrywide to keep abreast of key infrastructural developments. Continued emphasis is given to improving the quality of data available on the voting station database, which is used to inform infrastructure initiatives and programmes.

Each of the 23 148 voting stations is inspected in advance of an electoral event to confirm the presence of key infrastructure and facilities, including electricity, telecommunications, water,

sanitation, furniture and disability-friendly access. Where necessary, temporary infrastructure will be arranged and applied for the duration of the election events.

The table on the following page illustrates the continuous decrease in voting stations without amenities. This speaks to the incremental improvements of voting stations and the resultant convenience to voters.

## VOTING STATION FACILITIES AND AMENITIES AS AT MARCH 2023

Facilities	NPE 2014	LGE 2016	NPE 2019	LGE 2021	2023	Percentage shift from LGE 2021
Without electricity	3 008	3 003	2 699	2 055	2 024	-1,50%
Without water	2 626	3 140	3 010	2 237	2 209	-1,25%
Without sanitation	1 952	2 127	2 173	1 642	1 609	-2%
Without cell coverage	101	93	76	62	62	0%

Since the majority of venues are schools, in order to stabilise and improve the voting station network, the Electoral Commission has formed long-term strategic partnerships with public and private bodies such as the Department of Basic Education, the Department of Public Works and Infrastructure, the Department of Water Affairs and Sanitation, Eskom and the GSM network operators. Initiatives involving these partners are aimed at improving the infrastructure at these voting stations by prioritising them for infrastructure enhancements and upgrades.

## LOCAL MUNICIPAL OFFICE INFRASTRUCTURE

The Electoral Commission maintains a footprint of over 269 local offices in 213 municipalities throughout the country to provide services to the

public and to deliver election projects at a local level. The Electoral Commission continues to benefit from cooperation extended by municipal councils in support of the democracy project. One such benefit relates to the Electoral Commission's appointment of local representatives, known as municipal electoral officers (MEOs), for each of the 213 municipalities. Municipal electoral officers are typically suitably qualified senior municipal employees, who assume the responsibility for providing election-related assistance in their specific municipal areas. They facilitate cooperation between the Electoral Commission and their respective municipalities, and promote the functional relationship between the Electoral Commission and the municipality in the registration of voters, the management of elections and the provision of amenities to support electoral processes. The MEOs are not, however, directly involved in day-to-day operational matters.

## LOCAL OFFICE FOOTPRINT STATISTICS AS AT MARCH 2023

Province	Number of local offices (including sub-offices)	Commercial offices	Municipal offices with free rental	Municipal offices with rental payable	Prefabricated offices (vacant land with free rental)	Prefabricated offices (vacant land with rental payable)
Eastern Cape	40	35	1	1	0	3
Free State	23	7	16	0	0	0
Gauteng	37	5	21	10	1	0
KwaZulu-Natal	48	9	4	24	6	5
Limpopo	24	8	4	5	2	5
Mpumalanga	21	9	10	0	2	0
North West	19	10	0	4	2	3
Northern Cape	27	16	0	6	0	5
Western Cape	30	22	3	5	0	0
<b>Total</b>	<b>269</b>	<b>121</b>	<b>59</b>	<b>55</b>	<b>13</b>	<b>21</b>

The figures on the previous page represent the following in respect of the Electoral Commission's local office dispensation:

- Municipal buildings (free rental) 20%
- Municipal buildings (rental payable) 27%
- Commercial buildings 54%

Current reliance on municipal properties for offices of the Electoral Commission constitutes around 55%. Increasingly, municipal councils are no longer extending office accommodation to the Electoral Commission given their own operational requirements. This is demonstrated by a 26% increase in commercial offices between 2010 and

2023. In 2010, commercial leases represented 28% of the network of local offices. At the end of 2023, the figure stood at 54%. The trend is intractable and is expected to persist in the medium term.

The Electoral Commission is considering interventions to obviate the challenges of procuring office accommodation, especially in underdeveloped and rural areas. This is particularly urgent given the rate of procurement failure related to local office accommodation.



## PROGRAMME 3: OUTREACH

Programme 3 supports the achievement of Strategic Outcome-oriented Goal 3. Outreach encompasses Civic and Democracy Education, Stakeholder Engagement, Research and Knowledge Management, Communication and Media Relations.

Civic and Electoral Democracy Education informs and educates the public on electoral democracy with a view to strengthening participation in electoral processes.

Stakeholder Engagement seeks to establish and maintain open and fruitful relationships with key stakeholders internationally and nationally to promote collaboration and partnerships in support of shared objectives.

Research and Knowledge Management collects, collates and analyses data to inform organisational planning and other strategic decision-making

processes. This includes tracking emerging trends (perceptions and attitudes) in the social context that assists the Electoral Commission to plan and determine its response. It considers the latest developments in democratic elections administration. Knowledge Management also performs an important archiving function within the organisation.

Communication and Media Relations actively supports the efforts to strengthen electoral democracy and ensure free and fair elections through strategic communication with all stakeholders, including registered and eligible voters, political parties and candidates, the media and other key stakeholder groups. It seeks to ensure a high level of knowledge and understanding of the electoral democracy processes and the ongoing work to enhance the Commission's reputation.

## STRATEGIC OBJECTIVES

<b>Strategic Objective 3.1</b>	Encourage the electorate's engagement with and participation in electoral processes to facilitate the right to vote as enshrined in the Constitution.
<b>Strategic Objective 3.2</b>	Achieve a low rate of spoilt ballots as a measure of the effectiveness of civic and democracy programmes.
<b>Strategic Objective 3.3</b>	Enhance the Electoral Commission's reputation as a credible and trustworthy electoral management body.
<b>Strategic Objective 3.4</b>	Provide thought leadership in the field of electoral management and related fields as per Vision 2018 in order to strengthen electoral democracy.

## STRATEGIC OBJECTIVES, KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

No.	Outcome	Outputs	Output indicators	Audited/ actual performance 2020/21	Audited/ actual performance 2021/22	Planned annual target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
3.1.1	Informed and engaged citizens and stakeholders in electoral democracy	Provide research and thought leadership to strengthen electoral democracy	The number of research initiatives achieved per annum	0	3	3	2	1	Target not met due to outstanding research.
3.1.2			The number of thought leadership interactions achieved per annum	4	10	10	11	1	Target achieved and exceeded due to an additional thought leadership event.
3.1.3		Actively promote and foster awareness and participation in electoral processes through civic and democracy education (CDE) programmes	The number of face-to-face CDE events held per annum	13 036	42 619	40 000	49 687	9 687	Target achieved and exceeded due to additional resourcing of capacity to mitigate the risk of underperformance as a result of a revised target.
3.1.4		Interact with domestic, regional and international stakeholders to build an understanding of the Electoral Commission's role in delivering credible elections	Number of meetings Electoral Commission holds with key stakeholders per annum	70	55	10	110	100	Target achieved and exceeded.



No.	Outcome	Outputs	Output indicators	Audited/ actual performance 2020/21	Audited/ actual performance 2021/22	Planned annual target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
3.1.5	Informed and engaged citizens and stakeholders in electoral democracy	Advance and promote electoral processes through communication campaigns on diverse platforms to sustain visibility across the electoral cycle	Recorded reach across multimedia communications platforms (digital, television, print, radio and out-of-home)	New	Facebook – 36 952 653 Twitter – 2 950 332 YouTube – 58 265 162 Google AdWords – 5 069 419 SMS – 3 368 411 Please Call Me – 165 035 871 Television – 25 155 000 Radio listeners – 32 132 000 Print – 16 553 000 Billboards – 238 Street pole posters – 13 232 012 Transit TV – 4 294 Commuter transport – 50 long-distance buses	4 million Facebook impressions 20 000 Twitter ad reach 200 000 YouTube ad views 2 million impressions on Google AdWords 200 000 SMSs sent 15 million callbacks 600 000 TV viewers 500 000 radio listeners 600 000 readers and out-of-home 15 billboards 18 000 street pole posters 200 transit TV screens commuter transport 2 long-distance buses	26 817 157 Facebook impressions 1 778 140 Twitter ad reach 299 349 YouTube ad views 2 613 978 Google AdWords 2 341 861 SMSs sent 12 114 802 callbacks 11 915 000 TV viewers 22 652 000 radio listeners 914 000 readers 15 billboards 18 000 street pole posters 856 TV screens 2 bus backs	22 877 157 Facebook impressions 1 758 140 Twitter ad reach 99 349 YouTube ad views 613 978 Google AdWords 2 141 861 SMSs sent (2 885 198) callbacks 11 315 000 TV viewers 22 152 000 radio listeners 314 000 readers 0 0 656 TV screens	Overall target not achieved. The target for the number of callbacks received was not achieved. The service provider's monitoring tool for reporting purposes has been severely affected by the intermittent electrical power issues.

## CIVIC AND DEMOCRACY EDUCATION

Civic education is an ongoing programme through the Electoral Commission's various outreach projects, which are carried out in schools and institutions of higher learning, in communities, at non-formal education locations, and in partnership with civil society organisations and other key stakeholders. It includes improving the election environment before each election cycle to create a climate that is conducive to free and fair elections.

Civic and democracy education (CDE) refers to the ongoing dialogue and discourse about broad concepts of a democratic society and citizen participation, with a broad focus on the Constitution, human rights and democracy. It aims to foster participation in electoral democracy. The Electoral Commission has long been focused on ongoing civic and democracy education to enable an enduring democratisation process, affirming

elections as continuous processes rather than isolated events.

## COMMUNITY OUTREACH AND MOBILISATION

A key performance indicator is to actively promote and foster awareness and participation in electoral processes through civic and democracy education programmes. In order to assess our performance for this indicator, an annual target of 40 000 CDE events was set.

Through the various CDE interventions conducted in 2022/23, the target was exceeded by 9 687, giving a total of 49 687 CDE events. The provincial distribution of this performance took into account the general population, the youth population, the number of schools, number of voting districts and number of registered and eligible voters per province.

Province	Number of regions	Target	Actual
Eastern Cape	8	5 124	5 868
Free State	5	2 960	3 521
Gauteng	5	7 668	9 251
KwaZulu-Natal	11	6 852	7 788
Limpopo	5	4 756	6 074
Mpumalanga	3	2 812	3 205
North West	4	3 568	5 419
Northern Cape	5	2 020	2 607
Western Cape	6	4 240	5 954
<b>Total</b>	<b>52</b>	<b>40 000</b>	<b>49 687</b>

## CAPACITY BUILDING PROGRAMME 2022/23

A key project for 2022/23 was to develop and implement a training programme for permanent employees involved in promoting civic and voter education on a continuous basis at all levels of the organisation. Phase 1 targeted local electoral project officers (LEPOs), while Phase 2 targeted regional outreach officers (ROOs) and regional assistant managers (RAMs).

The Electoral Commission approached the Hanns Seidel Foundation's Civics Academy to partner on the training project. This is an independent, not-for-profit online education initiative in South Africa. The organisation covers educational content related to

democracy, governance, elections, political parties, the justice system, the Constitution, economics, civil society, human rights and the environment. A three-year agreement was concluded between the two organisations. Training commenced with Phase 1 from August to October 2022, and Phase 2 from February to March 2023. Both phases of the training programme ran successfully and received positive feedback from the participants.

The training content comprised the following:

- Why is civic education important?
- What is a constitution (including the Rule of Law)?
- The Bill of Rights
- Governance (including the separation of powers)

- Local government
- Citizen participation
- Elections

This first of its kind CDE capacity building project included supplementary sessions where staff from different departments and provinces that do not work directly on CDE/outreach projects were trained. The programme benefitted these staff in terms of deepening their understanding of the electoral environment and outreach programmes overall. All participants received certificates of participation, which also counted towards their Individual Development Plan (IDP) for 2022/23.

### SCHOOLS DEMOCRACY PROGRAMME

One of the challenges for electoral democracy is to get the youth to register and vote. The largest proportion of unregistered voters is found among the young voters of the age cohort 16–19 years. This affirms the focus on youth during registration and voting. Initiatives such as the Schools Democracy Programme (SDP) set out to address the profound challenge of increasing the youth vote and ensuring a culture of voting among youth.

The Electoral Commission entered into a partnership with the Department of Basic Education (DBE) to educate and empower learners to understand and participate in the democratic process and electoral democracy processes. As part of the project, which was in its ninth year in 2022, thousands of learners in schools across South Africa engaged in civic and democracy education and voter registration activities. The Memorandum of Understanding (MoU) between the Electoral Commission and the DBE continues to be a key enabling tool for the implementation of the SDP.

The SDP starts in April each year, with the focus week coinciding with Freedom Day on 27 April, marking the first democratic elections in the country. The annual programme was launched at Rekgaratlhile High School in Kuruman in the Northern Cape on 22 April 2022. The national launch event was followed by provincial launch events and visits to schools across the country between April and September to reach thousands of learners.

A summary of the total reach is given in the table below, which includes the number of schools visited, the number of learners reached and the number of learners registered on the voters' roll as reported by the provinces.

Province	Number of general education and training schools reached	Number of further education and training schools reached	Number of learners reached	Number of learners registered
Northern Cape	67	113	11 264	530
Free State	3	67	5 158	249
KwaZulu-Natal	410	85	13 619	5 626
Western Cape	12	85	5 021	628
Mpumalanga	85	124	31 089	500
North West	59	112	7 669	976
Limpopo	20	408	38 487	14 741
Eastern Cape	78	180	27 923	5 008
Gauteng	18	87	17 949	2 191
<b>Total</b>	<b>752</b>	<b>1 261</b>	<b>158 179</b>	<b>30 449</b>

In 2021, under Covid-19 restrictions, the programme reached 1 383 schools and 75 360 learners and 5 239 voters were registered. Indeed, the improved climate under which the 2022 programme was carried out enabled the significant rise in numbers.

## TERTIARY INSTITUTIONS PROGRAMME

The primary aim of the Tertiary Institutions Campaign programme is to instil a culture of democracy and active citizenry in young citizens, targeting students at tertiary institutions to enhance their participation in elections. The goals of the campaign included the following:

- Promote CDE within institutions of higher learning
- Engage students' views about democracy and elections on a formal platform
- Promote online voter registration to students within institutions of higher learning
- Conduct on-campus voter registration with voter management devices
- Promote the *Vota* animation series to tertiary students

- Empower students to participate meaningfully in democratic and electoral processes

The 2022/23 Tertiary Institutions Programme and Voter Registration Campaign was launched on 22 March 2022 at Wits University. The campaign aims to enhance voter registration and voter participation in Student Representative Council (SRC) elections, as well as national, provincial and local government elections. All the 26 public universities, more than 50 technical vocational education and training (TVET) colleges and many private colleges and universities in South Africa remain the target for this campaign. Targeted CDE and voter registration interventions were conducted on campus using face-to-face and multimedia platforms to reach out to the entire student population during the campaign period through various activations.

## NATIONAL SUMMARY OF ACTIVATIONS

Province	Number of universities reached	Campuses	Number of colleges reached	Campuses	Number of activations (based on campus visits)
Northern Cape	1	1	4	4	5
Free State	1	3	7	15	28
KwaZulu-Natal	1	2	11	40	149
Western Cape	1	1	5	25	52
Mpumalanga	3	5	6	19	24
North West	1	2	5	8	10
Limpopo	2	2	10	23	30
Eastern Cape	3	5	10	19	33
Gauteng	6	14	15	28	54
<b>Total</b>	<b>19</b>	<b>34</b>	<b>68</b>	<b>181</b>	<b>385</b>

A total of 385 activations were conducted at 30 university campuses and 180 TVET and private colleges across the nine provinces. The five top-performing provinces in terms of the number of activations conducted were KwaZulu-Natal (149), Gauteng (54), the Western Cape (52), the Eastern Cape (33) and Limpopo (30). This campaign was implemented from February 2022 until September 2022, leveraging the themes of commemorative holidays on the South African calendar to evoke a sense of civic duty. The campaign was promoted across all 26 public universities around the country on various campus-based media platforms,

including 24 community radio station, six campus television stations, SABC's Social Display, the News24 Network, and the following campus social media platforms: Facebook, Instagram, Twitter, TikTok and YouTube.

The availability of advocacy material proved to have a positive effect on student participation in the campaign, both in the number of students who attended the activations and their engagement. The campaign's overall objectives were achieved successfully in that CDE was imparted to students, many of whom registered to vote and actively took

part in the discussions about electoral democracy and related topics. These events were covered by the media and were posted on the Electoral Commission's social media platforms. The campaign assisted in promoting active citizenry among the student population, which is envisaged to impact voter registration and voter participation in NPE 2024 and activities leading up to these elections.

The 2023 national launch of the Tertiary Institutions Campaign took place at Rhodes University in Makhanda, Eastern Cape, on 7 March 2023. The event, which was attended by approximately 300 students, was well supported by Rhodes University's SRC, The Vice Chancellor and Rhodes University's management, and the Electoral Commission's leadership.

## DEMOCRACY ON STAGE

The Electoral Commission rolled out the popular edutainment performance, Democracy on Stage, nationally in 2022 to support its CDE programmes. The aim of the street theatre show was to inspire interest and participation in elections, especially for the youth-targeted programmes such as the Schools Democracy Programme, the Tertiary Institutions Campaign and the Youth Month CDE campaign. The show also toured the country for the Women's Month CDE campaign in 2022.

## DIGITAL CDE

The Electoral Commission continued to occupy the digital space to educate the electorate and encourage voter registration and participation in democratic processes. CDE content and events taking place around the country in all nine provinces were published and showcased on the Electoral Commission's WhatsApp Business platform and social media accounts (Facebook, Twitter, Instagram, LinkedIn and YouTube). Digital platforms continue to be an important space for targeting the youth, who remain majority users of social and digital media platforms. The Commission's social media platforms are used to engage and encourage all citizens to actively participate in electoral democracy processes.

The Voter Education page on the Electoral Commission's website received a revamp to make it more user friendly and ensure that all CDE digital content is published and readily accessible to all stakeholders. The new-look page went live in February 2023 and can be accessed at <https://www.elections.org.za/pw/Voter/Voter-Education>.

## ANIMATION AND AUDIO CONTENT

The animation and audio educational material, which utilises storytelling that people find relatable, easy to understand and enlightening on electoral matters, continued to be valuable and effective tools for voter education. The animation series is comprised of short 60–90 second slots, which featured a mascot in the shape of an 'X' named **Vota**. The social media toolkits were also utilised and shared on various social media platforms as a means of driving the digital communication campaign.

Most of the digital material was produced in all 11 official languages to cater for different sectors of the population.

The key topics covered by the multimedia digital content included the following:

- Register to vote: Why it matters?
- Online voter registration
- Voter management device
- Electoral fraud and offences
- Electoral Code of Conduct
- Free and fair elections
- Municipal elections
- Voting process flow
- Choose – tertiary institutions
- School democracy (basic education band)
- The universal ballot template

## ELECTORAL COMMISSION ON WHATSAPP

With the reach of cellphones in the hands of millions of South Africans, and a growing number of active social media users, content for this application was prioritised as a vehicle for targeted CDE content delivery to eligible South African voters. The host company of the application found civic education very important, and partnered with the Electoral Commission once again to promote its use.



The WhatsApp number, 0600 880 000, which was launched in July 2021, enabled members of the public to access credible information about electoral processes, view the animations, listen to the audios and read the various fact sheets and other CDE information at their fingertips. Using their smartphones, voters are able to download and share all they need to know about their elections and voting. This, in turn, assisted in countering disinformation by sharing reliable information from the Electoral Commission itself on a widely used platform.

### COMMUNITY RADIO PROJECT

The community radio project remained an important aspect to the community outreach work within the CDE programmes. The community radio slots were booked and aligned to the various CDE activities, including the Tertiary Institutions Campaign, School Democracy Programme, Youth Month in June and Women's Month in August. These included 30-minute interviews with an Electoral Commission representative in the province, where community members could also call in and pose their questions or make their comments live on the radio.

### STAKEHOLDER ENGAGEMENT

The Electoral Commission conducted stakeholder engagements with civil society organisations, faith-based organisations, traditional leadership structures, schools and tertiary education institutions, trade unions, the business sector, the agricultural sector, the mining sector, tertiary institutions, government departments, political parties and persons with disabilities, among others. These channels facilitated informed discourse on constitutional imperatives, as well as the rights and powers of both political parties or candidates and voters – and the responsibilities and processes of the Electoral Commission.

The Commission worked closely with various stakeholders, including collaboration with the DBE (schools), the Department of Higher Education and Training (DHET) (universities and TVET colleges), non-governmental organisations and traditional leaders, and the media, who are crucial in enabling wider reach for the Commission's work.

Stakeholder engagements included informative meetings with state departments, traditional leaders, civil society organisations, the business sector, labour organisations and faith-based organisations in various parts of the country. Stakeholder engagements took place at national, provincial, district and local level. Various relevant CDE materials were continuously shared with these sectors.

## RESEARCH AND KNOWLEDGE MANAGEMENT

### ELECTORAL RESEARCH

The Electoral Commission's portfolio of ad-hoc studies, conducted in partnership with the Human Sciences Research Council (HSRC) during the period under review, included the following:

The first ad-hoc study of public perceptions and knowledge of the Political Party Funding Act (PPFA) was aimed at providing the Electoral Commission with valuable insights into the level of public understanding of the PPFA, which seeks to regulate private funding of political parties in South Africa, among other objectives. A broader public awareness and understanding among citizens of the Act and its objectives will enable the Electoral Commission to discharge its responsibilities effectively, including its commitment to strengthening the country's democracy by promoting greater transparency and public accountability to citizens in terms of how political parties are funded.

This study was conducted through in-depth interviews with key stakeholders, among whom were critical stakeholders such as political parties, civic organisations, business and voters. The study also assessed the first year of implementation of the PPFA, particularly its impact on the ability of political parties to not only comply with the provisions of the Act, but also raise funding while complying with the provisions of the Act.

The second ad-hoc study on the adoption of election technologies was necessitated by the need among new democracies around the world, including those in Africa, to not only explore the possibilities of introducing reforms to improve electoral processes, but, in some cases, to actively adopt innovative



electronic voting technologies in the quest for free and fair elections.

This study intended to assess a number of aspects of electronic voting systems, such as the relevance of electronic voting for South Africa, the effectiveness of electronic voting systems, the type of resources necessary to make such electronic voting systems viable for South Africa, and whether or not such electronic voting systems would increase voter turnout. The study provides vital empirical evidence to assist the Electoral Commission in exploring the possibility of introducing or adopting electronic voting technologies for South Africa. The study assessed real-world examples of democratic countries in Africa and outside Africa that have successfully and/or unsuccessfully introduced electronic voting technologies in attempts to improve electoral processes. Lessons drawn from such examples aim to help the Electoral Commission evaluate the feasibility of electronic voting in South Africa in the future.

The third ad-hoc study was the by-election study (Phase 1). The aim of this study was to take advantage of the existing wealth of data accumulated over the years through various surveys commissioned by the Electoral Commission to gather and generate insights into the attitudes, preferences and experiences of citizens of voting age. Such data serves as a tool to monitor the changing historical trends in voter behaviour, attitudes and preferences, thus informing the Electoral Commission's ongoing election planning and management cycles.

The study was based on accessing and utilising existing historical data collected from local government by-elections conducted and managed by the Electoral Commission over the years. This included data from the voters' roll, as well as data routinely collected from voter participation (gathered through the zip-zip machine/VMDs). Such data is an invaluable resource for generating analytical data on trends relating to aspects of by-elections and the changes they reflect over time.

Phase 1 of the study will generate analytical data relating to a number of attributes of local government by-elections in municipal wards, such as the number of registered voters, the number of political parties contesting the ward by-election, voter turnout, the demographic composition (age,

gender, race, etc.) of registered voters in municipal wards where by-elections have occurred and by-election results and outcomes.

These three ad hoc research studies are intended to inform and influence strategic decisions relating to key aspects of the Electoral Commission's elections operational planning and management work. The ultimate goal is to mitigate vulnerabilities within the Electoral Commission's election management work, thus strengthening electoral operations and enhancing the country's electoral democracy.

## KNOWLEDGE CENTRE

The Commission has an efficient and functional knowledge centre, which is responsible for providing various services to internal stakeholders, including an in-house library, a records management (archive) section, a reproduction services section, and a messenger and postal services section. The centre also works closely with the government's National Archives Records Management Unit.

Annually, all documented information is filed and preserved according to relevant legislation in the form of the National Archives and Record Service of South Africa Act, Act 43 of 1996, the Promotion of Access to Information Act, Act 2 of 2000, the Electronic Communications and Transactions Act, Act 25 of 2002, as well as other pieces of legislation. Records Management continued to archive both electronic and hard-copy records, supporting both staff and researchers by providing them with the information they required. During 2022/23, the section embarked on a countrywide records management campaign to ensure that organisational records are archived in terms of legislation and to ensure that staff contribute to the institutional memory of the organisation.

The Electoral Commission's library collection, established in 1998, is befitting of its role as an independent national institution. It is a knowledge repository for learning material related to democracy elections. The library supported staff and any researchers who used its services by providing them with reference material, books, publications and journals, as well as electronic material.

## COMMUNICATIONS AND MEDIA RELATIONS

A strategic priority of the Electoral Commission is to inform and engage citizens and stakeholders in electoral democracy. The role of the communications function in this regard is to advance and promote electoral processes through communication campaigns on diverse platforms to sustain visibility of the organisation and its mandate across the electoral cycle.

While the period under review was not an election year, the Communications Department delivered on a number of key campaigns and activities.

The financial year was dominated by communicating several key campaigns. These campaigns engaged the full spectrum of the Electoral Commission's communications function, including internal and external communications, media relations and reputation management, events management, stakeholder relations, branding, and the production of publications across a range of traditional, and digital and social media channels.

### MUNICIPAL WARD BY-ELECTIONS

The Electoral Commission managed 120 by-elections in 2022/23. The Communications Department assisted in creating awareness of these by-elections by sharing three media releases for each by-election event announcing the registration weekend for the by-election, the candidates contesting that by-election, and the results of the by-election. These media releases were shared with media stakeholders and voters on

the Electoral Commission's website, particularly the by-elections subsite, and across its social media pages (Facebook and Twitter, in particular). Media interviews were also arranged as required.

An estimated 73 by-election media releases were issued, as follows:

- Registration weekends – 23 releases
- Candidate nomination – 25 releases
- By-election results – 25 releases

In addition to the media releases issued, an estimated 46 media interviews were facilitated.

### 5th GENERAL ASSEMBLY OF THE ASSOCIATION OF WORLD ELECTION BODIES

One of the highlights of the excellent body of work produced by the Communications Department was around the first meeting of the Association of World Electoral Bodies on African soil.

The Electoral Commission and the South African government welcomed more than 119 delegates to the A-WEB General Assembly and international conference held at the Cape Town International Conference Centre from 18 to 20 October.

The three-day programme began with the A-WEB Executive Committee meeting, followed by the 5th General Assembly, and the international conference. The theme for the conference was: "Safeguarding election management bodies in the age of global democratic recession".

The Commission hosted the meeting where South Africa assumed the role of Chairperson of this



important global body. The meeting was attended by high-level electoral management leaders, electoral scholars and senior representatives of the South African government. The event was held in a hybrid format to accommodate the guests who participated online. The conference was graced by the guest of honour, our former President, the Honourable Mr Thabo Mbeki.

To communicate its programmes and create public awareness, the Commission also engaged the full spectrum of the communications function, including internal and external communications, advertising, media relations and reputation management, events management, stakeholder relations, branding, the provision of an up-to-date website and contact centre, and the production of publications across traditional and new digital media channels.

An analysis of the online, print and broadcast media coverage from 1 October 2022 to 31 October 2022 saw it receive 567 media mentions across all channels, which resulted in a total advertising value of R12 160 918,00.

Media mentions were broken down as follows:

- Online – 75 (13%)
- Social – 466 (82%)
- Print – 1 (1%)
- Broadcast – 25 (4%)
- Total: 567 (100%)

In terms of sentiment, positive coverage accounted for 4%, negative coverage accounted for 5% and neutral coverage accounted for 91%.

## ONLINE VOTER REGISTRATION CAMPAIGN

In preparation for NPE 2024, the Communications Department embarked upon a robust online voter registration campaign to generate awareness of the online voter portal and to boost the number of citizens registered on the nation's common voters' roll. The campaign ran in February and March 2023 and enjoyed continuous promotion from across the Electoral Commission's broad outreach activities. Themed "Your vote is your voice", this campaign featured in print, electronic and digital media. The



purpose of the campaign was to remind eligible voters, mainly the youth, of the convenience of the online voter portal available to eligible voters after the successful launch of online voter registration during NPE 2021.

The campaign targeted all South African citizens of registration age, i.e. 16 years and older with a valid ID document. Furthermore, the campaign was aimed at voters with direct or indirect internet access. In particular, the campaign targeted South Africa's unregistered youth.

## CAMPAIGN OBJECTIVES

The online voter registration campaign sought to do the following:

- Educate the South African citizenry, particularly eligible voters, about the requirements for voter registration and the online voter registration (and address update) facility.
- Motivate South African eligible voters to register online to vote – it's safe, quick and easy.
- Increase the registration of eligible voters, particularly the youth aged 16 to 29 years.
- Create interest and talkability in voter registration through strategic interviews with the Electoral Commission's leadership.
- Raise awareness of the forthcoming NPE 2024.
- Promote the reputation and assert the credibility of the Electoral Commission through proactive media engagement.

## TARGET AUDIENCES

The critical audience and stakeholders were divided into four broad categories:

- Internal stakeholders
- Statutory stakeholders, including the government and other public-sector organisations
- Direct stakeholders (all South African citizens aged 16 years and older with a valid South African ID document)
- Indirect stakeholders that can assist in disseminating the campaign messaging:
  - Political parties through Party Liaison Committees
  - Business, labour and faith-based organisations
  - Members of the media
  - Civil society groups

## CAMPAIGN MESSAGING

Registration messages formed the core of the information provided to citizens and other stakeholders. Messages for the campaign were as follows:

- Register to vote online 24/7 at <https://registertovote.org.za> – it's safe, quick and easy!
- To register, you must be 16 years or older and have a valid South African ID document (you must be 18 to vote).
- You only need to register once to vote in all elections once you are 18.
- If you have moved since the last elections, check and update your address.
- To check your registration status, SMS your ID number to 32810 (R1 per SMS).
- Share the online voter registration message with family and friends.

## CAMPAIGN CHANNELS

Given the digital nature of the voter portal, the natural medium to drive engagement with eligible voters – particularly the youth – was digital and social media, supported by the traditional channels of television, radio, print and outdoor advertising.

A range of media platforms was chosen to support a number of activities taking place throughout South Africa: radio, print, television, digital and social media.

## MEDIA RELATIONS

The Communications Department undertook a robust media relations programme that took the online voter registration campaign to digital, broadcast and print media.

## YOUTH-FOCUSED OUTREACH INITIATIVES – SCHOOL'S DEMOCRACY AND TERTIARY EDUCATION

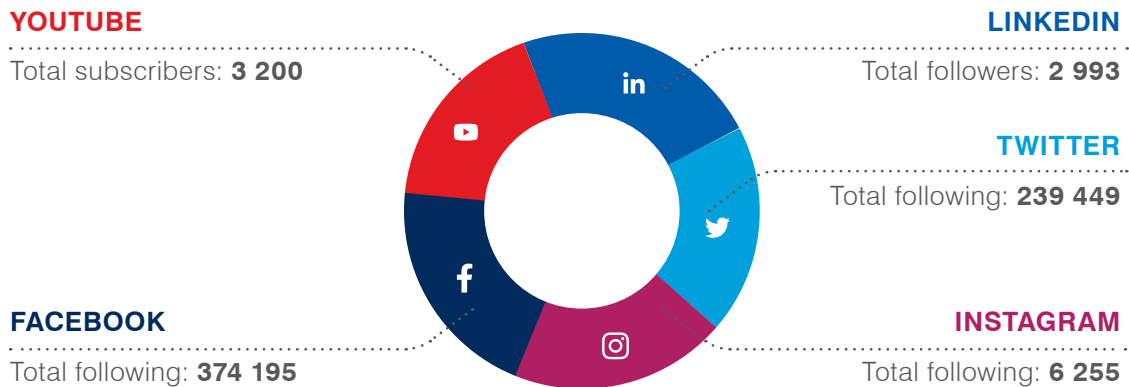
Working closely with the Civic and Democracy Education Department in encouraging citizens to take part in voting, campaigns such as the Schools Democracy Programme and the Tertiary Institution voter registration campaigns were among those in which the Department actively participated.

During the period April 2022 to March 2023, the Electoral Commission harnessed the power of social media to engage with the public, promote voter education and provide updates on electoral processes. It maintained a strong presence on key platforms, including Facebook, Twitter, Instagram and LinkedIn, reaching an impressive total of 17 309 310 users across all platforms.



## SOCIAL MEDIA PRESENCE

### Annual April 2022 - March 2023 Social Media Overview



Facebook proved to be a significant avenue for connecting with the public, with an impressive following of 374 195 users. The platform served as a robust channel for disseminating information, raising awareness about election-related matters and addressing citizens' queries. Twitter's concise nature allowed the Electoral Commission to deliver real-time updates during events, engaging with 239 449 users through hashtags and prompt responses. The visually appealing approach of its Instagram account, with 6 255 followers, effectively targeted younger audiences and fostered a more inclusive voter community. Meanwhile, LinkedIn facilitated meaningful connections with professionals, stakeholders and corporate entities, with 2 993 followers.

The social media campaign commenced in February 2023, with a strong emphasis on the online registration drive. Engaging content was featured on Facebook, Instagram and Twitter, resulting in an impressive organic reach of 4 465 997. Additionally, the campaign utilised digital banner advertising and home-page takeovers on major South African news sites like News24 and IOL. The primary objective was to motivate eligible voters to register and highlight the importance of being a registered voter.

Essential information on registration processes was effectively shared with the audience.

In October 2022, the A-WEB Conference content generated significant engagement and interest. The content aimed to educate the audience about A-WEB and its connection to the Electoral Commission and other election management bodies. The conference, which took place in Cape Town, played a crucial role in educating stakeholders about A-WEB's role and relevance in the electoral landscape.

The substantial reach achieved on social media platforms demonstrated the Electoral Commission's commitment to transparency, accessibility and open communication, promoting democratic participation and encouraging active citizenship. The social media strategy played a pivotal role in empowering citizens with voter education, ultimately enhancing inclusive voter participation and upholding democratic values across South Africa. As the Electoral Commission continues to expand its digital footprint, its social media presence will remain instrumental in further strengthening electoral integrity and fostering public trust in electoral processes.



## PROGRAMME 4: PARTY FUNDING

Programme 4 supports the achievement of Strategic Outcome-oriented Goal 4. Party Funding provides the strategic management for Programme 4. This contributes to the enhancement of transparency in elections and party funding. It manages party funding and donations in compliance with legislation, and strengthens cooperative relationships by providing

consultative and liaison platforms between the Electoral Commission, and political parties and candidates, using systems, people and processes that are sustainable. It also provides effective management of the registration of political parties and processing of the nomination of candidates for various electoral events.

### STRATEGIC OBJECTIVES

<b>Strategic Objective 4.1</b>	Provide for the administration of the Political Parties Unit, promoting regulatory compliance, and monitoring and enforcement in accordance with the Act, engagement and outreach with political parties, and proposing research to be undertaken in the political party funding sphere.
<b>Strategic Objective 4.2</b>	Manage and distribute funds from Represented Political Party Funding to represented political parties, and monitor spending as required by the Act.
<b>Strategic Objective 4.3</b>	Provide a platform for consultation and engagement with political parties and independent office bearers on issues related to the elections.



## STRATEGIC OBJECTIVES, KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

No.	Outcome	Outputs	Output indicators	Audited/ actual performance 2020/21	Audited/ actual performance 2021/22	Planned annual target 2022/23	Actual achievement 2022/23	Deviation from planned target to actual achievement 2022/23	Reasons for deviations
4.1.1	Contributed to the enhancement of transparency in elections and party funding	Manage party funding in compliance with relevant legislation	Number of disbursements to represented parties per annum	4	4	4	4	0	Target achieved
4.1.2		Provide consultative and cooperative liaison platforms between the Electoral Commission, and stakeholders and potential contributors to promote the funding of a multi-party democracy.	Number of liaison sessions held with stakeholders and potential contributors to the Multi-party Democracy Fund	10	19	10	18	10	Target achieved and exceeded. Target was exceeded due to the fact that the Party Funding Unit embarked on a national drive to engage with stakeholders.
4.1.3		Manage party funding in compliance with the relevant legislation	Number of publications of declarations by political parties and private donors	New indicator	New indicator	4	4	0	Target achieved



## POLITICAL PARTY FUNDING

### NUMBER OF DISBURSEMENTS TO REPRESENTED POLITICAL PARTIES

The Political Party Funding Act (Act 6 of 2018) repealed the Public Funding of Represented Political Parties Act (Act 103 of 1997), but retains the Represented Political Parties Fund (RPPF) originally established in 1997. The aim of the Fund is to provide funding for political parties represented in the national and provincial legislatures. Funds for the RPPF are provided annually through a parliamentary allocation.

In addition to the RPPF, the new Act establishes a Multi-party Democracy Fund (MPDF) to raise and distribute contributed funds from the private sector to represented political parties. The Electoral Commission is mandated to administer the fund, including accepting funds from corporate and

private donors for the MPDF and distributing these funds in the same way as it does with the RPPF.

The period under review witnessed a marked increase in the total amount of funds allocated for disbursement to represented political parties, increasing from R165 431 692,28 to R342 292 504,00.

Four political parties – the African Independent Congress (AIC), Congress of the People (COPE), National Freedom Party (NFP) and the Pan Africanist Congress of Azania (PAC) – had their funds suspended due to failure by the party to comply with the requirements of the Act. The suspension of the funds is in accordance with the provisions of the same Act, which stipulate that the Commission may suspend the payment of money to a represented political party if it is satisfied that the represented party has failed to comply with the Act.

### DATES AND AMOUNTS OF DISBURSEMENT

Fund	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Represented Political Parties Fund	R85 573 126,00	R85 573 126,00	R85 573 126,00	R85 573 126,00	R342 292 504,00
Multi-party Democracy Fund	R0	R0	R0	R0	R0
<b>Total</b>	<b>R85 573 126,00</b>	<b>R85 573 126,00</b>	<b>R85 573 126,00</b>	<b>R85 573 126,00</b>	<b>R342 292 504,00</b>



## POLITICAL PARTY LIAISON

Political parties are an indispensable component of a multi-party system of democratic government. In recognition of this fact, the Electoral Commission maintains liaison with parties through Party Liaison Committees (PLCs) at national, provincial and municipal level to facilitate free and fair elections. The PLCs are a platform for consultation and

cooperation between the Electoral Commission and the represented political parties. A total of 1 635 PLC meetings were held in the period under review.

Following the enactment of the Electoral Amendment Act, the role of the Commission has been broadened to also require liaison with contestants and representatives that are not nominated or elected from party lists.

### BREAKDOWN OF TOTAL PARTY LIAISON COMMITTEE MEETINGS AS AT THE END OF MARCH 2023

Province	Provincial	Municipal	Total
Eastern Cape	3	244	247
Free State	6	120	126
Gauteng	6	66	72
KwaZulu-Natal	6	342	348
Limpopo	6	166	172
Mpumalanga	4	151	155
North West	8	163	171
Northern Cape	1	164	165
Western Cape	6	170	176
National Office	3	-	3
<b>Total</b>	<b>49</b>	<b>1 586</b>	<b>1 635</b>

## REGISTRATION OF POLITICAL PARTIES

The electoral scheme requires a political party to be registered before it can contest elections. The Electoral Commission is the registrar of political parties, and for this reason, maintains a register of all registered political parties. In the reporting period, 21 new political parties were registered. This brings the register of parties to 537 political parties with 322 registered nationally, ONE at the provincial level and 214 at the municipal level.

Registration at the national level entitles a party to contest all elections anywhere in the Republic. Parties registered provincially can contest any elections within a particular province. This would include elections for the provincial legislature, as well as district, metropolitan and local councils in that particular province. District registration will allow a registered political party to contest any elections within a particular district municipality and all local municipalities in the district. Parties registered at

the metropolitan level will only be allowed to contest elections in that particular metropolitan municipality.

Of the total of 537 registered political parties, 167 enjoy representation in some form in one or a combination of the three legislative bodies (National Assembly, Provincial Legislature and Municipal Council).

## DECLARATION AND PUBLICATION OF DONATIONS

The Political Party Funding Act requires political parties to make quarterly disclosure to the Electoral Commission of all donations received above R100 000, whether monetary, in-kind or both. The Act also requires donors to disclose all donations above R100 000 to the Electoral Commission within 30 days of making the donation. The Electoral Commission is required to monitor and publish the declarations on its website quarterly.



During the period under review, the Electoral Commission published four disclosure reports including one for the previous financial year. The fourth disclosure report for the period under review will be issued during May 2023. This is because declarations are, according to the law, published

two months after the end of the quarter. The table below shows details of all the declaration reports.

Donations made directly to political parties are an indication of the recognition by donors of the need to contribute towards our democracy.

#### DATES OF DECLARATION PUBLICATIONS

Declarations report	Date	Number of declarations	Amount
Quarter 4 of 2022	30 May 2022	2	R12 525 387,72
Quarter 1 of 2023	30 August 2022	4	R27 037 687,13
Quarter 2 of 2023	30 November 2022	4	R60 266 246,51
Quarter 3 of 2023	28 February 2023	5	R40 050 925,54
Quarter 4 of 2023	31 May 2023	3	R5 985 983,83

The Electoral Commission is further required to submit a report to Parliament annually containing the audited financial statements of the RPPF and the MPDF, the extracts from the represented political parties' audited annual financial statements, as

well as all the declarations submitted by registered political parties and published on the website. These will be reported in greater detail in the Political Party Funding Annual Report.





# GOVERNANCE



## INTRODUCTION

Corporate governance embodies processes and systems by which institutions are directed, controlled and held to account. In addition to legislative requirements based on the Electoral Commission Act, corporate governance principles and the PFMA, together with its various regulations, are applied in the governance of the institution. Parliament, the executive authority, the commissioners, the Audit Committee, and the CEO are responsible for various aspects of corporate governance.

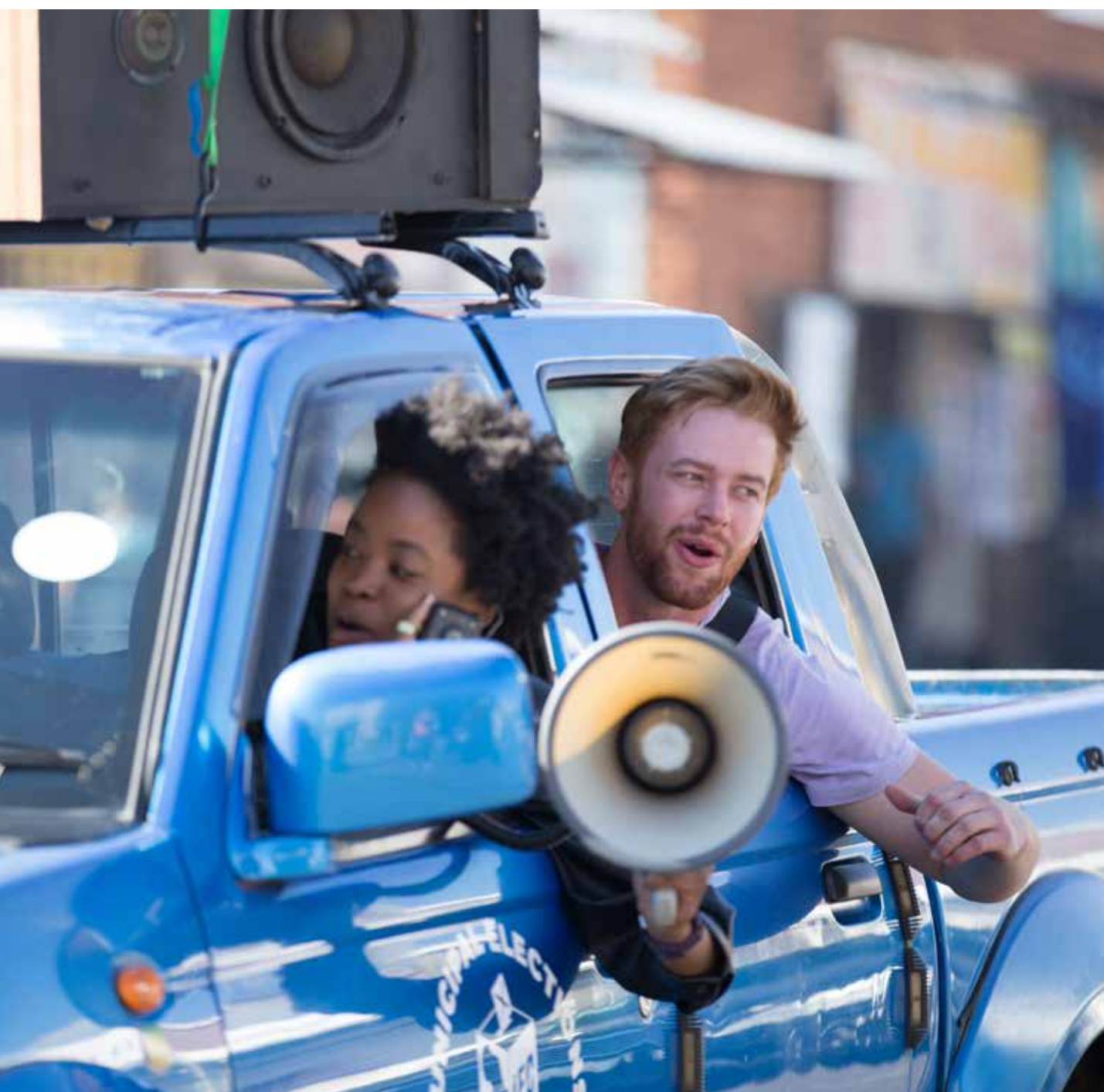
## PORTFOLIO COMMITTEES

The Electoral Commission reports directly to Parliament and interacts primarily with the Portfolio Committee on Home Affairs in the National Assembly and with the Select Committee on Security and Justice in the National Council of Provinces. The Portfolio Committee and the Select Committee are multi-party committees established in terms of the Rules of Parliament. An extraordinary number of interactions with the committees took place during the year under review. This was mainly due to the consideration of legislative amendments related to the revision of the electoral system with a view to the inclusion of independent candidates in NPE 2024.

These included the following sessions:

Date	Sessions
<b>20 July 2022</b>	Consideration of Schedule 1A of the Electoral Act.
<b>22 July 2022</b>	Briefing by the Office of the State Legal Advisor (OSLA), Department of Home Affairs (DHA) and the Electoral Commission on the A list and outstanding issues on the Electoral Amendment Bill.
<b>4 August 2022</b>	Further deliberations on the outstanding matters on the Electoral Amendment Bill.
<b>10 August 2022</b>	Briefing by the Electoral Commission on an outstanding matter on the Electoral Amendment Bill and further deliberations.
<b>25 August 2022</b>	Briefing by the State Law Advisor, consideration and adoption of the A list on the Electoral Amendment Bill
<b>30 August 2022</b>	Consideration and adoption of the Interim Report on the Electoral Amendment Bill, briefing by Electoral Commission on the Election Integrity Report and the Commission on Gender Equality briefing on elections reports and women.
<b>4 October 2022</b>	Electoral Amendment Bill: further deliberations with Deputy Minister.
<b>7 October 2022</b>	Electoral Amendment Bill: Seat calculation briefing and adoption of A list.
<b>11 October 2022</b>	DHA Portfolio Audit outcomes. Electoral Commission Annual Report 2021/22.
<b>12 October 2022</b>	Electoral Amendment Bill adoption.
<b>9 November 2022</b>	Presentation to the Select Committee on Security and Justice on the Electoral Amendment Bill.
<b>11 November 2022</b>	Select Committee on Security and Justice: Presentation by the Parliamentary Content Advisor on the written submissions received on the Electoral Amendment Bill (B 1B – 2022) (section 75) and presentation by Parliamentary Legal Services on the classification of the Electoral Amendment Bill (B 1B – 2022) (section 75).
<b>14 November 2022</b>	Responses by the DHA on written submissions received on the Electoral Amendment Bill (B 1B – 2022) (section 75). Responses by the Electoral Commission on written submissions received on the Electoral Amendment Bill (B 1B – 2022) (section 75), and responses by Parliamentary Legal Services on legal issues on written submissions received on the Electoral Amendment Bill (B 1B – 2022) (section 75).
<b>21, 22, 23 and 25 November 2022</b>	Select Committee on Security and Justice: Deliberation on the Electoral Amendment Bill (B 1B – 2022) (section 75).
<b>30 November 2022</b>	Briefing by the Electoral Commission on an outstanding matter on the Electoral Amendment Bill and further deliberations. Electoral Amendment Bill: Consideration of the National Council of Provinces amendments. Department's response to members' queries, with Minister.

Date	Sessions
<b>1 February 2023</b>	Briefing by the Content Advisor on the submissions received on the Electoral Amendment Bill (B 1B – 2022).
<b>2 February 2023</b>	Responses by the DHA, the Electoral Commission and Parliamentary Legal Services on the submissions received on the Electoral Amendment Bill and Committee deliberations.
<b>10 February 2023</b>	Clause-by-clause deliberations on the Electoral Amendment Bill.
<b>28 February 2023</b>	Briefing of the Portfolio Committee on Home Affairs on budget allocations for the 2023/24 financial year.
<b>29 March 2023</b>	Briefing of the Portfolio Committee on Home Affairs on the Annual Performance Plan for the 2023/24 financial year (during strategic planning).



## EXECUTIVE AUTHORITY

In terms of Treasury Regulation 1.1 of the PFMA, the executive authority of the Electoral Commission is the Chairperson of the Commission. The Accounting Officer, who is the CEO, submits quarterly reports on performance against strategic objectives to the executive authority. These reports are discussed at meetings of the Commission, as well as through the management process of the Electoral Commission. Issues raised at these meetings are considered when implementing plans for the remainder of the year.

## THE COMMISSION

The membership of the Electoral Commission is provided for in terms of section 6 of the Electoral Commission Act. The Commission meetings and the members of the Commission who attended these meetings are reflected in the table below.

### COMMISSION MEETINGS

Name	Date appointed	Number of meetings attended
Mr Glen Mashinini	20 August 2023	6
Ms Janet Love	20 April 2016	9
Dr Nomsa Masuku	24 November 2018	9
Mr Mosotho Moepya	24 November 2018	9
Judge Dhaya Pillay	24 November 2018	8

### COMMISSION COMMITTEES

To exercise its oversight responsibilities, the Commission established Commission Committees. The Committees are an interface between the Commission and administration, and deal with matters that require Commission's consideration and approval, including recommendations.

Each Committee is chaired by a member of the Commission. It comprises the CEO, Deputy Chief Electoral Officers and project owners. The Committees and their meeting frequency are as follows:

- Elections Management Committee (monthly)
- Governance and Ethics Committee (quarterly)
- Finance, Risk and Compliance Committee (monthly)
- Human Resources Governance Committee (monthly)
- Outreach, Communications and International Relations Committee (monthly)
- Research, Publications and Knowledge Management Committee (twice yearly)

## RISK MANAGEMENT

Section 38(1) of the PFMA requires the Electoral Commission's Accounting Officer to have and maintain an effective, efficient and transparent systems of risk management. In fulfilling this responsibility, the Electoral Commission employs a comprehensive Risk Management Policy, Methodology and a Risk Management Framework, which has been approved by the Executive Risk Management Committee and the Commission's executive authority. The Electoral Commission's Risk Management Policy and Framework is based on the principles embodied in the Committee of Sponsoring Organisations (COSO) of the Tredway Commission, and the Public Sector Risk Management Framework (PSRMF) (14(30)), which stipulates, among others, that accounting officers or authorities should hold management accountable for designing, implementing, monitoring and integrating risk management in their day-to-day activities, and Principle 4.2 of the King IV Code on Corporate Governance, which prescribes that the governing body of an organisation should identify emerging risks as part of its monitoring functions.



These risk management standards and frameworks have been customised for the Electoral Commission and are applied in identifying critical risk events and opportunities, assessing risks, monitoring risks, reporting risks, implementing controls and mitigations, implementing decision-making and project management, and in all other business processes.

Enterprise risk management is a process effected by management and other personnel. It is applied in a strategy setting and across the whole organisation. It identifies potential events that may affect the institution and manages risks to acceptable levels. In doing this, the Commission takes an embedded approach to risk management, which puts risk at the core of its agenda, where it should be. A strategic risk assessment was conducted to identify and rate strategic risks facing the organisation. These risks were categorised and monitored for performance. To determine the risks that could impact operations, the organisation first identified or confirmed its strategic objectives or goals. In the context of the organisation's established vision, management sets strategic objectives, selects strategy and determines aligned objectives cascading through the organisation.

Enterprise risk management is geared toward achieving the Electoral Commission's objectives in four areas:

- Strategic – high-level goals aligned with and supporting the mission and vision
- Operations – the effective and efficient use of resources
- Reporting – the reliability of reported information
- Compliance with laws and regulations

The Executive Risk Management Committee meets each quarter to table the Electoral Commission's key risks and the status of mitigating action plans. Key risks and mitigating actions are reported quarterly

to the Audit and Executive Risk Management Committee. The identified strategic risks, including their risk mitigation action plan, were addressed and monitored as part of risk management processes. Management continues to mature and integrate risk processes into business processes, which are reviewed annually.

The Risk Management function realised the following achievements in the year under review:

- Five Executive Risk Management Committee meetings were successfully held.
- Continuous risk monitoring and updating of risk registers took place.
- Compliance risk identification and monitoring was conducted.
- Risk management awareness was conducted on various aspects of risk management and a fraud awareness campaign was implemented through Publication and Communications to raise awareness on fraud prevention matters. The theme of Fraud Awareness Week 2022 was "Blow the whistle on fraud".

## INTERNAL AUDIT AND AUDIT COMMITTEE

The Electoral Commission uses a co-sourced model of internal auditing under the direction of the Chief Audit Executive, who reports functionally to the statutory Audit Committee, and administratively to the CEO. The Audit Committee operates within its written terms of reference to timeously execute its responsibilities.

The Audit Committee convened for 12 meetings during the year. Details of the individual members of the Audit Committee and attendance at meetings during 2022/23 are as follows:

## AUDIT COMMITTEE MEMBERS

Name of member (all external)	Qualifications	Date appointed	Attended	Apologies	Total attended
Mr CD Boltman (Chairperson)	MBA	June 2017	12	0	12
Dr MEC Moleki	PhD	March 2018	12	0	12
Ms SP Mzizi	CA(SA)	August 2018	10	2	10
Mr Il van Niekerk	CA(SA)	May 2021	11	1	11
Adv ST Kholong	MBL, LLB, BA Honours Law	February 2022	11	1	11

## AUDIT COMMITTEE ATTENDANCE

Name of member	25 April 2022	18 May 2022	30 May 2022	27 July 2022	31 July 2022	22 August 2022	20 October 2022	23 November 2022	29 November 2022	22 February 2023	9 March 2023	29 March 2023
Mr CD Boltman (Chairperson)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr MEC Moleki	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms SP Mzizi	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	X
Mr Il van Niekerk	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Adv ST Kholong	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓

The CAE and members of the Internal Audit activity, the Accounting Officer, all the Deputy Chief Electoral Officers, the Chief Information Officer, the Chief Financial Officer and officials of the Office of the Auditor-General have attended general sessions of the Audit Committee sittings. The Audit Committee also held individual confidential discussions with some of these officials as and when required.

In addition, the Audit Committee, in terms of Treasury Regulation 3.1.15, shares information on oversight matters with the executive authority, being the Chairperson of the Electoral Commission.



## AUDIT COMMITTEE REPORT

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The Electoral Commission's Audit and Risk Committee (ARC) is pleased to present its report for the financial year ending 31 March 2023.

### AUDIT COMMITTEE RESPONSIBILITY

The Audit and Risk Committee hereby reports that it has been established in terms of section 77 of the PFMA, as amended, and has complied with its responsibilities arising from Treasury Regulation 3.1.2. The Audit Committee also confirms that it has adopted the approved formal terms of reference contained in its Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein. Details of its composition, meetings held and attendance are reflected in this part of the Annual Report.

### EFFECTIVENESS OF INTERNAL CONTROL

The systems of internal control are designed to provide effective assurance that assets are safeguarded, liabilities and working capital are efficiently managed, operations are efficient and effective, and that policies, laws and regulations are complied with.

From the various reports of Internal Audit and the Auditor-General, the Audit Committee has recommended further improvements in the internal control environment, and management has committed to addressing these.

### PERFORMANCE INFORMATION

The Audit and Risk Committee considered the performance reports on a quarterly basis. The Audit Committee recommended the adoption of the Electoral Commission's 2022/23 annual performance report by the CEO to the Commission and recommended that internal controls be enhanced for results reported.

The Audit and Risk Committee notes the Auditor-General of South Africa's findings in relation to the reliability of performance information and will continue to monitor corrective action in this regard.

### RISK MANAGEMENT

In addition to the information on risk management reflected in this part of the Annual Report, the Audit and Risk Committee acknowledges the improvements in the administration and controls around the risk management function, and is still monitoring the maturing of the risk management function within the organisation.

### COMPLIANCE WITH LEGAL AND REGULATORY PROVISIONS

The Audit and Risk Committee acknowledges improvement of the controls in supply chain management and notes general compliance with applicable laws and regulations.

### INTERNAL AUDIT

The Audit and Risk Committee is satisfied that the Internal Audit function effectively discharged its responsibilities during the reporting period and commends the Internal Audit function for the 100% completion of the Internal Audit Plan.

The Audit and Risk Committee further acknowledges the success of the continuous auditing roll-out and the significant impact this tool has had on the current control environment.

### FINANCE FUNCTION

The Finance function discharged its responsibilities satisfactorily and delivered quality financial statements.

## QUALITY OF MANAGEMENT REPORTS

The Audit and Risk Committee reviews and is generally satisfied with the quarterly management reports tabled at its quarterly meetings.

## EVALUATION OF AUDITED ANNUAL FINANCIAL STATEMENTS

The Audit and Risk Committee has done the following:

- Reviewed and discussed with management the management report from AGSA.
- Reviewed the appropriateness of the accounting policies and practices.
- Reviewed and discussed with management the audited annual financial statements and recommended its approval by the Accounting Officer.

The Audit and Risk Committee accepts the Auditor-General's report and the final management report of the AGSA.

The Audit and Risk Committee wishes to commend management on achieving a clean audit opinion for the period 2022/23 in its quest of delivering on the constitutional mandate.



**Mr Cedric Boltman**  
**Chairperson of the Audit Committee**

31 July 2023





# HUMAN RESOURCES MANAGEMENT

## INTRODUCTION

The Commission approved the Talent Management Strategy and developed and implemented an implementation plan for Year 1. One of the key pillars of the Talent Management Strategy was the development of management and leadership capability. To achieve this target, employees between the Deputy Manager and CEO level were subjected to a competency assessment. A targeted management and leadership programme will be developed to ensure the availability of a pool of competent managers and leaders that can fill any future gaps and needs.

The service provider for employee risk assessment resigned from the contract in December 2022 and the procurement of a new provider was finalised in March 2023. As a result of this abrupt termination of the contract and the pending HR review dispute, 92% of the funded posts were filled instead of the targeted 95%. Of these positions, 62% were filled through promotion, which indicates the organisation's commitment to recognise its employees and provide growth opportunities. The downside of this approach is that it slows down the reduction of the vacancy rate. Twenty-five new employees were appointed. Approximately 56% of these new recruits were in the 28–39 years age category. This is a great improvement as the average age of employees is currently 46.6 years.

The Human Resources Department embarked on a consultation process with the union in a bid to facilitate agreement on the filling of critical positions at the regional level to ensure the timely provision of human capacity.

The spin-offs of the eRecruitment system that was introduced towards the end of the previous reporting period are being realised. The recruitment costs, in particular for advertising and the printing of application documents, have been reduced, and the recruitment cycle time is much shorter. With the increasing rate of internet penetration by most South Africans, unemployed citizens are aware of vacancies and utilise the eRecruitment system. There are, however, disadvantages and shortcomings such as the non-availability of the internet in some areas of the country and people not being able to afford data. Various options are

being explored, such as the use of social media platforms and advertising in public areas mainly for large-scale recruitment drives.

The employee turnover rate, which is constituted of employees who left the organisation during the period under review, was 3.6%, which is lower than the previous financial year's rate of 4.19%. This decrease could be attributed to the reduced number of retirements and deaths, even though the Electoral Commission continued to see a number of employees retiring before the maximum retirement age of 65.

The balanced scorecard is assisting in the improvement of the culture of performance management and enforcing responsibility and accountability by all employees. This will also enhance organisational, team and individual performance. The first annual performance assessment based on the balanced scorecard tool was conducted and a moderation session was held. The use of a balanced scorecard assisted mainly in the area of performance evidence.

The organisation is cognisant of the fact that, without satisfied internal clients, excellent external customer service can never be realised. Following the first client satisfaction survey that was conducted in the previous financial year, areas of relative satisfaction and dissatisfaction were identified and provided a benchmark for assessing scores for future surveys. The outcome of the survey conducted during the period under review demonstrated improvement in the services rendered by various divisions, and the satisfaction of internal clients. The main goal of this process is to ensure improved performance, service delivery and ultimately external customer service satisfaction.

The Electoral Commission is committed to enhancing the wellness and wellbeing of its employees. A wellness framework was developed as part of the Talent Management Strategy. It is due to be finalised in the new financial year. The Human Resources Department continued to provide wellness services and support to enhance individual coping skills and performance through psychosocial services.

The Employment Equity (EE) Report was compiled and submitted to the Department of Labour in January 2023. The current organisational EE Plan



expires in September 2023, and the process for the development of a new plan has commenced. In a bid to empower members of the EE Committee, a session was held with the Department of Labour, in which an analysis of the Electoral Commission's EE Plan was presented, and training provided on the roles and responsibilities of the Committee, compliance requirements, proposed legislative amendments, reporting, as well as numerical and non-numerical targets.

Similar sessions were held with management and the provincial HR team. There is an improved understanding of the link between the EE Plan and the recruitment process.

A new three-year wage agreement was concluded and implemented with the recognised trade union for the 2022/23 to 2024/25 period. Various efforts are being made to strengthen the employer-employee relationship, and sessions were held with leaders of both parties to unlock the stalemate in specific areas.

There was a reduction in the number of cases referred to the Commission for Conciliation, Mediation and Arbitration (CCMA) during the period under review. Thirteen cases were referred to the CCMA by either the union or employees for various

reasons. Nine of these were finalised, while four cases are still pending finalisation. Eight of the nine finalised cases were found in favour of the Electoral Commission and one was withdrawn.

The Commission reviewed and approved the Internship Policy. It makes provision for student interns who require experiential learning to acquire qualifications. Fifty-six interns were engaged during the period under review. They were all on 24-month contracts. This is the highest number of interns ever hosted by the Electoral Commission.

Opportunity for experiential learning was also provided to a permanent employee with an N6 qualification to attain a NATED National Diploma as per the requirements of the South African Qualifications Authority (SAQA). It is interventions such as these that will enable the Electoral Commission to contribute towards the realisation of the object of the Skills Development Act, the National Human Resources Development Strategy, as well as a reduction in unemployment.

In preparation for NPE 2024, Human Resources Management commenced with the development of recruitment and payment plans, as well as the review and development of electoral staff training material.





## HUMAN RESOURCE OVERSIGHT STATISTICS

A summary of expenditure on remuneration by occupational band during the year under review is illustrated in the table below.

### PERSONNEL COST ACCORDING TO SALARY BAND

Level	Personnel expenditure (R'000)	Percentage of personnel expenditure to total personnel cost (R'000)	Number of employees (R'000)	Average personnel cost per employee (R'000)
Commissioners	8 979 779,84	1.12%	4	2 244 944,96
Top management	19 544 572,77	2.45%	7	2 792 081,82
Senior management	88 372 690,73	11.06%	45	1 963 837,57
Middle management	160 758 519,84	20.11%	137	1 173 419,85
Professionals	455 074 916,32	56.94%	626	726 956,74
Skilled	21 236 769,58	2.66%	57	372 574,90
Semi-skilled	25 258 608,56	3.16%	420	60 139,54
Very low skilled	19 984 804,45	2.50%	5 744	3 479,25
<b>Total</b>	<b>799 210 662,09</b>	<b>100%</b>	<b>7 040</b>	<b>9 351 199,74</b>

\*Discrepancy between filled positions and vacancies due to filled over-establishment posts not being included in the total number of posts approved.

### EMPLOYMENT AND VACANCIES ACCORDING TO RANK

Occupational band	Number of employees 2022/23	Approved posts 2022/23	Number of vacancies 2022/23	Percentage of total vacancies
Top management	5	5	0	0.00%
Senior management	44	44	0	0.00%
Professional qualified	122	165	43	21.61%
Skilled	671	745	74	37.19%
Semi-skilled	24	30	6	3.02%
Unskilled	40	41	1	0.50%
New positions (not yet evaluated)	0	75	75	37.69%
<b>Total</b>	<b>906</b>	<b>1 105</b>	<b>199</b>	<b>100%</b>

\*Discrepancy between filled positions and vacancies due to filled over-establishment posts not being included in the total number of posts approved.

## EMPLOYMENT AND VACANCIES BY STRUCTURE

### ORGANOGRAM

Division	Rank	Approved posts	Posts filled	Vacant posts
<b>Office of the CEO</b>	CEO	1	1	0
	General Manager	0	0	0
	Manager	2	2	0
	Deputy Manager	1	0	1
	Senior Administrative Officer	2	1	1
	Assistant Administrative Officer (new)	1	0	1
	New posts	4	0	4
<b>Commission Services</b>	Manager	1	1	0
	Senior Administrative Officer	2	2	0
	New post	1	0	1
<b>Chief Executive: Political Party Funding</b>	Deputy CEO	1	1	0
	Manager	1	1	0
	Deputy Manager	2	2	0
	Assistant Manager	1	0	1
	Senior Administrative Officer	1	1	0
	Administrative Officer	4	1	3
<b>Deputy CEO: Corporate Services</b>	Deputy CEO	1	1	0
	Senior Administrative Officer	1	1	0
<b>Support Services</b>	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	2	2	0
	Administrative Officer	1	1	0
	Assistant Administrative Officer	3	3	0
	Senior/Administrative Clerk	2	2	0
	Messenger/Housekeeper/Driver	11	10	1
<b>ICT Operations</b>	General Manager	1	1	0
	Manager	2	2	0
	Deputy Manager	2	2	0
	Assistant Manager	3	2	1
	Senior Administrative Officer	0	0	0
	Administrative Officer	5	4	1
	Assistant Administrative Officer	1	1	0
	New posts	61	0	61

Division	Rank	Approved posts	Posts filled	Vacant posts
<b>Human Resource Management</b>	General Manager	1	1	0
	Manager	2	2	0
	Deputy Manager	5	5	0
	Assistant Manager	2	0	2
	Senior Administrative Officer	3	3	0
	Administrative Officer	3	3	0
	Assistant Administrative Officer	1	1	0
	Senior/Administrative Clerk	2	1	1
	New posts	5	1	4
<b>Legal Services</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	0	2
	Assistant Administrative Officer	1	0	1
	New post	1	0	1
<b>Deputy CEO: Electoral Operations</b>	Deputy CEO	1	1	0
	Senior Administrative Officer	1	1	0
<b>Logistics and Infrastructure</b>	General Manager	1	1	0
	Manager	2	2	0
	Deputy Manager	2	2	0
	Assistant Manager	1	1	0
	Senior Administrative Officer	2	2	0
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
	Senior/Administrative Clerk	1	1	0
<b>Electoral Matters</b>	General Manager	1	1	0
	Manager	2	1	1
	Deputy Manager	1	1	0
	Assistant Manager	2	2	0
	Senior Administrative Officer	2	2	0
	Assistant Administrative Officer	1	1	0
	New posts	2	0	2
<b>Deputy CEO: Outreach</b>	Deputy CEO	1	1	0
	Senior Administrative Officer	1	1	0

Division	Rank	Approved posts	Posts filled	Vacant posts
<b>Communications</b>	General Manager	1	0	1
	Manager	1	1	0
	Deputy Manager	3	2	1
	Assistant Manager	1	1	0
	Senior Administrative Officer	1	0	1
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
	Senior/Administrative Clerk	0	0	0
	New posts	1	1	0
<b>Civic Education, Research and Knowledge Management</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	2	0
	Assistant Manager	1	1	0
	Senior Administrative Officer	1	0	1
	Administrative Officer	1	1	0
	Assistant Administrative Officer	1	1	0
	Photocopy Operator	1	1	0
	Senior/Administrative Clerk	4	6	-2
<b>Chief Financial Officer</b>	New posts	4	0	4
	General Manager	1	1	0
	Manager	3	2	1
	Deputy Manager	6	5	1
	Assistant Manager	2	0	2
	Senior Administrative Officer	6	5	1
	Administrative Officer	19	19	0
	Assistant Administrative Officer	1	1	0
	New posts	13	1	12
<b>Provincial Electoral Staff: Eastern Cape</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	0	2
	Assistant Manager	12	11	1
	Senior Administrative Officer	13	17	-4
	Administrative Officer	3	2	1
	Local Electoral Project Officer	86	83	3
	Assistant Administrative Officer	1	1	0
	Senior/Administrative Clerk	8	7	1
	Messenger/Housekeeper/Driver	2	2	0
	Cleaner	26	26	0
	New posts	8	0	8

Division	Rank	Approved posts	Posts filled	Vacant posts
<b>Provincial Electoral Staff: Free State</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	9	9	0
	Senior Administrative Officer	10	7	3
	Administrative Officer	2	2	0
	Local Electoral Project Officer	30	29	1
	Assistant Administrative Officer	1	1	0
	Senior Administrative Clerk	5	5	0
	Messenger/Housekeeper/Driver	2	1	1
	New posts	5	0	5
<b>Provincial Electoral Staff: Gauteng</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	0	2
	Assistant Manager	9	8	1
	Senior Administrative Officer	10	10	0
	Administrative Officer	3	3	0
	Local Electoral Project Officer	48	47	1
	Assistant Administrative Officer	2	2	0
	Senior Administrative Clerk	5	5	0
	Messenger/Housekeeper/Driver	2	2	0
	Cleaner	2	2	0
	New posts	5	0	5
<b>Provincial Electoral Staff: KwaZulu-Natal</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	1	1
	Assistant Manager	15	15	0
	Senior Administrative Officer	16	17	-1
	Administrative Officer	3	2	1
	Local Electoral Project Officer	86	84	2
	Assistant Administrative Officer	2	2	0
	Senior Administrative Clerk	11	9	2
	Messenger/Housekeeper/Driver	2	1	1
	New posts	11	0	11



Division	Rank	Approved posts	Posts filled	Vacant posts
<b>Provincial Electoral Staff: Limpopo</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	9	9	0
	Senior Administrative Officer	10	10	0
	Administrative Officer	2	2	0
	Local Electoral Project Officer	57	56	1
	Assistant Administrative Officer	1	1	0
	Senior Administrative Clerk	5	4	1
	Messenger/Housekeeper/Driver	2	1	1
	New posts	5	0	5
<b>Provincial Electoral Staff: Mpumalanga</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	7	6	1
	Senior Administrative Officer	8	8	0
	Administrative Officer	2	1	1
	Local Electoral Project Officer	33	33	0
	Assistant Administrative Officer	1	1	0
	Senior Administrative Clerk	3	1	2
	Messenger/Housekeeper/Driver	2	1	1
	New posts	3	0	3
<b>Provincial Electoral Staff: Northern Cape</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	9	8	1
	Senior Administrative Officer	15	8	7
	Administrative Officer	2	2	0
	Local Electoral Project Officer	26	29	-3
	Assistant Administrative Officer	1	1	0
	Senior Administrative Clerk	5	6	-1
	Messenger/Housekeeper/Driver	2	2	0

Division	Rank	Approved posts	Posts filled	Vacant posts
<b>Provincial Electoral Staff: North West</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	1	1	0
	Assistant Manager	8	8	0
	Senior Administrative Officer	9	7	2
	Administrative Officer	2	2	0
	Local Electoral Project Officer	32	31	1
	Assistant Administrative Officer	1	1	0
	Senior Administrative Clerk	4	3	1
	Messenger/Housekeeper/Driver	2	2	0
	Cleaner	13	11	2
	New posts	4	0	4
<b>Provincial Electoral Staff: Western Cape</b>	General Manager	1	1	0
	Manager	1	1	0
	Deputy Manager	2	2	0
	Assistant Manager	10	9	1
	Senior Administrative Officer	11	10	1
	Administrative Officer	3	3	0
	Local Electoral Project Officer	38	38	0
	Assistant Administrative Officer	1	1	0
	Senior Administrative Clerk	6	6	0
	Messenger/Housekeeper/Driver	2	2	0
	New posts	6	0	6
<b>Total</b>		<b>1 105</b>	<b>906</b>	<b>199</b>

Note 1: Negative figures reflect staff permanently absorbed on the organogram in terms of the relevant legislation, but carried over to the establishment.

Note 2: New posts indicated, but not yet evaluated.

## EMPLOYMENT CHANGES

Most terminations were as a result of resignations and retirements. Most of the terminations were from the professionally qualified staff band, which accounts for most of the positions in the Electoral Commission. As illustrated in the table below, the Electoral Commission appointed 25 new staff members in the period under review, while there were 33 terminations as a result of resignations, dismissals, retirements or deaths. The number of employees retiring was much lower this year, and went down by five.

### STAFF MOVEMENT DURING THE PERIOD UNDER REVIEW

Salary band	Employment at the beginning of the period	Recruited	Promoted	Demoted	Terminated	Employment at the end of the period
Top management	4	0	0	0	0	4
Senior management	36	2	6	0	2	37
Professional qualified	705	14	32	0	26	695
Skilled	91	6	3	0	1	101
Semi-skilled	27	3	0	0	1	29
Unskilled	43	0	0	0	3	40
<b>Total</b>	<b>906</b>	<b>25</b>	<b>41</b>	<b>0</b>	<b>33</b>	<b>906</b>

### REASONS FOR STAFF LEAVING

Reason	Number	Percentage of the total number of staff terminations
Death	5	15.2%
Resignation	11	33.3%
Dismissal	4	12.1%
Retirement	12	36.4%
Ill-health	1	3.0%
Expiry of contract	0	0%
Other	0	0%
<b>Total</b>	<b>33</b>	<b>100%</b>

## STAFF MOVEMENT ACCORDING TO RANK

	Recruited	Promoted	Demoted	Termination
CEO	0	0	0	0
Deputy CEO	0	2	0	0
Senior Manager/Provincial Electoral Officer	0	2	0	0
Manager	2	4	0	2
Deputy Manager	1	10	0	4
Assistant Manager	0	6	0	11
Senior Administrative Officer	2	12	0	2
Administrative Officer	9	2	0	9
Assistant Administrative Officer	0	3	0	0
Senior/Administrative Clerk	8	0	0	1
Messenger/Housekeeper/Driver/Handyman	3	0	0	1
Cleaner	0	0	0	3
<b>Total</b>	<b>25</b>	<b>41</b>	<b>0</b>	<b>33</b>

## STAFF RESIGNATIONS FOR 2020/21 TO 2022/23

Year	Number of terminations	Percentage
2020/21	31	3.41%
2021/22	38	4.19%
2022/23	33	3.64%

## WELLNESS SESSIONS HELD FROM 2020/21 TO 2022/23

Year	Number of sessions
2020/21	9
2021/22	2
2022/23	11

The average number of sick leave days taken and the inherent costs are reflected in the table below, together with the comparative figures for the previous two financial years.

## SICK LEAVE ABSENTEEISM FROM 2020/21 TO 2022/23

Year	Total number of sick leave days taken	Estimated cost	Number of employees who took 15 consecutive days or more
2020/21	3 541	R8 551 874,32	22
2021/22	4 001	R10 165 759,00	24
2022/23	4 863	R13 249 481,04	33

## SPECIAL SICK LEAVE ABSENTEEISM FOR 2022/23

Year	Total number of special sick leave days taken	Estimated cost	Number of employees who took special sick leave
2020/21	1 148	R3 099 622,00	18
2021/22	926	R2 162 166,24	23
2022/23	873	R2 244 366,08	21

## AVERAGE SICK LEAVE TAKEN ACCORDING TO RANK

Rank/level	Average days
CEO	12
Deputy CEO	11
Senior Manager	2.62
Manager	4.88
Deputy Manager	5.15
Assistant Manager	4.68
Senior Administrative Officer	5.91
Administrative Officer	5.31
Assistant Administrative Officer	7.5
Senior/Administrative Clerk	8.29
Messenger/Housekeeper/Driver	6.12
Cleaner	1.68

## EMPLOYEE DEATHS DURING THE PERIOD UNDER REVIEW

Office	Name	Date of death
EC124 Amathlathi	H Douglas-Mabeqa	2 June 2022
KZN262 Uphongolo	A Mkhwanazi	26 July 2022
LIM333 Greater Tzaneen	N Lukhosi	5 March 2022
EC135 Intsika Yethu	S Majali	23 April 2022
MP326 Mbombela	T Magagula	8 January 2023

## AVERAGE AGE OF THE DECEASED FOR 2020/21 TO 2022/23

Year	Number of deaths	Average age of deceased
2019/20	3	41.6
2020/21	6	58.0
2021/22	9	51.0
2022/23	5	47.0



## LABOUR RELATIONS

Despite the employer's efforts to create awareness of the importance of adherence to the policies and prescripts of the organisation, some employees continue to embark on unacceptable behaviour, thus leading to several formal disciplinary hearings.

Formal disciplinary action was taken against 10 employees for various acts of misconduct, including, among others, the contravention of procurement prescripts, prejudicing the administration and/or misconduct. Six of the seven cases were finalised during the period under review and one is pending finalisation of the disciplinary hearing.

### CCMA DISPUTES

Nature of disputes	Number of employees
Section 191(1) (191(5)(a)): Dismissal related to misconduct	2
Section 191(5)(a)(iii): Reason for dismissal unknown	2
Section 186(2)(a): Unfair conduct – promotion, demotion, probation, training or benefits	5
Section 73A (Basic Conditions of Employment Act) – Claims for failure to pay any amount owing (not national minimum wage agreement)	2
Section 191(1) (191(5)(a)(iii)): Dismissal related to incapacity	1
Section 72: Disputes about minimum services	1
<b>Total</b>	<b>13</b>

### DISPUTE REFERRED TO THE CCMA FOR 2020/2021 TO 2022/2023

Year	Number of cases
2020/21	14
2021/22	15
2022/23	13

The Electoral Commission remains committed to complying with the Employment Equity Act (Act 55 of 1998). Great strides were made to fill the vacant positions in line with numerical goals, targets and representivity per level.

### EMPLOYMENT EQUITY TARGETS AMONG MALE STAFF MEMBERS FOR 2022/23

Level	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top management	4	2	0	0	0	0	0	1
Senior management	15	22	3	3	1	1	2	2
Professional qualified	63	93	4	11	6	4	3	10
Skilled	269	334	22	38	1	14	3	38
Semi-skilled	11	13	1	2	0	1	0	1
Unskilled	2	18	0	2	0	1	0	2
<b>Total</b>	<b>364</b>	<b>482</b>	<b>30</b>	<b>56</b>	<b>8</b>	<b>21</b>	<b>8</b>	<b>54</b>

## EMPLOYMENT EQUITY TARGETS AMONG FEMALE STAFF MEMBERS FOR 2022/23

Level	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top management	0	2	0	0	1	0	0	0
Senior management	17	18	0	2	2	1	2	2
Professional qualified	27	77	7	9	1	2	14	8
Skilled	317	274	36	31	7	7	19	30
Semi-skilled	11	11	1	1	0	0	0	1
Unskilled	38	15	1	2	0	0	0	1
<b>Total</b>	<b>410</b>	<b>397</b>	<b>45</b>	<b>45</b>	<b>11</b>	<b>10</b>	<b>35</b>	<b>42</b>

## EMPLOYMENT EQUITY NUMERICAL GOALS: 2018 TO 2023

Period	Male				Female			
	African	Coloured	Indian	White	African	Coloured	Indian	White
Numerical goals (until the end of September 2012)	348	52	17	60	305	53	10	47
Numerical goals (until the end of September 2018)	524	77	27	79	500	67	18	71
Numerical goals (until the end of September 2023)	402	48	18	46	429	52	10	43







# ANNUAL FINANCIAL STATEMENTS

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# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE ELECTORAL COMMISSION

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

1. I have audited the financial statements of the Electoral Commission set out on pages 116 to 171, which comprise the statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Electoral Commission as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA)

### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the constitutional institution in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Emphasis of matters

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### Intangible assets and Prior period error

7. As disclosed in note 30 (prior period errors) and note 9 (intangible assets) to the financial statements for the year ended 31 March 2023, the useful life of internally generated intangible assets was reassessed to indefinite and amortisation on these assets would cease. The reassessment was treated as a prior period error on which management judgement was to reverse accumulated amortisation on these intangible assets. The restatement was material and was adjusted for retrospectively in the comparative figures for the prior period ended 31 March 2022 including restatement of opening balances for such period and current year.

### Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### National Treasury Instruction No. 4 of 2022/2023: PFMA Compliance and Reporting Framework.

9. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA, which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of



## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE ELECTORAL COMMISSION

the annual financial statements, only the current year and prior year figures are disclosed in note 28 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of the constitutional institution. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now required to be included as part of other information in the annual report of the auditees. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

### Unaudited supplementary schedules

10. The supplementary information set out on pages 168 to 172 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

### Responsibilities of the Accounting Officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP Standards and the requirements of the PFMA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the constitutional institution's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the constitutional institution or to cease operations, or has no realistic alternative but to do so.

### Responsibilities of the Auditor-General for the audit of the financial statements

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

## REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
16. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measures the constitutional institution's performance on its primary mandated functions and that is of significant national, community or public interest.

## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE ELECTORAL COMMISSION

Programme	Page numbers	Purpose
Programme 2: Electoral matters	52	Focuses on the strategic outcome of managing and delivering free and fair elections by striving for excellence at voting station level; ensuring accessibility and suitability of voting facilities and processes; managing results; maximising electoral justice for all stakeholders in the electoral process; enhancing the credibility of the voters' roll; ensuring compliance with legal prescripts; and continuously improving the legislative framework.
Programme 3: Outreach	68	This programme focuses on the strategic outcome of informing and engaging citizens and stakeholders in electoral democracy. It fosters participation in electoral democracy by providing civic and democracy education on a continuous basis; voter and balloting education as may be required by each election; strategic and thought leadership on matters pertaining to electoral democracy; broadening our research agenda and issuing publications; increasing visibility through proactive consultation, effective communication, and presence among our stakeholders and communities; facilitating platforms for political dialogue; cultivating an environment conducive for the holding of free and fair elections; and constantly engaging the media.

17. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the constitutional institution's planning and delivery on its mandate and objectives.

18. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the constitutional institution's mandate and the achievement of its planned objectives
- the indicators are well defined and verifiable to ensure that they are easy to understand and consistently applied, and that we can confirm

the methods and processes to be used for measuring achievements

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance, as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as what were committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE ELECTORAL COMMISSION

19. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.
20. I did not identify any material findings on the reported performance information of Electoral matters and Outreach.

### Other matters

21. I draw attention to the matters below.

### Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements.

### Material misstatements

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 3: Outreach. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

## REPORT ON COMPLIANCE WITH LEGISLATION

24. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the constitutional institution's compliance with legislation.
25. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the constitutional institution, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

27. I did not identify any material non-compliance with the selected legislative requirements

## OTHER INFORMATION IN THE ANNUAL REPORT

28. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
29. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
30. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information



## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE ELECTORAL COMMISSION

is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

### INTERNAL CONTROL DEFICIENCIES

32. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
33. There are weakness in the internal controls around the process of compiling and collating performance information reported in the performance report.

*Auditor-General*

**Pretoria**

31 July 2023



**AUDITOR - GENERAL**  
**SOUTH AFRICA**

*Auditing to build public confidence*

# REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE ELECTORAL COMMISSION

## Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit
- the selected legislative requirements for compliance testing.

## Auditor-general's responsibility for the audit

### Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the constitutional institution's compliance with selected requirements in key legislation.

### Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit 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 constitutional institution's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the constitutional institution to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a constitutional institution to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

### Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

# REPORT OF THE ACCOUNTING OFFICER

### The Electoral Commission

The Electoral Commission is a constitutional institution established in terms of section 181(1)(f) of the Constitution of the Republic of South Africa (Act 108 of 1996) to promote and safeguard representative democracy in South Africa. The Electoral Commission is publicly funded and accountable to Parliament, yet independent of government. Its core function is the impartial management of free and fair elections in all spheres of government.

The Accounting Officer has the pleasure of presenting this report, which forms part of the audited annual financial statements of the Electoral Commission for the period ended 31 March 2023. This report and the annual financial statements comply with the requirements of the Public Finance Management Act, Act 1 of 1999 (PFMA), the Electoral Commission Act, Act 51 of 1996, and the Political Party Funding Act, Act 6 of 2018.

The Chief Electoral Officer is the Accounting Officer in terms of section 36(2)(b) of the PFMA, read together with section 12(2)(b) of the Electoral Commission Act.

### Nature of business

The nature of the Electoral Commission's business is to manage the elections of national, provincial and municipal legislative bodies in accordance with national legislation, to ensure that those elections are free and fair, and to declare the results of those elections within a period that is prescribed by national legislation and that is as short as reasonably possible.

The Electoral Commission also has a mandate to promote knowledge of sound and democratic electoral processes.

### Registration details

The registered office of the Electoral Commission is Election House, Riverside Office Park, 1303 Heuwel Avenue, Centurion, Gauteng.

### Financial highlights

The Electoral Commission received R2 223 790 000 for the period under review by way of parliamentary allocations, lease revenue of R122 231 and sundry revenue of R68 661 883, comprising mainly interest earned, bringing the Electoral Commission's total revenue to R2 292 574 114.

All funds have been accounted for and are disclosed in the annual financial statements.

### Tariffs

Treasury Regulations 7.3.1 and 7.3.2 state that the Accounting Officer of an institution must review, at least annually when finalising the budget, all fees, charges or the rates, scales or tariffs of fees and charges that are not fixed or cannot be fixed by any law and that relate to revenue accruing to a revenue fund. The Accounting Officer must obtain approval from the relevant treasury for the proposed tariff structure. Tariffs were reviewed and, in an effort to enhance the activities of political parties and members of the general public, the Electoral Commission has determined the following prices, the basis of which was approved by National Treasury.

Maps are provided to political parties and members of the general public only when the Electoral Commission is able to do so without negatively impacting its own mapping requirements and activities.



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
**REPORT OF THE ACCOUNTING OFFICER**

Prices of map products not statutorily provided for			
Size	Electronic image in PDF	Printed copies	Lamination price
A4	R10,00	R15,00	R60,00 per film run irrespective of the number of A4 pages
A3	N/A	N/A	R60,00 per film run irrespective of the number of A3 pages
A2	R60,00	R75,00	R60,00 per film run irrespective of the number of A2 pages
A1	R105,00	R120,00	R60,00
A0	R160,00	R180,00	R120,00

Registration as a political party does not mean that a party will automatically qualify to contest an election. A registered political party must still meet the requirements for contesting an election,

i.e. both the proportional representative (party list) and ward elections. These requirements include the payment of an election deposit and some other administration prerequisite.

Political party registration fees		
Registration level	Fee	Comment
National level	R5 000	This would allow a registered political party to contest any election in the country. This would include elections for the national assembly, provincial legislatures, district, metropolitan and local councils anywhere in the Republic.
Provincial level	R3 000	This would allow a registered political party to contest any election within a particular province. This would include elections for the provincial legislature, district, metropolitan and local councils in that particular province.
District level	R2 000	This would allow a registered political party to contest any elections within a particular district municipality and all local municipalities in the district.
Metropolitan level	R2 000	This would allow a registered political party to contest any election in a particular metropolitan municipality.

In addition, the following services are provided via our website free of any charge:

- Am I registered to vote?
- Voting station finder
- Election and by-election results data
- Registration status, level and contact details of IEC local offices
- Online address capture
- Online candidate nomination system
- Special vote application
- Online voter registration
- Political party funding system
- Online observer application system
- eRecruitment



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

# REPORT OF THE ACCOUNTING OFFICER

### **Material losses through criminal conduct, irregular, fruitless and wasteful expenditure**

Section 40(3)(b) of the PFMA requires the Electoral Commission to include in the annual report particulars of any material losses through criminal conduct, any irregular expenditure, and fruitless and wasteful expenditure that occurred during the financial year.

The Electoral Commission has sound supply chain management practices, supported by a procurement policy, standard operating procedures and a fully functional Compliance Unit. Irregular expenditure of R4 054 553 was incurred and is reflected in Note 28 of the annual financial statements. Condonation letters have been sent to National Treasury for consideration, while other transactions are still under investigation.

Fruitless and wasteful expenditure amounting to R7 166 was incurred in the current financial reporting period and is reflected in Note 28 of the annual financial statements. The fruitless and wasteful expenditure mostly relates to interest paid on overdue accounts and other expenditure meeting the definition of fruitless and wasteful expenditure. The expenditure will be investigated to determine whether it will be economical to recover. Steps have been taken to prevent recurrence.

### **Corporate governance**

Various sections of the PFMA place responsibility on the Accounting Officer to ensure that the organisation complies with all applicable legislation. Any non-compliance with legislation is reported to the Executive Committee (EXCO) and the Commission.

The Accounting Officer has the responsibility for establishing a framework of internal controls, including the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of these financial statements, thus ensuring that the financial

statements are free from material misstatement. The control measures are also designed to provide cost-effective assurance that assets are safeguarded, and that liabilities and working capital are efficiently managed. Internal controls operated effectively during the year. Where necessary, continued enhancements are effected.

The Accounting Officer is also responsible for maintaining adequate accounting records and an effective system of risk management.

The Accounting Officer is responsible for the preparation and fair presentation of the Electoral Commission's annual financial statements. These statements comprise the following:

- Statement of Financial Position as at 31 March 2023
- Statement of Financial Performance for the period ended 31 March 2023
- Statement of Changes in Net Assets for the period ended 31 March 2023
- Cash Flow Statement for the financial period ended 31 March 2023
- Comparison of Actual and Budgeted Expenditure for the period ended 31 March 2023
- Accounting policies and notes to the annual financial statements.

The financial statements are prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board (ASB). The Auditor-General is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

### **Going concern**

The Electoral Commission is funded by National Treasury via a vote of the Department of Home Affairs. Funding is secured over a three-year cycle in terms of the Medium-term Expenditure Framework (MTEF). The financial statements have thus been prepared on the going-concern basis.

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

# REPORT OF THE ACCOUNTING OFFICER

### Other matters

#### Appointment of the Chairperson of the Electoral Commission

The President of the Republic of South Africa, on 14 October 2022, designated Mr Mosotho Simon Moepya as Chairperson of the Electoral Commission, effective on 15 October 2022.

#### The development of principles and guidelines for the use of digital social media in elections in Africa

The Electoral Commission is seeking to enter into a project with African Renaissance and International Cooperation Fund (ARF). The project seeks to embark on a continent-wide initiative to develop the principles and guidelines governing social media in elections in Africa. The guidelines will enhance the capacities of Electoral Management Bodies (EMBs) and other electoral bodies to harness social media's advantages and tackle its adverse effect.

The project proposal has been sent to the Minister of International Relations and Cooperation, and the Minister of Finance for concurrence.

If approved, the project will be fully funded by the ARF. The implementation of the project will start from April 2023 and it will continue until October 2024.

#### Events after balance sheet date

In 2020, the Constitutional Court declared that the Electoral Act was unconstitutional in so far as it required candidates to contest national and provincial elections only as a member of a political party.

The Constitutional Court provided Parliament with 24 months to revise the legislation. This period ended in June 2022. The Minister of Home Affairs has tabled a Bill to amend the Electoral Act 73, of 1998, to accord with the Constitutional Court ruling. Parliament was unable to conclude the processing

of the Bill before the expiry period of the suspension. Consequently, Parliament approached the Constitutional Court for an extension of the period of suspension of the invalidity until December 2022.

In June 2022, the Constitutional Court granted Parliament six months' extension to amend the Electoral Act, which expired on 10 December 2022. A further extension to 28 February 2023 was granted in December 2022.

The President of the Republic of South African signed into law the Electoral Amendment Bill on 17 April 2023.

The amended Electoral Act now provides for the inclusion and nomination of independent candidates as contesters to elections in the National Assembly and provincial legislatures.

The financial impact of this Bill is expected to be significant in the future. The assessment will be done in the next financial year. The effective date of the Act will be promulgated in due course.

#### Commission Services

The seven-year term of the Vice-Chairperson of the Commission, Janet Love, expired on 19 April 2023. The filling of the position is underway.

#### Approval of annual financial statements

The annual financial statements of the Electoral Commission, set out on pages 122 to 178, have been approved by the Accounting Officer.



**Phatudi Simon Mamabolo**  
**Chief Electoral Officer**

31 July 2023



# ELECTORAL COMMISSION

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2023

		31 March 2023	*Restated 31 March 2022
	Note	R	R
<b>Assets</b>			
<b>Current assets</b>		<b>1 830 211 916</b>	<b>918 862 630</b>
Cash and cash equivalents	3,4	1 739 516 226	818 753 225
Trade and other receivables from exchange transactions	5	47 255 455	52 525 340
Short-term portion of operating lease	11	7 277 710	4 718 559
Inventories	6	36 162 525	42 865 506
<b>Non-current assets</b>		<b>881 370 419</b>	<b>941 892 342*</b>
Property, plant and equipment	7	656 828 521	724 925 808*
Heritage assets	8	1 671 143	1 671 143
Intangible assets	9	212 665 955	205 419 509*
Trade and other receivables from exchange transactions	5	10 204 800	9 875 882
<b>Total assets</b>		<b>2 711 582 335</b>	<b>1 860 754 972</b>
<b>Liabilities</b>			
<b>Current liabilities</b>		<b>197 570 001</b>	<b>184 690 802</b>
Trade and other payables from exchange transactions	3,10	188 953 001	180 733 802
Lump sums retirement benefit	12	8 617 000	3 957 000
<b>Non-current liabilities</b>		<b>225 573 096</b>	<b>206 326 344</b>
Operating lease liability	11	31 157 096	33 213 344
Lump sums retirement benefit	12	194 416 000	173 113 000
<b>Total liabilities</b>		<b>423 143 097</b>	<b>391 017 146</b>
<b>Net assets</b>			
Accumulated surplus		<b>2 288 439 238</b>	<b>1 469 737 826*</b>
<b>Total liabilities and net assets</b>		<b>2 711 582 335</b>	<b>1 860 754 972</b>

# ELECTORAL COMMISSION

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2023

	Note	31 March 2023 R	*Restated 31 March 2022 R
<b>Revenue</b>			
<b>Revenue from non-exchange transactions</b>	13	<b>2 223 912 231</b>	<b>2 256 616 035</b>
Parliamentary allocation		2 223 790 000	2 250 255 000
Sponsorship revenue		-	67 151
Lease revenue		122 231	6 293 884
<b>Revenue from exchange transactions</b>	14	<b>68 661 883</b>	<b>105 709 715</b>
Political party registration fees		160 501	53 500
Election-related revenue		-	55 095 532
Investment revenue		67 893 544	50 088 680
Other operating revenue	14.1	607 838	472 003
<b>Total revenue</b>		<b>2 292 574 114</b>	<b>2 362 325 750</b>
<b>Expenditure</b>		<b>(1 467 355 987)</b>	<b>(2 597 768 471)*</b>
Employee-related costs	15	(796 427 325)	(962 041 899)
Goods and services	16	(467 985 477)	(1 448 634 297)
Depreciation, amortisation and impairment	17	(88 878 474)	(71 431 160)*
Audit fees	18	(6 925 496)	(10 159 351)
Lease rental costs	19	(106 850 294)	(105 280 948)
Finance costs	20	(9 767)	(2 767)
Debt impairment	21	(279 154)	(218 049)
<b>Total expenditure</b>		<b>(1 467 355 987)</b>	<b>(2 597 768 471)*</b>
(Deficit) on disposal of assets	22	(6 516 714)	(10 876 910)*
<b>Surplus/(deficit) for the year</b>		<b>818 701 413</b>	<b>(246 319 631)*</b>



## ELECTORAL COMMISSION

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2023

	*Restated Accumulated surplus R	*Restated Total net assets R
<b>Balance at 1 April 2021 as previously reported</b>	<b>1 632 089 949*</b>	<b>1 632 089 949*</b>
Prior-period error	83 967 507*	83 967 507*
<b>Restated opening balance at 1 April 2021</b>	<b>1 716 057 456*</b>	<b>1 716 057 456*</b>
Restated deficit for the period	(246 319 631)*	(246 319 631)*
<b>Restated balance at 1 April 2022</b>	<b>1 469 737 825*</b>	<b>1 469 737 825*</b>
Surplus for the period	818 701 413	818 701 413
<b>Balance at 31 March 2023</b>	<b>2 288 439 238</b>	<b>2 288 439 238</b>



**ELECTORAL COMMISSION**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

		31 March 2023	*Restated 31 March 2022
	Note	R	R
<b>Cash flows from operating activities</b>			
<b>Cash receipts from customers</b>		<b>2 289 430 393</b>	<b>2 299 612 644</b>
Parliamentary allocation received		2 223 790 000	2 250 255 000
Investment revenue received		65 211 820	48 832 141
Receipts from sale of goods and services		428 573	525 503
<b>Cash paid to suppliers and employees</b>		<b>(1 334 123 042)</b>	<b>(2 457 952 516)</b>
Cash payments to employees		(731 606 059)	(824 198 743)
Interest payments		(7 131)	(2 460)
Cash payments to suppliers		(602 509 852)	(1 633 751 313)
<b>Net cash flows from operating activities</b>	23	<b>955 307 351</b>	<b>(158 339 872)</b>
<b>Cash flows from investing activities</b>		<b>(34 544 350)</b>	<b>(618 082 443)*</b>
Purchase of property, plant and equipment	7	(19 377 335)	(596 395 949)*
Purchase of intangible assets	9	(15 923 269)	(25 612 557)*
Proceeds from sale of property, plant and equipment	7,9	756 254	3 926 063
<b>Net increase in cash and cash equivalents</b>		<b>920 763 001</b>	<b>(776 422 315)</b>
Cash and cash equivalents at the beginning of the year		818 753 225	<b>1 595 175 540</b>
<b>Cash and cash equivalents at the end of the year</b>	3,4	<b>1 739 516 226</b>	<b>818 753 225</b>



## ELECTORAL COMMISSION

ANNUAL FINANCIAL STATEMENTS COMPARISON OF ACTUAL AND BUDGETED EXPENDITURE  
FOR THE YEAR ENDED 31 MARCH 2023

		31 March 2023	31 March 2023	31 March 2023
		R	R	R
		Final budget (as per 2023 published Estimates of National Expenditure)	Actual as per the Statement of Financial Performance	Variance
<b>Revenue</b>				
<b>Revenue from non-exchange transactions</b>		<b>2 223 790 000</b>	<b>2 223 912 231</b>	<b>122 231</b>
Parliamentary allocation		2 223 790 000	2 223 790 000	-
Lease revenue		-	122 231	122 231
<b>Revenue from exchange transactions</b>		<b>58 000 000</b>	<b>68 661 883</b>	<b>10 661 883</b>
Political party registration fees		-	160 501	160 501
Investment revenue		58 000 000	67 893 544	9 893 544
Other operating revenue		-	607 838	607 838
<b>Total revenue</b>	<b>29</b>	<b>2 281 790 000</b>	<b>2 292 574 114</b>	<b>10 784 114</b>
<b>Expenditure</b>		<b>(1 737 656 775)</b>	<b>(1 467 355 987)</b>	<b>270 300 788</b>
Employee-related costs		(827 180 971)	(796 427 325)	30 753 646
Goods and services		(805 299 313)	(582 050 188)	223 249 125
Depreciation, amortisation and impairment		(105 176 491)	(88 878 474)	16 298 017
<b>Total expenditure</b>		<b>(1 737 656 775)</b>	<b>(1 467 355 987)</b>	<b>270 300 788</b>
Deficit on disposal of assets		-	(6 516 714)	(6 516 714)
<b>Surplus/(deficit) for the year</b>		<b>544 133 225</b>	<b>818 701 413</b>	<b>274 568 188</b>

# ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

## 1. Presentation of annual financial statements

### *Basis of preparation*

The financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless otherwise specified. A summary of the significant accounting policies, which have been consistently applied, except where an exemption or transitional provision has been granted, are disclosed below.

### *Statement of compliance*

The financial statements have been prepared in accordance with the effective Standards of GRAP, including any interpretations and directives issued by the Accounting Standard Board (ASB).

The financial statements encompass the reporting period as specified in the PFMA.

### *Going-concern assumption*

The financial statements have been prepared on a going-concern basis. The Electoral Commission is fully dependent on the state for funding.

### *Comparative figures*

When the presentation or classification of items in the annual financial statements is amended, prior-period comparative amounts are restated, unless a Standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification are disclosed. Where material accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior-year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior-year comparatives are restated accordingly.

### *Functional and presentation currency*

The financial statements are presented in South African rand, which is the Electoral Commission's functional currency. All information has been rounded off to the nearest rand.

### *Budgetary information*

The financial statements for the Electoral Commission are prepared on the accrual basis, using a classification based on the nature of expenses in the Statement of Financial Performance as published in the Estimates of National Expenditure (ENE). The budget is approved on the accrual basis. Reasons for variances between actual and budgeted amounts are provided for in Note 29. A difference above R7.3 million is considered to be material.

### *Offsetting*

Assets, liabilities, revenue and expenses have not been offset, except when offsetting is permitted or required by a Standard of GRAP.

### *New standards, amendments to existing standards adopted*

GRAP 25: Employee Benefits

## 1.1. Significant judgments and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgment are inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the annual financial statements.



## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

Significant estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Significant judgments include the following:

### *Allowance for impairment of trade and other receivables*

The Electoral Commission assesses its trade receivables and other receivables for impairment at each reporting date. In determining whether an impairment loss should be recorded in surplus or deficit, the Electoral Commission makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset. The impairment for trade and other receivables is calculated on a portfolio basis. All debts over three months old, where payments are not being received, are impaired.

### *Impairment and useful life review of property, plant and equipment, and intangible assets*

The Electoral Commission determines the estimated useful lives and related depreciation/amortisation charges for property, plant and equipment, and intangible assets. This estimate is based on the condition and use of the individual assets to determine the remaining period over which the asset can and will be used. The impairment of assets is estimated in line with Accounting Policy 1.16 below.

### *Provisions*

The Electoral Commission assesses its provisions at each reporting date in determining whether an adjustment should be recorded in surplus or deficit.

### *Post-employment benefit – lump sum benefit*

A defined benefit plan is a plan that defines an amount of benefit that an employee will receive on retirement. The Electoral Commission pays a lump

sum benefit to employees who retire at age 60 up to a maximum age of 65.

The defined benefit liability is the aggregate of the present value of the defined-benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs and interest cost. The plan is unfunded. The defined-benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are regularly carried out by independent qualified actuaries, as may be required for fair presentation.

Actuarial gains or losses are recognised immediately in the Statement of Financial Performance (refer to Note 12).

## 1.2. Financial instruments

The Electoral Commission's financial assets comprise trade and other receivables from exchange transactions, and cash and cash equivalents. Financial assets are categorised, according to their nature, as financial assets at fair value, financial assets at amortised cost or financial assets at cost.

The Electoral Commission's financial liabilities comprise trade and other payables from exchange transactions. The subsequent measurement of financial assets and liabilities depends on this categorisation.

### *Initial recognition*

Financial assets and liabilities are only recognised in the Statement of Financial Position when the Electoral Commission becomes a party to the contractual provisions of the instrument. The Electoral Commission recognises financial assets using trade date accounting.

## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

### *Measurement*

When a financial asset or financial liability is initially recognised, the Electoral Commission measures it at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Subsequent to initial recognition, financial assets and liabilities are measured as described below.

#### *Trade and other receivables from exchange transactions*

Trade and other receivables from exchange transactions originated by the Electoral Commission classified as financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

At the end of each reporting period, the carrying amount of trade and other receivables is reviewed to determine whether there is any objective evidence that an impairment loss has occurred. If there is objective evidence that an impairment loss has been incurred, for example, a default on payment arrangements or a delinquent debtor, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account, and the amount of the gain or loss is recognised in the Statement of Financial Performance.

### *Cash and cash equivalents*

Cash equivalents are short-term, highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For purposes of the Cash Flow Statement, as well as the Statement of Financial Position, cash and cash equivalents comprise cash on hand and other short-term investments. Cash and cash equivalents are measured at amortised cost.

#### *Trade and other payables from exchange transactions*

Trade and other payables from exchange transactions are subsequently measured at amortised cost, using the effective interest method.

The Electoral Commission's trade and other payables from exchange transactions relate to amounts owed to suppliers.

### *Derecognition of financial instruments*

Financial assets are derecognised when the Electoral Commission loses control of the contractual rights that comprise the financial assets. The Electoral Commission loses control if the right to benefits specified in the contract are realised, the rights expire or the Electoral Commission surrenders those rights.

Financial liabilities are derecognised when the obligation is discharged, is cancelled or expires.

### *Offsetting*

A financial asset and a financial liability shall be offset and the net amount presented in the Statement of Financial Position when and only when the Electoral Commission:



## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

- currently has a legally enforceable right to set off the recognised amounts; and
- intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 1.3. Inventories

Inventories are initially measured at cost. Inventories shall be recognised as an asset if, and only if:

- it is probable that future economic benefits or service potential associated with the line item will flow to the entity; and
- the cost of the inventories can be measured reliably.

#### *Electoral and promotional items*

Electoral and promotional items stock are subsequently measured at the lower of cost and current replacement cost where they are held for distribution at no charge. The cost of inventories is based on the weighted-average principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

#### *Consumable stores*

Consumable stores are subsequently measured at the lower of cost and net realisable value. Net realisable value is the estimated value in use in the ordinary course of business, less the estimated costs of completion. Net realisable value for consumables is assumed to approximate the cost price due to the relatively short period that these assets are held in stock.

When inventories are sold, exchanged or distributed, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expense is recognised when the goods are distributed, or the related service is rendered.

The amount of any write-down of inventories to net realisable value or current replacement cost and

all losses of inventories shall be recognised as an expense in the period in which the write-down or loss occurs.

The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 1.4. Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods and services or for administrative purposes, and are expected to be used during more than one financial period.

An item of property, plant and equipment is recognised as an asset if it is probable that economic benefits or service potential associated with the item will flow to the Electoral Commission and the cost can be measured reliably. Property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. Elements of cost include the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and the obligation which the Electoral Commission incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Where an asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

Property, plant and equipment are stated in the Statement of Financial Position at cost less any subsequent accumulated depreciation and impairment losses. These assets are depreciated on the straight-line basis at rates that will result in



## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

each asset being written off over its useful life. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The estimate of the useful life of an asset is a matter of judgement, based on the Electoral Commission's experience with similar assets. The expected useful lives assigned to the assets in their respective asset classes upon initial recognition are reviewed on an annual basis.

The estimated useful lives of property, plant and equipment upon initial recognition are as follows:

Class	Estimated useful life in years
<b>Prefabricated buildings</b>	10 to 30 years
<b>Furniture and fittings</b>	8 to 15 years
<b>Motor vehicles</b>	5 to 15 years
<b>Office equipment</b>	5 to 10 years
<b>Computer equipment</b>	3 to 20 years
<b>Voter management devices</b>	10 years
<b>Scanners</b>	10 years
<b>Cell phones</b>	3 years
<b>Appliances</b>	5 to 10 years

Notwithstanding the above estimates, the useful life of each newly acquired asset is considered on capitalisation of the asset. Should it seemingly differ from the above guidelines, a more reliable useful life is assigned.

In assessing the useful life of an asset, the following factors may be considered, namely:

- The period that the Electoral Commission expects to gain service potential from the asset.
- The ability to redeploy the asset within the Electoral Commission over time.
- Whether the asset has been acquired for a specific project or purpose.
- The past experience of similar assets in use and the appropriateness of this given the technology embedded in the asset.
- Any assessment performed by an independent advisor on the condition of the asset or its expected life expectancy,
- The opinion of the user or relevant expert about the asset's "useful life".

- The repairs and maintenance practice of the Electoral Commission in assessing the useful life of an asset.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Depreciation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

### *Leasehold improvement*

Leasehold improvements are capitalised, as the Electoral Commission controls the assets for the period of the lease. Leasehold improvements are depreciated over the shorter of the lease term and the assets' useful lives.

The Electoral Commission reviews the useful lives, residual values and depreciation methods of items of property, plant and equipment at least annually.



## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

Where expectations differ from previous estimates, the change(s) are accounted for as a change in accounting estimate. The review of assets' useful lives may, or may not, result in useful lives that differ from the estimates per asset class assigned upon initial recognition.

### *Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Electoral Commission and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as incurred.

### *Derecognition*

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the Statement of Financial Performance in the year it is recognised.

## 1.5. Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

A heritage asset is recognised as an asset if, and only if:

- it is probable that future economic benefits or service potential associated with the asset will flow to the Electoral Commission; and
- the cost or fair value of the asset can be measured reliably.

A heritage asset that qualifies for recognition as an asset shall be measured at its cost. Where a heritage asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

The cost of a purchased heritage asset comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any costs directly attributable to bringing the heritage asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Directly attributable expenditure includes, for example, costs initially incurred to acquire and assess the state of the heritage asset, costs to restore it, costs initially incurred to remove it or restore the site where it was located, professional fees, property transfer taxes, initial delivery and handling costs, installation and assembly costs, and other transaction costs.

After recognition as an asset, a heritage asset is not depreciated and is carried at cost less accumulated impairment losses.

The Electoral Commission will assess, at each reporting date, whether there is an indication that heritage assets may be impaired. If any such indication exists, the Electoral Commission shall estimate the recoverable amount or the recoverable service amount of the heritage asset. In assessing whether there is an indication that an asset may be impaired, the Electoral Commission shall consider, as a minimum, the following indications:

External sources of information:

- During the period, a heritage asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use.
- The absence of an active market for a revalued heritage asset.

## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

Internal sources of information:

- Evidence is available of physical damage or the deterioration of a heritage asset.
- A decision to halt the construction of the heritage asset before it is complete or in a usable form.

Compensation from third parties for heritage assets that have been impaired, lost or given up shall be included in surplus or deficit when the compensation becomes receivable.

Transfers from heritage assets shall be made when, and only when, the particular asset no longer meets the definition of a heritage asset.

The carrying amount of a heritage asset shall be derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

Information about assets that might be regarded as a heritage asset, but which, on initial recognition, do not meet the recognition criteria of heritage assets because they cannot be reliably measured, are disclosed in the notes to the financial statements when applicable.

### 1.6. Intangible assets

An intangible asset is an identifiable, non-monetary asset without physical substance.

An intangible asset shall be measured initially at cost. Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition shall be measured at its fair value as at that date.

The cost of an intangible asset comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Directly attributable expenditure includes, for example, professional fees, initial delivery and handling costs, installation and assembly costs, and other transaction costs.

#### *Acquired intangible assets*

Intangible assets are recognised when it is probable that future economic benefits specifically attributable to the assets will flow to the Electoral Commission and the cost of the intangible assets can be measured reliably. Intangible assets are stated at cost less any accumulated amortisation and impairment losses.

Intangible assets with finite useful lives are amortised on a straight-line basis over their useful lives.

Item	Estimated useful life in years
Computer software	5–10 years

The amortisation period and the amortisation method for intangible assets are reviewed at the end of each reporting period. The amortisation charge for each period shall be recognised in surplus or deficit unless this or another Standard permits or requires it to be included in the carrying amount of another asset.

#### *Internally generated intangible assets*

Internally generated intangible assets arising from the development phase of internal projects are recognised when:

## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

- the Electoral Commission has an intention to complete and use the intangible asset, and adequate technical, financial and other resources to complete the development are available;
- the intangible asset will generate probable future economic benefits or service potential; and
- the Electoral Commission is able to measure the expenditure attributable to the intangible asset reliably during its development.

Internally generated intangible assets have an indefinite useful life and as a result are not amortised.

Intangible assets with an indefinite useful life and those that are still under work in progress are tested annually for impairment.

Internally generated brands, mastheads, publishing titles, mobile apps, customer lists and items similar in substance are not recognised as intangible assets.

Intangible assets not ready for use are not amortised.

The carrying amount of an intangible asset shall be derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from their use or disposal.

### 1.7. Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the Electoral Commission directly in return for services rendered or goods sold, the value of which approximates the fair value of the consideration received or receivable.

When goods or services are exchanged or swapped for goods or services that are of a similar nature and value, the exchange is not regarded

as a transaction that generates revenue. When goods are sold or services rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

#### *Political party registration*

Political party registration fees are revenue on the application fee by new political parties and are recognised as revenue on receipt.

#### *Investment revenue*

Investment revenue comprises interest income on invested funds. Interest income is recognised on a time-proportion basis using the effective interest method.

### 1.8. Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the Electoral Commission receives revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions includes parliamentary allocations, sponsorship income and voting stations' lease rentals received at no cost from service providers.

#### *Parliamentary allocation*

Parliamentary allocations and sponsorship income are recognised when there is reasonable assurance that the Electoral Commission will comply with the conditions attached to them, and the allocation will be received.

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Revenue is recognised when it is probable that future economic benefits will flow to the Electoral Commission and these benefits can be measured reliably. Revenue is measured at fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business.

### *Lease revenue*

The Electoral Commission receives voting stations for national and provincial elections, local government elections and by-elections at no cost.

### *Recognition*

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

### *Measurement*

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the Electoral Commission. When, as a result of a non-exchange transaction, the Electoral Commission recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised, it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

## 1.9. The effects of changes in foreign exchange rates

A foreign currency transaction is recorded on initial recognition in the functional currency by applying to the foreign currency amount the spot exchange rate

between the functional currency and the foreign currency at the date of the transaction.

Monetary items (i.e. cash and cash equivalents, trade receivables from exchange transactions, and trade and other payables from exchange transactions) are translated using the closing rate.

Non-monetary items (i.e. property, plant and equipment) are translated using the exchange rate either at the date that the transaction occurred (when these items are carried at historical cost) or when fair value is determined (when these items are carried at revalued amounts).

Foreign currency differences arising from the settlement or translation of monetary items are included in surplus or deficit, whereas any differences on the translation of non-monetary items are included either in net assets (where any gains or losses on those items are recognised in net assets) or surplus or deficit.

## 1.10. Finance cost

Finance cost comprises the following:

- Interest expense on overdue accounts from service providers
- Exchange loss (gain)

All finance costs are recognised in surplus or deficit using the effective interest method.

## 1.11. Foreign and local aid assistance

In terms of foreign and local aid assistance requirements contained in financial agreements with benefactors, unexpended foreign and local aid assistance ring-fenced for specific projects are reflected as current liabilities in circumstances where such funds are repayable to donors in the event of the funds not being utilised on the specific project.

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Unexpended foreign and local aid assistance funds that are not required to be repaid and that relate to completed projects are treated as operating revenue in the year that the projects are deemed completed.

### 1.12. Taxation

No provision is made for taxation as the Electoral Commission is exempt from tax in terms of section 10(1)(cA) of the Income Tax Act.

The Electoral Commission is not registered for value-added tax (VAT).

### 1.13. Segment reporting

A segment is an activity of an organisation:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same organisation);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which annual financial information is available.

The Electoral Commission is organised in geographical areas. It has a National Office and a Party Funding Unit, nine provincial offices, ten warehouses and 272 local offices. All services to voters and potential voters are delivered at all provincial and local offices. The National Office is responsible for strategic and support services. For reporting purposes, the segment is a province that includes the provincial offices, warehouses and local offices of that province and Party Funding Unit. The Head Office is treated as a separate segment.

### 1.14. Operating leases as the lessee

Lessees shall, in addition to meeting the requirements of GRAP 13, make the following disclosures for operating leases:

- (a) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:
  - not later than one year;
  - later than one year and not later than five years; and
  - later than five years.
- (b) The total of future minimum sublease payments expected to be received under non-cancellable subleases at the reporting date.
- (c) Lease and sublease payments recognised in the Statement of Financial Performance in the period, with separate amounts for minimum lease payments, contingent rent and sublease payments.
- (d) A general description of the lessee's significant leasing arrangements, including, but not limited to, the following:
  - the basis on which contingent rent payable is determined;
  - the existence and terms of renewal or purchase options and escalation clauses; and
  - restrictions imposed by lease arrangements, such as those concerning return of surplus, return of capital contributions, dividends or similar distributions, additional debt, and further leasing.

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Financial Performance on a straight-line basis over the term of the relevant lease.



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## Free leases

(a) Voting stations: The Electoral Commission uses facilities rent-free mostly from municipalities and schools. An average of all voting station payments made in a financial year is used to determine the rent-free portion. Revenue is then recognised in the Statement of Financial Performance.

(b) Leases: The Electoral Commission entered into free leases with various municipalities across the country. The cost cannot be reliably measured so amounts are not disclosed.

## 1.15. Employee benefit cost

### Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are recognised in the Statement of Financial Performance in the reporting period that the related service is delivered.

### Post-employment benefits – defined-benefit plans

The Electoral Commission pays a lump sum benefit to employees who retire at age 60 up to a maximum age of 65, employees who are discharged as a result of injury on duty, appointment by the President or Premier, incapacity due to own accord, and incapacity not due to own accord, and employees who are discharged as a result of ill health in terms of Regulation 8A. The funds are accounted for at year-end. The expected costs of these benefits are accrued over the period of employment.

Independent qualified actuaries carry out valuations of these obligations. The cost of providing benefits under the defined-benefit plan is determined using the projected unit credit method.

Actuarial gains and losses during the valuation period, arising from experience adjustments and changes in actuarial assumptions, are recognised immediately in the Statement of Financial Performance.

## Retirement benefits – defined-contribution plans

A defined-contribution plan is a post-employment benefit plan under which the Electoral Commission pays fixed contributions into a separate entity – the Government Employees' Pension Fund (GEPF) – and will have no legal or constructive obligation to pay further amounts.

As a condition of service, all employees are members of the GEPF.

### Accrual for leave pay

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual based on the basic salary, after taking into account the estimated leave to be forfeited, is raised as a result of services rendered by employees up to the reporting date.

### Long-service awards

Long-service awards are paid to employees who have reached 5, 10, 15 or 20 years of service with the Electoral Commission.

## 1.16. Impairment of assets

### Non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets. The Electoral Commission assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Electoral Commission estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss recorded in the Statement of Financial Performance.

## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

The value in use of a non-cash-generating asset is the present value of the asset's remaining service potential. Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's-length transaction between knowledgeable, willing parties, less the costs of disposal. The Electoral Commission assesses, at each reporting date, whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the Electoral Commission estimates the recoverable service amount of that asset. An impairment loss recognised in prior periods for an asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. If this is the case, the carrying amount of the asset is increased to its recoverable service amount. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods. Such a reversal of an impairment loss is recognised in the Statement of Financial Performance.

### 1.17. Irregular expenditure

Irregular expenditure, as defined in section 1 of the PFMA, is expenditure other than unauthorised expenditure incurred in contravention of, or that is not in accordance with, a requirement of any applicable legislation, including any one the following:

- the PFMA
- National Treasury regulations and instruction notes

National Treasury Practice Note 4 of 2008/09, which was issued in terms of sections 76(1) to 76(4) of the PFMA, requires that, from 1 April 2008, irregular expenditure that was incurred and identified during the current financial year and that was condoned before year-end and/or before finalisation of the financial statements is recorded appropriately in the Irregular Expenditure Register. In such an

instance, no further action is taken, except that the note to the financial statements is updated.

All irregular expenditure is recognised in the annual financial statements in the period in which it is incurred and disclosed separately.

Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and, where recovered, it is accounted for as revenue in the Statement of Financial Performance.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements is updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by National Treasury or the relevant authority is recorded appropriately in the Irregular Expenditure Register. If liability for the irregular expenditure can be attributed to a person, a debt account is created if such a person is liable in law. Immediate steps must then be taken to recover the amount from the person concerned. If recovery is not possible, the Accounting Officer may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The Irregular Expenditure Register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto remains against the relevant programme or expenditure item, and is disclosed as such in the note to the financial statements and updated accordingly in the Irregular Expenditure Register.

All irregular expenditure is investigated. In instances where fraud, corruption or criminal activities have been identified, the necessary disciplinary procedures are implemented, and civil and criminal cases will be made as appropriate. In other instances, the controls are reviewed and improved where necessary, and training interventions conducted.

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Irregular expenditure that has not been condoned by National Treasury or the relevant authority, will then be removed from the Irregular Expenditure Register by the Accounting Officer if all the requirements of paragraph 58 of the Irregular Expenditure Framework have been met.

### 1.18. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure means expenditure that was made in vain and could have been avoided had reasonable care been exercised.

The expenditure is accounted for as expenditure in the Statement of Financial Performance and is classified in accordance with the nature of the expense, and where recovered, is accounted for as revenue in the Statement of Financial Performance.

For the writing off of debts owing to the state in terms of sections 76(1)(e) and 76(4)(a) of the PFMA, an Accounting Officer may only write off a debt if they are satisfied that;

- (a) all reasonable steps have been taken to recover the debt in accordance with a policy determined by the Accounting Officer; and
- (b) the Accounting Officer is convinced that:
  - (i) recovery of the debt would be uneconomical;
  - (ii) recovery would cause undue hardship to the debtor or their dependants; or
  - (iii) it would be to the advantage of the state to effect a settlement of its claim or to waive the claim.

All debts written off must be disclosed in financial statements, indicating the policy in terms of which the debt was written off.

### 1.19. Provisions, commitments and contingencies

#### Provisions

A provision is a liability where the timing or amount of the outflow of resources embodying economic benefits or service potential is uncertain.

A provision is recognised when:

- the Electoral Commission has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditure expected to be required to settle the present obligation. The discount rate shall reflect current market assessments of the time value of money and risks specific to the liability.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation. Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is only used for expenditures for which the provision was originally recognised.



## ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

Provisions are not recognised for future operating losses, and are derecognised once the liability is realised.

### *Commitments*

A commitment is an agreement between two or more parties that is binding on those parties to the degree that to renege on the agreement will be costly.

Commitments represent orders issued to suppliers that have been approved, but where no delivery has taken place as at year-end and contractual commitments.

Commitments are not recognised as liabilities or assets in the Statement of Financial Position, but are included in the disclosure notes.

The Electoral Commission discloses the amount of contractual commitments for the acquisition of property, plant and equipment, and intangible assets.

An onerous contract is a contract for the exchange of assets or services in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits or service potential expected to be received under it. The Electoral Commission has no onerous contracts.

A contracted commitment is where the expenditure has been approved and the contract has been awarded at the reporting date.

Approved, but not contracted commitment is where the expenditure has been approved and the contract is awaiting finalisation at the reporting date. Items are classified as commitments when the Commission commits itself to future transactions that will normally result in the outflow of resources.

Where uncertainty exists and management cannot reliably estimate the value of the split between

operational and capital commitments, management will not include those amounts in the disclosure note, but will provide narrative explanations of the value involved and the reasons for the uncertainty.

A contract is only removed from the schedule if the contract is fully paid, cancelled or terminated.

### *Contingent liabilities*

A contingent liability is a possible obligation that arises from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events that are beyond the control of the Electoral Commission.

Alternatively, a contingent liability is a present obligation that arises from past events, but which is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are included in the disclosure note.

The contingent liability is removed from the schedule once the matter is closed by way of a court case and/or mutual agreement.

### *Contingent assets*

Contingent assets arise from unplanned or other unexpected events that are not wholly within the control of the Electoral Commission and give rise to the possibility of an inflow of economic benefits or service potential to the Electoral Commission. Contingent assets are not recognised.

# ELECTORAL COMMISSION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2023

## 1.20. Related parties

Related-party transactions are transactions that involve the transfer of resources, services or obligations between related parties, regardless of whether a price is charged. Related-party relationships exist throughout the public sector for the following reasons:

- Constitutional institutions, departments and municipalities are subject to the overall direction of an executive government or council, and ultimately, Parliament, and operate together to achieve the policies of government.
- Constitutional institutions, departments and municipalities frequently conduct activities necessary for the achievement of different parts of their responsibilities and objectives through separate controlled entities, and through entities over which they have significant influence.
- Public entities enter into transactions with other government entities on a regular basis.
- Ministers, councillors or other elected or appointed members of the government and other members of management can exert significant influence over the operations of the Electoral Commission.
- Where related-party transactions are at arm's length, the Electoral Commission applies the exemption regarding disclosure in terms of GRAP 20. Disclosure is limited to the outstanding balances at year-end and narrative disclosures of the nature of the transactions.

Implicit in the definition of a related party are other government entities and joint ventures that have a significant influence on the Electoral Commission and its activities.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Electoral Commission directly or indirectly.

**ELECTORAL COMMISSION**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**2. Effect of new Standards and Interpretations of GRAP**

The following Standards and Interpretations of GRAP have been approved, but are not yet effective:

Topic	Effective date	Adoption arrangement
<b>GRAP 1: Presentation of Financial Statements</b>	1 April 2023	Early adoption of entire Standard permitted
<b>GRAP 103: Heritage Assets</b>	To be determined	Early adoption of entire Standard permitted
<b>GRAP 104: Financial Instruments</b>	1 April 2025	Early adoption of entire Standard permitted

The adoption of these Standards of GRAP, when they become effective, are not expected to have a significant impact on the financial statements because they are currently being applied.

The following standards are being applied:

Standard/interpretation	Details	Comments
<b>GRAP 1: Presentation of Financial Statements</b>	The Standard is currently being applied under section 1 of the Accounting Policy.	The adoption of this Standard of GRAP, when it becomes effective, is not expected to have a significant impact on the financial statements because it is currently being applied. Significant accounting policies have been disclosed.
<b>GRAP 103: Heritage Assets</b>	The Standard is currently being applied under section 1.5 of the Accounting Policy.	The impact of the adoption of this Standard of GRAP is being assessed.
<b>GRAP 104: Financial Instruments</b>	The Standard is currently being applied under section 1.2 of the Accounting Policy.	The impact of the adoption of this Standard of GRAP is being assessed.



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 3. Financial assets and liabilities by category

The accounting policies for financial instruments have been applied to the line items below.

#### Financial assets recognised at amortised cost

		31 March 2023	31 March 2022
	Note	R	R
Accrued interest	5	2 681 724	1 059 030
Cash and cash equivalents	4	1 739 516 226	818 753 225
Cash collateral provided: Property rentals	5	10 204 800	9 875 882
Sundry receivables	5	11 537 586	14 799 053
		<b>1 763 940 336</b>	<b>844 487 190</b>

#### Financial liabilities recognised at amortised cost

		31 March 2023	31 March 2022
	Note	R	R
Trade and other payables	10	<b>188 953 001</b>	<b>180 733 802</b>

### 4. Cash and cash equivalents

	31 March 2023	31 March 2022
	R	R
Cash on hand	264 654	306 926
Bank balances	37 323 632	38 956 575
Short-term notice deposits	1 701 927 940	779 489 724
	<b>1 739 516 226</b>	<b>818 753 225</b>

The notice deposits are carried at an effective floating interest rate that varied between 4.82% and 7.38% (2022: 3.30% and 3.67%).



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 5. Trade and other receivables from exchange transactions

#### Current

		31 March 2023	31 March 2022
	Note	R	R
Accrued interest		2 681 724	1 059 030
Prepayments	5.1	30 807 105	22 208 757
		13 766 626	29 257 553
Sundry receivables*		15 112 764	30 329 123
Less: Impairment allowance		(1 346 138)	(1 071 570)
		<b>47 255 455</b>	<b>52 525 340</b>

\*Included in the balance is the amount of R2.2 million remaining relating to a barter agreement with the SABC.

#### Non-current

	31 March 2023	31 March 2022
	R	R
Cash collateral – Property rental	<b>10 204 800</b>	<b>9 875 882</b>

Cash collateral represents deposits paid to landlords for office accommodation for the operations of the Electoral Commission. The amounts are carried at cost and are only recovered when the lease expires.

#### Trade and other receivables past due, but not impaired

As at 31 March 2023, all debt that was past due was impaired, as well as in the prior year.

#### Trade and other receivables impaired

As of 31 March 2023, trade and other receivables of R1 346 138 (2022: R1 071 570) were impaired and provided for. Factors taken into account when considering impairment included the age of the debt and the likelihood of recovery.

The ageing of impaired debts is as follows:

	31 March 2023	31 March 2022
	R	R
Not due	232 688	5 718
31–120 days past due	20 066	49 085
121–365 days past due	235 250	151 148
More than 365 days past due	858 134	865 619
	<b>1 346 138</b>	<b>1 071 570</b>

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Reconciliation of allowance for the impairment of trade and other receivables

	31 March 2023	31 March 2022
	R	R
Opening balance	1 071 570	901 022
Recoveries	(4 586)	(35 404)
Allowance for impairment	279 154	205 952
	<b>1 346 138</b>	<b>1 071 570</b>

The creation and release of the provision for impaired receivables have been included in operating expenses as a deficit.

## Trade and other receivables pledged as security

The Electoral Commission has not pledged any trade and other receivables as collateral.

## 5.1. Prepayments

	31 March 2023	31 March 2022
	R	R
Administrative expenses	21 800	246 586
Software licences	30 527 796	21 788 214
Subscription and membership	257 509	173 957
	<b>30 807 105</b>	<b>22 208 757</b>

## 6. Inventories

	31 March 2023	31 March 2022
	R	R
Consumable stores	835 804	542 525
Promotional items	-	3 870
Electoral stock	35 326 721	42 319 111
	<b>36 162 525</b>	<b>42 865 506</b>

Electoral stock or supplies acquired were used during monthly by-elections. These include items such as ballot boxes, voting compartments, demarcation tapes and by-elections security items.

Inventories are not pledged as security.

**ELECTORAL COMMISSION**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**7. Property, plant and equipment**

	31 March 2023			*Restated 31 March 2022		
	Cost	Accumulated depreciation and impairment losses	Carrying amount	Cost	Accumulated depreciation and impairment losses	Carrying amount
Appliances	5 178 632	(4 413 650)	764 982	4 987 454	(4 268 281)	719 173
Cellphones	8 131	(4 405)	3 726	8 131	(2 675)	5 456
Computer equipment	232 410 253	(154 813 201)	77 597 052	238 426 295	(140 576 736)*	97 849 559*
Furniture and fittings	94 295 988	(58 451 679)	35 844 309	90 104 810	(53 074 950)	37 029 860
Leasehold improvements	5 893 341	(4 103 438)	1 789 903	4 909 101	(3 743 476)	1 165 625
Motor vehicles	91 130 573	(31 466 615)	59 663 958	84 300 926	(28 925 535)	55 375 391
Office equipment	58 325 230	(44 742 997)	13 582 233	51 862 712	(42 147 784)	9 714 928
Prefabricated buildings	21 932 465	(5 216 050)	16 716 415	21 892 865	(4 278 863)	17 614 002
Voter management devices	544 994 474	(94 160 226)	450 834 248	545 098 394	(39 678 275)	505 420 119
Scanners	180 706 473	(180 674 778)	31 695	180 706 473	(180 674 778)	31 695
<b>Total</b>	<b>1 234 875 560</b>	<b>(578 047 039)</b>	<b>656 828 521</b>	<b>1 222 297 161</b>	<b>(497 371 353)</b>	<b>724 925 808*</b>

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Reconciliation of property plant and equipment – 31 March 2023

	Opening balance	Additions	Disposals	Work in progress	Depreciation	Impairment loss	Closing balance
Appliances	719 173	196 528	(182)	-	(150 452)	(85)	<b>764 982</b>
Cellphones	5 456	-	-	-	(1 730)	-	<b>3 726</b>
Computer equipment	97 849 559*	4 832	(299 141)	-	(19 958 198)	-	<b>77 597 052</b>
Furniture and fittings	37 029 860	4 208 154	(3 917)	-	(5 384 194)	(5 594)	<b>35 844 309</b>
Leasehold improvements	1 165 625	383 369	-	600 871	(359 962)	-	<b>1 789 903</b>
Motor vehicles	55 375 391	7 357 475	(268 154)	-	(2 779 418)	(21 336)	<b>59 663 958</b>
Office equipment	9 714 928	6 586 506	(19 065)	-	(2 698 807)	(1 329)	<b>13 582 233</b>
Prefabricated buildings	17 614 002	39 600	-	-	(937 187)	-	<b>16 716 415</b>
Voter management devices	505 420 119	-	(84 845)	-	(54 501 026)	-	<b>450 834 248</b>
Scanners	31 695	-	-	-	-	-	<b>31 695</b>
<b>Total</b>	<b>724 925 808</b>	<b>18 776 464</b>	<b>(675 304)</b>	<b>600 871</b>	<b>(86 770 974)</b>	<b>(28 344)</b>	<b>656 828 521</b>

1. There are no restrictions on title and the disposal of property, plant and equipment. Property, plant and equipment are not allowed to be pledged as securities for liabilities. Asset condition and technological obsolescence were taken into consideration when determining whether the asset should be impaired. Repairs and maintenance relating to property, plant and equipment amount to R7 702 008 (2022: R16 102 322).
2. The Electoral Commission contracted a maintenance and support services plan to the value of R25 971 200 for the voter management device over two years, commencing on the second anniversary of the final delivery (the first maintenance is scheduled for 2 May 2023 until July 2023).



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### Reconciliation of property, plant and equipment – 31 March 2022

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Closing balance
Appliances	588 515	276 244	(2 300)	(141 744)	(1 542)	<b>719 173</b>
Cellphones	5	7 596	-	(2 145)	-	<b>5 456</b>
Computer equipment	84 958 126	32 830 292*	(451 883)	(19 427 300)*	(59 676)	<b>97 849 559*</b>
Furniture and fittings	37 307 182	5 087 266	(48 639)	(5 184 900)	(131 049)	<b>37 029 860</b>
Leasehold improvements	1 137 539	370 403	(22 526)	(319 791)	-	<b>1 165 625</b>
Motor vehicles	55 294 267	5 362 229	(2 815 377)	(2 465 728)	-	<b>55 375 391</b>
Office equipment	8 383 631	3 847 914	(26 255)	(2 476 608)	(13 754)	<b>9 714 928</b>
Prefabricated buildings	15 501 577	2 821 889	-	(709 464)	-	<b>17 614 002</b>
Voter management devices	-	545 792 116	(635 761)	(39 736 236)	-	<b>505 420 119</b>
Scanners	31 695	-	-	-	-	<b>31 695</b>
<b>Total</b>	<b>203 202 537</b>	<b>596 395 949*</b>	<b>(4 002 741)</b>	<b>(70 463 916)*</b>	<b>(206 021)</b>	<b>724 925 808*</b>



# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## 8. Heritage assets

	31 March 2023			31 March 2022		
	Cost	Accumulated impairment losses	Carrying amount	Cost	Accumulated impairment losses	Carrying amount
Artwork	1 676 384	(5 241)	<b>1 671 143</b>	1 676 384	(5 241)	<b>1 671 143</b>

**\*Restated**

### Reconciliation of heritage assets – 31 March 2023

	Opening balance	Additions	Disposals	Impairment loss	Closing balance
Artwork	<b>1 671 143</b>	-	-	-	<b>1 671 143</b>

### Reconciliation of heritage assets – 31 March 2022

	Opening balance	Additions	Disposals	Impairment loss	Closing balance
Artwork	<b>1 671 143</b>	-	-	-	<b>1 671 143</b>

Asset condition was taken into account when determining whether the asset should be impaired. There are no restrictions on title and the disposal of heritage assets.

Heritage assets are not pledged as securities for liabilities.

## 9. Intangible assets

	31 March 2023			*Restated 31 March 2022		
	Cost	Accumulated depreciation and impairment losses	Carrying amount	Cost	Accumulated depreciation and impairment losses	Carrying amount
Computer software	78 914 713	(72 037 371)	6 877 342	78 914 713*	(69 958 215)*	8 956 498*
Internally generated software	205 788 613	-	205 788 613	196 463 011*	-*	196 463 011*
	<b>284 703 326</b>	<b>(72 037 371)</b>	<b>212 665 955</b>	<b>275 377 724*</b>	<b>(69 958 215)*</b>	<b>205 419 509*</b>



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**\*Restated**

### Reconciliation of intangible assets – 31 March 2023

	Opening balance	Additions	Work in progress	Amortisation	Disposals/ derecognition	Closing balance
Computer software	8 956 498	-	-	(2 079 156)	-	<b>6 877 342</b>
Internally generated software	196 463 011	10 321 678	5 601 590	-	(6 597 666)	<b>205 788 613</b>
	<b>205 419 509</b>	<b>10 321 678</b>	<b>5 601 590</b>	<b>(2 079 156)</b>	<b>(6 597 666)</b>	<b>212 665 955</b>

### Reconciliation of intangible assets – 31 March 2022

	Opening balance	Additions	Work in progress	Amortisation	Disposals/ derecognition	Closing balance
Computer software	4 760 231*	4 957 517*	-	(761 223)*	(27)	8 956 498*
Internally generated software	186 608 177*	18 321 786	2 333 254	-*	(10 800 206)*	196 463 011*
	<b>191 368 408*</b>	<b>23 279 303</b>	<b>2 333 254</b>	<b>(761 223)*</b>	<b>(10 800 233)</b>	<b>205 419 509 *</b>

Intangible assets are not pledged as securities for liabilities.

## 10. Trade and other payables from exchange transactions

	31 March 2023 R	31 March 2022 R
Trade payables	65 702 410	60 625 212
Payroll payables	29 291 485	28 008 019
Leave pay accruals	81 085 129	84 976 065
Deposits received	530 300	799 300
EFTs not cleared for payment at year-end*	12 343 677	6 325 206
	<b>188 953 001</b>	<b>180 733 802</b>

\* Refers to amounts paid on the last day of the financial year that do not reflect on the bank statement.

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## 11. Operating lease liability

### Operating lease straight-lining

	31 March 2023	31 March 2022
	R	R
Due within 12 months	(7 277 710)	(4 718 559)
Due after 12 months	31 157 096	33 213 344
	<b>23 879 386</b>	<b>28 494 785</b>
<b>Total minimum lease payments</b>		
Not later than one year	91 227 806	98 238 386
Later than one year and not later than five years	132 404 538	211 107 663
Later than five years	17 066 894	25 193 623
	<b>240 699 238</b>	<b>334 539 672</b>

The minimum lease payments reflected above relate to building lease commitments in respect of contracts that were in place and active as at 31 March 2023 only. Other contractual commitments, including new leases that were not active at 31 March 2023, are included under Note 24.

Operating lease payments represent rentals payable by the Electoral Commission, including the National Office, nine provincial offices, 10 warehouses and 272 local electoral offices (2022: 272). No contingent rent is payable. New contracts entered into have an average term of five to seven years and escalate at an average of 8% per annum. The Commission has leased 66 (2022: 66) local offices from various municipalities across the country at no cost to the Commission.

## 12. Lump-sum retirement benefit

	31 March 2023	31 March 2022
	R	R
Post-retirement benefits: Lump sum retirement	<b>203 033 000</b>	<b>177 070 000</b>
<b>The liability is reconciled as follows:</b>		
Balance at the beginning of the year	<b>177 070 000</b>	<b>152 022 000</b>
Current-year provision	<b>35 070 189</b>	<b>38 652 548</b>
Interest cost	20 187 000	19 361 000
Current service costs	11 642 000	10 317 000
Actuarial gain or loss	3 241 189	8 974 548
Less: Payments made	(9 107 189)	(13 604 548)
<b>Balance at the end of the year</b>	<b>203 033 000</b>	<b>177 070 000</b>
Non-current portion	194 416 000	173 113 000
Current portion	8 617 000	3 957 000



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 12.1 Plan assets

Currently, no long-term assets are set aside off the balance sheet in respect of the employer's post-employment benefit.

#### Changes in the value of the obligation:

	31 March 2023	31 March 2022	31 March 2021	31 March 2020
	R	R	R	R
Present value of the defined benefit obligation as at the valuation date	203 033 000	177 070 000	152 022 000	130 707 000

A cash benefit is given to employees who retire between the ages of 60 and 65. The Electoral Commission will pay the employee an amount equal to 15 days' salary for every completed period of 12 months the employee has been in the service of the Electoral Commission.

The liability amount was calculated as the expected amount payable to an employee on each age between 60 and 65, and then discounting the expected benefit value to the valuation date.

The actuarial valuation was performed by independent actuarial consultants using the project unit credit method. The valuation will be on a yearly basis.

The valuation is based on the following principal actuarial assumptions:

	31 March 2023	31 March 2022
Discount rate <sup>1</sup>	11.91%	11.14%
Expected retirement age	60 to 65	60 to 65
Number of employees	898	911
Consumer Price Index (CPI)	6,94%	7,22%
Salary inflation rate <sup>2</sup>	6,94%	7,22%
Net effective discount rate	4.66%	3.66%

#### <sup>1</sup> Discount rate

We use the nominal and real zero curves as at 31 March 2023 supplied by the Johannesburg Stock Exchange to determine our discount rates and CPI assumptions. We obtained the implied duration of the liability and matched this with the point on the yield curve to obtain the discount rate and CPI assumptions.

#### <sup>2</sup> Salary inflation rate

We have derived the underlying future rate of CPI inflation from the relationship between the (yield curve-based) conventional bond rate and the (yield curve-based) inflation-linked bond rate. Our assumed rate of salary inflation was set to equal the assumed value of the CPI. This assumed rate of salary inflation represents the long-term inflation figure, which corresponds to the Commission's liability profile and implied duration.

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## 12.2 Sensitivity analysis

### Withdrawal rate

Deviations from the assumed level of withdrawal experience of eligible employees will have a large impact on the actual cost to the Electoral Commission. If the actual rates of withdrawal turn out to be higher than the rates assumed in the valuation basis, the cost to the Electoral Commission in the form of benefits will reduce, and vice versa. Illustrated below is the effect of higher and lower withdrawal rates by increasing and decreasing the withdrawal rates by 20%. The effect is as follows:

#### 2023

##### Withdrawal rate

	-20% withdrawal rate	Valuation assumption	+20% withdrawal rate
Total accrued liability	207 978 000	203 033 000	198 369 000
Current service cost	13 187 000	12 792 000	12 427 000
Interest cost	25 051 000	24 439 000	23 861 000

#### 2022

##### Withdrawal rate

	-20% withdrawal rate	Valuation assumption	+20% withdrawal rate
Total accrued liability	182 054 000	177 070 000	172 398 000
Current service cost	12 054 000	11 642 000	11 262 000
Interest cost	20 765 000	20 187 000	19 645 000

## 12.3 Benefit increase rate

The cost of the lump-sum retirement benefit is dependent on the increase in the benefit amounts paid to employees. The rate at which these benefits increase will thus have a direct effect on the liability of future employees.

The effect of a 1% p.a. change in the benefit increase assumption is shown below.

#### 2023

##### Benefit increase rate

	-1% normal salary inflation	Valuation assumption	+1% normal salary inflation
Total accrued liability	184 709 000	203 033 000	223 756 000
Current service cost	11 537 000	12 792 000	14 229 000
Interest cost	22 181 000	24 439 000	26 993 000



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 2022

	-1% normal salary inflation	Valuation assumption	+1% normal salary inflation
<b>Benefit increase rate</b>			
Total accrued liability	158 453 000	177 070 000	198 423 000
Current service cost	10 320 000	11 642 000	13 176 000
Interest cost	18 039 000	20 187 000	22 652 000

### 13. Revenue from non-exchange transactions

	31 March 2023 R	31 March 2022 R
Parliamentary allocation	2 223 790 000	2 250 255 000
Sponsorship revenue	-	67 151
Lease revenue <sup>1</sup>	122 231	6 293 884
	<b>2 223 912 231</b>	<b>2 256 616 035</b>

<sup>1</sup> Lease revenue represents savings on voting stations offered at no cost by service providers during monthly by-elections.

### 14. Revenue from exchange transactions

	Note	31 March 2023 R	31 March 2022 R
Political party registration fees		160 501	53 500
Investment revenue <sup>1</sup>		67 893 544	50 088 680
Elections-related revenue		-	55 095 532
Other operating revenue	14.1	607 838	472 003
		<b>68 661 883</b>	<b>105 709 715</b>

<sup>1</sup> Investment revenue represents funds received on cash and cash equivalents. These investments are held with Standard Bank.



# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## 14.1. Other operating revenue

	31 March 2023	31 March 2022
	R	R
Elections-related revenue	30 700	4 250
Commissions earned	2 980	4 257
Short message services (SMS)	14 449	290 731
Bad debt recovered	4 586	35 404
Other operating income <sup>1</sup>	555 123	137 361
	<b>607 838</b>	<b>472 003</b>

<sup>1</sup> Other income is mostly made up of the sale of waste paper.

## 15. Employee-related costs

	31 March 2023	31 March 2022
	R	R
Wages and salaries	673 269 377	797 727 201
Allowances	10 072 501	26 874 721
Employer contributions to defined-contribution plan (GEPP)	46 740 379	45 347 926
Employer contributions: Other	23 067 292	25 586 061
Leave accrual	514 979	16 038 807
Lump sum retirement benefit	35 070 189	36 832 193
Relocation costs	942 639	536 775
Long-service awards	6 748 549	13 087 707
Deployment cost	1 420	10 508
	<b>796 427 325</b>	<b>962 041 899</b>



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 16. Goods and services

	31 March 2023	31 March 2022
	R	R
Advertising	19 335 871	113 642 668
Bank charges	654 579	2 698 005
Catering	962 476	1 776 504
Communications and connectivity	71 417 019	91 412 306
Conferences and workshops	12 703 606	88 481 994
Consumables	2 762 272	79 019 592
Insurance	2 163 324	2 359 428
Inventory	7 329 065	63 968 531
Printing and stationery	7 650 483	87 355 983
Professional services	202 357 337	269 915 450
Property expenses – other	24 288 810	24 340 181
Property expenses – voting station rentals	844 741	36 046 862
Rentals equipment	637 866	25 602 034
Software licenses	41 491 998	45 293 630
Storage and distribution costs	4 347 519	31 269 044
Study expenditure	3 731 751	3 051 674
Repairs and maintenance	7 702 008	16 102 322
Subscriptions and membership fees	1 544 783	1 671 896
Subsistence and travel	10 764 616	418 843 370
Voting station staff	4 913 643	381 679 100
Other permanent and fixed-term staff	5 850 973	37 164 270
Sundry expenditure	5 478	546
Travel expenses	45 289 875	45 782 277
	<b>467 985 477</b>	<b>1 448 634 297</b>

### 17. Depreciation, amortisation and impairment

	31 March 2023	*Restated 31 March 2022
	R	R
Amortisation	2 079 156	761 223*
Depreciation	86 770 974	70 463 916*
Increase in impairment allowance – property, plant and equipment	28 344	206 021
	<b>88 878 474</b>	<b>71 431 160*</b>

**ELECTORAL COMMISSION**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**18. Audit fees**

	31 March 2023	31 March 2022
	R	R
Auditor-General	6 925 496	10 159 351

**19. Lease rental costs**

	31 March 2023	31 March 2022
	R	R
Lease rental costs	106 850 294	105 280 948

The lease rental cost is the smoothed cost of the rentals paid for national, provincial and local municipal offices and warehouses.

**20. Finance costs**

	31 March 2023	31 March 2022
	R	R
Interest paid on late payments to suppliers	7 130	2 460
Exchange loss (gain)	2 637	307
	<b>9 767</b>	<b>2 767</b>

**21. Debt impairment**

	31 March 2023	31 March 2022
	R	R
Write-offs	-	12 098
Debt impairment	279 154	205 951
	<b>279 154</b>	<b>218 049</b>



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 22. (Deficit)/surplus on disposal of non-current assets

	31 March 2023 R	*Restated 31 March 2022 R
(Deficit)/surplus on disposal of non-current assets	(6 516 714)	(10 876 910)*
<b>Composition of deficit from sale of non-current assets</b>		
Disposal of non-current assets	(6 960 810)	(11 862 771)*
Proceeds from sale of non-current assets	444 096	985 861
(Deficit)/surplus on disposal of non-current assets	<b>(6 516 714)</b>	<b>(10 876 910)*</b>

### 23. Cash generated from operations

	Note	31 March 2023 R	*Restated 31 March 2022 R
(Deficit)/surplus for the year		818 701 413	(246 319 631)*
<b>Adjustments for:</b>			
Depreciation, amortisation and impairment	17	88 878 474	71 431 160*
Surplus (deficit) on disposal of assets	22	6 516 714	10 876 910*
Movements in operating lease liability and accruals		(4 615 398)	(162 863)
Movements in lump-sum benefit		25 963 000	25 048 000
Debt impairment		279 154	218 049
Foreign exchange		2 637	307
<b>Changes in working capital:</b>			
(Decrease)/increase in inventories		6 702 982	(19 779 446)
(Decrease)/increase in trade and other receivables from exchange transactions		5 335 877	(22 089 483)
Increase (decrease) in trade and other payables from exchange transactions		7 542 498	22 437 125
		<b>955 307 351</b>	<b>(158 339 872)</b>

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## 24. Commitments

	31 March 2023	31 March 2022
	R	R
<b>Commitments for capital expenditure</b>		
Approved, but not contracted	41 567 050	6 291 672
<b>Total capital commitments</b>	<b>41 567 050</b>	<b>6 291 672</b>
This relates to vehicles ordered at year-end with an expected delivery date in the new financial year.		
Not later than one year	41 567 050	6 291 672
<b>Total capital commitments</b>	<b>41 567 050</b>	<b>6 291 672</b>
<b>Commitments for operational expenditure</b>		
Contracted	101 025 715	171 902 069
Approved, but not contracted	119 523 157	3 320 173
<b>Total operational expenditure commitments</b>	<b>220 548 872</b>	<b>175 222 242</b>
Not later than one year	78 168 610	84 662 755
Later than one year, but not later than five years	22 450 362	86 955 221
Later than five years	406 743	284 093
Approved, but not contracted	119 523 157	3 320 173
<b>Total operational expenditure commitments</b>	<b>220 548 872</b>	<b>175 222 242</b>
<b>Total expenditure commitments</b>	<b>262 115 922</b>	<b>181 513 914</b>

Commitments disclosed take into consideration the escalation clauses as per the contractual agreements. The operating lease commitments in respect of contracts on which payments had been made during the year have been disclosed in the operating lease liability note (Note 11)

## 25. Contingent liabilities

	31 March 2023	31 March 2022
	R	R
Legal	4 421 698	5 515 580
Staff	645 405	-
Other	539 862	-
<b>Total contingencies</b>	<b>5 606 965</b>	<b>5 515 580</b>

Legal contingencies relate to civil claims against the Electoral Commission. Staff contingencies relate to cases currently under consideration in terms of internal policies, by the CCMA or with the courts. The likelihood of these succeeding is difficult to determine. Other relates to a lease contractual dispute with the landlord. Engagements are ongoing to find an amicable solution.



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The Electoral Commission and the service provider are still in discussion to resolve the billing discrepancies. The amount due and payable by both parties will be confirmed by both parties once the discussion is concluded and an agreement reached.

## 26. Financial instrument risk management

### *Financial risk management*

The Electoral Commission's activities have limited exposure to credit risk, liquidity risk and market risk. Risk management is carried out by the Executive Risk Management Committee under policies approved by the Commission.

The Electoral Commission has developed a comprehensive risk strategy in terms of Treasury Regulation 28.1 to monitor and control these risks. The risk management process relating to each of these risks is discussed below.

### *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash through the proper management of working capital, capital expenditure and cash. Due to the dynamic nature of its underlying operations, the Electoral Commission aims to maintain sufficient funding through a robust MTEF budgeting process.

The following are the contractual maturities of financial liabilities:

	Carrying amounts R	Contractual cash flow R	1–12 months R	2–5 years R	Later than 5 years R
<b>2023</b>					
Trade and other payables	188 953 001	188 953 001	188 953 001	-	-
<b>2022</b>					
Trade and other payables	180 733 802	180 733 802	180 733 802	-	-

### *Credit risk*

The carrying amounts of the financial assets represent the maximum credit exposure. With respect to credit risk arising from cash and cash equivalents, cash is placed with authorised financial institutions.

The maximum exposure at the reporting date was:

	31 March 2023 R	31 March 2022 R
Cash and cash equivalents (Note 4)	1 739 516 226	818 753 225



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The maximum exposure to credit risk for trade receivables at the reporting date by category is:

	31 March 2023	31 March 2022
	R	R
Cash collateral provided (Note 5)	10 204 800	9 875 882
Accrued interest	2 681 724	1 059 030
Sundry receivables – employees and suppliers (Note 5)	12 883 724	15 870 623
Less: Impairment allowance	(1 346 138)	(1 071 570)
	<b>24 424 110</b>	<b>25 733 965</b>

### Impairment losses

The ageing of trade receivables net of the allowance for credit losses at the reporting date was:

	31 March 2023	31 March 2022
	R	R
Not past due	<b>24 424 110</b>	<b>25 733 965</b>

An amount of R1 346 138 (2022: R1 071 570) has been provided for as doubtful debts and is included in the amounts disclosed above. This provision relates to identified debtors that were considered doubtful and were not likely to be received.

### Cash flow

The Electoral Commission manages its cash flow risk by aligning the monthly parliamentary allocation to its estimated monthly activity levels.

	31 March 2023	31 March 2022
	R	R
Parliamentary allocation	<b>2 223 790 000</b>	<b>2 250 255 000</b>



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 27. Related parties

#### Key management compensation

	Salary	Short-term benefits	Total 2023	Total 2022
<b>Commissioners</b>				
Mosotho S Moepya – Chairperson <sup>1</sup>	1 590 962	951 701	2 542 663	2 311 609
Janet Love – Vice-Chairperson <sup>2</sup>	1 441 503	951 701	2 393 204	2 311 609
Dr Nomsa Masuku – Commissioner	1 441 503	951 701	2 393 204	2 311 609
Glen Mashinini – Commissioner <sup>3</sup>	1 577 212	73 498	1 650 710	2 625 443
	<b>6 051 180</b>	<b>2 928 601</b>	<b>8 979 781</b>	<b>9 560 270</b>

<sup>1</sup> Mr Mosotho Moepya was designated Chairperson of the Electoral Commission effective 15 October 2022 for the remainder of his term.

<sup>2</sup> Vice-Chairperson Ms Janet Love's term will expire on 19 April 2023.

<sup>3</sup> Mr Glen Mashinini's term as Chairperson ended on 16 April 2022. He was reappointed for a second term of seven years effective 1 August 2022 as a Commissioner.

Commissioners do not qualify for membership of the GEPPF.

	Salary	Short-term benefits	Long-service award	Heightened activity	Total 2023	Total 2022
<b>Executive salaries</b>						
Sy Mamabolo –						
Chief Electoral Officer	2 456 610	597 061	449 935	340 120	3 843 726	3 243 077
Masego Sheburi – Deputy						
CEO: Electoral Operations	1 985 874	278 269	-	274 274	2 538 417	2 385 630
Mawethu Mosery –						
Deputy CEO: Outreach	2 107 728	293 651	-	286 943	2 688 322	2 316 761
Akhtari Henning – Deputy						
CEO: Corporate Services	1 985 874	278 269	-	274 274	2 538 417	2 385 630
George Mahlangu – Chief						
Executive: Party Funding	1 927 608	270 915	-	266 328	2 464 851	2 316 540
Dawn Mbatha CA(SA) – Chief						
Financial Officer	2 107 728	293 651	-	290 891	2 692 270	2 534 939
Libisi Maphanga –						
Chief Information Officer	1 895 118	267 208	-	261 897	2 424 223	2 316 119
<b>Total</b>	<b>14 466 540</b>	<b>2 279 024</b>	<b>449 935</b>	<b>1 994 727</b>	<b>19 190 226</b>	<b>17 498 696</b>
<b>Total key management compensation</b>	<b>20 517 720</b>	<b>5 207 625</b>	<b>449 935</b>	<b>1 994 727</b>	<b>28 170 007</b>	<b>27 058 966</b>

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## Balances with other related parties

### Related-party balances

	31 March 2023	31 March 2022
	R	R
South African Broadcasting Corporation	-	(4 013 040)
South African Broadcasting Corporation	2 229 070	14 458 500

### Relationship with Political Party Fund

	31 March 2023	31 March 2022
	R	R
Represented Political Parties Funding	-	75 272

The Electoral Commission is a constitutional institution established in terms of section 181(1)(f) of the Constitution of the Republic of South Africa (Act 108 of 1996) to promote and safeguard representative democracy in South Africa. The Electoral Commission is publicly funded and accountable to Parliament, yet independent of government in carrying out its operational functions. As a constitutional institution, the Electoral Commission reports to the National Assembly. Accordingly, a related-party relationship is implied notwithstanding that all Electoral Commission transactions with government entities are at arm's length and on commercial terms.

The core function of the Electoral Commission is the impartial management of free and fair elections in all spheres of government. The adequate funding of the Electoral Commission through parliamentary appropriation is necessary to ensure that the Commission delivers on its mandate in terms of electoral prescripts.

The parliamentary allocation transferred through the Department of Home Affairs has been disclosed in Note 13.

The Political Party Funding Act, Act 6 of 2018, provides for the establishment and management of funds to fund represented political parties sufficiently. The Electoral Commission and the funds have the same Accounting Officer. As a result, the funds and the Electoral Commission are related parties.



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 28. Irregular, Fruitless and Wasteful Expenditure

	31 March 2023	31 March 2022
	R	R
Irregular expenditure	4 054 553	28 262 244
Fruitless and wasteful expenditure	7 166	227 219
<b>Total</b>	<b>4 061 720</b>	<b>28 489 463</b>

#### 28.1 National Treasury issued Instruction Note 4 of 2022/23

National Treasury issued Instruction Note 4 of 2022/23: PFMA Compliance and Reporting Framework. The instruction is issued in terms of section 76(1)(b), (e) and (f), (2)(e) and (4)(a) and (c) of the PFMA. The instruction became effective from 3 January 2023.

Instruction Note 4 of 2022/23 requires revised disclosure and reporting requirements for both irregular expenditure, and fruitless and wasteful expenditure when incurred and confirmed.

Details of current and previous-year irregular expenditure (under assessment, determination and investigation) and details of current and previous-year fruitless and wasteful expenditure (under assessment, determination and investigation) are reported in the Annual Report.

The current figures and comparatives have been adjusted to reflect the requirement of the new instruction in terms of the legislative requirement.

#### 28.2 Consequence Management

In instances where fraud, corruption or criminal activities have been identified, the necessary disciplinary procedures have been implemented, and civil and criminal cases have been made as appropriate. In other instances, the controls have been reviewed and improved where necessary, and training interventions have been or will be conducted. Investigations are ongoing in relation to transactions that have been identified as potentially irregular. If confirmed as irregular, this will be disclosed in the year in which the irregularity is confirmed.

Fruitless and wasteful expenditure incurred in the current year as a result of late payments is being investigated and corrective action will be taken. Payment made to an incorrect service provider is being pursued to recover the funds.

## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 29. Explanation of variances between the budget and Statement of Financial Performance

1. Revenue: The increase in revenue is due to investment revenue being higher than projected as a result of higher bank balances owing to various project delays. Projects were delayed in part due to the delay in the passing of the Electoral Amendment Bill, as well as changes brought about by National Treasury in the procurement regime. Lease revenue, political party registration fees and other operating revenue are not budgeted for and are therefore not included in the ENE budget.
2. Employee-related costs: The underspend on employee-related costs is mainly due to permanent staff vacancies not being filled due to an ongoing labour case related to the implementation of an organisational review.
3. Goods and services: Underspend is mainly due to changes brought about by National Treasury in the procurement regime and the moratorium on procurement above the R30 000 threshold. In addition, the passing of the Electoral Amendment Bill was delayed. This resulted in a delay in various projects planned for the year.
4. Depreciation, amortisation and impairment: Depreciation was less than projected due to a prior-period error correction and restatement of intangible assets.

### 30. Prior-year period error

#### Correction of prior-period error: Intangible assets with indefinite useful life

##### *Background*

The intangible assets are stated in the Statement of Financial Position at cost less any subsequent accumulated amortisation and impairment losses. The Electoral Commission has developed some of its applications and systems internally and recognises such developed assets as intangible assets as they meet the recognition criteria. The majority of the internally generated applications and systems have no foreseeable limit to the period over which they are expected to provide service potential to the Commission. Therefore, these applications and systems should have been classified as internally generated intangible assets and have an indefinite useful life. Currently, all intangible assets are amortised on a straight-line basis over a five- to 10-year period, including intangible assets with an indefinite useful life.

Amortising all intangible assets, even those with an indefinite useful life, is an error that should be accounted for in terms of GRAP 3: Accounting Policies, Accounting Estimates and Errors.



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 30.1 Prior-period error note

The prior-period error relates to the correction of the amortisation of intangible assets with an indefinite useful life. The intangible assets were amortised incorrectly and the treatment was not compliant with the requirement of GRAP 31. An intangible asset with an indefinite useful life shall not be amortised.

	31 March 2022 R
Increase in intangible assets (Statement of Financial Position) – 31 March 2022	89 141 169
Decrease in depreciation amortisation and impairment (Statement of Financial Performance) – 31 March 2022	13 218 792
Increase in loss on disposal of intangible assets (Statement of Financial Performance) – 31 March 2022	(8 045 130)
Net increase in retained earnings 1 April 2021	83 967 507

#### *Increase in retained earnings (1 April 2021)*

Impact on opening balances as of 1 April 2021

	31 March 2022 R
Increase in intangible assets (Statement of Financial Position)	83 967 507

## 31. Events after balance sheet date

A subsequent event is an event that occurs after a reporting period, but before the financial statements for that period have been issued or are available to be issued. The following are non-adjusting events.

#### *Electoral Amendment Bill*

The President of the Republic of South African signed the Electoral Amendment Bill into law on 17 April 2023.

The amended Electoral Act now provides for the inclusion and nomination of independent candidates as contesters to elections in the National Assembly and provincial legislatures.

The financial impact of this Bill is expected to be significant in the future. The assessment will be done in the next financial year. The effective date of the Act will be promulgated in due course.

#### *Commission Services*

The seven-year term of the Vice-Chairperson of the Commission, Janet Love, expired on 19 April 2023. The filling of this position is underway.



# **ELECTORAL COMMISSION**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## *Commitments*

Note 24 has been updated to reflect a subsequent event relating to the Accounting Officer's decision. At the reporting date (31 March 2023), management did not recognise the unutilised value of the awards as a commitment amounting to R21 433 718 in the notes to the financial statements due to the pending independent review. The Accounting Officer's decision was informed by section 13.1 of the Preferential Procurement Policy and the Preferential Procurement Policy Regulations of 2022, which invoke the requirement of the Accounting Officer to investigate any failure to comply with any procurement management system. On 1 June 2023, the independent service provider issued an assurance report to the CEO. This resulted in the subsequent adjustment in Note 24



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 32. Segment reporting

#### SEGMENT REPORTING AS AT 31 MARCH 2023

2022/23	National Office	Party Funding	Eastern Cape	Free State	Gauteng
<b>REVENUE</b>					
Revenue from non-exchange transactions	-	-	-	-	-
Inter-segment transfers	1 414 560 279	20 045 100	143 486 209	60 699 342	78 434 761
Lease revenue	-	-	2 430	1 250	33 724
Revenue from exchange transfers	68 109 321	-	22 568	29 019	250 239
<b>Total segment revenue</b>	<b>1 482 669 600</b>	<b>20 045 100</b>	<b>143 511 207</b>	<b>60 729 611</b>	<b>78 718 724</b>
Employee cost	210 433 534	7 940 787	103 721 416	45 883 635	59 305 074
Goods and services	381 581 240	370 519	13 863 308	6 242 657	8 565 229
Depreciation and amortisation	72 905 724	-	2 594 104	1 160 020	1 795 284
Audit fees	6 925 496	-	-	-	-
Debt Impairment	279 154	-	-	-	-
Finance cost	2 637	-	5 052	831	-
Operating lease expense	21 930 887	-	18 948 322	5 357 383	6 053 509
<b>Total segment expenses</b>	<b>694 058 672</b>	<b>8 311 306</b>	<b>139 132 202</b>	<b>58 644 526</b>	<b>75 719 096</b>
<b>(Deficit) on sale of assets</b>	<b>(6 598 926)</b>	<b>-</b>	<b>(40 105)</b>	<b>(5 429)</b>	<b>(3 452)</b>
<b>Surplus/(deficit) for the year</b>	<b>782 012 002</b>	<b>11 733 794</b>	<b>4 338 900</b>	<b>2 079 656</b>	<b>2 996 176</b>
<b>STATEMENT OF FINANCIAL POSITION</b>					
<b>Current assets</b>	<b>1 794 186 862</b>	<b>49 722</b>	<b>7 146 911</b>	<b>3 168 020</b>	<b>4 451 642</b>
Trade and other receivables	46 979 463	-	-	5 086	-
Cash and cash equivalents	1 731 362 875	-	1 139 951	1 108 646	849 189
Current short-term portion of lease	3 132 768	-	1 207 169	294 701	138 498
Inventories	12 711 756	49 722	4 799 791	1 759 587	3 463 955
<b>Non-current assets</b>	<b>728 119 371</b>	<b>12 687 372</b>	<b>22 959 543</b>	<b>8 675 807</b>	<b>13 400 162</b>
Property, plant and equipment	521 174 251	267 166.84	21 670 501	8 276 265	13 113 604
Heritage	1 473 454	4 019	111 951	13 399	25 099
Intangibles	200 249 769	12 416 186	-	-	-
Trade and other receivables	5 221 897	-	1 177 091	386 143	261 459
<b>Total assets</b>	<b>2 522 306 233</b>	<b>12 737 094</b>	<b>30 106 454</b>	<b>11 843 827</b>	<b>17 851 804</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>	<b>90 849 559</b>	<b>1 025 445</b>	<b>15 020 761</b>	<b>9 084 651</b>	<b>10 507 169</b>
Trade payables	82 232 559	1 025 445	15 020 761	9 084 651	10 507 169
Lump-sum retirement benefit	8 617 000	-	-	-	-
<b>Non-current liabilities</b>	<b>211 420 645</b>	<b>-</b>	<b>5 011 738</b>	<b>742 541</b>	<b>591 020</b>
Operating lease liability	17 004 645	-	5 011 738	742 541	591 020
Lump-sum retirement benefit	194 416 000	-	-	-	-
<b>Total liabilities</b>	<b>302 270 204</b>	<b>1 025 445</b>	<b>20 032 499</b>	<b>9 827 192</b>	<b>11 098 189</b>
Accumulated surplus	2 288 439 238	-	-	-	-
<b>Total liabilities and net assets</b>	<b>2 590 709 442</b>	<b>1 025 445</b>	<b>20 032 499</b>	<b>9 827 192</b>	<b>11 098 189</b>
<b>Number of employees</b>					
Permanent	132	5	152	56	81
<b>Number of offices</b>	<b>2</b>	<b>0</b>	<b>40</b>	<b>20</b>	<b>38</b>

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

KwaZulu- Natal	Mpumalanga	Northern Cape	Limpopo	North West	Western Cape	Total
-	-	-	-	-	-	-
136 737 150	66 187 634	66 819 904	88 852 520	68 342 837	79 624 264	2 223 790 000
46 896	2 347	4 462	-	18 484	12 638	122 231
118 354	-	4 425	57 184	47 642	23 131	68 661 883
<b>136 902 400</b>	<b>66 189 981</b>	<b>66 828 791</b>	<b>88 909 704</b>	<b>68 408 963</b>	<b>79 660 033</b>	<b>2 292 574 114</b>
104 019 318	44 033 074	45 270 994	68 542 593	50 415 541	56 861 359	796 427 325
14 461 227	9 171 616	8 392 645	8 857 661	7 118 845	9 360 530	467 985 477
2 825 355	1 237 334	1 994 332	1 483 536	1 388 377	1 494 408	88 878 474
-	-	-	-	-	-	6 925 496
-	-	-	-	-	-	279 154
-	-	-	-	1 247	-	9 767
12 823 032	9 085 142	8 078 309	7 613 630	6 324 392	10 635 688	106 850 294
<b>134 128 932</b>	<b>63 527 166</b>	<b>63 736 280</b>	<b>86 497 420</b>	<b>65 248 402</b>	<b>78 351 985</b>	<b>1 467 355 987</b>
(30 815)	21 434	59 984	48 293	25 917	6 385	(6 516 714)
<b>2 742 653</b>	<b>2 684 249</b>	<b>3 152 495</b>	<b>2 460 577</b>	<b>3 186 478</b>	<b>1 314 433</b>	<b>818 701 413</b>
<b>5 746 580</b>	<b>2 317 252</b>	<b>2 517 154</b>	<b>3 921 776</b>	<b>2 912 733</b>	<b>3 793 264</b>	<b>1 830 211 916</b>
225 950	-	-	17 611	3 450	23 895	47 255 455
638 273	397 711	471 013	946 376	968 716	1 633 476	1 739 516 226
515 674	401 874	328 652	542 619	234 213	481 542	7 277 710
4 366 683	1 517 667	1 717 489	2 415 170	1 706 354	1 654 351	36 162 525
<b>24 850 326</b>	<b>10 498 704</b>	<b>19 355 451</b>	<b>13 391 144</b>	<b>13 586 063</b>	<b>13 846 476</b>	<b>881 370 419</b>
24 196 551	10 073 757	18 955 097	13 137 686	13 308 789	12 654 853	656 828 521
10 723	7 233	7 573	-	15 595	2 097	1 671 143
-	-	-	-	-	-	212 665 955
643 052	417 714	392 781	253 458	261 679	1 189 526	10 204 800
<b>30 596 906</b>	<b>12 815 956</b>	<b>21 872 605</b>	<b>17 312 920</b>	<b>16 498 796</b>	<b>17 639 740</b>	<b>2 711 582 335</b>
<b>25 753 106</b>	<b>7 535 391</b>	<b>8 426 744</b>	<b>12 188 049</b>	<b>8 719 649</b>	<b>8 459 477</b>	<b>197 570 001</b>
25 753 106	7 535 391	8 426 744	12 188 049	8 719 649	8 459 477	188 953 001
-	-	-	-	-	-	8 617 000
<b>1 391 417</b>	<b>1 039 307</b>	<b>1 558 980</b>	<b>1 691 923</b>	<b>834 198</b>	<b>1 291 327</b>	<b>225 573 097</b>
1 391 417	1 039 307	1 558 980	1 691 923	834 198	1 291 327	31 157 097
-	-	-	-	-	-	194 416 000
<b>27 144 523</b>	<b>8 574 698</b>	<b>9 985 724</b>	<b>13 879 972</b>	<b>9 553 847</b>	<b>9 750 804</b>	<b>423 143 096</b>
-	-	-	-	-	-	2 288 439 238
<b>27 144 523</b>	<b>8 574 698</b>	<b>9 985 724</b>	<b>13 879 972</b>	<b>9 553 847</b>	<b>9 750 805</b>	<b>2 711 582 335</b>
<b>133</b>	<b>54</b>	<b>59</b>	<b>86</b>	<b>68</b>	<b>72</b>	<b>898</b>
<b>52</b>	<b>18</b>	<b>27</b>	<b>26</b>	<b>19</b>	<b>30</b>	<b>272</b>



# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**\*Restated**

**SEGMENT REPORTING AS AT 31 MARCH 2022\***

2021/22	National Office	Party Funding	Eastern Cape	Free State	Gauteng
<b>REVENUE</b>					
Revenue from non-exchange transactions	-	-	-	-	-
Inter-segment transfers	669 632 825	52 138 370	274 722 600	113 481 771	189 935 551
Sponsorship revenue	67 151	-	-	-	-
Lease revenue	-	-	237 557	791 207	1 717 564
Revenue from exchange transfers	105 582 572	-	-	5 799	56 255
<b>Total segment revenue</b>	<b>775 282 548</b>	<b>52 138 370</b>	<b>274 960 157</b>	<b>114 278 777</b>	<b>191 709 370</b>
Employee cost	214 612 457	7 093 890	128 211 152	56 190 744	82 481 655
Goods and services	784 163 345	3 620 068	117 929 303	50 334 639	95 243 311
Depreciation and amortisation	54 409 071*	1 257 946	2 387 753	1 165 596	1 728 020
Audit fees	10 159 351	-	-	-	-
Debt impairment	218 049	-	-	-	-
Finance cost	307	-	-	-	-
Operating lease expense	24 628 821	-	18 238 960	4 910 436	5 947 174
<b>Total segment expenses</b>	<b>1 088 191 401*</b>	<b>11 971 904</b>	<b>266 767 168</b>	<b>112 601 415</b>	<b>185 400 160</b>
<b>(Deficit) on sale of assets</b>	<b>(11 514 752)*</b>	<b>-</b>	<b>178 955</b>	<b>79 714</b>	<b>48 775</b>
<b>Surplus/(deficit) for the year</b>	<b>(324 423 605)</b>	<b>40 166 466</b>	<b>8 371 944</b>	<b>1 757 076</b>	<b>6 357 985</b>
<b>STATEMENT OF FINANCIAL POSITION</b>					
<b>Current assets</b>	<b>885 427 000</b>	<b>-</b>	<b>5 588 946</b>	<b>2 810 288</b>	<b>5 051 735</b>
Trade and other receivables	52 461 905	-	7 404	7 200	6 605
Cash and cash equivalents	809 066 888	-	774 387	1 078 675	2 003 140
Current short-term portion of lease	1 010 047	-	899 329	144 817	57 559
Inventories	22 888 160	-	3 907 826	1 579 596	2 984 431
<b>Non-current assets</b>	<b>778 553 537*</b>	<b>19 764 403</b>	<b>22 305 893</b>	<b>9 681 494</b>	<b>12 996 467</b>
Personal protective equipment	576 467 777*	9 996 350	21 002 825	9 331 960	12 709 909
Heritage assets	1 476 683	789	111 951	13 399	25 099
Intangibles	195 652 245*	9 767 264	-	-	-
Trade and other receivables	4 956 832	-	1 191 117	336 135	261 459
<b>Total assets</b>	<b>1 663 980 537</b>	<b>19 764 403</b>	<b>27 894 839</b>	<b>12 491 782</b>	<b>18 048 202</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>	<b>79 358 912</b>	<b>323 776.00</b>	<b>16 697 498</b>	<b>8 181 041</b>	<b>10 920 609</b>
Trade payables	75 401 912	323 776.00	16 697 498	8 181 041	10 920 609
Lump-sum retirement benefit	3 957 000	-	-	-	-
<b>Non-current liabilities</b>	<b>188 874 955</b>	<b>-</b>	<b>5 580 225</b>	<b>740 130</b>	<b>568 182</b>
Operating lease liability	15 761 955	-	5 580 225	740 130	568 182
Lump-sum retirement benefit	173 113 000	-	-	-	-
<b>Total liabilities</b>	<b>268 233 867</b>	<b>323 776.00</b>	<b>22 277 723</b>	<b>8 921 171</b>	<b>11 488 791</b>
Accumulated surplus	1 380 596 656	-	-	-	-
<b>Total liabilities and net assets</b>	<b>1 648 830 523</b>	<b>323 776.00</b>	<b>22 277 723</b>	<b>8 921 171</b>	<b>11 488 791</b>

NUMBER OF EMPLOYEES	National Office	Party Funding	Eastern Cape	Free State	Gauteng
Permanent	131	4	158	57	79
<b>Number of offices</b>	<b>2</b>	<b>0</b>	<b>40</b>	<b>20</b>	<b>38</b>

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

KwaZulu-Natal	Mpumalanga	Northern Cape	Limpopo	North West	Western Cape	Total
-	-	-	-	-	-	-
285 792 456	123 260 398	178 215 229	97 910 756	121 313 362	143 851 682	2 250 255 000
-	-	-	-	-	-	67 151
2 012 881	215 847	224 874	146 105	375 912	571 937	6 293 884
65 089	-	-	-	-	-	105 709 715
287 870 426	123 476 245	178 440 103	98 056 861	121 689 274	144 423 619	2 362 325 750
138 109 964	58 436 926	56 111 634	86 929 737	60 533 003	73 330 737	962 041 899
134 235 161	52 152 779	29 986 886	78 911 121	48 353 830	53 703 854	1 448 634 297
2 753 221	1 251 442	1 463 993	2 072 105	1 394 621	1 547 392	71 431 160*
-	-	-	-	-	-	10 159 351
-	-	-	-	-	-	218 049
-	-	-	-	2 460	-	2 767
11 189 660	8 637 764	7 668 995	8 069 390	6 177 088	9 812 660	105 280 948
<b>286 288 006</b>	<b>120 478 911</b>	<b>95 231 508</b>	<b>175 982 353</b>	<b>116 461 002</b>	<b>138 394 643</b>	<b>2 597 768 471*</b>
(304 906)	59 601	99 794	118 262	323 934	33 713	(10 876 910)*
<b>1 277 514</b>	<b>3 056 935</b>	<b>83 308 389</b>	<b>-77 807 230</b>	<b>5 552 206</b>	<b>6 062 689</b>	<b>(246 319 631)*</b>
<b>5 432 679</b>	<b>2 432 230</b>	<b>2 969 973</b>	<b>3 279 517</b>	<b>2 635 944</b>	<b>3 234 318</b>	<b>918 862 630</b>
-	40 788	920	-	-	518	52 525 340
1 159 273	640 975	1 376 342	627 862	680 938	1 344 745	818 753 225
520 003	435 666	317 334	393 336	394 468	546 000	4 718 559
3 753 403	1 314 801	1 275 377	2 258 319	1 560 538	1 343 055	42 865 506
<b>26 462 834</b>	<b>10 826 675</b>	<b>13 281 601</b>	<b>20 178 103</b>	<b>14 326 146</b>	<b>13 515 189</b>	<b>941 892 342*</b>
25 809 059	10 401 924	12 888 820	19 917 072	14 049 543	12 350 569	724 925 808*
10 723	7 234	-	7 573	15 595	2 097	1 671 143
-	-	-	-	-	-	205 419 509*
643 052	417 517	392 781	253 458	261 008	1 162 523	9 875 882
<b>31 895 513</b>	<b>13 258 905</b>	<b>16 251 574</b>	<b>23 457 620</b>	<b>16 962 090</b>	<b>16 749 507</b>	<b>1 860 754 972*</b>
<b>21 944 605</b>	<b>7 734 262</b>	<b>9 712 180</b>	<b>12 454 151</b>	<b>9 103 572</b>	<b>8 260 196</b>	<b>184 690 802</b>
21 944 605	7 734 262	9 712 180	12 454 151	9 103 572	8 260 196	180 733 802
-	-	-	-	-	-	3 957 000
<b>1 916 318</b>	<b>1 508 630</b>	<b>1 929 683</b>	<b>1 954 223</b>	<b>1 365 934</b>	<b>1 888 064</b>	<b>206 326 344</b>
1 916 318	1 508 630	1 929 683	1 954 223	1 365 934	1 888 064	33 213 344
-	-	-	-	-	-	173 113 000
<b>23 860 923</b>	<b>9 242 892</b>	<b>11 641 863</b>	<b>14 408 374</b>	<b>10 469 506</b>	<b>10 148 260</b>	<b>391 017 146</b>
-	-	-	-	-	-	1 380 596 656
<b>23 860 923</b>	<b>9 242 892</b>	<b>11 641 863</b>	<b>14 408 374</b>	<b>10 469 506</b>	<b>10 148 260</b>	<b>1 771 613 802</b>

KwaZulu-Natal	Mpumalanga	Northern Cape	Limpopo	North West	Western Cape	Total
133	54	57	88	72	73	906
52	18	27	26	19	30	272

**ELECTORAL COMMISSION**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**33. Change in estimate****Useful life review – property, plant and equipment**

In accordance with the accounting policy, the Electoral Commission reviews the useful lives of all the asset classes at the end of each reporting period. In management's best estimate, there was a change in estimate of the useful lives of the following asset classes and there was a resultant reduction in depreciation in the current period as a result of the extension of the relevant useful lives of the assets listed below.

	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Net book value</b>
	<b>R</b>	<b>R</b>	<b>R</b>
<b>Appliances</b>			
Before useful life review	5 178 633	(4 433 716)	744 917
After useful life review	5 178 633	(4 413 650)	764 983
<b>Difference due to change in estimate</b>	<b>-</b>	<b>20 066</b>	<b>20 066</b>
<b>Cellphones</b>			
Before useful life review	8 130	(5 208)	2 922
After useful life review	8 130	(4 405)	3 725
<b>Difference due to change in estimate</b>	<b>-</b>	<b>803</b>	<b>803</b>
<b>Computer equipment</b>			
Before useful life review	232 410 253	(157 774 217)	74 636 036
After useful life review	232 410 253	(154 813 202)	77 597 051
<b>Difference due to change in estimate</b>	<b>-</b>	<b>2 961 015</b>	<b>2 961 015</b>
<b>Furniture and fittings</b>			
Before useful life review	94 295 988	(58 525 663)	35 770 325
After useful life review	94 295 988	(58 442 679)	35 853 309
<b>Difference due to change in estimate</b>	<b>-</b>	<b>82 984</b>	<b>82 984</b>
<b>Leasehold improvements</b>			
Before useful life review	5 893 341	(4 112 442)	1 780 899
After useful life review	5 893 341	(4 103 438)	1 789 903
<b>Difference due to change in estimate</b>	<b>-</b>	<b>9 004</b>	<b>9 004</b>
<b>Motor vehicles</b>			
Before useful life review	91 130 573	(31 436 302)	59 694 271
After useful life review	91 130 573	(31 466 615)	59 663 958
<b>Difference due to change in estimate</b>	<b>-</b>	<b>(30 313)</b>	<b>(30 313)</b>



# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

	Cost R	Accumulated depreciation R	Net book value R
<b>Office equipment</b>			
Before useful life review	58 325 230	(45 239 817)	13 085 413
After useful life review	58 325 230	(44 742 996)	13 582 234
<b>Difference due to change in estimate</b>	-	<b>496 820</b>	<b>496 820</b>
<b>Prefabricated buildings</b>			
Before useful life review	21 932 465	(5 218 851)	16 713 614
After useful life review	21 932 465	(5 216 051)	16 716 414
<b>Difference due to change in estimate</b>	-	<b>2 800</b>	<b>2 800</b>
<b>Scanners</b>			
Before useful life review	180 706 473	(180 674 778)	31 695
After useful life review	180 706 473	(180 674 778)	31 695
<b>Difference due to change in estimate</b>	-	-	-
<b>Voter management devices</b>			
Before useful life review	544 994 474	(94 160 225)	450 834 249
After useful life review	544 994 474	(94 160 225)	450 834 249
<b>Difference due to change in estimate</b>	-	-	-
<b>Total 2023</b>	-	<b>3 543 180</b>	<b>3 543 180</b>

The change in estimate is due, in the main, to the adjusted increase in useful lives of the individual assets against the initial estimate upon recognition.

Assessment of useful life performed on an annual basis and the impact on future periods will be determined by such assessment.

## Useful life review – intangibles

	Cost R	Accumulated amortisation R	Net book value R
<b>Software</b>			
Before useful life review	78 914 713	(71 992 368)	6 922 345
After useful life review	78 914 713	(72 037 371)	6 877 342
<b>Difference due to change in estimate</b>	-	<b>(45 003)</b>	<b>(45 003)</b>

The useful lives of software were adjusted to reflect the extended use of the assets over their initial estimate. The adjusted change is, in the main, due to the increase in the useful life of the Electoral Commission's enterprises resource planning system (SAP).



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### APPENDIX A

#### Unaudited Detailed Income and Expenditure Statement for the year ended 31 March 2023

	2023 R	2022 R
<strong>INCOME</strong>	<strong>2 292 574 114</strong>	<strong>2 362 325 750</strong>
Parliamentary allocation	2 223 790 000	2 250 255 000
Lease revenue	122 231	6 293 884
Political party registration fees	160 501	53 500
Interest received	67 893 544	50 088 680
Sponsorship income	-	67 151
Foreign and local aid assistance	-	-
Elections related revenue	-	55 095 532
Other	607 838	472 003
<strong>EXPENDITURE</strong>	<strong>1 467 355 985</strong>	<strong>2 605 813 601</strong>
<strong>Personnel expenditure</strong>	796 427 325	962 041 899
Salaries	604 445 233	731 278 523
- Permanent staff	575 256 733	567 689 474
- Temporary staff	27 142 148	156 493 146
- Voter education fieldworkers	4 039 585	28 962 133
- Election support	133 613	52 644 362
- By-elections	782 360	250 065
- Registration	1 623 655	6 550 285
- Expansion staff	20 562 935	68 086 301
- Municipal Electoral Office agents	2 046 352	7 095 902
Medical aid contributions	51 557 807	49 654 585
Housing benefits and allowances	17 266 337	16 794 093
Remunerative allowances – permanent staff	10 047 309	26 874 721
Leave pay provision	514 979	16 038 807
Lump sums – retirement	35 070 189	36 832 193
Employer's contributions	69 807 671	70 933 987
Deployment costs	1 420	10 508
Long-service awards	6 748 549	13 087 707
Relocation cost	967 831	536 775

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

	2023 R	2022 R
<b>Administrative expenditure</b>	<b>567 133 761</b>	<b>1 537 812 923</b>
Electoral staff subsistence	4 913 643	381 679 100
Travel expenditure	45 289 875	45 782 277
Air transport	7 016 383	2 635 886
Hotel expenditure	23 220 047	27 128 221
Vehicle rental	960 670	4 677 321
Fuel	10 316 127	8 930 230
Other	3 776 648	2 410 620
Subsistence and travel	5 850 973	37 164 270
Communications and connectivity	71 417 019	91 412 306
Storage and distribution costs	4 347 519	31 269 044
Study expenditure	3 731 751	3 051 674
Subscriptions and membership fees	1 544 783	1 671 896
Advertising	19 335 870	113 642 668
Catering/entertainment expenses	962 476	1 776 504
- Democracy development and voter education	24 578	65 195
- Other – Corporate Services	294 351	265 584
- Logistics and Electoral Matters	642 950	1 445 725
- Party Funding	598	-
Insurance	2 163 324	2 359 428
Conferences and workshops	12 703 606	88 481 994
- Democracy development and voter education	5 679 397	3 519 634
- Other – Corporate Services	4 225 038	40 891 675
- Logistics and Electoral Matters	2 526 306	44 070 685
- Party Funding	272 864	-
Consumables	2 762 272	79 019 592
Inventory	7 329 063	63 968 531
Printing and stationery	7 650 483	87 355 983
Software licenses	41 491 998	45 293 630
Rented equipment	637 866	25 602 034
Rental – land and buildings	131 983 845	165 667 992
Building rentals	106 850 294	105 280 948
Rates and taxes	24 288 810	24 340 181
Voting station rentals	844 741	36 046 862
Professional and other services	202 357 337	269 915 451
Bank charges	654 579	2 698 005
Sundry expenditure	5 478	546



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

	2023 R	2022 R
Depreciation, amortisation and impairment	88 878 474	79 476 290
Audit costs	6 925 496	10 159 351
Finance cost	9 767	2 767
Debt impairment	279 154	218 049
Maintenance and repairs	7 702 008	16 102 322
<b>Total expenditure</b>	<b>1 467 355 985</b>	<b>2 605 813 601</b>
Deficit on disposal/scraping of assets	6 516 714	2 831 780
<b>(Deficit)/surplus for the year</b>	<b>818 701 415</b>	<b>(246 319 631)</b>

# ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

## APPENDIX B

### Departmental Expenditure Statement for the year ended 31 March 2023

Relevant strategic objective	Total expenditure Actual R	Personnel expenditure R	Administrative expenditure R	Consumables R	Equipment R	Land and building rentals R	Professional and other services R
Internal Audit	10 448 852	3 409 356	50 366	35 415	-	-	6 953 715
Chief Electoral Officer	8 094 486	6 845 810	992 154	33 200	-	-	223 322
Commission Services	34 056 067	14 308 717	12 280 025	62 548	-	-	7 404 777
Financial Services	24 811 639	16 751 637	380 101	419 159	6 516 714	-	744 028
Financial Management	7 483 273	-	142 077	-	-	-	7 341 196
Budget and Compliance Verification	5 247 170	5 217 489	3 358	26 323	-	-	-
Procurement and Asset Management	13 047 795	12 332 126	135 340	222 748	-	-	357 581
<b>Total Chief Electoral Office</b>	<b>103 189 283</b>	<b>58 865 135</b>	<b>13 983 421</b>	<b>799 393</b>	<b>6 516 714</b>	<b>-</b>	<b>23 024 620</b>
Deputy Chief Electoral Officer	3 862 022	3 783 438	48 183	30 401	-	-	-
Legal Services	16 794 544	5 774 231	459 087	250 408	-	-	10 310 818
Human Resources	41 001 372	33 014 068	1 994 190	256 216	-	-	5 736 897
Human Resources, Skills Development and Training	2 509 056	2 463 691	45 365	-	-	-	-
Skills Development and Training	16 802 357	8 992 861	6 885 500	95 846	-	-	828 150
Support Services	80 256 359	12 476 540	3 905 506	875 091	7 093 080	35 339 884	20 566 258
Business Enterprise Systems	83 499 729	8 481 561	3 046	41 141	-	-	74 973 981
Information Communication Technology	68 126 940	4 884 925	28 403	-	61 091 047	-	2 122 566
IT Operations Services	118 789 466	4 203 336	209 942	170 253	2 438 305	-	111 767 631
<b>Total for Corporate Services</b>	<b>431 641 844</b>	<b>84 074 650</b>	<b>13 579 223</b>	<b>1 719 355</b>	<b>70 622 432</b>	<b>35 339 884</b>	<b>226 306 299</b>
<b>Total for National Office: Administration</b>	<b>534 831 126</b>	<b>142 939 785</b>	<b>27 562 644</b>	<b>2 518 748</b>	<b>77 139 146</b>	<b>35 339 884</b>	<b>249 330 919</b>
Deputy Chief Electoral Officer: Operations	3 656 122	3 556 156	93 301	6 665	-	-	-
Delimitation, Voting, Counting, Results and By-elections	21 589 154	8 462 545	9 925 987	2 424 017	-	753 645	22 960
Electoral Matters	3 156 610	3 025 705	127 979	2 926	-	-	-
Candidate Nomination, Party Liaison, Voters' Roll and Registration	12 761 513	2 749 953	1 374 322	48 401	150 995	-	8 437 842
Infrastructure, Courier Services	68 506 427	6 380 789	6 930 909	2 138 231	5 416 375	41 500 270	6 139 853
Logistics and Infrastructure	126 502	-	121 721	4 782	-	-	-
Logistics	103 733 771	8 656 632	4 389 831	6 592 240	54 501 026	29 238 618	355 424
<b>Total for Electoral Operations</b>	<b>213 530 099</b>	<b>32 831 780</b>	<b>22 964 050</b>	<b>11 217 261</b>	<b>60 068 395</b>	<b>71 492 533</b>	<b>14 956 079</b>



## ELECTORAL COMMISSION

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Relevant strategic objective	Total expenditure Actual R	Personnel expenditure R	Administrative expenditure R	Consumables R	Equipment R	Land and building rentals R	Professional and other services R
Deputy Chief Electoral Officer: Outreach	4 030 644	3 923 523	79 916	27 205	-	-	-
Civic Education, Research and Knowledge Management	28 929 109	8 556 005	10 321 947	929 090	-	-	9 122 067
Research, Library, Knowledge Management	11 602 139	6 703 201	2 616 987	682 376	-	-	1 599 575
Communication	26 720 654	5 724 579	19 433 656	343 223	-	-	1 219 197
<b>Total for Outreach</b>	<b>71 282 547</b>	<b>24 907 308</b>	<b>32 452 507</b>	<b>1 981 894</b>	<b>-</b>	<b>-</b>	<b>11 940 839</b>
Party Funding	8 824 194	7 940 787	594 273	189 722	-	-	99 412
<b>Total for Party Funding</b>	<b>8 824 194</b>	<b>7 940 787</b>	<b>594 273</b>	<b>189 722</b>	<b>-</b>	<b>-</b>	<b>99 412</b>
<b>Total for National Office: Operations</b>	<b>293 636 839</b>	<b>65 679 875</b>	<b>56 010 829</b>	<b>13 388 877</b>	<b>60 068 395</b>	<b>71 492 533</b>	<b>26 996 330</b>
<b>Total for National Office</b>	<b>828 467 966</b>	<b>208 619 660</b>	<b>83 573 473</b>	<b>15 907 626</b>	<b>137 207 541</b>	<b>106 832 417</b>	<b>276 327 248</b>
Eastern Cape	114 208 330	105 884 971	4 447 748	208 035	-	2 934 583	732 993
Free State	51 983 576	46 948 564	1 992 542	196 636	14 628	2 459 056	372 152
Gauteng	65 910 835	60 855 961	1 674 100	170 841	-	2 796 127	413 806
KwaZulu-Natal	113 013 461	105 782 179	4 615 430	128 372	-	1 435 285	1 052 194
Mpumalanga	52 613 663	44 797 461	2 597 603	289 478	89 238	4 686 502	153 382
Northern Cape	53 285 530	46 474 704	3 367 850	173 827	27 503	2 712 155	529 491
Limpopo	76 309 941	70 107 745	3 185 487	216 207	-	2 305 702	494 801
North West	53 483 025	49 328 468	1 830 410	143 956	20 837	1 930 168	229 185
Western Cape	64 596 373	57 627 612	2 415 686	306 841	-	3 891 849	354 385
<b>Total for regional offices</b>	<b>645 404 734</b>	<b>587 807 665</b>	<b>26 126 856</b>	<b>1 834 193</b>	<b>152 205</b>	<b>25 151 428</b>	<b>4 332 387</b>
<b>Departmental expenditure</b>	<b>1 473 872 699</b>	<b>796 427 325</b>	<b>109 700 329</b>	<b>17 741 818</b>	<b>137 359 746</b>	<b>131 983 845</b>	<b>280 659 636</b>
<b>Total income</b>	<b>2 292 574 114</b>						
<b>Deficit for the year</b>	<b>818 701 415</b>						
<b>Unutilised surplus at 31 March 2022</b>	<b>1 469 737 826</b>						
<b>Unutilised surplus at 31 March 2023</b>	<b>2 288 439 241</b>						



## ABBREVIATIONS AND ACRONYMS

ACRONYM	DESCRIPTION
<b>AAEA</b>	Association of African Electoral Authorities
<b>ACFE</b>	Association of Certified Fraud Examiners
<b>AGSA</b>	Auditor-General South Africa
<b>AIC</b>	African Independent Congress
<b>ANC</b>	African National Congress
<b>APC</b>	Assessment of Professional Competence
<b>API</b>	Application Programming Interface
<b>APN</b>	Access Point Network
<b>APT</b>	Accounting Professional Training
<b>ARC</b>	Audit and Risk Committee
<b>ARF</b>	African Renaissance and International Cooperation Fund
<b>ASB</b>	Accounting Standards Board
<b>AUC</b>	African Union Commission
<b>AWEB</b>	Association of World Election Bodies
<b>B-BBEE</b>	Broad-based Black Economic Empowerment
<b>BOM</b>	Bill of Materials
<b>BPG</b>	Ballot Paper Generation
<b>BPT</b>	Ballot Paper Tracking
<b>CAE</b>	Chief Audit Executive
<b>CCMA</b>	Commission for Conciliation, Mediation and Arbitration
<b>CDE</b>	Civic and Democracy Education
<b>CEO</b>	Chief Electoral Officer
<b>CFA</b>	Chartered Financial Analyst
<b>CFO</b>	Chief Financial Officer
<b>CNS</b>	Candidate Nomination System
<b>COPE</b>	Congress of the People
<b>COSO</b>	Committee of Sponsoring Organisations
<b>Covid-19</b>	Novel Coronavirus 2019
<b>CPI</b>	Consumer Price Index
<b>CSD</b>	Central Supplier Database
<b>DA</b>	Democratic Alliance
<b>DBE</b>	Department of Basic Education
<b>DHA</b>	Department of Home Affairs
<b>DHET</b>	Department of Higher Education and Training
<b>DIRCO</b>	Department of International Relations and Cooperation
<b>DR</b>	Disaster Recovery
<b>DMZ</b>	Demilitarised Zone
<b>EE</b>	Employment Equity
<b>EEM</b>	Electronic Event Management
<b>EFF</b>	Economic Freedom Fighters
<b>Electoral Commission</b>	The Electoral Commission established in section 3(1) of the Electoral Commission Act, Act No 51 of 1996, i.e. the organisation
<b>EISA</b>	Electoral Institute for Sustainable Democracy in Africa



ACRONYM	DESCRIPTION
ENB	Electoral Management Body
ENE	Estimates of National Expenditure
EXCO	Executive Committee
FET	Further Education and Training
GEPF	Government Employees' Pension Fund
GIS	Geographic Information Systems
GRAP	Generally Recognised Accounting Practice
HR	Human Resources
HSRC	Human Sciences Research Council
ICT	Information and Communication Technology
IDP	Individual Development Plan
IIA	Institute of Internal Auditors
International IDEA	International Institute for Democracy and Electoral Assistance
IPM	Institution of People Management
IPPF	International Professional Practices Framework
IT	Information Technology
KPI	Key Performance Indicator
LAN	Local Area Network
LEPO	Local Electoral Project Officer
LGE	Local Government Election
LIS	Logistics Information System
MANCO	Management Committee
MDB	Municipal Demarcation Board
MEC	Member of the Executive Committee
MEO	Municipal Electoral Office/er
MFA	Multifactor Authentication
MoU	Memorandum of Understanding
MPDF	Multi-Party Democracy Fund
MRP	Materials Requirement Plan
MTEF	Medium-term Expenditure Framework
NFP	National Freedom Party
NPE	National and Provincial Elections
NSG	National School of Government
OHS	Occupational Health and Safety
OMS	Outreach Management System
OSLA	Office of the State Legal Advisor
OTP	One-time Password
PAC	Pan Africanist Congress of Azania
PEO	Provincial Electoral Office/er
PFMA	Public Finance Management Act
PFS	Party Funding System
PLC	Party Liaison Committee

ACRONYM	DESCRIPTION
<b>POPIA</b>	Protection of Personal Information Act
<b>PPE</b>	Personal Protective Equipment
<b>PPFA</b>	Political Party Funding Act
<b>PR</b>	Proportional Representation
<b>PRS</b>	Party Registration System
<b>RAM</b>	Regional Assistant Manager
<b>PSRMF</b>	Public Sector Risk Management Framework
<b>ROO</b>	Regional Outreach Officer
<b>RPO</b>	Recovery Point Objective
<b>RPPF</b>	Represented Political Parties Fund
<b>RTO</b>	Recovery Time Objective
<b>SABC</b>	South African Broadcasting Corporation
<b>SAN</b>	Storage Area Network
<b>SANEF</b>	South African National Editors Forum
<b>SAQA</b>	South African Qualifications Authority
<b>SCM</b>	Supply Chain Management
<b>SDP</b>	Schools Democracy Programme
<b>SETA</b>	Sector Education and Training Authority
<b>SIEM</b>	Systems Information and Events Management
<b>SITA</b>	State Information Technology Agency
<b>SMS</b>	Short Message Service
<b>SOP</b>	Standard Operating Procedure
<b>SRC</b>	Student Representative Council
<b>Stats SA</b>	Statistics South Africa
<b>SVA</b>	Special Votes Administration
<b>ToR</b>	Terms of Reference
<b>TVET</b>	Technical Vocational Education and Training
<b>UCT</b>	University of Cape Town
<b>UNDP</b>	United Nations Development Programme
<b>Unisa</b>	University of South Africa
<b>UPS</b>	Uninterrupted Power Supply
<b>VAT</b>	Value-added Tax
<b>VMD</b>	Voter Management Device
<b>VPN</b>	Virtual Private Network
<b>VRS</b>	Voter Registration System
<b>VSAT</b>	Very Small Aperture Terminal
<b>WAN</b>	Wide Area Network

## NOTES

[illegible]





**SOUTH AFRICA**

**ELECTORAL COMMISSION**

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