

# REPRESENTED POLITICAL PARTIES' FUND

## Annual Report 2010/2011



SOUTH AFRICA



# **ELECTORAL COMMISSION**

**Report regarding the Management and Administration of the**

**Represented Political Parties' Fund**

**during the financial year 1 April 2010 to 31 March 2011 in terms of  
Section 8 of the Public Funding of Represented Political Parties Act, 1997  
(Act 103 of 1997)**



**SOUTH AFRICA**



**SOUTH AFRICA**



# Contents

<b>Management and Administration</b>	5
<b>Allocations to the Represented Political Parties</b>	7
<b>Extracts of Represented Political Parties' Financial Statements</b>	13
African Christian Democratic Party	15
African Independent Congress	18
African National Congress	20
African People's Convention	23
Azanian People's Organisation	24
Congress of the People	26
Democratic Alliance	28
Freedom Front Plus	30
Independent Democrats	32
Inkatha Freedom Party	34
Minority Front	37
Pan Africanist Congress of Azania	39
United Christian Democratic Party	40
United Democratic Movement	42
<b>Report of the Audit Committee</b>	45
<b>Report of the Auditor-General</b>	49
<b>Financial Statements of the Represented Political Parties' Fund</b>	53
Statement of Financial Position	
Statement of Financial Performance	
Statement of Changes in Net Assets	
Statement of Cash Flow	
Notes to the Annual Financial Statements	
<b>Annexure A:</b>	71
Detailed Income and Expenditure Statement	





**SOUTH AFRICA**





# Management And Administration

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

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

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

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

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

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

Particulars of allocations made to represented political parties in respect of the 2010/2011 financial year are included in this report.

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

The Auditor-General's report is unqualified but draws attention in paragraph 10 to the non-compliance with the relevant legislation by various political parties in respect of their financial statements.

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



**SOUTH AFRICA**





# **ALLOCATIONS TO REPRESENTED POLITICAL PARTIES**



**SOUTH AFRICA**



**SOUTH AFRICA**



# ALLOCATIONS TO REPRESENTED POLITICAL PARTIES FOR THE YEAR ENDED 31 MARCH 2011

R98 925 805 was available to the fourteen Represented Political Parties, as follows:

89 033 224 Proportional (90%)  
9 892 580 Equitable (10%)

**TABLE 1: TOTAL NUMBER OF MEMBERS - REPRESENTATION**

REPRESENTED POLITICAL PARTIES	LEGISLATURES										TOTAL
	NATIONAL ASSEMBLY	WESTERN CAPE	LIMPOPO	EASTERN CAPE	GAUTENG	KWAZULU NATAL	NORTH-EASTERN CAPE	NORTH WEST	MPUMALANGA	FREE STATE	
AFRICAN CHRISTIAN DEMOCRATIC PARTY	3	1	NIL	NIL	1	1	NIL	NIL	NIL	NIL	6
AFRICAN INDEPENDENT CONGRESS	NIL	NIL	NIL	1	NIL	NIL	NIL	NIL	NIL	NIL	1
AFRICAN NATIONAL CONGRESS	264	14	43	44	47	51	19	25	27	22	556
AFRICAN PEOPLE'S CONVENTION	1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1
AZANIAN PEOPLE'S ORGANISATION	1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1
CONGRESS OF THE PEOPLE	30	3	4	9	6	1	5	3	1	4	66
DEMOCRATIC ALLIANCE	67	22	2	6	16	7	4	3	2	3	132
FREEDOM FRONT PLUS	4	NIL	NIL	NIL	1	NIL	NIL	NIL	NIL	1	6
INDEPENDENT DEMOCRATS	4	2	NIL	NIL	1	NIL	2	NIL	NIL	NIL	9
INKATHA FREEDOM PARTY	18	NIL	NIL	NIL	1	18	NIL	NIL	NIL	NIL	37
MINORITY FRONT	1	NIL	NIL	NIL	NIL	2	NIL	NIL	NIL	NIL	3
PAN AFRICANIST CONGRESS	1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1
UNITED CHRISTIAN DEMOCRATIC PARTY	2	NIL	NIL	NIL	NIL	NIL	NIL	2	NIL	NIL	4
UNITED DEMOCRATIC MOVEMENT	4	NIL	NIL	3	NIL	NIL	NIL	NIL	NIL	NIL	7
<b>TOTAL</b>	<b>400</b>	<b>42</b>	<b>49</b>	<b>63</b>	<b>73</b>	<b>80</b>	<b>30</b>	<b>33</b>	<b>30</b>	<b>30</b>	<b>830</b>
<b>NUMBER OF PARTIES</b>		<b>5</b>	<b>3</b>	<b>5</b>	<b>7</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>4</b>	

# ALLOCATIONS TO REPRESENTED POLITICAL PARTIES FOR THE YEAR ENDED 31 MARCH 2011 (continued)

**TABLE 2: TRANSFER EFFECTED TO THE REPRESENTED POLITICAL PARTIES**

REPRESENTED POLITICAL PARTIES								
	NATIONAL AS-SEMBLY	PROVINCIAL LEGISLATURE	TOTAL	PAID APR-10	PAID JUL-10	PAID OCT-10	PAID JAN-11	TOTAL PAID
	R	R	R	R	R	R	R	R
AFRICAN CHRISTIAN DEMOCRATIC PARTY	643,613.68	739,916.82	1 383 530.50	345,882.64	345,882.62	345,882.62	345,882.62	1 383 530.50
AFRICAN INDEPENDENT CONGRESS	107,268.94	289,875.61	397 144.55	99,286.13	99,286.14	99,286.14	99,286.14	397 144.55
AFRICAN NATIONAL CONGRESS	59,641,533.38	2,170,506.65	61 812 040.03	15,453,010.00	15,453,010.01	15,453,010.01	15,453,010.01	61 812 040.03
AFRICAN PEOPLE'S CONVENTION	107,268.94	-	107 268.94	26,817.22	26,817.24	26,817.24	26,817.24	107 268.94
AZANIAN PEOPLE'S ORGANISATION	107,268.94	-	107 268.94	0	53,634.46	26,817.24	26,817.24	107 268.94
CONGRESS OF THE PEOPLE	7,079,750.37	2,170,506.65	9 250 257.02	2,312,564.27	2,312,564.25	2,312,564.25	2,312,564.25	9 250 257.02
DEMOCRATIC ALLIANCE	14,159,500.73	2,170,506.65	16 330 007.38	4,082,501.83	4,082,501.85	4,082,501.85	4,082,501.85	16 330 007.38
FREEDOM FRONT PLUS	643,613.67	412,464.74	1 056 078.41	264,019.61	264,019.60	264,019.60	264,019.60	1 056 078.41
INDEPENDENT DEMOCRATS	965,420.50	605,715.15	1 571 135.65	392,783.92	392,783.91	392,783.91	392,783.91	1 571 135.65
INKATHA FREEDOM PARTY	3,968,950.96	546,666.41	4 515 617.37	1,128,904.35	1,128,904.34	1,128,904.34	1,128,904.34	4 515 617.37
MINORITY FRONT	321,806.83	306,746.68	628 553.51	157,138.39	157,138.38	157,138.38	157,138.38	628 553.53
PAN AFRICANIST CONGRESS	107,268.94	-	107 268.94	0	0	0	0	0
UNITED CHRISTIAN DEMOCRATIC PARTY	429,075.78	189,799.51	618 875.29	154,718.83	154,718.82	154,718.82	154,718.82	618 875.29
UNITED DEMOCRATIC MOVEMENT	750,882.63	289,875.61	1 040 758.24	260,189.56	260,189.56	260,189.56	260,189.56	1 040 758.24
TOTALS	89 033 224.29	9 892 580.48	98 925 804.77					

## EXPENDITURE BY REPRESENTED POLITICAL PARTIES for the year ended 31 March 2011

	African Christian Democratic Party (ACDP)	African Independent Congress AIC	African National Congress (ANC)	African People's Convention (APC)	Azanian People's Or- ganisation (AZAPO)	Congress of the People (COPE)	Democratic Alliance (DA)	Freedom Front Plus (FF)	Independent Democrats (ID)	Inkatha Freedom Party (IFP)	Minority Front (MF)	Pan African- ist Congress (PAC)*	United Christian Democratic Party (UCDP)	United Democratic Movement (UDM)	Total
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Allocations for the year	1 383 531	397 145	61 812 040	107 269	107 269	9 250 257	16 330 007	1 056 078	1 571 136	4 515 617	628 554	107 269	618 875	1 040 758	98 925 805
Amount suspended during the year												(107 269)			(107 269)
Total paid	1 383 531	397 145	61 812 040	107 269	107 269	9 250 257	16 330 007	1 056 078	1 571 136	4 515 617	628 554	-	618 875	1 040 758	98 818 536
Less: Total Expenditure	(1 271 020)	(399 592)	(62 085 250)	-	(107 268)	(10 153 890)	(15 590 716)	(988 189)	(415 953)	(4 536 346)	(638 670)	-	(618 073)	(1 039 944)	(97 844 911)
Personnel expenditure	446 271	109 650	42 367 030		8 019	2 021 656	10 865 071	484 750	250 572	1 334 692	81 850		397 684	-	58 367 245
Accommodation expenditure	5 135	-	2 955 501		7 780		-	-	-	186 916	-		-	-	3 155 332
Travel expenditure	143 038	650	666 041		500	982 650	1 793 024	82 598	-	274 276	-		11 771	29 638	3 984 186
Arrangements of meetings and rallies	188 356	87 261	5 382 452		23 115	4 759 638	464 265	95 769	-	243 698	65 381		-	100 710	11 410 645
Administrative expenditure	354 660	188 531	8 539 850		55 371	881 264	2 468 356	228 878	131 181	2 344 730	229 970		208 618	82 385	15 713 794
Promotion and publications	133 560	13 500	1 929 447		12 483	1 508 682	-	96 194	34 200	132 921	261 469		-	827 211	4 949 667
Fixed asset expenditure	-	-	244 929				-	-		19 113	-		-	-	264 042
Unspent money at the end of year	112 511	(2 447)	(273 210)	107 269	1	(903 633)	739 291	67 889	1 155 183	(20 729)	(10 116)	-	802	814	973 625
Plus: Interest and other income received	12 076	-	151	-	-	1 030	61 806	1 781	33 469	262	-	-	-	-	110 575
Surplus / (deficit) for the year	124 587	(2 447)	(273 059)	107 269	1	(902 603)	801 097	69 670	1 188 652	(20 467)	(10 116)	-	802	814	1 084 200

### Notes:

- One political party did not submit their audited financial statements for the financial year ending 31 March 2011 as required by section 6(5) of the PFRPP Act. The party is APC.
- Two political parties did not submit their audited financial statements for the financial year ending 31 March 2011 timeously as required by section 6(5) of the PFRPP Act. They are AZAPO and COPE.
- Two political parties did not disclose their expenditure in accordance with section 8(1) of the PFRPP Act. They are FF and ID.
- One political party did not keep a separate bank account for money allocated from RPPF as required by section 6(1) of the PFRPP Act. The party is COPE.
- The audit report for the financial statements of one political party did not express an opinion as to whether the moneys allocated to the political party by the RPPF were spent for purposes not authorised by this Act as required by Section 6(4) of the PFRPP Act. The party is AZAPO.

\* Party's funding suspended during financial year 2010/2011



**SOUTH AFRICA**





# **EXTRACTS OF THE REPRESENTED POLITICAL PARTIES' STATEMENTS**

**PUBLISHED IN THIS REPORT AS FILED WITH COMMISSION**



**SOUTH AFRICA**



**SOUTH AFRICA**



# REPRESENTED POLITICAL PARTY



## AFRICAN CHRISTIAN DEMOCRATIC PARTY (ACDP)

### BALANCE SHEET as at 31 March 2011

	Notes	2011 R	2010 R
<b>ASSETS</b>			
<b>Non-Current assets</b>			
Property, plant and equipment	2	19,097	29,651
<b>Current assets</b>			
Trade and other receivables	3	16,729	15,718
Cash and cash equivalents	4	272,756	123,980
		289,485	139,699
<b>Total assets</b>		308,582	169,349
<b>EQUITY AND LIABILITIES</b>			
Capital and reserves			
Retained earnings		246,055	121,468
<b>Current liabilities</b>			
Trade and other creditors	5	62,527	47,881
<b>Total equity and liabilities</b>		308,582	169,349

Certified by Accounting Officer:

Audited by:

Audit Opinion:

SN. Swart

PriceWaterhouseCoopers

Qualified

### CASH FLOW STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Cash flow from operating activities</b>			
Cash flow from operating activities	11	143,248	119,368
<b>Cash flow from investing activities</b>			
Acquisition of fixed assets		(6,548)	(6,000)
Scrapping of fixed assets		-	2,651
Interest received		12,076	7,990
Net cash generated/(used) in investing activities		5,528	4,641
<b>Net (decrease) / increase in cash and cash equivalents</b>		148,776	124,010
<b>Cash and cash equivalents at beginning of year</b>		123,980	(29)
<b>Cash and cash equivalents at end of year</b>	4	272,756	123,980

# REPRESENTED POLITICAL PARTY



## AFRICAN CHRISTIAN DEMOCRATIC PARTY (ACDP)

### INCOME STATEMENT for the year ended 31 March 2011

	2011 R	2010 R
<b>INCOME</b>		
Allocation from fund	1,383,531	1,228,492
Interest received	12,076	7,990
	<u>1,395,607</u>	<u>1,236,482</u>
<b>Less: EXPENSES</b>	1,271,020	1,239,051
<b>Accommodation</b>	5,135	1,693
<b>Arrangements of meetings and rallies</b>	188,356	80,205
Meals and refreshments	42,068	484
Rent – conference venues	131,916	59,721
Rent- equipment	992	-
Security	-	20,000
Secreterial Services	3,000	-
Training workshops	10,380	-
	<u>354,660</u>	<u>399,291</u>
<b>Administration</b>	30,752	36,265
Audit fees	31,037	28,215
- audit fees current year	(285)	8,050
- (over) / under provision previous year		
Bad debts	6,128	5,645
Bank charges	11,909	8,879
Cleaning materials	5,000	4,800
Courier services	-	1,199
Depreciation	17,100	26,762
Insurance	6,141	5,606
Membership and licenses	1,195	-
Rental	124,039	148,253
- Head office	67,596	64,086
- Provincial office	5,682	36,252
- Other office space	16,500	17,931
- Office equipment	34,261	29,984
Repairs and maintenance	3,568	8,449
Stationery	23,386	13,944
Telephone and postage	84,839	97,073
Loss on scrapped assets	-	2,651
Water and electricity, rates and taxes	40,602	39,765

# REPRESENTED POLITICAL PARTY



## AFRICAN CHRISTIAN DEMOCRATIC PARTY (ACDP)

### INCOME STATEMENT for the year ended 31 March 2011 (continued)

	2011 R	2010 R
<b>Promotions and publications</b>	133,560	277,176
Advertisements	29,419	70,441
Entertainment expenditure	2,277	366
Printing	-	199,000
Promotions	101,864	7,369
<b>Personnel Expenditure</b>	446,271	397,966
Salaries	425,655	375,969
Skills Development Levy	679	4,285
Telephone allowance	15,244	13,427
Unemployment Insurance fund	4,693	4,285
<b>Travel</b>	143,038	82,720
<b>Net profit / (loss) for the year</b>	<u>124,587</u>	<u>(2,569)</u>

# REPRESENTED POLITICAL PARTY



## AFRICAN INDEPENDENT CONGRESS (AIC)

### **BALANCE SHEET as at 31 March 2011**

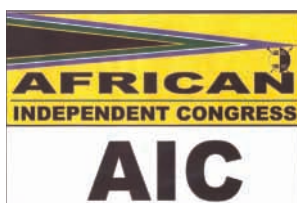
	Notes	2011 R	2010 R
<b>ASSETS</b>			
<b>Non-current assets</b>			
Furniture and office equipment	4	21,089	23,522
<b>Current assets</b>			
Cash and cash equivalents		398	13
<b>Total assets</b>		<u>21,487</u>	<u>23,535</u>
<b>CAPITAL ACCOUNT AND LIABILITIES</b>			
<b>Capital Account</b>			
Surplus for the year		11,142	13,590
<b>Current liabilities</b>			
Accounts payables		10,345	9,945
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>21,487</u>	<u>23,535</u>

*Certified by:*  
*Audited by:*  
*Audit Opinion:*

*MP Galo*  
*Nicholson & Company*  
*Unqualified*



# REPRESENTED POLITICAL PARTY



## AFRICAN CHRISTIAN DEMOCRATIC PARTY (ACDP)

### INCOME STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>INCOME</b>			
Grants received - IEC		397,144	373,014
<b>EXPENDITURE</b>		(399,592)	(359,424)
<b>Personnel Expenses</b>			
Staff salaries		109,650	5,035
<b>Travel</b>		650	4,200
Car hire		-	4,000
Petrol and motor vehicle repairs		650	200
<b>Arrangement of Meetings and Rallies</b>		87,261	39,135
Hire of hall and decorations		5,900	150
Conference facilities		7,500	4,785
Hire of taxis and other transport		46,258	22,000
Catering		27,603	12,200
<b>Administrative</b>		188,531	236 383
Auditor's Remuneration	3	10,345	9,945
Bank charges		6,016	2,074
Depreciation	4	2,433	811
Electricity		1,500	2,050
Legal expenses		7,293	135,743
Office rentals		116,934	85,760
Registration fees for by-elections		1,000	-
Repayment of loans		15,000	-
Signage		5,087	-
Telephone, faxes and photocopies		22,923	-
<b>Promotions and Publications</b>		13,500	74,671
T-shirts		13,500	42,000
Posters		-	32,671
<b>(Deficit) / Surplus for the year</b>		<u>(2,448)</u>	<u>13,590</u>

# REPRESENTED POLITICAL PARTY



## AFRICAN NATIONAL CONGRESS (ANC)

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	Notes	2011 R	2010 R
<b>ASSETS</b>			
<b>Non-current assets</b>		409,304	654,233
Furniture and equipment	3	409,300	630,423
Intangible assets	4	4	23,810
<b>Current assets</b>			
Cash and cash equivalents	5	9,037	7,167
<b>TOTAL ASSETS</b>		<u>418,341</u>	<u>661,400</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Accumulated surplus		218,341	491,400
<b>Current liabilities</b>			
Trade and other payables	6	200,000	170,000
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>418,341</u>	<u>661,400</u>

Certified by Accounting Officer:

Audited by:

Audit Opinion:

M Phosa

Deloitte & Touche

Unqualified

### CASH FLOW STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>OPERATING ACTIVITIES</b>			
Cash received from the Independent Electoral Commission		61,812,040	58,056,247
Cash paid to suppliers and employees		(61,810,321)	(58,067,333)
Cash generated by / (utilised in) operations	7	1,719	(11,086)
Interest received		151	13,858
<b>Net cash from operating activities</b>		<u>1,870</u>	<u>2,772</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		1,870	2,772
Cash and cash equivalents at beginning of year		7,167	4,395
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	5	<u>9,037</u>	<u>7,167</u>

# REPRESENTED POLITICAL PARTY



## AFRICAN NATIONAL CONGRESS (ANC)

### STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 March 2011

	2011 R	2010 R
<b>INCOME</b>	61,812,191	58,070,105
Grants received	61,812,040	58,056,247
Interest received	151	13,858
<b>EXPENDITURE</b>	62,085,250	58,276,366
<b>Personnel expenditure</b>		
Salaries	42,367,030	41,679,647
<b>Accommodation expenditure</b>		
Accommodation and meals	2,955,501	1,707,219
<b>Travel expenses</b>	666,041	2,439,821
Air travel – internal	622,838	1,796,428
Air travel – external	-	59,851
Subsistence allowance – foreign	21,238	-
Car rental	21,965	583,542
<b>Arrangement of meeting and rallies</b>	5,382,452	1,917,229
Catering	807,977	-
Hiring - buses and taxis	2,244,453	1,686,148
- conference venues	2,230,022	-
Hiring Wire Fence	-	99,180
Equipment rentals – other	-	131,901
Training	100,000	-
<b>Administrative – general</b>	7,200,748	8,604,754
Cleaning	1,113,982	806,963
Communication expenses - cell phones	22,003	912,411
- telephone fax modem	2,918,640	2,872,836
Consultation fees	1,241	264,756
Courier services	-	62,754
Maintenance and repairs - buildings	258,834	207,550
- equipment	5,919	-
- motor vehicles	-	18,404
Security services	2,709,038	3,026,131
Stationery	132,480	209,013
Website maintenance	38,611	223,936

# REPRESENTED POLITICAL PARTY



## AFRICAN NATIONAL CONGRESS (ANC)

### STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 March 2011

	2011 R	2010 R
<b>Administrative – other</b>	1,339,102	1,032,595
Audit costs – Independent Electoral Commission	212,400	226,180
Bank charges	946	986
Fuel	6,542	-
Internet maintenance	188,907	77,905
Research	524,438	-
Legal costs	-	58,128
Renewal of licenses	-	45,964
Rental - office plant	15,345	10,230
- parking	187,872	251,888
Services rendered	68,662	57,353
Subscription fees	1,292	30,865
Office catering	102,070	212,387
Rental - office equipment	30,628	60,709
<b>Promotions and publications</b>	1,929,447	627,334
Backing boards	312,930	-
Advertisements - newspapers	-	40,695
Photocopy consumables	8,688	-
Hire of sound system	7,223	118,058
Photographic costs	-	47,937
Press conference and media	22,177	144,072
Printing and production - pamphlets	137,929	276,572
Promotional t-shirts and caps	940,500	-
Conference bags	500,000	-
<b>Depreciation and amortisation</b>	244,929	267,767
<b>Deficit for the year</b>	<u>(273,059)</u>	<u>(206,261)</u>

REPRESENTED POLITICAL PARTY



**AFRICAN PEOPLES CONVENTION (APC)**

---

**AUDITED ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011**

---

Not submitted at the time of printing

# REPRESENTED POLITICAL PARTY



## AZANIAN PEOPLE'S ORGANISATION (AZAPO)

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	2011 R
<b>NON CURRENT ASSETS</b>	
Tangible Assets	-
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	-
<b>TOTAL ASSETS</b>	-
<b>EQUITY AND LIABILITIES</b>	
<b>CAPITAL AND RESERVES</b>	
Accumulated Funds	-
<b>CURRENT LIABILITIES</b>	
Trade and other payables	-
<b>TOTAL EQUITY AND LIABILITIES</b>	-

Certified by Accounting Officer:

Audited by:

Audit Opinion:

R Monnakgotla

Gcabashe Auditing Services Inc

Unqualified

### STATEMENT OF CASH FLOWS for the year ended 31 March 2011

	Notes	2011 R
<b>Cash flows from operating activities</b>		
Cash received from operations		107,268
Cash paid to suppliers and employees		(107,268)
<b>Cash utilised in investing activities</b>		
Fixed assets required		-
<b>Net cash from investing activities</b>		-
<b>Cash flow from financing activities</b>		
Total		-
<b>Cash and cash equivalents</b>		-
Net increase in cash and cash equivalents		-
<b>Cash and cash equivalents at the end of the year</b>		-



# REPRESENTED POLITICAL PARTY



## AZANIAN PEOPLE'S ORGANISATION (AZAPO)

### STATEMENT OF COMPREHENSIVE INCOME as at 31 March 2011

	Notes	2011 R
<b>TOTAL INCOME</b>		107,268
Grants from the Independent Electoral Commission		107,268
<b>LESS: EXPENDITURE</b>		(107,268)
<b>Administration</b>		55,371
Bank charges		3,516
Email and internet		140
Information Technology support		5,610
Cleaning of office cost		525
Parking		400
Rent, water and lights		32,537
Rental of office equipment		6,013
Telephones and fax		6,630
<b>Personnel</b>		8,019
Stipends		8,019
<b>Travel</b>		500
Office bearers and officials		500
<b>Accommodation</b>		7,780
For conference		7,780
<b>Catering</b>		23,115
For conference		23,115
<b>Promotions and publications</b>		12,483
Membership cards		12,483
<b>NET SURPLUS FOR THE YEAR</b>		-

# REPRESENTED POLITICAL PARTY



## CONGRESS OF THE PEOPLE (COPE)

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	Notes	2011 R	2010 R
<b>Assets</b>			
Non-current assets			
Property, plant and equipment	2	-	198,863
Current Assets			
Cash and cash equivalents	3	11,679	1,080,408
<b>Total Assets</b>		<u>11,679</u>	<u>1,279,271</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Surplus Funds		<u>11,679</u>	<u>914,281</u>
<b>Liabilities</b>			
Current Liabilities			
Trade and other payables	4	-	364,990
<b>Total Equity and Liabilities</b>		<u>11,679</u>	<u>1,279,271</u>

Certified by Accounting Officer:

Audited by:

Audit Opinion:

H Ndude

BESALCA Incorporated

Unqualified

### STATEMENT OF CASH FLOWS for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	7	(1,268,622)	1,308,726
Interest income		1,030	25,130
<b>Net cash from operating activities</b>		<u>(1,267,592)</u>	<u>1,333,856</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	-	(253,448)
Assets reclassified	2	198,863	-
<b>Net cash from investing activities</b>		<u>198,863</u>	<u>(253,448)</u>
<b>Total cash movement for the year</b>		(1,068,729)	1,080,408
Cash at the beginning of the year		1,080,408	-
<b>Total cash at the end of the year</b>		<u>11,679</u>	<u>1,080,408</u>

REPRESENTED POLITICAL PARTY



**CONGRESS OF THE PEOPLE (COPE)**

**INCOME STATEMENT as at 31 March 2011**

	2011
	R
<b>INCOME</b>	<b>9,251,287</b>
Subsidy Income - IEC	9,250,257
Interest Received	1,030
<b>EXPENDITURE</b>	<b>10,153,889</b>
Administrative expenses	881,264
Promotion and Publications	1,508,682
Arrangement of meetings and rallies	4,759,638
Personnel expenditure	2,021,656
Travel expenses	982,650
Deficit for the year	<u><u>(902,602)</u></u>

# REPRESENTED POLITICAL PARTY



## DEMOCRATIC ALLIANCE (DA)

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	Notes	2011 R	2010 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	327	328
<b>Current Assets</b>			
Accounts receivable	3	2,717	8,482
Cash and cash equivalents	4	1,226,340	429,977
		<b>1,229,057</b>	<b>428,459</b>
<b>Total Assets</b>		<b>1,229,384</b>	<b>438,787</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated surplus (deficit)		780,083	(21,016)
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	5	449,301	459,803
<b>Total Equity and Liabilities</b>		<b>1,229,384</b>	<b>438,787</b>

Certified by Accounting Officer

Audited by:

Audit Opinion:

J Moakes

BBR Van Der Grijp

Unqualified

### STATEMENT OF CASH FLOWS for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Cash flows from operating activities</b>			
Cash generated from operations	11	739,957	345,088
Interest income		61,806	77,160
Finance costs		-	-
<b>Net cash from operating activities</b>		<b>801,763</b>	<b>422,248</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(5,400)	(111,614)
Repayments of other financial assets		-	10,000
<b>Net cash from investing activities</b>		<b>(5,400)</b>	<b>(101,614)</b>
<b>Total cash movement for the year</b>		<b>796,363</b>	<b>320,634</b>
Cash at beginning of the year		429,977	109,343
<b>Total cash at end of the year</b>	4	<b>1,226,340</b>	<b>429,977</b>

# REPRESENTED POLITICAL PARTY



## DEMOCRATIC ALLIANCE (DA)

### STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Income</b>			
Grants received from Independent Electoral Commission	6	16,330,007	15,337,772
Interest received	8	61,806	77,160
	1.3	<u>16,391,813</u>	<u>15,414,931</u>
<b>Expenditure</b>			
<b>Personnel expenditure</b>			
Insurance: UIF		60,045	69,082
Medical funds		320,031	307,739
Pension funds		312,651	374,716
Recruitment of staff		36,281	13,558
Salaries		9,704,411	9,005,917
Skills development levies		93,496	85,252
Staff gifts		-	2,680
Staff training		338,155	605,916
		<u>10,865,071</u>	<u>10,464,860</u>
<b>Travel Expenditure</b>		<u>1,793,024</u>	<u>753,806</u>
<b>Administrative expenditure</b>			
Auditor's remuneration	10	27,132	37,934
Bank charges		14,137	9,555
Communication expenditure: telephone and fax		964,291	1,062,297
Consultancy fees		1,156	201,863
Courier and postage services		-	71,605
Depreciation		5,401	111,613
Internet		287,198	421,166
Maintenance and repairs: building		464,820	628,883
Maintenance and repairs: computers		114,065	356,051
Maintenance and repairs: equipment		25,187	68,943
Newspapers, books and publications		2,761	27,863
Printing and stationery		178,325	79,914
Refreshments and sundries		38,916	38,588
Rent and electricity		306,425	484,492
Rental office equipment		23,750	572,362
Security expenses		14,792	12,666
		<u>2,468,356</u>	<u>4,185,793</u>
<b>Arrangement of meetings and rallies</b>		<u>464,265</u>	<u>7,763</u>
Meetings and rallies		<u>464,265</u>	<u>7,763</u>
<b>Total expenditure</b>		<u>15,590,715</u>	<u>15,412,220</u>
<b>Total Comprehensive income and surplus for the year</b>	7	<u>801,099</u>	<u>2,711</u>

# REPRESENTED POLITICAL PARTY



## FREEDOM FRONT PLUS (FF)

### BALANCE SHEET as at 31 March 2011

	Notes	2011 R	2010 R
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Equipment, furniture and motor vehicle	2	1	1
<b>CURRENT ASSETS</b>		68,939	26,598
Cash and cash equivalents	3	24,547	26,598
Trade and other receivables		44,392	
<b>TOTAL ASSETS</b>		<b>68,940</b>	<b>26,599</b>
<b>RESERVE AND LIABILITIES</b>		68,940	26,599
Unutilized surplus / (loss)	4	68,940	(730)
Creditors		-	27,329
<b>TOTAL RESERVE AND LIABILITIES</b>		<b>68,940</b>	<b>26,599</b>

*Certified by Accounting Officer*

*Audited by:*

*Audit Opinion:*

*PD Uys*

*Brink & Brink*

*Unqualified*

### CASH FLOW STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		(2,051)	6,375
Cash (utilised) / generated from operations	8	(3,827)	3,679
Interest paid		(5)	(4)
Interest received		1,781	2,700
Net (decrease)/increase in cash and cash equivalents		(2,051)	6,375
Cash and cash equivalents at beginning of period		26,598	20,223
Cash and cash equivalents at end of year		24,547	26,598



# REPRESENTED POLITICAL PARTY



## FREEDOM FRONT PLUS (FF)

### INCOME STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>INCOME</b>			
Allocation from fund		1,056,078	991,909
<b>EXPENDITURE</b>		988,184	833,637
Administration costs			
- Audit fees		11,099	10,643
- Bank charges		961	1,682
- Computer expenses		5,659	1,859
- Insurances		14,460	13,705
- Maintenance & cleaning		14,020	11,364
- Rent of property, levies and municipal costs		55,377	46,906
- Staff teas and expenses		-	8,880
- Stationery, postage and couriers		10,128	2,685
- Subscriptions		20,385	37,772
- Telephone, fax & internet		35,022	52,784
Accommodation		-	15,368
Arrangement of meetings and rallies		95,769	97,399
Administration fees paid to branches		45,000	133,066
Legal fees		16,762	-
Personnel expenditure		484,750	280,513
Promotions and publications		96,194	74,138
Travelling expenses		82,598	44,873
Surplus for the year		67,894	158,272
Plus Interest received		1,781	2,700
Less Interest paid		(5)	(4)
Net Surplus for the year		<u>69,670</u>	<u>160,968</u>

# REPRESENTED POLITICAL PARTY



## INDEPENDENT DEMOCRATS (ID)

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	Notes	2011 R	2010 R
<b>Assets</b>			
<b>Non-Current Assets</b>	2	10,864	43,456
Property, plant and equipment			
<b>Current Assets</b>			
Cash and cash equivalents	3	1,124	429
<b>Total Assets</b>		<b>11,988</b>	<b>43,885</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated loss		(450,085)	(1,638,737)
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Finance lease obligation		-	62,622
<b>Current Liabilities</b>			
Finance lease obligation		-	26,669
Trade and other payables	4	462,073	1,593,331
		<b>462,073</b>	<b>1,620,000</b>
<b>Total Liabilities</b>		<b>462,073</b>	<b>1,682,622</b>
<b>Total Equity and Liabilities</b>		<b>11,988</b>	<b>43,885</b>

Certified by:

Audited by:

Audit Opinion:

P de Lille

C2M Chartered Accountants

Unqualified

### STATEMENT OF CASH FLOWS for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Cash flows from operating activities</b>			
Cash generated from operations	8	76,499	20,905
Interest income		22,069	4,295
Finance costs		(8,582)	-
<b>Net cash from operating activities</b>		<b>89,986</b>	<b>25,200</b>
<b>Cash flows from financing activities</b>			
Finance lease payments		(89,291)	(23,835)
<b>Total cash movement for the year</b>		<b>695</b>	<b>1,365</b>
Cash at the beginning of the year		429	(936)
<b>Total cash at end of the year</b>	3	<b>1,124</b>	<b>429</b>

# REPRESENTED POLITICAL PARTY



## INDEPENDENT DEMOCRATS (ID)

### INCOME STATEMENT For the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Revenue</b>			
Government grants		1,571,136	1,475,671
<b>Other income</b>			
Reimbursement		11,400	-
Interest received	6	22,069	4,295
		<b>33,469</b>	<b>4,295</b>
<b>Operating expenses</b>			
Administration		(122,599)	(237,735)
Personnel expenditure		(250,572)	(674,288)
Promotions and publications		(34,200)	(1,340,345)
Travel expenses		-	(111,839)
		<b>(407,371)</b>	<b>(2,364,207)</b>
<b>Operating profit (loss)</b>		<b>1,197,234</b>	<b>(884,241)</b>
Finance costs		(8,582)	-
<b>Profit (loss) for the year</b>		<b>1,188,652</b>	<b>(884,241)</b>

# REPRESENTED POLITICAL PARTY



## INKATHA FREEDOM PARTY (IFP)

### **BALANCE SHEET as at 31 March 2011**

	Notes	2011 R	2010 R
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	327	324
<b>Current Assets</b>			
Cash and cash equivalents	3	9,797	30,267
<b>TOTAL ASSETS</b>		<b>10,124</b>	<b>30,591</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Accumulated profit		10,124	30,591
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,124</b>	<b>30,591</b>

*Certified by Accounting Officer:*

*Audited by:*

*Audit Opinion:*

*K Worthington*

*Nolands Richmond Incorporated*

*Unqualified*

### **CASH FLOW STATEMENT for the year ended 31 March 2011**

	Notes	2011 R	2010 R
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	4	(1,606)	60,823
Interest income		262	2,430
Personnel expenditure		(10)	-
<b>Net cash from operating activities</b>		<b>(1,354)</b>	<b>63,253</b>
<b>Cash flows from investing activities</b>			
Additions to property, plant and equipment	2	(19,116)	(32,481)
<b>Net cash movement for the year</b>		<b>(20,470)</b>	<b>30,772</b>
Cash and cash equivalents at the beginning of the year		30,267	(505)
<b>Cash and cash equivalents at end of the year</b>	<b>3</b>	<b>9,797</b>	<b>30,267</b>

# REPRESENTED POLITICAL PARTY



## INKATHA FREEDOM PARTY (IFP)

### INCOME STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Revenue</b>		<b>4,515,617</b>	<b>4,241,242</b>
<b>Operating expenses</b>		<b>(4,536,336)</b>	<b>(4,212,898)</b>
<b>Personnel expenditure</b>		<b>1,334,682</b>	<b>1,664,211</b>
Salaries - employees		1,187,581	1,657,534
Pension contributions		108,676	-
Training - computer and other		2,800	6,677
Medical Funds		35,625	-
<b>Travel expenditure</b>		<b>274,276</b>	<b>332,833</b>
Air travel - internal		15,471	44,895
Travel - overseas		25,898	-
Car rental		129,382	201,483
Fuel and maintenance		11,362	16,163
Parking fees and toll roads		67,027	66,892
Public transport		25,556	3,400
<b>Accommodation</b>		<b>186,916</b>	<b>255,388</b>
Hotel expenditure		186,916	255,388
<b>Arrangement of meeting and rallies</b>		<b>243,698</b>	<b>209,720</b>
Food and beverage		100,911	61,310
Hiring - conference venues		11,500	30,870
Hiring - buses and taxis		43,048	108,631
Renting equipment - other		35,161	2,300
Security		53,078	6,609
<b>Administration expenditure</b>		<b>2,344,730</b>	<b>1,517,210</b>
Auditors remuneration		29,335	25,685
Bank charges		2,577	6,181
Cleaning		433	-
Communication expenditure - telephone, fax and modem		290,118	169,051
General expenses		13,309	8,708
Legal costs		244,450	193,811
Maintenance and repairs - buildings		20,558	62,700
Maintenance and repairs - computers		10,004	21,205
Maintenance and repairs - equipment		54,997	42,657
Maintenance and repairs - motor vehicles		27,549	42,581
Rent paid		1,364,804	44,032
Rental - office equipment		36,013	34,906
Stationery		191,076	113,727
Subscriptions		16,973	12,890
Utilities		42,534	739,076

# REPRESENTED POLITICAL PARTY



## INKATHA FREEDOM PARTY (IFP)

### INCOME STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Promotions and publications</b>		<b>132,921</b>	<b>201,057</b>
Advertising		13,612	38,975
Printing and production: posters, books and pamphlets		28,350	76,530
Promotional T shirts, badges, keyrings and caps		90,959	85,552
<b>Depreciation and amortisation</b>		<b>19,113</b>	<b>32,479</b>
<b>Total expenditure</b>		<b>4,536,336</b>	<b>4,212,898</b>
<b>Operating (loss) profit</b>		<b>(20,719)</b>	<b>28,344</b>
Investment revenue		262	2,430
Personnel expenditure		(10)	-
<b>(Loss) profit for the year</b>		<b>(20,467)</b>	<b>30,774</b>

# REPRESENTED POLITICAL PARTY



## MINORITY FRONT (MF)

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	Notes	2011 R	2010 R
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	2	81	81
<b>Current Assets</b>			
Cash and cash equivalents	3	36,725	44,893
<b>Total Assets</b>		<b>36,806</b>	<b>44,974</b>
<b>Reserves and Liabilities</b>			
<b>Reserve</b>			
Unutilised surplus/ (Deficit)	4	(19,954)	(9,838)
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	56,760	54,812
<b>Total Reserves and Liabilities</b>		<b>36,806</b>	<b>44,974</b>

Certified by Accounting Officer

Audited by:

Audit Opinion:

S Rajbansi

Logie Govender & Co

Unqualified

### STATEMENT OF CASH FLOW for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations	8	(8,168)	97,916
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	-	(52,967)
<b>Total cash movement for the year</b>		<b>(8,168)</b>	<b>44,949</b>
Cash at the beginning of the year		44,893	(56)
<b>Total cash at end of the year</b>	3	<b>36,725</b>	<b>44,893</b>



# REPRESENTED POLITICAL PARTY



## MINORITY FRONT (MF)

### INCOME STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Income</b>			
Allocation from Fund		628,554	590,362
<b>Operating expenses</b>			
Administrative expenditure		(229,970)	(285,062)
Arrangement of meetings and rallies		(65,381)	(50,590)
Personnel expenditure		(81,850)	(57,850)
Promotions and publications		(261,469)	(169,136)
		<b>(638,670)</b>	<b>(562,638)</b>
<b>(Loss) profit for the year</b>		<b>(10,116)</b>	<b>27,724</b>

REPRESENTED POLITICAL PARTY



**PAN AFRICANIST CONGRESS OF AZANIA (PAC)**

---

**AUDITED ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011**

---

Funding suspended during 2010/2011

# REPRESENTED POLITICAL PARTY



## UNITED CHRISTIAN DEMOCRATIC PARTY (UCDP)

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	Notes	2011 R	2010 R
<b>ASSETS</b>			
<b>Non-current assets</b>		49	48
Equipment, furniture and fittings	2	49	48
<b>Current assets</b>		25,286	2,986
Cash and cash equivalents	3	25,286	2,986
<b>Total Assets</b>		<u>25,335</u>	<u>3,034</u>
<b>RESERVE AND LIABILITIES</b>			
<b>Reserves</b>		3,835	3,034
Unutilised surplus	4	3,835	3,034
<b>Current liabilities</b>		21,500	-
Trade and other payables	5	21,500	-
<b>Total Reserves and Liabilities</b>		<u>25,335</u>	<u>3,034</u>

Certified by:

Audited by:

Audit Opinion:

LS Mfundisi

Walker Daly Incorporated

Unqualified

### STATEMENT OF CASHFLOWS for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated by operations	7	<u>22,301</u>	<u>2,411</u>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<u>22,301</u>	<u>2,411</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to fixed assets		<u>(1)</u>	<u>-</u>
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<u>(1)</u>	<u>-</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		22,300	2,411
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		<u>2,986</u>	<u>575</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<u>25,286</u>	<u>2,986</u>

# REPRESENTED POLITICAL PARTY



## UNITED CHRISTIAN DEMOCRATIC PARTY (UCDP)

### STATEMENT OF INCOME AND EXPENSES for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>INCOME</b>		618,875	581,271
Allocation from fund		618,875	581,271
<b>EXPENDITURE</b>		618,074	576,004
Personnel expenditure		397,684	380,078
- Salaries employees		391,385	373,829
- Unemployment Insurance Fund		6,300	6,249
<b>Travel expenditure</b>		11,771	-
- Pool vehicles		11,771	-
<b>Administrative expenditure</b>		208,618	195,926
- Advertising and promotions		2,180	-
- Accounting fees		10,020	6,050
- Auditors remunerations		21,500	27,024
- Bank charges		7,352	6,690
- Communication expenditure: Telephone, fax, modem		64,282	76,055
- Courier services		-	9,130
- Entertainment expenditure		9,250	19,180
- Insurances		22,587	-
- Repairs and maintenance: Computer		7,483	2,485
- Repairs and maintenance: Equipment		6,615	547
- Rental office equipment		31,287	37,974
- Security services		5,102	4,017
- Stationery		7,271	6,774
- Water and lights, rates and taxes		13,690	-
<b>Surplus for the year</b>		<u>801</u>	<u>5,267</u>

# REPRESENTED POLITICAL PARTY



## UNITED DEMOCRATIC MOVEMENT (UDM)

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	Notes	2011 R	2010 R
<b>ASSETS</b>			
<b>Non-current assets</b>			
Equipment, furniture and motor vehicles	2	-	-
<b>Current assets</b>		2,435	2,021
Receivables and prepayments	3	2,433	-
Cash and cash equivalents	4	2	2,021
		<u>2,435</u>	<u>2,021</u>
<b>RESERVE AND LIABILITIES</b>			
<b>Reserve</b>			
Unutilised surplus	5	2,435	1,621
<b>Current liabilities</b>			
Trade and other payables	6	-	400
		<u>2,435</u>	<u>2,021</u>

Certified by Accounting Officer:

Audited by:

Audit Opinion

BH Holomisa

Fourie + Botha

Unqualified

### STATEMENT OF CASH FLOW for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash applied in operations	9.1	(2,019)	1,562
Interest received		-	-
Interest paid		-	-
Net cashflow applied in operating activities		<u>(2,019)</u>	<u>1,562</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Disposal of equipment, furniture and motor vehicles		-	-
Net increase in cash and cash equivalents		<u>(2,019)</u>	<u>1,562</u>
Cash and cash equivalents at beginning of period		<u>2,021</u>	<u>459</u>
<b>Cash and cash equivalents at end of period</b>		<u>2</u>	<u>2,021</u>

# REPRESENTED POLITICAL PARTY



## UNITED DEMOCRATIC MOVEMENT (UDM)

### INCOME STATEMENT for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>INCOME</b>		<b>1,040,758</b>	977,061
Allocation from fund		1,040,758	977,061
<b>EXPENDITURE</b>		<b>1,039,944</b>	975,899
<b>Travel expenditure</b>		<b>29,638</b>	-
Car rental		29,638	-
<b>Arrangement of meetings and rallies</b>		<b>100,710</b>	130,000
Hiring: Conference venues		100,710	-
Conference facilitators		-	130,000
<b>Administrative expenditure</b>		<b>82,385</b>	25,282
Communication expenditure: Telephone, fax and modem		2,388	2,388
Legal cost		69,037	22,000
Audit cost		9,975	-
Bank charges		985	894
<b>Promotion and publication</b>		<b>827,211</b>	820,617
Printing and production of pamphlets		362,211	400,000
Printing and production of posters		360,000	320,617
Printing and production of billboards		105,000	100,000
<b>Surplus for the year</b>		<b>814</b>	1,162



**SOUTH AFRICA**





# **REPORT OF THE AUDIT COMMITTEE**



**SOUTH AFRICA**

# REPORT OF THE AUDIT COMMITTEE FOR THE FINANCIAL YEAR OF THE REPRESENTED POLITICAL PARTIES' FUND ESTABLISHED IN TERMS OF ACT 103 OF 1997 FOR THE PERIOD ENDED 31 MARCH 2011

The Public Funding of Represented Political Parties Act (No 103 of 1997) provide for the management of the Represented Political Parties' Fund (the Fund) by the Electoral Commission (EC) and the administration of the Fund form an integral part of the EC's systems, policies, procedures and internal controls.

Therefore the Audit Committee of the EC is pleased to present its report for the financial year of the Fund ended 31 March 2011.

## 1. Audit Committee Members and Attendance

The Audit Committee consisted of three members listed hereunder and meets at least twice per annum as per its approved terms of reference. During the current financial year six meetings were held:

Name of Member	Attended	Apologies	Total Attended
Mr J F J Scheepers (Chairperson)	6	0	6
Ms K Rapoo	6	0	6
Ms C H Wessels	5	1	5

	25-Jan-11	14-Sep-10	29-Jul-10	8-Jun-10	31-May-10	28-May-10
Mr J F J Scheepers (Chairperson)	✓	✓	✓	✓	✓	✓
Ms K Rapoo	✓	✓	✓	✓	✓	✓
Ms C H Wessels	✓	✓	✓	✓	✗	✓

The External Auditors (Office of the Auditor General), Internal Auditors, Accounting Officer (Chief Electoral Officer), Chief Financial Officer and Chief Information Officer all have standing invitations to Audit Committee meetings and have attended most of the meetings during the year under review.

## 2. Audit Committee Responsibility

The Audit Committee reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities with regard to the Represented Political Parties' Fund.

### **3. The effectiveness of internal control**

The systems of control of the EC are designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently and effectively managed. In line with generally accepted accounting practice and procedures as well as applicable requirements of best practise, Internal Audit provides the Audit Committee and the Commission with assurance whether the internal controls are appropriate and effective for the focus areas reviewed. This is achieved by means of the risk management processes as well as the implementation of suitable corrective actions flowing from recommended enhancements to the control environment.

With regard to the applicability of the PFMA and Treasury Regulations management has given assurance that the final decision regarding the listing or not of the Fund under the PFMA is being pursued with National Treasury.

Although the Internal Audit did not perform any specific reviews in relation to the RPPF the Audit Committee can report that there were no material deficiencies in the systems of internal control of the Electoral Commission for the period under review.

### **4. The quality of in-year management, monthly and quarterly reports**

The Audit Committee is of the opinion that the policies and procedures for in-year monitoring as implemented by management were in the main sufficient to ensure that the accounting and information systems and related controls are adequate and effective throughout the period under review.

### **5. Evaluation of Annual Financial Statements**

The Audit Committee has

- Reviewed and discussed the audited annual financial statements with the Auditor-General and the Accounting Officer and
- Reviewed the Auditor-General's management letter and the response of management thereto.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements of the Represented Political Parties' Fund and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



**J F J Scheepers**  
Chairperson of the Audit Committee

**9 September 2011**



**SOUTH AFRICA**



# **REPORT OF THE AUDITOR-GENERAL**



**SOUTH AFRICA**



# **REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON REPRESENTED POLITICAL PARTIES FUND**

## **REPORT ON THE FINANCIAL STATEMENTS**

### **Introduction**

1. I have audited the accompanying financial statements of the Represented Political Parties Fund, which comprise the statement of financial position as at 31 March 2011, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information as set out on pages 53 to 69

### **Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997) (PFRPP Act), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor-General's responsibility**

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and section 8(2) of the PFRPP Act my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and General Notice 1111 of 2010 issued in Government Gazette 33872 of 15 December 2010. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

### **Opinion**

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the Represented Political Parties Fund as at 31 March 2011, and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the PFRPP Act.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

8. In accordance with the PAA and in terms of General Notice 1111 of 2010, issued in Government Gazette 33872 of 15 December 2010, I include below my findings on the annual performance report and material non-compliance with laws and regulations applicable to the trading entity.

### **Predetermined objectives**

#### **Entity not subject to PFMA and not required its own legislation to report on predetermined objectives**

9. We were unable to conduct the audit of performance against predetermined objectives as the RPPF is not currently subject to the PFMA and is not required in terms of PFRPP Act to prepare and submit an annual performance report.

### **Compliance with laws and regulations**

#### **Public Funding of Represented Political Parties Act and Regulations**

10. During the audit of the financial statements for the year ended 31 March 2011 the following instances of non-compliance by political parties with the Public Funding of Represented Political Parties' Act, 1997 (Act No. 103 of 1997) (PFRPP Act) were identified:
- One political party did not submit their audited financial statements for the financial year ending 31 March 2011 as required by section 6(5) of the PFRPP Act.
  - Two political parties did not submit their audited financial statements for the financial year ending 31 March 2011 timeously as required by section 6(5) of the PFRPP Act.
  - Two political parties did not disclose their expenditure in accordance with section 8(1) of the PFRPP Act.
  - One political party did not keep a separate bank account for money allocated from RPPF as required by section 6(1) of the PFRPP Act.
  - The audit report for the financial statements of one political party did not express an opinion as to whether the moneys allocated to the political party by the RPPF were spent for purposes not authorised by this Act as required by Section 6(4) of the PFRPP Act.
11. The above mentioned instances of non-compliance resulted from political parties not adhering to the PFRPP Act.

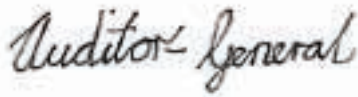


## PFMA and Treasury Regulations of 2005

12. Section 47(2) of the PFMA requires the accounting authority of an unlisted public entity to notify the National Treasury without delay, in writing, that the entity is not listed. General Notice 1570 Auditor-General Directive of the 2009, issued in Government Gazette No. 32758 of 27 November 2009 also emphasised in paragraph 30 that unlisted entities should inform National Treasury that the entity is not listed in the PFMA. The RPPF notified National Treasury on 24 October 2004 and on 10 September 2010 respectively that it is not listed in the PFMA. National Treasury is in the process of ruling on the applicability of the PFMA on the RPPF.

## INTERNAL CONTROL

13. In accordance with the PAA and in terms of General Notice 111 of 2010, issued in Government Gazette 33872 of 15 December 2010. I considered internal control relevant to my audit, but not for purposes of expressing an audit opinion on the effectiveness of internal control. There are no significant deficiencies in internal controls that resulted in a qualification of my auditor's opinion on the financial statements and/or material non compliance with laws and regulations.



Pretoria

9 September 2011



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

# **FINANCIAL STATEMENTS OF THE REPRESENTED POLITICAL PARTIES' FUND**



**SOUTH AFRICA**

## REPRESENTED POLITICAL PARTIES' FUND

### STATEMENT OF FINANCIAL POSITION as at 31 March 2011

	Notes	2011 R	2010 R
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	2	466,874	466,874
Cash and cash equivalents	3	1,358,077	2,285,108
		<u>1,824,951</u>	<u>2,751,982</u>
<b>Total assets</b>		<u><b>1,824,951</b></u>	<u><b>2,751,982</b></u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5	652,790	629,637
<b>Total liabilities</b>		<u><b>652,790</b></u>	<u><b>629,637</b></u>
<b>Net Assets</b>		<u><b>1,172,161</b></u>	<u><b>2,122,345</b></u>
<b>Funds</b>			
Accumulated surplus	4	<u>1,172,161</u>	<u>2,122,345</u>

  
**F.D. Tlakula**  
**ACCOUNTING OFFICER**

9 September 2011  
**DATE**

## REPRESENTED POLITICAL PARTIES' FUND

### STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2011

	Notes	2011 R	2010 R
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Finance income	8	424,982	679,054
<b>Revenue from non-exchange transactions</b>			
Government Grants	7	98,095,000	92,823,000
Unused funds receivable from parties	8	-	337,429
Release from provision for impairment	2	47,473	-
<b>Total Revenue</b>		<u>98,567,455</u>	<u>93,839,483</u>
<b>Expenses</b>			
Allocation to parties	7	(98,818,536)	(92,814,171)
Administration expenses		(326,614)	(313,092)
Bad debts written off		(47,473)	-
Personnel cost		(325,016)	(314,986)
Increase in the Allowance for impairment		-	(1,125,758)
<b>Total Expenses</b>		<u>(99,517,639)</u>	<u>(94,568,007)</u>
<b>Deficit for the year</b>		<u>(950,184)</u>	<u>(728,524)</u>

## REPRESENTED POLITICAL PARTIES' FUND

### STATEMENT OF CHANGES IN NET ASSETS for the year ended 31 March 2011

	Accumulated Surplus R
<b>Balance at 31 March 2009</b>	<b>3,876,296</b>
Changes in net assets	(1,025,427)
<b>Restated balance at 31 March 2009</b>	<b>2,850,869</b>
Deficit for the year	(728,524)
<b>Balance at 31 March 2010</b>	<b>2,122,345</b>
Deficit for the year	(950,184)
<b>Balance at 31 March 2011</b>	<b>1,172,161</b>

## REPRESENTED POLITICAL PARTIES' FUND

### STATEMENT OF CASH FLOW for the year ended 31 March 2011

	Note	2011 R	2010 R
<b>Cash flows from operating activities</b>			
<b>Cash received from customers</b>			
Grants received		98,095,000	92,823,000
Interest received		424,982	679,054
Other income		-	337,429
		<u>98,519,982</u>	<u>93,839,483</u>
<b>Cash paid to suppliers and employees</b>			
Personnel costs		(325,016)	(314,986)
Payments to suppliers		(326,614)	(313,092)
Allocations to political parties		(98,818,536)	(92,814,171)
Impairment		-	(1,125,758)
(Increase)/Decrease in trade and other receivables		-	96,710
Increase/(Decrease) in trade and other payables		<u>23,153</u>	<u>840,161</u>
		<u>(99,447,013)</u>	<u>(93,631,136)</u>
<b>Net cash flows from operating activities</b>	<b>10</b>	<u>(927,031)</u>	<u>208,347</u>
Net (decrease)/increase in cash and cash equivalents		(927,031)	208,347
Cash and cash equivalents at beginning of the year		<u>2,285,108</u>	<u>2,076,761</u>
<b>Cash and cash equivalents at end of the year</b>		<u><b>1,358,077</b></u>	<u><b>2,285,108</b></u>

**1. Notes to the financial statements****1.1 Reporting entity**

The Represented Political Parties' Fund (the "Fund") is an entity created in terms of the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997) with a view to:

- making provision for the funding of political parties participating in Parliament and Provincial Legislatures;
- provide for the management of the Fund by the Electoral Commission and for the accountability regarding the Fund;
- regulate the allocations of moneys from the Fund and the purposes for which allocated moneys may be used by political parties;
- regulate the repayment to the Electoral Commission of the unspent balances of moneys by political parties under certain circumstances;
- provide for incidental matters.

**1.2 Basis of preparation****1.2.1 Statement of compliance**

The annual financial statements have been prepared in accordance with effective standards of Generally Recognised Accounting Practices (GRAP) including any interpretation guidelines and directives issued by the Accounting Standard Board (ASB), and the requirements of the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997) and Public Funding of Represented Political Parties Regulations, 1998.

The financial statements were authorised for issue by the Accounting Officer on 9 September 2011.

**1.2.2 Basis of measurement**

The financial statements have been prepared on the historical cost basis.

**1.2.3 Functional and presentation currency**

These financial statements are presented in South African Rands, which is the Fund's functional currency. All financial information presented in Rands has been rounded to the nearest R1.

**1.2.4 Use of estimates and judgements**

The preparation of the financial statements in conformity with GRAP requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 (continued)

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 2 – Allowance for impairment losses
- Note 7 – Operating surplus / (deficit) (Government grants)
- Note 8 – Income (Unused funds receivable from parties)

#### 1.3 Significant accounting policies

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

##### 1.3.1 Government grants

Government appropriations for the funding of political parties participating in Parliament and Provincial Legislatures and for compensation of operating expenditure and capital are recognised initially as deferred income when there is reasonable assurance that they will be received. Grants that compensate the Fund for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses are recognised. Government grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet by deducting the grant in arriving at the carrying amount of the assets.

##### 1.3.2 Finance income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method.

##### 1.3.3 Financial instruments

###### Recognition

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

Financial instruments are initially recognised at fair value plus transaction costs.

###### Measurement

Subsequent to initial recognition these instruments are measured as set out below.

###### Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Impairment of trade and other receivables is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, default or delinquency in payments are considered indicators that the trade and other receivables are impaired.

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 (continued)

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

#### **Trade and other payables**

Trade and other payables from exchange transactions are initially measured at fair value plus any directly attributable transaction costs, and are subsequently measured at amortised cost, using the effective interest method.

The RPPF's trade and other payables from exchange transactions relate to the amount owed to the suppliers, and other accruals.

#### **De-recognition**

##### **Financial assets**

Financial assets are de-recognised when the contracted right to the cash flow from the asset expires, or when substantially all the risks and rewards of ownership of the financial assets are transferred to another party without retaining control or substantially all risks and rewards of the assets.

##### **Financial liabilities**

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

#### **1.4 Provisions**

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

#### **1.5 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. Implicit in the definition of related party, there are other government entity and joint ventures that have a significant influence on the Fund and its activities.

#### **1.6 Cash flow**

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

#### **1.7 Comparative figures**

Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year.

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 (continued)

#### 1.8 Effect of New GRAP Standards

The following GRAP standards have been approved but are not yet effective:

- GRAP 25: Employee Benefits
- GRAP 104: Financial instruments

The above standards will come into effect for financial periods commencing on 01 April 2012. The adoption of these GRAP standards when they become effective is not expected to have a significant impact on the financial statements as the principles are similar to those already applied under the equivalent statements of SA GAAP.

## REPRESENTED POLITICAL PARTIES' FUND

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 (continued)

	2011 R	2010 R
<b>2. Trade and other receivables</b>		
<b>Trade accounts receivable</b>	1,545,159	1,592,632
Party Allocation Repayable - NADECO	228,348	228,348
Party Allocation Repayable - PAC	466,874	466,874
Party Allocation Repayable - PIM	-	45,470
Party Allocation Repayable - FD	-	2,003
Party Allocation Repayable - NA	95,786	95,786
Party Allocation Repayable - UIF	754,151	754,151
Less: Allowance for impairment	(1,078,285)	(1,125,758)
	<u>466,874</u>	<u>466,874</u>

The allowance for impairment has been determined by reference to past default experience and the current economic environment. The Fund considers that the carrying amount of trade and other receivables approximates the fair value due to their short-term maturity.

#### Impairment allowance

Opening balance	1,125,758	-
Additional impairment allowance	-	1,125,758
Amounts released during the year	(47,473)	-
Closing balance	<u>1,078,285</u>	<u>1,125,758</u>

A provision for doubtful debt in relation to political parties' allocation is measured at the present value of the expected cost of settlement.

### 3. Cash and cash equivalents

Bank balances – Call deposits	1,358,077	2,285,108
	<u>1,358,077</u>	<u>2,285,108</u>

Cash and cash equivalents comprise cash and short-term, highly liquid investments that are held with a registered banking institution with maturities of three months or less and that are subject to insignificant interest rate risk. The carrying amount of these assets approximates the fair value.

## REPRESENTED POLITICAL PARTIES' FUND

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 (continued)

	2011 R	2010 R
<b>4. Unutilised funds</b>		
Opening unutilised funds	2,122,345	2,850,869
(Deficit)/surplus for the year	(950,184)	(728,524)
Unutilised funds at 31 March 2011	<u>1,172,161</u>	<u>2,122,345</u>
<b>5. Trade and other payables</b>		
Trade accounts payable	<u>652,790</u>	<u>629,637</u>

The Fund considers that the carrying amount of trade and other payables approximates to their fair value due to their short-term maturity.

# REPRESENTED POLITICAL PARTIES' FUND - NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 - Part A

## 6. EXPENDITURE PER POLITICAL PARTY for the year ended 31 March 2011

	African Christian Demo- cratic Party (ACDP)	African In- dependent Congress (AIC)	African National Congress (ANC)	African People's Conven- tion (APC)	Azanian People's Or- ganisation (AZAPO)	Congress of the People (COPE)	Democratic Alliance (DA)	Freedom Front Plus (FF)	Inde- pendent Democrats (ID)	Inkatha Freedom Party (IFP)	Minority Front (MF)	Pan Africanist Congress (PAC)	United Christian Demo- cratic Party (UCDP)	United Democratic Movement (UDM)	Total
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
Allocations for the year	1 383 531	397 145	61 812 040	107 269	107 269	9 250 257	16 330 007	1 056 078	1 571 136	4 515 617	628 554	107 269	618 875	1 040 758	98 925 805
Amount suspended during the year												(107 269)			(107 269)
Total paid	1 383 531	397 145	61 812 040	107 269	107 269	9 250 257	16 330 007	1 056 078	1 571 136	4 515 617	628 554	-	618 875	1 040 758	98 818 536
Less: Total Expenditure	(1 271 020)	(398 942)	(62 085 250)	-	(107 268)	(10 153 890)	(15 590 716)	(988 189)	(415 953)	(4 536 346)	(638 670)	-	(618 073)	(1 039 944)	(97 844 261)
Personnel expenditure	446 271	109 650	42 367 030		8 019	2 021 656	10 865 071	484 750	250 572	1 334 692	81 850		397 684	-	58 367 245
Accommodation expenditure	5,135	-	2 955 501		7 780		-	-	-	186 916	-		-	-	3 155 332
Travel expenditure	143,038	-	666 041		500	982 650	1 793 024	82 598	-	274 276	-		11 771	29 638	3 983 536
Arrangements of meetings and rallies	188 356	87 261	5 382 452		23 115	4 759 638	464 265	95 769	-	243 698	65 381		-	100 710	11 410 645
Administrative expenditure	354 660	188 531	8 539 850		55 371	881 264	2 468 356	228 878	131 181	2 344 730	229 970		208 618	82 385	15 713 794
Promotion and publications	133,560	13 500	1 929 447		12 483	1 508 682	-	96 194	34 200	132 921	261 469		-	827 211	4 949 667
Fixed asset expenditure	-	-	244 929				-	-		19 113	-		-	-	264 042
Unspent money at the end of year	112 511	(1 797)	(273 210)	107 269	1	(903 633)	739 291	67 889	1 155 183	(20 729)	(10 116)	-	802	814	974 275
Plus: Interest and other income received	12 076	-	151	-	-	1 030	61 806	1 781	33 469	262	-	-	-	-	110 575
Surplus / (deficit) for the year	124 587	(1 797)	(273 059)	107 269	1	(902 603)	801 097	69 670	1 188 652	(20 467)	(10 116)	-	802	814	1 084 850

### Notes:

- One political party did not submit their audited financial statements for the financial year ending 31 March 2011 as required by section 6(5) of the PFRPP Act. The party is APC.
- Two political parties did not submit their audited financial statements for the financial year ending 31 March 2011 timeously as required by section 6(5) of the PFRPP Act. They are AZAPO and COPE.
- Two political parties did not disclose their expenditure in accordance with section 8(1) of the PFRPP Act. They are FF and ID.
- One political party did not keep a separate bank account for money allocated from RPPF as required by section 6(1) of the PFRPP Act. The party is COPE.
- The audit report for the financial statements of one political party did not express an opinion as to whether the moneys allocated to the political party by the RPPF were spent for purposes not authorised by this Act as required by Section 6(4) of the PFRPP Act. The party is AZAPO.



# REPRESENTED POLITICAL PARTIES' FUND - NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 - Part B

## 6. EXPENDITURE PER POLITICAL PARTY for the year ended 31 March 2010

	African Christian Democratic Party (ACDP)	African Independent Congress (AIC)	African National Congress (ANC)	African People's Convention (APC)	Azanian People's Organisation (AZAPO)	Congress of the People (COPE)	Democratic Alliance (DA)	Freedom Front Plus (FF)	Independent Democrats (ID)	Inkatha Freedom Party (IFP)	Minority Front (MF)	Pan Africanist Congress (PAC)	United Christian Democratic Party (UCDP)	United Democratic Movement (UDM)	Total
Allocations for the year	1 299 465	373 013	58 056 247	100 751	100 751	8 688 197	15 337 772	991 909	1 475 671	4 241 242	590 362	100 751	581 271	977 520	92 914 822
Unspent amount i.r.o. 2008/2009	(70 973)													(459)	(71 432)
Amount unaccounted for i.r.o. 2008/2009				(22 673)											(22 673)
Total paid	1 228 492	373 013	58 056 247	78 078	100 751	8 688 197	15 337 772	991 909	1 475 671	4 241 242	590 362		581 271	977 061	92 720 066
Less: Total Expenditure	(1 239 051)	(359 424)	(58 276 367)	(76 773)	(100 453)	(7 799 048)	(15 412 221)	(833 641)	(2 364 207)	(4 212 898)	(562 638)	-	(576 004)	(975 899)	(92 788 824)
Personnel expenditure	397 966	5 035	41 676 647	1 000	23 578	1 323 889	10 379 608	280 513	674 288	1 664 211	57 850		380 078	-	56 864 663
Accommodation expenditure	1,693		1 707 219	773	-	301 411	-	15 368	-		-		-	-	2 026 464
Travel expenditure	82,720	4 200	2 439 821	-	-	864 200	753 806	44 873	-	588 221	-		-	-	4 777 841
Arrangements of meetings and rallies	80 205	39 135	1 917 229	-	-	3 368 775	7 763	97 399	-	209 720	-		-	130 000	5 850 226
Administrative expenditure	399 291	236 383	9 637 349	-	76 875	661 546	4 271 044	321 350	349 574	1 517 210	156 980		195 926	25 282	17 848 810
Promotion and publications	277,176	74 671	630 335	75 000		1 224 642	-	74 138	1 340 345	201 057	290 216		-	820 617	5 008 197
Fixed asset expenditure	-	-	267 767	-	-	54 585	-	-	-	32 479	57 592		-	-	412 423
Unspent money at the end of year	(10 559)	13 589	(220 120)	1 305	298	889 149	(74 449)	158 268	(888 536)	28 344	27 724	-	5 267	1 162	(68 558)
Plus: Interest and other income received	7 990	-	13 858	-	-	25 130	77 160	2 700	4 295	2 430	-	-	-	-	133 563
Surplus / (deficit) for the year	(2 569)	13 589	(206 262)	1 305	298	914 279	2 711	160 968	(884 241)	30 774	27 724	-	5 267	1 162	65 005

### Notes:

- Two political parties failed to submit audit reports and audited annual financial statements for the year ending 31 March 2010 within the statutory deadline (on or before 30 June 2010) as prescribed in section 9(3) of the Public Funding of Represented Political Parties Act 103, 1997. They are APC and AIC.
- Two political parties' financial statements did not comply with the disclosure requirements as set out in section 6(3) of the Public Funding of Represented Political Parties Act 103, 1997, read with section 8(1) of the Public Funding of Represented Political Parties Regulations, 1998, that require the financial statements to be prepared showing the amounts spent for purposes classifiable under specific descriptive categories. They are as follows: IFP and MF.
- One political party was not funded during the 2009/2010 financial year due to failure to submit the audited financial statements in respect of 2007/2008 and 2008/2009. The party is PAC
- One political party failed to open a separate bank account. The party is COPE



## REPRESENTED POLITICAL PARTIES' FUND

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 (continued)

	2011 R	2010 R
<b>7. Operating surplus/(deficit) is arrived at after taking the following into account:</b>		
<b>Government Grants</b>	98,095,000	92,823,000
<b>Auditors remuneration:</b>		
Audit fees - Current year	278,422	226,106
<b>Allocations to Parties</b>	98,818,536	92,814,171
<b>8. Income</b>		
<b>Finance Income</b>		
Interest income on cash and cash equivalents	424,982	679,054
This amount represents interest income on financial assets measured at amortised cost.		
<b>Other Income (political parties)</b>		
Unused funds receivable at 31 March 2011	-	337,429
<b>9. Reconciliation between budget and statement of financial performance</b>		
<b>Net deficit as per statement of financial performance</b>	(950,184)	(728,524)
Adjusted for:		
<b>Income not budgeted</b>		
Interest received	(424,982)	(679,054)
Unused funds receivable from political parties		(337,429)
<b>Expenses not budgeted</b>		
Increase in impairment allowance		1,125,758
<b>Under spending compared to budget</b>	225,865	(131,158)
<b>Net surplus/ (deficit) per approved budget</b>	(1,601,031)	(750,407)

## REPRESENTED POLITICAL PARTIES' FUND

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 (continued)

	2011 R	2010 R
<b>10. Reconciliation of surplus/(deficit) for the year to cash (utilised by)/generated from operating activities</b>		
<b>Deficit for the year</b>	<b>(950,184)</b>	<b>(728,524)</b>
Operating (deficit)/surplus before working capital changes	(950,184)	(728,524)
Working capital changes:	23,153	936,871
- (Increase)/Decrease in trade and other receivables	23,153	96,710
- (Decrease)/Increase in trade and other payables and provisions	-	840,161
<b>Cash utilised by operations</b>	<b>(927,031)</b>	<b>208,347</b>

### 11. Taxation

No provision is made for taxation, as the Represented Political Parties' Fund is exempted from taxation in terms of the Income tax Act.

### 12. Fund Administration

The Chief Electoral Officer of the Electoral Commission is the Accounting Officer of the Fund. Staff of the Electoral Commission execute Fund responsibilities alongside other duties assigned to them. The Electoral Commission charges the Fund with costs related to the administration of the Fund.

### 13. Related party transactions

#### Electoral Commission

Expenditure arising from the allocation of moneys from the Fund	634,264	628,826
---	---------	---------

In line with prevailing government practices, functions provided on a no cost basis by the Electoral Commission to the Fund include the rendering of legal, financial, human resources management, information communication technology services, infrastructure and the exercise of internal control.

In terms of the Commission's expenditure allocation policy all expenditure incurred in connection with the rendering of administrative services on a cost recovery basis, is expensed in the Fund. Staff expenditure is allocated on a 20%/80% (manager) and 40%/60% (assistant manager) basis respectively.

#### **14. Financial Instrument Risk Management**

Electoral Commission's activities have a limited exposure to market risk, credit risk, liquidity risk and cash flow risk. Risk management is carried out by the Executive Committee under policies approved by the Commission. The Commission provides written policies for overall risk management, as well as written policies covering specific areas, such as investing excess liquidity. The Represented Political Parties Fund is managed by the Commission under the same financial policies and procedures applicable to the Commission, taking the stipulations of the Public Funding of Represented Political Parties Fund Act 103 of 1997 into account.

## REPRESENTED POLITICAL PARTIES' FUND

### NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2011 (continued)

2011	2010
R	R

#### a) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash. Sufficient funding is maintained through thorough planning processes.

The following are contractual maturities of financial liabilities

	Carrying amounts	0-3 months
2011/03/31		
Trade and other payables	652,790	652,790
2010/03/31		
Trade and other payables	629,637	629,637

#### b) Cash flow

The Fund manages its cash flow risk by aligning the quarterly government allocation to its quarterly payments to parties.

#### c) Credit risk

Receivables are monitored on an on-going basis with the result that exposure to bad debts is minimised. With respect to credit arising from cash and cash equivalents, cash is placed with authorised financial institutions. The carrying amounts of the financial assets represent the maximum credit exposure. The maximum exposure at the reporting date was:

Cash and cash equivalents	1,358,077	2,285,108
Trade and other receivables	466,874	466,874

The maximum exposure to credit risk for trade receivables at the reporting date by major customer was:

Trade and other receivables	466,874	466,874
-----------------------------	---------	---------

#### d) Interest rate risk

The Fund is exposed to the risk of fluctuations in interest rates on its call deposits of the changes in market interest rates. The Fund's interest rate profile consists of floating rate bank balances which exposes the Fund to cash flow interest rate risk and can be summarised as follows:

#### Financial Assets

Tiered rate call deposit linked to South African prime rate.



**SOUTH AFRICA**



# **ANNEXURE A**



**SOUTH AFRICA**

## REPRESENTED POLITICAL PARTIES' FUND

### ANNEXURE A – Detailed income statement for the year ended 31 March 2011

	2011	2010
	R	R
<b>INCOME</b>	<b>98,519,982</b>	<b>93,839,483</b>
Government appropriation	98,095,000	92,823,000
Other Income	424,982	1,016,483
- Unused funds receivable (NADECO)	-	337,429
- Interest received	424,982	679,054
<b>EXPENDITURE</b>	<b>99,470,166</b>	<b>94,568,007</b>
<b>Allocations to parties</b>	<b>98,818,536</b>	<b>92,814,171</b>
African Christian Democratic Party (ACDP)	1,383,531	1,299,465
African Independent Congress (AIC)	397,145	373,013
African National Congress (ANC)	61,812,040	58,056,247
African People's Convention (APC)	107,269	100,751
Azanian People's Organisation (AZAPO)	107,269	100,751
Congress of the People (COPE)	9,250,257	8,688,197
Democratic Alliance (DA)	16,330,007	15,337,772
Freedom Front (FF)	1,056,078	991,909
Independent Democrats (ID)	1,571,136	1,475,671
Inkatha Freedom Party (IFP)	4,515,617	4,241,242
Minority Front (MF)	628,554	590,362
United Christian Democratic Party (UCDP)	618,875	581,271
United Democratic Movement (UDM)	1,040,758	977,520



## REPRESENTED POLITICAL PARTIES' FUND

### ANNEXURE A – Detailed income statement for the year ended 31 March 2011

	2011	2010
	R	R
Personnel expenditure	325,016	314,986
Salaries: Employees	325,016	314,986
Accommodation expenditure	6,680	3,219
Hotel expenditure & meals: Local	5,791	3,219
Agency Fees: Local	889	-
Travel expenditure	6,599	11,376
Car rental	488	810
Air Travel - Internal	6,111	10,566
Administrative expenditure	283,676	233,802
Audit cost	278,422	226,106
Courier services	136	2,727
Stationery	5,118	4,969
Promotion & publications	29,659	64,695
Printing and production of books	29,659	64,695
Impairment	-	1,125,758
Allowance for impairment	-	1,125,758
<b>Deficit for the year</b>	<b>(950,184)</b>	<b>(728,524)</b>

## Notes

[illegible]

[illegible]

## Notes

[illegible]



Electoral Commission of South Africa  
Riverside Office Park  
1303 Heuwel Avenue, Centurion, 0157

Telephone: +27 12 622 5700

[www.elections.org.za](http://www.elections.org.za)

RP 235/2011

ISBN: 978-0-621-40376-3

