



POLITICAL PARTY FUNDING **ANNUAL REPORT**



SOUTH AFRICA

2022



SOUTH AFRICA

Report regarding the performance of the functions granted to and the duties imposed on the Electoral Commission in terms of the Political Party Funding Act, 2018, during the financial year 1 April 2021 to 31 March 2022

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ELECTION HOUSE





01

GENERAL
INFORMATION

FOREWORD BY THE **CHAIRPERSON**



Chairperson Mosotho Moepya

It is my singular honour to present the inaugural Annual Report on Political Party Funding to the people of South Africa, through Parliament. This Annual Report is an account of how the public and private funding of political parties was administered and regulated by the Electoral Commission.

The publication of this report is a major milestone for our electoral democracy. It represents our country's commitment to transparency and accountability – values that we hold close to our hearts.

This report is also a culmination of the many important steps that we have taken since 1 April 2021 when the Political Party Funding Act, 6 of 2018 came into effect following its signing into law by His Excellency Cyril Ramaphosa, the President of the Republic of South Africa, on 21 January 2019.

As the Commission, we have been successful in creating the operating systems, procedures and structures to enable the initiation and to lay the basis for the successful implementation of this Act. It is through these systems and structures that registered political parties are able to declare their direct donations to the Electoral Commission for the purposes of disclosure and publication as required by the legislation.

The Electoral Commission also dedicated the necessary resources to provide training and handle queries that relate to the implementation of the Act, thus ensuring that political parties and all other stakeholders are always provided with the necessary support and information whenever the Electoral Commission is called upon to provide such. The Online Party Funding System (OPFS) was designed and developed internally by Electoral Commission staff to facilitate paperless information exchange between registered political parties and the Commission. This system has proven to be one of the many innovative tools introduced by the Electoral Commission in recent history.

The Political Funding Act gives effect to Section 236 of the Constitution, which requires national legislation to enhance multi-party democracy by funding political parties participating in national and provincial legislatures on an equitable and proportional basis. To facilitate the realisation of this important constitutional mandate, the Act establishes two Funds to provide political parties represented in the national Parliament and provincial legislatures with funding to undertake their work. The two funds are:

1. The Represented Political Party Fund (RPPF) which is funded from public money.
2. The Multi-Party Democracy Fund (MPDF) which is funded from private sources.

Through the systems, procedures and structures it has established, the Electoral Commission was successful in the management of these Funds, including the disbursement of funds to qualifying political parties.

The Act requires that donations be disclosed by parties and donors to the Commission. It also prohibits donations to parties by foreign governments or agencies, foreign persons or entities, organs of state or state-owned enterprises. Political parties may, however, receive funding from foreign entities for training, skills development or policy development. No member of a political party may receive a donation other than for political party purposes.

Furthermore, the Act requires the disclosure of all donations above a prescribed threshold of R100 000 to the Electoral Commission by both the political parties and the donor. The Electoral Commission must publish the donations disclosed to it on a quarterly basis. The Act gives the Electoral

Commission some powers to sanction parties that fail to comply with these obligations. Such powers are subject to a final ruling by the Electoral Court, which has the power to review the decisions of the Electoral Commission and to impose administrative fines.

Within the limitations of these powers, the Electoral Commission has been able to impose certain sanctions, which included the withholding of funds from certain political parties as part of its enforcement obligations.

This Annual Report incorporates information from the Financial Statements of registered political parties. The Act requires all registered political parties, regardless of their financial position, to appoint independent external auditors for the purposes of auditing their books. These independent auditors must express an opinion on matters related to compliance with the provisions of the Party Funding Act. Parties have to submit financial statements and the audit opinion to the Electoral Commission three months before the end of the financial year.

This Act marks a change in political party practice after more than 25 years of our democracy. From the time the Act was promulgated, the Electoral Commission has been mindful of the need to prioritise an enabling environment to ensure that this transition by political parties is smooth and rapidly normalised. Compliance of political parties with these requirements is covered in this report. However, there is evidence to suggest that some of the requirements and obligations placed, especially on unrepresented parties, are onerous and, thus, difficult to comply with. This is but one of the few areas that the inevitable and important process of legislative review should consider in order to look into possible amendments to the party funding legislation that strengthen its objective.

The report also reflects on the slow uptake in relation to the MPDF. It will be important for all to reflect on how this innovation can achieve its intended purposes. Last, but by no means least, this Annual Report contains the opinion of the Auditor-General of South Africa (AGSA) on how the Electoral Commission has performed its duties with regards to the management of the Funds and the presentation of annual financial statement. It pleases me to report that the AGSA has expressed a clean audit opinion in this regard. The professional conduct and efficiency with which the Electoral Commission staff have handled this is a remarkable achievement and something in which we take much pride.

Our report to the nation is that we have been successful in this first year of implementation, and that we have learnt valuable lessons which will be used in strengthening this very important exercise of our democracy.

The Electoral Commission appeals to South African citizens – individuals and corporates – to support and participate in our electoral democracy by contributing to the MPDF. It is crucial that all political parties are sufficiently funded to cultivate a culture of financial accountability and transparency within our political system.

The Electoral Commission extends its gratitude to the political parties for their cooperation and for walking this important journey with us. In particular, the Commission welcomes cooperation from political parties who sent their representatives for training in relation to the political party funding legislation and systems that was provided by the Commission in preparation for the implementation of this important regulatory instrument. The Electoral Commission further extends its gratitude to those who made financial contributions to the MPDF.

We have embarked on a journey towards good governance and ethical political activity. Lessons we have learnt in the first year of implementation will be used to strengthen the system in a way that will build citizens' confidence in the democratic political processes.



Mosotho Moepya
Chairperson
Electoral Commission
30 November 2022

CHIEF ELECTORAL OFFICER'S OVERVIEW



Chief Electoral Officer Simon Mamabolo

We are honoured to present the Electoral Commission's inaugural Party Funding Annual Report.

The Political Party Funding Act, 6 of 2018, came into effect on 1 April 2021. This report covers activities mandated in terms of the provisions of the Act from effective date until 31 March 2022. This legislation is the result of the need for transparency in the funding of political parties. Prior enactment, political parties had no obligation to disclose their sources of funding to the public.

We are immensely proud of this report and hope that it will contribute to the discourse about refinements that we may be apposite to strengthen our party funding disclosure regime. While debate may abound about the efficacy of the provisions of the Act, it is our assertion that the first year has been a success. Needless to say, this successful implementation is in spite of intractable challenges characteristic of any new system.

The successful implantation of the Act is predicated on the institutionalisation of a bespoke business application, a regulatory framework, procedures

and structures that facilitate the declaration direct donations by political parties for purposes of publication. A solid infrastructural foundation now exists to facilitate the disclosure of direct party donations.

Implementation and Distribution of Funds

As is now common knowledge, the Act established two funds for the purpose of funding political parties represented in the national and provincial legislature. The funds are the Represented Political Party Fund (RPPF) and the Multi-Party Democracy Fund (MPDF).

The Commission successfully distributed funds to represented political parties from both the RPPF and MPDF in terms of the relevant prescripts. Pertinently, during the reporting period a total amount of R160 504 855 was distributed from the RPPF. Essentially these are funds exclusively appropriated by Parliament for distribution to represented political parties.

On the other hand, the MPDF also distributed funds to represented political parties. The source of funding to the MPDF is largely corporates and private citizens who wish to make a contribution for the sustenance of multi-party democracy in the country. Distribution to parties in this fund is triggered when the balance reaches the R1 000 000 threshold. A total of R 4 926 840 was distributed from the MPDF. Contributors to the fund were from corporates in the telecommunication sector and private citizens.

Quarterly Disclosures

It is a statutory requirement that political parties must on a quarterly basis disclose all the direct donations received from private sources above a R100 000 threshold. On receipt of these disclosures, the Electoral Commission must then publish the same for the benefit of citizenry of the country. Through the publication of quarterly reports, the Commission was able to fulfil this requirement and within the prescribed timelines. The total amount of direct donations disclosed by political parties for the year is R145 451 464.

Quarterly disclosures have become a subject of significant media and public interest. As such these publications were followed up with in-depth interviews with the various media houses in the country. There can be no doubt that these quarterly

disclosures have placed South Africa's party funding regime on a transparency course hitherto unseen since advent of our constitutional order.

Disbursements by Legislatures

The Constitution further entreats legislatures to make funding available to represented parties on proportional and equity basis. Accounting officers of the ten legislatures in the country are reporting a cumulative disbursement of R1 309 283 061 to political parties participating in the various legislative assemblies.

Enforcement Partnerships

As part of the enforcement mandate, the Electoral Commission entered into Memoranda of Understanding (MOUs) with the Financial Intelligence Centre to assist and enhance its enforcement role. The Electoral Commission has also entered into an in-principle agreement with the South African Reserve Bank, which will provide the necessary support in cases of cross-border financial transactions.

Furthermore, the Electoral Commission is now in the final stages of appointing a panel of investigators that will assist with investigations when certain jurisdictional requirements are fulfilled to warrant investigations.

Implementation Challenges

In the first year of implementation, challenges that were encountered such as legislative ambiguity. Where this implicated the regulatory framework, such textual ambiguity was addressed by revising those regulations within the purview of the Commission.

Another challenge experienced relates to onerous requirements placed by the legislation on registered but unrepresented political parties, among them, the requirement to generate financial statements and submit the same for audit. As the majority of unrepresented parties do not receive public funding, some do not have bank accounts. Furthermore, it appears that a majority of these parties could not afford the cost of the required auditing services.

The Electoral Commission also identified several cases of non-compliance with the legislation. However, the majority of these were attributable to inadequate understanding of the legislation by officials of certain political parties. In such instances, through

the invocation of the appropriate provisions of the Act, the Electoral Commission was able to enforce compliance, often without resistance from political parties involved.

Next Steps

It is worth noting that the amendment of the Electoral Act, which is currently under way, will have direct implications for the Party Funding Act.

Furthermore, the Electoral Commission has appointed the Human Sciences Research Council (HSRC) to undertake a research study to assess the level of public awareness of and understanding of the Political Party Funding Act. The study will further document different stakeholder experiences of the Act's first year of implementation.

Acknowledgements

Last, but not least, I wish to express a special note of appreciation to the Chairperson and members of the Commission for their strategic leadership in realising the Party Funding mandate, as well as the staff of the new Party Funding unit, more than ably led by Chief Executive George Mahlangu, who worked tirelessly to deliver on this mandate under challenging circumstances during a pandemic and election period.



Simon Mamabolo
Chief Electoral Officer
Electoral Commission
30 November 2022

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

- All information and amounts disclosed in this annual report are consistent with the annual financial statements audited by the Auditor-General of 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 have been prepared in accordance with the effective standards of Generally Recognised Accounting Practice (GRAP) applicable to party funding.

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



Chairperson
Mosotho Moepya
30 November 2022

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 and financial affairs of party funding for the financial year ended 31 March 2022.



Chief Electoral Officer
Simon Mamabolo
30 November 2022

LEGISLATIVE MANDATE

Section 236 of the Constitution provides that: “to enhance multi-party democracy, national legislation must provide for the funding of political parties participating in national and provincial legislatures on an equitable and proportional basis”.

The Political Party Funding Act, 6 of 2018, was developed and came into effect on 1 April 2021. The Act establishes the Represented Political Party Fund to replace the Represented Political Parties’ Fund, which was established by the Public Funding of Represented Political Parties Act, 103 of 1997. The Act also establishes the Multi-Party Democracy Fund for the purpose of funding represented political parties from private sources.

The Act requires the Commission to prepare for each year, financial statements relating to the Funds and submit to the AGSA for auditing. The Commission

must submit its report and the AGSA’s report to the National Assembly.

The Act also requires all political parties and donors to disclose to the Electoral Commission all donations received above the prescribed threshold of hundred thousand rand, and for the Commission to publish the donations disclosed.

The Act provides the Electoral Commission with certain enforcement powers such as; monitoring and inspection; issuing of directions; suspending payment of money; recovering money irregularly accepted or spent; and instituting proceedings to request the imposition of administrative fines by the Electoral Court.



Die DA kry dinge gedoen
 X STEM DA
 X VOTE

Randall Williams for Mayor
 DA

United we Win
 X VOTE DA

The DA gets things done
 X VOTE DA

Die DA kry dinge gedoen
 X STEM DA
 X VOTE

Randall Williams for Mayor
 DA

DA e beya dilo stofong
 X VOTE DA

Die DA kry dinge gedoen
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 X VOTE

Randall Williams for Mayor
 DA

VOTE EFF
 EFF
 1 NOV 2021

VOTE ANC
 BUILDING A BETTER TSHWANE TOGETHER
 1 NOV 2021

DOP
 THE DEFENDERS OF THE PEOPLE. RESIDENTS FIRST
 Local Government Elections
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 @Residentenrusse

ACTIONSASA

ABEL TAU FOR MAYOR

VOTE EFF
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BETTER TSHWANE TOGETHER
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02

FUNDING OF POLITICAL PARTIES

REPRESENTED POLITICAL PARTY FUND

The Political Party Funding Act, 6 of 2018, repeals the Public Funding of Represented Political Parties Act, 103 of 1997, and establishes the Represented Political Party Fund (RPPF) to replace the Represented Political Parties' Fund originally established in 1997.

The aim of the Fund is to provide funding for political parties represented in the national and provincial legislatures. The RPPF receives funding annually from the National Treasury via the vote of the Department of Home Affairs. Funds are received on a quarterly basis and distributed, in accordance with a formula prescribed by the Political Party Funding Act, to political parties that are represented in the National Assembly and provincial legislatures.

MULTI-PARTY DEMOCRACY FUND

The Political Party Funding Act, 2018, establishes the Multi-Party Democracy Fund (MPDF) to raise and distribute donated funds from the private sources to represented political parties.

The Electoral Commission is mandated to administer the Funds including to raise funds for the MPDF from corporate and private donors and to distribute these funds to parties represented in the national and provincial legislatures in much the same way that it does with the RPPF.

The Electoral Commission is entitled to charge the MPDF an administration fee, which may not exceed 5% of the money credited to the Fund in the previous financial year. For the year under review, the Electoral Commission waived this fee in favour of the deserving political parties.

ALLOCATIONS FROM THE REPRESENTED POLITICAL PARTY FUND

The RPPF had an amount of R162 921 437 available for distribution to represented political parties.

The funds from the RPPF were allocated to political parties based on their representation in the National Assembly and provincial legislatures in accordance with the prescribed formula of 67% proportional and 33% equitable.

During the financial year 2021/2022, four disbursements totalling R160 331 872 were made to represented political parties, every single quarter.

The following tables illustrate details of political parties' representation in all the legislatures, and the allocation to represented political parties from the RPPF.

TABLE 1: TOTAL NUMBER OF MEMBERS – REPRESENTATION

Represented Political Parties	National Assembly	Western Cape	Limpopo	Eastern Cape	Gauteng	KwaZulu-Natal	Northern Cape	North West	Mpumalanga	Free State	Total
African Christian Democratic Party	4	1	0	0	1	1	0	0	0	0	7
African Independent Congress	2	0	0	0	0	0	0	0	0	0	2
African National Congress	230	12	38	44	37	44	18	21	22	19	485
African Transformation Movement	2	0	0	1	0	1	0	0	0	0	4
Al Jama-Ah	1	1	0	0	0	0	0	0	0	0	2
Congress of the People	2	0	0	0	0	0	0	0	0	0	2
Democratic Alliance	84	24	3	10	20	11	8	4	3	6	173
Economic Freedom Fighters	44	2	7	5	11	8	3	6	4	4	94
Freedom Front Plus	10	1	1	1	3	0	1	2	1	1	21
Good	2	1	0	0	0	0	0	0	0	0	3
Inkatha Freedom Party	14	0	0	0	1	13	0	0	0	0	28
Minority Front	0	0	0	0	0	1	0	0	0	0	1
National Freedom Party	2	0	0	0	0	1	0	0	0	0	3
Pan Africanist Congress of Azania	1	0	0	0	0	0	0	0	0	0	1
United Democratic Movement	2	0	0	2	0	0	0	0	0	0	4
Total	400	42	49	63	73	80	30	33	30	30	830
Number of parties	14	7	4	6	6	8	4	4	4	4	

TABLE 2: ALLOCATION TO REPRESENTED POLITICAL PARTIES FROM THE REPRESENTED POLITICAL PARTY FUND

Represented Political Parties	Proportional Allocation	Equitable Allocation	Total	April 2021	July 2021	October 2021	January 2022	Total
	R	R	R	R	R	R	R	R
African Christian Democratic Party	916 482	3 708 678	4 625 160	1 156 290	1 156 290	1 156 290	1 156 290	4 625 160
African Independent Congress	261 852	1 867 568	2 129 420	532 355	532 355	532 355	532 355	2 129 420
African National Congress	63 499 121	7 205 698	70 704 819	17 676 205	17 676 205	17 676 205	17 676 205	70 704 819
African Transformation Movement	523 704	3 207 547	3 731 251	932 813	932 813	932 813	932 813	3 731 251
Al Jama-Ah	261 852	2 259 757	2 521 609	630 402	630 402	630 402	630 402	2 521 609
Congress of the People	261 852	1 867 568	2 129 420	532 355	532 355	532 355	532 355	2 129 420
Democratic Alliance	22 650 202	7 205 698	29 855 900	7 463 975	7 463 975	7 463 975	7 463 975	29 855 900
Economic Freedom Fighters	12 307 046	7 205 698	19 512 744	4 878 186	4 878 186	4 878 186	4 878 186	19 512 744
Freedom Front Plus	2 749 446	6 552 050	9 301 496	2 325 374	2 325 374	2 325 374	2 325 374	9 301 496
Good	392 778	2 259 757	2 652 535	663 134	663 134	663 134	663 134	2 652 535
Inkatha Freedom Party	3 665 929	3 316 489	6 982 417	1 745 604	1 745 604	1 745 604	1 745 604	6 982 417
Minority Front	130 926	653 649	784 575	196 144	196 144	196 144	196 144	784 575
National Freedom Party	392 778	2 521 216	2 913 994	728 499	728 499	728 499	728 499	2 913 994
Pan Africanist Congress	130 926	1 867 568	1 998 494	499 623	499 623	499 623	499 623	1 998 494
United Democratic Movement	523 704	2 553 899	3 077 603	769 401	769 401	769 401	769 401	3 077 603
Totals	108 668 598	54 252 839	162 921 437	40 730 359	40 730 359	40 730 359	40 730 359	162 921 437

ALLOCATIONS FROM THE MULTI-PARTY DEMOCRACY FUND

The MPDF received contributions amounting to R5 007 000 from private sources during the financial year. The amount in the MPDF reached a total of R1 million in the last quarter of the financial year, which resulted in the allocation from the Fund being effected.

The funds from the MPDF were allocated to political parties based on their representation in the National Assembly and provincial legislatures in accordance with the prescribed formula of 67% proportional and 33% equitable.

During the financial year 2021/2022, an amount of R4 992 086 of funds generated through the MPDF was available for allocation to represented political parties. A total of R4 926 840 was disbursed in one instalment during the fourth quarter.

The table below illustrates details of the allocation to represented political parties from the MPDF.

TABLE 3: ALLOCATION TO REPRESENTED POLITICAL PARTIES FROM THE MULTI-PARTY DEMOCRACY FUND

Represented Political Parties	Proportional Allocation	Equitable Allocation	Total
	R	R	R
African Christian Democratic Party	28 082	113 638	141 720
African Independent Congress	8 023	57 224	65 248
African National Congress	1 945 681	220 790	2 166 471
African Transformation Movement	16 047	98 283	114 330
Al Jama-Ah	8 023	69 241	77 265
Congress of the People	8 023	57 224	65 248
Democratic Alliance	694 026	220 790	914 817
Economic Freedom Fighters	377 101	220 790	597 891
Freedom Front Plus	84 246	200 762	285 008
Good	12 035	69 241	81 276
Inkatha Freedom Party	112 328	101 621	213 949
Minority Front	4 012	20 028	24 040
National Freedom Party	12 035	77 253	89 288
Pan Africanist Congress	4 012	57 224	61 236
United Democratic Movement	16 047	78 254	94 301
Totals	3 329 721	1 662 365	4 992 086

DIRECT FUNDING AND DISCLOSURES

1. Declaration and publication of donations above the threshold

Political parties are required to make quarterly disclosures of all direct donations received above the threshold of one hundred thousand rand (R100 000) whether monetary, in-kind or both, to the Electoral Commission. Donors must also make disclosure of all donations made above the threshold to the Electoral Commission within 30 days of making the donation, whether monetary, in-kind or both. The Electoral Commission is required to monitor and publish all the donations disclosed to it quarterly on its website.

During the financial year ended 31 March 2022, the Electoral Commission published three disclosure reports, and the fourth has been published in May 2022. This is because declarations are, in terms of the Regulations, published two months after the end of the quarter.

The table below illustrates the dates on which the declaration reports were published.

TABLE 4: DATES OF DECLARATIONS PUBLICATION

Declarations report	Publication date	Number of declarations	Amount R
Quarter 1	9 September 2021	17	30 008 842
Quarter 2	18 November 2021	29	56 880 644
Quarter 3	2 March 2022	39	46 036 590
Quarter 4	30 May 2022	10	12 525 388

In the year under review, a total number of 12 political parties made declarations for donations above the prescribed threshold. Three political parties made declarations for donations received in the first quarter, six in the second quarter, 11 in the third quarter and two in the fourth quarter.

The following tables illustrate the details of disclosure reports published for all the quarters.

TABLE 5: DONATIONS FOR QUARTER 1

LIST OF DONATIONS AND CONTRIBUTIONS FOR QUARTER 1					
DONATIONS DECLARED AS CONTEMPLATED IN SECTION 9(1) (In terms of the Political Party Funding Act, 6 of 2018 as read with Regulation 7(1))					
Party Name	Date(S) Of Receipt(S) Of Donation	Donor Name	Donation Type	Amount(S) Of Donation For This Quarter	Accumulative Donations Amount
ActionSA	26/04/2021	Brahman Hills Proprietary Limited	Monetary	R 350 000.00	-
	03/05/2021	Black Like Me (Pty) Ltd	In-Kind	R 121 490.26	-
	11/05/2021	Style Eyes Of California (Pty) Ltd	In-Kind	R 333 600.00	-
	09/06/2021	Martin Moshal	Monetary	R 2 500 000.00	-
Total amount declared by ActionSA				R 3 305 090.26	
African National Congress	08/04/2021	Nonkwelo Investment Holdings	Monetary	R 1 000 000.00	-
	09/04/2021	Mr Cedric M Ntombela	Monetary	R 500 000,00	-
	09/04/2021	Nonkwelo Investment Holdings	Monetary	R 1 000 000.00	-
	12/04/2021	Tyekes Security	Monetary	R 100 000.00	-
	29/04/2021	Mr L Sibiya	Monetary	R 620 000.00	-
	18/05/2021	United Manganese Of Kalahari	Monetary	R 5 000 000.00	-
	24/05/2021	Majestic Silver Trading 40 (Pty) Ltd	Monetary	R 2 500 000.00	-
Total amount declared by the African National Congress				R 10 720 000.00	
Democratic Alliance	03/05/2021	Longlands Village (Pty) Ltd	Monetary	R 200 000.00	-
	14/05/2021	Ms Mary Slack	Monetary	R 15 000 000.00	-
	17/05/2021	Friedrich Naumann Foundation	In-Kind	R 200 177.05	-
	20/05/2021	Danish Liberal Democracy Programme	Monetary	R 184 156.33	-
	24/05/2021	Jacques Plaut	Monetary	R 100 000.00	-
	28/06/2021	Friedrich Naumann Foundation	In-Kind	R 299 418.10	-
Total amount declared by the Democratic Alliance				R 15 983 751.48	
Total funds declared for this quarter				R30 008 841.74	
Late submissions from previous quarter(s) and accumulative contributions below the threshold					
Party Name	Date(s) of Receipt(s) of Donation	Donor Name	Donation Type	Amount(s) of Donation for this Quarter	Accumulative Donations Amount
Grand Total For This Quarter:				R 30 008 841.74	

TABLE 6: DONATIONS FOR QUARTER 2

LIST OF DONATIONS AND CONTRIBUTIONS FOR QUARTER 2					
DONATIONS DECLARED AS CONTEMPLATED IN SECTION 9(1) (In terms of the Political Party Funding Act, 6 of 2018 as read with Regulation 7(1))					
Party Name	Date(S) Of Receipt(S) Of Donation	Donor Name	Donation Type	Amount(S) Of Donation For This Quarter	Accumulative Donations Amount
Abantu Integrity Movement	30/09/2021	Mkhuseli Jack Investment Trust	In-Kind	R 112 386.04	-
Total amount declared by the Abantu Integrity Movement				R 112 386.04	R 112 386.04
ActionSA	02/07/2021	Konrad-Adenauer-Stiftung E.v.	In-Kind	R 120 000.00	-
	07/07/2021	Moxitone Investments Pty Ltd	Monetary	R 500 000.00	-
	20/07/2021	Style Eyes Of California (Pty) Ltd	Monetary	R 200 000.00	-
	23/07/2021	Firestation Asset Management (Pty) Ltd	Monetary	R 125 000.00	-
	09/09/2021	African Equity Corporation Pty Ltd	Monetary	R 500 000.00	-
	11/09/2021	Firestation Asset Management (Pty) Ltd	Monetary	R 100 000.00	-
	16/09/2021	Rebecca Oppenheimer	Monetary	R 3 333 333.00	-
	17/09/2021	Victoria Freudenheim	Monetary	R 3 333 334.00	-
	17/09/2021	Jessica Slack-Jell	Monetary	R 3 333 333.00	-
	17/09/2021	Martin Moshal	Monetary	R 5 000 000.00	-
	27/09/2021	The Shave And Gibson Foundation	In-Kind	R 124 462.00	-
	27/09/2021	Kaggen Investments	In-Kind	R 230 000.00	-
Total amount declared by ActionSA				R 16 899 462.00	R 20 204 552.26
African Christian Democratic Party	20/09/2021	Firestation Asset Management (Pty) Ltd	Monetary	R 235 000.00	-
Total amount declared by the African Christian Democratic Party				R 235 000,00	R 235 000,00
African National Congress	18/08/2021	Cedric Muziwakhile Ntombela	Monetary	R 400 000.00	-
	30/08/2021	Matamela Ramaphosa Cyril	Monetary	R 200 000.00	-
	30/08/2021	Matamela Ramaphosa Cyril	Monetary	R 166 000.00	-
	31/08/2021	Chancellor House Trust	Monetary	R 15 000 000.00	-
	03/09/2021	Nep Consulting Engineers Pty Ltd	Monetary	R 1 000 000.00	-
	09/09/2021	African Rainbow Minerals Ltd	Monetary	R 5 853 969.00	-
Total amount declared by the African National Congress				R 22 619 969.00	R 33 339 969.00

LIST OF DONATIONS AND CONTRIBUTIONS FOR QUARTER 2

DONATIONS DECLARED AS CONTEMPLATED IN SECTION 9(1)
(In terms of the Political Party Funding Act, 6 of 2018 as read with Regulation 7(1))

Party Name	Date(S) Of Receipt(S) Of Donation	Donor Name	Donation Type	Amount(S) Of Donation For This Quarter	Accumulative Donations Amount
Democratic Alliance	16/07/2021	Discovery Central Services	Monetary	R 150 000.00	-
	10/09/2021	Naspers Ltd	Monetary	R 1 000 000.00	-
	14/09/2021	B & J Steenberg Engineering	Monetary	R 170 000.00	-
	22/09/2021	Martin Moshal	Monetary	R 15 000 000.00	-
	27/09/2021	Sandy Van Hoogstraten	Monetary	R 200 000.00	-
	29/09/2021	Sir Michael Lawrence Davis	Monetary	R 300 000.00	-
Total amount declared by the Democratic Alliance				R 16 820 000.00	R 32 803 751.48
Good	19/07/2021	Si Africa Solutions	In-Kind	R 122 900.00	-
Total amount declared by Good				R 122 900.00	R 122 900.00

Total Funds Declared For This Quarter

R 56 809 717.04

Total Accumulative Funds Declared For This Quarter

R 86 818 558.78

Late submissions from previous quarter(s) and accumulative contributions below the threshold

Party Name	Date(s) of Receipt(s) of Donation	Donor Name	Donation Type	Amount(s) of Donation for this Quarter	Accumulative Donations Amount
Actionsa	20/07/2021	Style Eyes Of California (Pty) Ltd	In-Kind	R 23 920.00	-
Total amount declared by ActionSA				R 23 920.00	R 23 920.00
Democratic Alliance	20/08/2021	Friedrich Neumann Foundation	Monetary	R 47 007.43	-
Total amount declared by Democratic Alliance				R 47 007.43	R 47 007.43
Sub-Total:				R 70 927.43	
Accumulative Total:					R 70 927.43

Grand Total For This Quarter:

R 56 880 644.47 R 86 889 486.21

TABLE 7: DONATIONS FOR QUARTER 3

LIST OF DONATIONS AND CONTRIBUTIONS FOR QUARTER 3					
DONATIONS DECLARED AS CONTEMPLATED IN SECTION 9(1) (In terms of the Political Party Funding Act, 6 of 2018 as read with Regulation 7(1))					
Party Name	Date(S) Of Receipt(S) Of Donation	Donor Name	Donation Type	Amount(S) Of Donation For This Quarter	Accumulative Donations Amount
Abantu Integrity Movement	19/10/2021	Sakumzi Justice Macozoma	Monetary	R 100 000.00	-
Total amount declared by Abantu Integrity Movement				R 100 000.00	R 212 386.04
Actionsa	01/10/2021	Black Like Me (Pty) Ltd	In-Kind	R 179 998.00	-
	13/10/2021	Shave & Gibson Foundation	Monetary	R 150 000.00	-
	02/12/2021	Pty Props 274 (Pty) Ltd	In-Kind	R 4 212 350.50	-
	15/12/2021	Konrad Adenauer Stiftung Npc	In-Kind	R 530 000.00	-
Total amount declared by ActionSA				R 5 072 348.50	R 25 276 900.76
African National Congress	12/10/2021	3sixty Health Solutions	Monetary	R 800 000.00	-
	19/10/2021	Harmony Gold Mining Company Limited	Monetary	R 5 853 969.00	-
	04/11/2021	Discovery Central Services	Monetary	R 150 000.00	-
	19/11/2021	Naspers Ltd	Monetary	R 1 000 000.00	-
	21/12/2021	Batho Batho	Monetary	R 15 000 000.00	-
Total amount declared by the African National Congress				R 22 803 969.00	R 56 143 938.00
African Transformation Movement	11/10/2021	3sixty Health (Pty) Ltd	Monetary	R 200 000.00	-
Total amount declared by the African Transformation Movement				R 200 000.00	R 200 000.00
Democratic Alliance	01/10/2021	Mr Jody Scheckter	Monetary	R 200 394.00	-
	05/10/2021	African Rainbow Minerals	Monetary	R 2 115 019.00	-
	06/10/2021	Charles Liasides	Monetary	R 300 000.00	-
	06/10/2021	Karl Leinberger	Monetary	R 250 000.00	-
	08/10/2021	Friedrich Naumann Foundation	In-Kind	R 102 267.11	-
	08/10/2021	Nicholas Frank Oppenheimer	Monetary	R 500 000.00	-
	12/10/2021	The Chandos Trust	Monetary	R 1 000 000.00	-
	19/10/2021	Harmony Gold Mining Company Limited	Monetary	R 2 115 019.00	-
21/10/2021	Fynbos Ekwiteit (Pty) Ltd	Monetary	R 5 099 000.00	-	

Party Name	Date(S) Of Receipt(S) Of Donation	Donor Name	Donation Type	Amount(S) Of Donation For This Quarter	Accumulative Donations Amount
Democratic Alliance	27/10/2021	The South African Breweries Pty Ltd	Monetary	R 100 000.00	-
	29/10/2021	Friedrich Naumann Foundation	Monetary	R 329 400.00	-
	08/12/2021	Friedrich Naumann Foundation	In-Kind	R 408 524.36	-
Total amount declared by the Democratic Alliance				R 12 519 623.47	R 45 323 374.95
Economic Freedom Fighters	05/10/2021	African Rainbow Minerals Limited	Monetary	R 1 099 088.00	-
	06/10/2021	3sixty Health (Pty) Ltd	In-Kind	R 150 000.00	-
	07/10/2021	3sixty Health (Pty) Ltd	Monetary	R 600 000.00	-
	19/10/2021	Harmony Gold Mining	Monetary	R 1 099 088.00	-
	27/10/2021	The South African Breweries Pty Ltd	Monetary	R 100 000.00	-
	29/10/2021	Mr Sn Maseko	Monetary	R 100 000.00	-
Total amount declared by the Economic Freedom Fighters				R 3 148 176.00	R 3 148 176.00
Good	11/10/2021	3sixty Health Solutions	Monetary	R 200 000.00	-
	03/11/2021	South African Law School	In-Kind	R 140 447.00	-
Total amount declared by Good				R 340 447.00	R 463 347.00
Inkatha Freedom Party	05/10/2021	African Rainbow Minerals Limited	Monetary	R 343 794.00	-
	08/10/2021	Counterpoint Trading 156	Monetary	R 100 000.00	-
	19/10/2021	Harmony Gold Mining	Monetary	R 343 794.00	-
Total amount declared by the Inkatha Freedom Party				R 787 588.00	R 787 588.00
Patriotic Alliance	01/10/2021	Gayton Mckenzie	Monetary	R 230 000.00	-
	07/10/2021	3sixty Health Solutions	Monetary	R 200 000.00	-
Total amount declared by the Patriotic Alliance				R 430 000.00	R 430 000.00
Shosholoz Progressive Party	04/10/2021	Institute Of Commerce And Management Sa	In-Kind	R 150 000.00	-
Total amount declared by the Shosholoz Progressive Party				R 150 000.00	R 150 000.00
Vryheidsfront Plus	05/10/2021	African Rainbow Minerals Limited	Monetary	R 242 219.00	-
	19/10/2021	Harmony Gold Mining Company Limited	Monetary	R 242 219.00	-
Total amount declared by Vryheidsfront Plus				R 484 438.00	R 484 438.00
African Christian Democratic Party					R 235 000.00
Total Funds Declared For This Quarter				R 46 036 589.97	
Total Accumulative Funds Declared For This Quarter					R 132 855 148.75

Late submissions from previous quarter(s) and accumulative contributions below the threshold					
Party Name	Date(s) of Receipt(s) of Donation	Donor Name	Donation Type	Amount(s) of Donation for this Quarter	Accumulative Donations Amount
ActionSA					R 23 920.00
Democratic Alliance					R 47 007.43
Sub-Total:				R 0,00	
Accumulative Total:					R 70 927,43
Grand Total For This Quarter:				R 46 036 589.97	R 132 926 076.18

TABLE 8: DONATIONS FOR QUARTER 4

LIST OF DONATIONS AND CONTRIBUTIONS FOR QUARTER 3					
DONATIONS DECLARED AS CONTEMPLATED IN SECTION 9(1) (In terms of the Political Party Funding Act, 6 of 2018 as read with Regulation 7(1))					
Party Name	Date(s) of Receipt(s) of Donation	Donor Name	Donation Type	Amount(s) of Donation for this Quarter	Accumulative Donations Amount
African National Congress	01/03/2022	United Manganese Of Kalahari	Monetary	R 10 000 000.00	-
Total amount declared by the African National Congress				R 10 000 000.00	R 66 143 938.00
Democratic Alliance	26/01/2022	Friedrich Naumann Foundation	Monetary	R 771 097.99	-
	01/03/2022	Polyoak Packaging (Pty) Ltd	Monetary	R 120 000.00	-
	01/03/2022	Danish Liberal Democracy Programme	Monetary	R 692 136.92	-
	31/03/2022	Friedrich Naumann Foundation	In-Kind	R 112 491.24	-
Total amount declared by the Democratic Alliance				R 1 695 726.15	R 47 019 101.10
Abantu Integrity Movement					R 212 386.04
Actionsa					R 25 276 900.76
African Christian Democratic Party					R 235 000.00
African Transformation Movement					R 200 000.00
Economic Freedom Fighters					R 3 148 176.00
Good					R 463 347.00
Inkatha Freedom Party					R 787 588.00
Patriotic Alliance					R 430 000.00

Party Name	Date(s) of Receipt(s) of Donation	Donor Name	Donation Type	Amount(s) of Donation for this Quarter	Accumulative Donations Amount
Shosholozza Progressive Party					R 150 000,00
Vryheidsfront Plus					R 484 438,00

Total Funds Declared For This Quarter

Total Accumulative Funds Declared For This Quarter

R 11 695 726,15 R 144 550 874,90

Late submissions from previous quarter(s) and accumulative contributions below the threshold

Party Name	Date(s) of Receipt(s) of Donation	Donor Name	Donation Type	Amount(s) of Donation for this Quarter	Accumulative Donations Amount
Democratic Alliance	26/01/2022	Friedrich Naumann Foundation	Monetary	R 78 000,00	-
	14/02/2022	Friedrich Naumann Foundation	In-Kind	R 150 000,00	-
	14/02/2022	Friedrich Naumann Foundation	In-Kind	R 448 661,57	-
	01/03/2022	Friedrich Naumann Foundation	Monetary	R 78 000,00	-
	31/03/2022	Friedrich Naumann Foundation	In-Kind	R 75 000,00	-
Total amount declared by the DEMOCRATIC ALLIANCE				R 829 661,57	R 876 669,00
ActionSA					R 23 920,00
Sub-Total:				R 829 661,57	
Accumulative Total:					R 900 589,00

Grand Total For This Quarter:

R 12 525 387,72 R 145 451 463,90



2. Donations below the threshold, membership fees, levies, loans and other income

All registered political parties are required by the Political Party Funding Act to account for all income received during a financial year. In this regard, political parties are required to prepare financial statements showing all donations, membership fees and levies and submit audited financial statements to the Electoral Commission within the prescribed period.

The Electoral Commission has developed an Online Party Funding System where political parties are required to submit audited financial statements and for their independent auditors to record the opinion expressed on the statements.

During the financial year 2021/2022, a total of 515 political parties were registered with the Electoral Commission. Of the 515 registered political parties,

only 41 submitted financial statements to the Electoral Commission as provided in the Political Party Funding Act. Some political parties submitted their statements after the prescribed deadline of 30 September 2022.

Most of the unrepresented political parties' financial statements are not audited, and some are audited by auditors or independent reviewers who are not registered with the Independent Regulatory Board for Auditors (IRBA) as required by the Act.

Tables 10 and 11 below illustrate a summary of income from the financial statements of political parties who made submissions to the Electoral Commission.

TABLE 9: SUMMARY OF INCOME AND LOANS OF REPRESENTED POLITICAL PARTIES AS PER FINANCIAL STATEMENTS FILED WITH THE ELECTORAL COMMISSION

Political party	Donations above the threshold	Donations below the threshold	Other income (outside the ambit of the Act)	Membership fees and levies	Total income	Loans	Total income and loans	Audit opinion
	R	R	R	R	R	R	R	
African Christian Democratic Party	255 817	550 991	40 781	1 285 581	2 133 170	-	2 133 170	Qualified
African Independent Congress								
Al Jama-Ah	-	297 890	15 975	-	313 865	150 328	464 193	Unqualified
African National Congress	-	15 000 000	-	-	15 000 000	-	15 000 000	Disclaimer
African Transformation Movement	200 000	44 857	44 857	-	289 714	-	289 714	Unqualified
Congress of the People								
Democratic Alliance	47 895 770	17 350 810	29 251 940	49 776 362	144 264 882	-	144 264 882	Unqualified
Economic Freedom Fighters	3 148 176	780	1 232 665	65 501 337	72 882 958	74 911 198	147 794 156	Unqualified
Freedom Front Plus	-	1 089 537	288 681	2 598 004	3 976 222	-	3 976 222	Unqualified
GOOD	463 347	108 920	998 496	1 017 395	2 588 158	-	2 588 158	Qualified
Inkatha Freedom Party	787 588	1 600 054	8 578 782	18 152 192	29 118 617	-	29 118 617	Unqualified
Minority Front	-	-	-	101 378	101 378	-	101 378	Unqualified
National Freedom Party								
Pan Africanist Congress of Azania								
United Democratic Movement	-	91 116	-	835 875	926 991	1 000 000	1 926 991	Unqualified

TABLE 10: SUMMARY OF INCOME AND LOANS OF UNREPRESENTED POLITICAL PARTIES AS PER FINANCIAL STATEMENTS FILED WITH THE ELECTORAL COMMISSION

Political party	Donations above the threshold		Donations below the threshold		Other income (outside the ambit of the Act)		Membership fees and levies		Total income		Loans		Total income and loans		Audit opinion
	R	R	R	R	R	R	R	R	R	R	R	R	R	R	
Abahlali Base Mkhanyakude Movement	-	2 800	-	-	-	-	-	-	2 800	-	-	-	2 800	-	No opinion
Abantu Integrity Movement	246 140	-	263 900	-	3 755	-	-	-	513 795	-	-	-	513 795	-	Unqualified
Able leadership Association	-	-	-	-	240 310	-	-	-	240 310	-	-	-	240 310	-	Not audited
Action SA	25 300 821	-	4 427 024	-	138 763	-	7 607 080	-	37 473 688	-	1 375 701	-	38 849 389	-	Unqualified
African Restoration Alliance	-	-	167 281	-	-	-	30 941	-	198 222	-	-	-	198 222	-	Not audited
Afrikaner Selfbeskikking Party	-	-	-	-	-	-	4 130	-	4 130	-	-	-	4 130	-	Unqualified
Batho Pele Movement	-	-	1 000	-	-	-	118 541	-	119 541	-	-	-	119 541	-	Not audited
Cape Independence Party	-	-	48 205	-	132 081	-	57 620	-	237 906	-	60 369	-	298 275	-	Qualified
Cape Muslim Congress	189 611	-	-	-	3	-	-	-	189 614	-	-	-	189 614	-	Unqualified
Christian Democratic Party	-	-	7 700	-	-	-	10 500	-	18 200	-	-	-	18 200	-	Unqualified
Civic Independent	-	-	40 651	-	-	-	-	-	40 651	-	89 650	-	130 301	-	Not audited
Civic Warriors	-	-	-	-	97 458	-	114 176	-	211 634	-	-	-	211 634	-	Unqualified
Democratic Liberal Congress	-	-	2 500	-	3	-	-	-	2 503	-	997 265	-	999 768	-	Not audited
Democratic People's Movement	-	-	22 280	-	-	-	-	-	22 280	-	70 000	-	92 280	-	Not audited
Devoted Citizens of Msunduzi	-	-	-	-	48 635	-	-	-	48 635	-	-	-	48 635	-	Not audited
Diensliewerings Party	-	-	53 950	-	184 902	-	-	-	238 852	-	-	-	238 852	-	Qualified
Green Future	-	-	-	-	-	-	120	-	120	-	-	-	120	-	Not audited
Independent Citizens Movement	-	-	418 610	-	-	-	-	-	418 610	-	-	-	418 610	-	Not audited
Independent Ratepayers Association of South Africa	-	-	8 500	-	-	-	-	-	8 500	-	-	-	8 500	-	Not audited
International Revelation Congress	-	-	6 250	-	1 630	-	100	-	7 980	-	-	-	7 980	-	Not audited
Limpopo Residents Association	-	-	5 400	-	-	-	-	-	5 400	-	-	-	5 400	-	Not audited
New Dawn Democratic Party	-	-	-	-	-	-	-	-	-	-	5 675	-	5 675	-	Unqualified
Patriotic Alliance	740 000	-	783 500	-	-	-	-	-	1 523 500	-	-	-	1 523 500	-	Unqualified
Plaasiike Besorgde Inwoners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	No opinion
Setso Service Delivery Forum	-	-	64 500	-	198	-	124 444	-	189 142	-	-	-	189 142	-	Unqualified
Socialist Agenda of dispossessed	-	-	-	-	-	-	98 852	-	98 852	-	-	-	98 852	-	Not audited
Saamstaan Suid-Afrika	-	-	23 000	-	28	-	-	-	23 028	-	-	-	23 028	-	Not audited
The Organic Humanity Movement	-	-	116 856	-	21 220	-	10 800	-	148 876	-	-	-	148 876	-	Unqualified
United Progressive Party South Africa	-	-	14 130	-	-	-	-	-	14 130	-	-	-	14 130	-	Not audited
Witzenberg Party	-	-	200	-	400	-	23 564	-	24 164	-	-	-	24 164	-	Not audited



3. Disclosures of funding of represented political parties by Legislatures

The accounting officer of a legislature, whether national and provincial, is required to disclose annually any funding of represented political parties under sections 57(2) and 116(2) of the Constitution respectively, to the Electoral Commission.

The Electoral Commission has received disclosure reports from Parliament and all nine provincial legislatures in respect of the funding of political parties represented in those legislatures.

A total amount of R1 309 283 061 from Parliament and nine provincial legislatures was allocated to 15 political parties represented in respective legislatures.

The table below illustrates the details of funding as per disclosure reports from national and provincial legislatures filed with the Electoral Commission.

TABLE 11: NATIONAL AND PROVINCIAL LEGISLATURES DISCLOSURES (UNAUDITED)

Represented Political Parties	DISBURSEMENTS TO REPRESENTED POLITICAL PARTIES FROM LEGISLATURES										Total
	Parliament	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	North West	Northern Cape	Western Cape	
	R	R	R	R	R	R	R	R	R	R	R
African Christian Democratic Party	5 139 997			4 732 902	2 582 794					1 524 964	13 980 657
African Independent Congress	2 841 789										2 841 789
African National Congress	283 738 550	83 859 809	40 138 014	75 137 709	62 261 189	79 575 209	37 925 066	42 765 204	33 136 994	13 695 157	752 232 898
African Transformation Movement	2 841 789	2 183 391			2 582 794						7 607 974
Al Jama-Ah	1 664 316								1 522 816		3 187 132
Congress of the People	473 631										473 631
Democratic Alliance	114 394 530	19 059 047	13 563 706	42 161 463	15 565 296	6 884 455	6 406 600	8 159 886	13 903 486	26 824 656	266 923 125
Economic Freedom Party	59 565 406	9 529 523	7 820 189	24 390 117	12 098 727	16 658 754	8 065 467	12 275 981	3 843 000	2 605 116	156 851 980
Freedom Front Plus	13 634 890	2 183 391	3 983 219	8 689 274		3 276 241	3 088 867	4 732 853	1 843 531	1 525 714	42 957 980
Good	2 483 362									1 525 714	4 009 076
Inkatha Freedom Party	17 223 142			4 809 800	19 303 613						41 336 555
Minority Front					2 582 794						2 582 794
National Freedom Party	2 841 789				2 582 794						5 424 583
Pan Africanist Congress of Azania	1 664 316										1 664 316
United Democratic Movement	2 841 789	4 366 781									7 208 570
Total	511 348 996	121 181 942	65 505 128	159 921 265	119 559 998	106 394 658	55 486 000	67 933 924	52 727 011	49 224 137	1 309 283 061

In terms of section 23(2) of the Political Party Funding Act the accounting officer of a legislature as defined in section 1 of the Financial Management of Parliament and Provincial Legislatures Act, 2009 (Act 10 of 2009), must annually in the prescribed form and manner, disclose any funding of represented political parties under sections 57(2) and 116(2) of the Constitution respectively, to the Electoral Commission.

The figures contained in this table were supplied by secretaries of each of the 10 legislative houses to the Electoral Commission in terms of the specific section. At the time of submission, the figures were yet to be audited.

ENFORCEMENT

The Political Party Funding Act provides the Electoral Commission with certain enforcement powers in order to ensure that political parties comply with the Act.

1. Commission's power to issue directions

The Act provides the Electoral Commission with the power to issue directions to political parties in order to enforce compliance before effecting sanctions.

During the 2021/2022 financial year, the Commission has issued directions to three political parties who have transgressed, for them to make representation to the Electoral Commission.

The table below shows details of directions issued to political parties.

TABLE 12: DIRECTIONS ISSUED TO POLITICAL PARTIES

Political Party	Reason for issuing a direction
Cape Coloured Congress	A complaint was lodged with the Commission against the party for alleged breach of section 12(1)(a) of the Act.
African National Congress	Failure by donors to make donation declarations in breach of section 9(2) of the Act.
Abantu Integrity Movement	Late submission of donation declaration in breach of section 9(1) and Regulation 7 of the Electoral Commissions' Regulations.

2. Power to suspend payment of money

The Act provides the Electoral Commission with the power to suspend payment of money to a political party if it fails to comply with the Act.

During the 2021/2022 financial year, the Commission suspended payment of one political party due to failure to comply with the requirements of the Act.

3. Power to recover the money irregularly spent

The Act provides the Electoral Commission with the power to recover money irregularly spent, by instituting a civil claim or by setting off the liability against any amount to be allocated to a represented political party from the funds.

During the 2021/2022 financial year, the Electoral Commission has recovered money from two political parties who have contravened the Act, by setting off the liability against their future allocations.





03

POLITICAL PARTIES
COMPLIANCE INFORMATION

SUBMISSION OF FINANCIAL STATEMENTS

According to the Electoral Commission's official database, there were an estimated 515 registered political parties (15 of which are represented parties) during the financial year 2021/2022. Out of these, 41 parties submitted their financial statements.

A total of 24 parties submitted on or before the deadline and 17 parties submitted after the deadline. Eleven (11) of the 15 represented political parties have submitted audited financial statements as required by the Act. Of these, two did not submit financial statements relating to direct funding.

Nine (9) of the 11 parties met the submission deadline of 30 September 2022, and two did not. The parties in question are the Economic Freedom Fighters (EFF) and the Minority Front (MF).

The African Independent Congress (AIC), Congress of the People (COPE), National Freedom Party (NFP) and Pan Africanist Congress (PAC) are four of the 15 represented parties that have not submitted any financial statements.

The AIC did not receive any financial allocation for the financial year 2021/2022 as the party's disbursements were suspended due to the ongoing leadership disputes. Consequently, financial statements relating to the Funds did not have to be submitted. However, the party was still required to submit a statement relating to direct funding.

Only 30 unrepresented political parties submitted their statements. This means that a total of 474 registered political parties did not submit audited financial statements as required by the Political Party Funding Act.

The Electoral Commission will be invoking the applicable provisions of the Act against defaulting parties.

COMPLETENESS OF FINANCIAL STATEMENTS

Financial statements received from political parties were reviewed for completeness, i.e. checking if all the documents were submitted as required by the Act.

Two represented political parties, the African National Congress (ANC) and the African Transformation Movement (ATM) made incomplete submissions, i.e., they submitted only one set of financial statements relating to the funds.

Most unrepresented parties submitted manually by email, and therefore only four of the 30 unrepresented parties' submissions were complete with the auditor's opinion form (PPR12) and annexures/spreadsheets.

Fifteen unrepresented parties' statements were audited and 15 were unaudited.

Political parties who failed to submit by the deadline were issued with letters of direction in terms of section 15 of the Act.

COMPLIANCE WITH THE REQUIREMENTS OF ANNUAL FINANCIAL STATEMENTS

Political parties' annual financial statements were further reviewed for compliance with the Political Party Funding Act and applicable accounting standards.

Financial statements relating to the RPPF and the MPDF were compliant with the Act and regulations for most represented political parties.

Statements of four represented political parties were not prepared in accordance with the GRAP as required by the Act.



The independent auditors of almost all represented political parties issued unqualified audit opinion on financial statements relating to the funds, with the exception of the ANC where a disclaimer was issued. The basis for disclaimer was, however, with regard to statements relating to direct funding. The auditors stated that they were unable to obtain financial information to enable them to express an opinion on donations.

The independent auditors of two represented political parties, i.e., the ACDP and GOOD, issued a qualified audit opinion on statements relating to direct funding.

More than fifty percent (50%) of the submitted unrepresented parties' statements were not audited, and some of the firms/individuals who audited the statements are not registered in accordance with the Auditing Professions Act as required by the Political Party Funding Act.

Most of the unrepresented parties' statements were submitted via email and therefore the auditor's opinion form (PPR12) was in most cases not completed. As a result, an audit opinion was not expressed as required by the Act.

Where independent auditors expressed audit opinion on financial statements, 10 unrepresented political parties received an unqualified opinion and two unrepresented political parties (the Cape Independence Party and Dienslewerings Party) received a qualified opinion.





04

**EXTRACTS OF REPRESENTED
POLITICAL PARTIES' STATEMENTS**
AS FILED WITH THE ELECTORAL
COMMISSION

Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	<u>71 582</u>	<u>19 998</u>
Current Assets			
Trade and other receivables	3	21 834	24 850
Cash and cash equivalents	4	<u>754 202</u>	<u>1 232 940</u>
		<u>776 036</u>	<u>1 257 790</u>
Total Assets		<u>847 618</u>	<u>1 277 788</u>
Equity and Liabilities			
Capital and reserves			
Reserves		<u>722 570</u>	<u>1 264 221</u>
Liabilities			
Current Liabilities			
Trade and other payables	5	<u>125 048</u>	<u>13 567</u>
Total Equity and Liabilities		<u>847 618</u>	<u>1 277 788</u>

Accounting Officer
Auditors
Audit Opinion

S N Swart
PKF Cape Town
Unqualified



Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 R	2021 R
Cash flows from operating activities			
Cash (used in) generated from operations	11	(451 785)	184 215
Interest income		<u>40 497</u>	<u>44 302</u>
Net cash from operating activities		<u>(411 288)</u>	<u>228 517</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	2	<u>(67 450)</u>	<u>(9 458)</u>
Total cash movement for the year		<u>(478 738)</u>	<u>219 059</u>
Cash at the beginning of the year		1 232 940	1 013 881
Total cash at end of the year	4	<u>754 202</u>	<u>1 232 940</u>

Detailed Income Statement for the year ended 31 March 2022

	Notes	2022 R	2021 R
Income			
Allocation from fund	6	4 766 880	2 332 774
Other Income			
Interest received	8	40 497	44 302
Expenses		5 349 028	2 153 713
Other operating expenses			
Accommodation		124 938	17 265
Arrangement of meetings and rallies		272 401	37 827
Meals and refreshments		258 756	8 628
Rent - conference venues		13 645	29 199
Secretarial services		-	-
Administration		2 244 073	1 129 413
Advertising	10	18 832	-
Audit fees		43 000	40 250
Bank charges		27 133	18 495
Cleaning		469	2 580
Depreciation		11 350	4 594
Legal fees		1 543 502	621 465
Licences		42 777	23 056
Rental		181 997	133 725
- Head office		136 267	126 173
- Office equipment		45 730	7 552
Repairs and maintenance		6 275	795
Security		11 446	10 374
Small assets		9 583	-
Stationery		16 150	5 531
Subscription fees		4 796	1 875
Telephone and postage		155 443	99 972
Water and electricity, rates and taxes		76 824	75 501
Website		94 495	91 199



AFRICAN CHRISTIAN DEMOCRATIC PARTY (ACDP)

Detailed Income Statement for the year ended 31 March 2022

	Notes	2022 R	2021 R
Promotions and publications		1 518 935	483 172
Entertainment		14 072	1 247
Promotions		1 504 863	481 924
Personnel expenditure		544 637	409 544
Salaries		532 245	406 476
Casual wages		600	-
Skills Development Levy		8 577	-
Unemployment Insurance fund		3 214	3 069
Travel		644 045	76 491
Expenses		5 349 028	2 153 713
Surplus for the period		(541 651)	223 363



AFRICAN NATIONAL CONGRESS (ANC)

Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
ASSETS			
Current assets			
Cash and cash equivalents	3	21 900	101 500
TOTAL ASSETS		21 900	101 500
EQUITY AND LIABILITIES			
Equity			
Accumulated loss		(478 100)	(153 500)
Current liabilities			
Trade and other payables	4	500 000	255 000
TOTAL EQUITY AND LIABILITIES		21 900	101 500

Accounting Officer	N Mabaso
Auditors	Ramuedzisi Incorporated
Audit Opinion	Disclaimer

Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 R	2021 R
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from the Independent Electoral Commission		72 871 290	89 890 487
Cash paid to suppliers and employees		(72 951 089)	(89 878 543)
Cash (utilised) / generated from operations	5	(79 799)	11 944
Finance income	2	199	197
Net cash (utilised) / generated from operating activities		(79 600)	12 141
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS			
		(79 600)	12 141
Cash and cash equivalents at beginning of the year		101 500	89 359
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	3	21 900	101 500



AFRICAN NATIONAL CONGRESS (ANC)

Supplementary Information for the year ended 31 March 2022

	2022 R	2021 R
INCOME	72 871 489	89 890 684
Grant received	72 871 290	89 890 487
Interest Income	199	197
EXPENDITURE	73 196 089	89 883 543
Personnel expenditure		
Salaries	70 386 116	85 769 693
Administrative – general	2 307 904	3 864 048
Cleaning and sanitation	239 693	434 821
Communication expenses - telephone fax modem	547 499	736 776
Rental - office equipment	-	262 022
Rental - parking	450 698	655 776
Maintenance and repairs - buildings	55 981	135 988
Photocopy consumables	-	69 726
Internet maintenance	983 042	1 398 487
Server expenses	30 991	170 452
Administrative – other	502 069	249 802
Audit costs – Independent Electoral Commission	501 002	248 812
Bank charges	1 067	990
(Loss) / Surplus for the year	(324 600)	7 141

AFRICAN TRANSFORMATION MOVEMENT (ATM)



Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Non-Current Assets			
Property, Plant and Equipment	2	<u>38 755</u>	<u>48 556</u>
Current Assets			
Cash and Cash Equivalents	3	<u>135</u>	<u>16 966</u>
Trade and other Receivables	4	<u>80 000</u>	<u>25 000</u>
Total Assets		<u>118 891</u>	<u>90 522</u>
Equity and Liabilities			
Equity			
Accumulated Funds	6	<u>118 891</u>	<u>(15 879)</u>
Current Liabilities			
Trade and other Payables	5	<u>-</u>	<u>106 401</u>
Total Equity and Liabilities		<u>118 891</u>	<u>90 522</u>

Accounting Officer
Auditors
Audit Opinion

M M Qotoyi
MBS Audit Inc.
Unqualified



Statement of Cash Flow for the period ended 31 March 2022

	Notes	2022 R	2021 R
Cash Flows from Operating Activities			
Cash receipts from funding and Deposits	8	3 847 381	1 502 001
Interest Received		3 609	909
Adjusted for cash and non-cash items:			
Cash payments - Employees	9	(3 208 968)	(1 323 983)
Cash payments - Suppliers	10 & 11	(613 652)	(280 248)
Interest Expense		-	15 462
Interest Income		(3 609)	(909)
Depreciation	2	10 700	10 575
Net increase/(decrease) in working capital changes		35 461	(76 193)
Working capital changes			
Decrease/(increase) in Receivables	4	(55 000)	-
Increase/(decrease) in Payables	5	(106 401)	106 401
Net Assets		106 401	
Net cash flow available from operating activities		(19 539)	30 208
Cash Flows from Investing Activities			
Purchase of office furniture		(899)	-
Net Cash Flows from investing Activities		(899)	-
Cash Flows from Financing Activities			
Interest Received		3 609	909
Interest Expense		-	(15 462)
Net Cash Flows from Financing Activities		3 609	(14 554)
Net increase in cash and cash equivalent		(16 830)	15 654
Cash and cash equivalent at beginning of the year		16 966	1 311
Cash and cash equivalent at end of the year	3	135	16 966

Detailed Statement of Comprehensive Income for the period ended 31 March 2022

	Notes	2022 R	2021 R
Income	7	3 850 989	1 502 910
Funds Received		3 845 581	1 502 001
Cash Deposits		1 800	
Interest Received		3 609	909
Personnel Expenditure	8	3 208 968	1 323 983
Employee Costs		3 208 968	1 323 983
Administration Expenditure	10	391 073	200 585
Accounting and Audit Fees		-	6 728
Advertising and Promotions		37 100	8 578
Bank Fees		52 905	51 210
Cleaning, Health and Safety		1 171	1 205
Consulting Fees		134 000	10 000
Depreciation	2	10 700	10 575
Donations – Community Support		28 000	-
Electricity, Gas and Water		10 623	1 600
Interest Expense		-	15 462
Office Rental		102 500	90 860
Repairs and Maintenance		897	-
Security Fees		420	-
Subscriptions and Registrations		-	1 000
Staff Training and Education		7 810	
Stationery and Printing		4 600	2 116
Telephone, Fax and Internet		348	1 250
Arrangement of Meetings and Rallies	11	222 579	79 664
Accommodation		100 902	-
Conference		6 700	-
Meals		32 480	32 192
Travel and Transport Fees		82 498	47 472
Surplus/ (Deficit) for the period		28 369	(101 321)



Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Non-current assets			
Property, plant and equipment	2	53,426	-
Total non-current assets		53 426	-
Current assets			
Related party loans receivable	3	25 500	2 400
Cash and cash equivalents	4	2 245	38 753
Total current assets		27 745	41 153
Total assets		81 171	41 153
Net assets and liabilities			
Net assets			
(Accumulated deficit) / accumulated surplus		(174 443)	11 828
Liabilities			
Current liabilities			
Audit fee accrual	5	46 575	29 325
Related party loans payable	6	209 039	-
Total current liabilities		255 614	29 325
Total liabilities		255 614	29 325
Total net assets and liabilities		81 171	41 153

Accounting Officer
Auditors
Audit Opinion

M G E Hendricks
Nexia SAB&T
Unqualified



Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 R	2021 R
Cash flows (used in) / from operations			
Cash receipts from customers		2 575 774	618 428
Cash paid to suppliers and employees		(2 548 152)	(629 291)
Payments to suppliers for goods and services		(2 081 946)	(390 501)
Payments to and on behalf of employees		(466 206)	(238 790)
Net cash flows from / (used in) operating activities		27 622	(10 863)
Cash flows used in investing activities			
Purchase of property, plant and equipment		(64 130)	-
Cash flows used in investing activities		(64 130)	-
Net decrease in cash and cash equivalents		(36 508)	(10 863)
Cash and cash equivalents at beginning of the year		38 753	49 616
Cash and cash equivalents at end of the year	4	2 245	38 753



Detailed Income Statement for the year ended 31 March 2022

	Notes	2022 R	2021 R
Income	7		
Government grant		2 598 874	587 951
Total income		2 598 874	587 951
Administrative expenses	8		
Administration costs		(198 470)	(122 479)
Auditors remuneration - fees		(46 575)	
Bank charges		(7 044)	(2 106)
Total administrative expenses		(252 089)	(124 585)
Other expenses	9		
Accommodation		(40 200)	-
Arrangement of meetings and rallies		(751 772)	(156 568)
Depreciation – property, plant and equipment		(10 704)	-
Election registration		(49 000)	-
Personnel expenditure		(466 206)	(238 790)
Promotion and publications		(1 096 063)	(102 352)
Travelling expenses		(119 111)	(12 920)
Total other expenses		(2 533 056)	(510 630)
Deficit from operating activities		(186 271)	(47 264)
Deficit for the year		(186 271)	(47 264)



Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Current Assets			
Accounts receivable	2	133 986	79 807
Cash and cash equivalents	3	12 428 451	2 782 511
		12 562 437	2 862 318
Total Assets		12 562 437	2 862 318
Surplus and Liabilities			
Retained surplus			
Retained surplus		9 928 487	2 582 966
Liabilities			
Current Liabilities			
Accounts payable	4	2 633 950	279 352
Total Surplus and Liabilities		12 562 437	2 862 318

Accounting Officer
Auditors
Audit Opinion

D George
TGS South Africa Incorporated
Unqualified

Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 R	2021 R
Cash flows from operating activities			
Cash (used in)/generated from activities	9	9 376 632	2 496 212
Interest income		269 308	144 607
Net cash from/(to) operating activities		9 645 940	2 640 819
Total cash movement for the year		9 645 940	2 640 819
Cash at the beginning of the year		2 782 511	141 692
Total cash at end of the year	3	12 428 451	2 782 511



Statement of Comprehensive Income for the year ended 31 March 2022

	Notes	2022 R	2021 R
Income			
Allowance received from Independent Electoral Commission		30 770 717	34 079 560
Investment revenue	6	269 308	144 607
Sundry recoveries		383 199	-
		31 423 224	34 224 167
Expenditure			
Arrangements of meetings and rallies			
Meeting costs		524 291	107 801
Rent and electricity		2 345 385	2 123 035
		2 869 676	2 230 836
Promotions and publications			
Newspapers, books and publications		186 289	400 643
Legal expense			
Legal expenses		3 801 155	-
Personnel			
Salaries		11 288 945	22 595 164
Travel			
Travel		345 899	134 133
Administration			
Audit fees	8	84 172	51 750
Bank charges		6 077	5 003
Communication expenditure: telephone and fax		428 518	631 072
Depreciation		-	777
Equipment rental		9 229	448 906
Expensed assets		31 042	3 398
Insurance		37 905	627 774
Maintenance and repairs: building		2 535	718
Maintenance and repairs: computers		314 743	362 001
Maintenance and repairs: furniture and equipment		3 359	-
Printing and stationery		12 969	37 277
Professional services and translations		3 510 169	2 885 337
Refreshments		94 096	14 349
Security		88 393	94 331
Staff training		5 869	4 989
Website hosting and software development		956 663	948 000
		5 585 739	6 115 682
Total expenditure		24 077 703	31 476 458
Surplus for the year		7 345 521	2 747 709



ECONOMIC FREEDOM FIGHTERS (EFF)

Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Current Assets			
Cash and cash equivalents	3	37 610	73 622
Non-Current Assets			
Property, plant and equipment	2	45 351 639	40 623 179
Total Assets		45 389 249	40 696 801
Liabilities			
Current Liabilities			
Other financial liabilities	6	-	673 878
Finance lease obligation	4	-	283 189
Unspent conditional grants and receipts	5	37 610	73 722
		37 610	1 030 789
Non-Current Liabilities			
Other financial liabilities	6	-	9 533 207
Total Liabilities		37 610	10 563 996
Net Assets		45 351 639	30 132 805
Accumulated surplus		45 351 639	30 132 805
Total Net Assets		45 351 639	30 132 805

Accounting Officer
Auditors
Audit Opinion

O M C Maotwe
Certified Master Auditors (South Africa) Inc.
Unqualified



ECONOMIC FREEDOM FIGHTERS (EFF)

Cash Flows Statement for the year ended 31 March 2022

	Notes	2022 R	2021 R
Cash flows from operating activities			
Receipts			
Grants		20 110 636	19 947 947
Payments			
Suppliers		(3 623 528)	(1 087 930)
Net cash flows from operating activities	9	16 487 108	18 860 017
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(5 441 416)	(15 915 360)
Cash flows from financing activities			
Repayment of other financial liabilities		(10 207 085)	(2 155 824)
Finance lease payments		(283 189)	(725 263)
Finance costs		(591 430)	-
Net cash from financing activities		(11 081 704)	(2 881 087)
Net increase/(decrease) in cash and cash equivalents		(36 012)	63 570
Cash and cash equivalents at the beginning of the year		73 622	10 052
Cash and cash equivalents at the end of the year	3	37 610	73 622

ECONOMIC FREEDOM FIGHTERS (EFF)



Detailed Income Statement for the year ended 31 March 2022

	Notes	2022 R	2021 R
Revenue			
Government grants & subsidies	8	20 146 748	19 947 947
Operating expenses			
Administration	12	1 461 090	1 050 404
Rallies and events	13	2 875 395	36 726
Travel - local		-	800
		4 336 485	1 087 930
Operating surplus		15 810 263	18 786 295
Finance costs		(591 430)	(2 140 240)
Surplus for the year		15 218 833	16 646 055

FREEDOM FRONT PLUS (VF PLUS)



Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
ASSETS			
Current Assets			
Receivables from Non-Exchange Transactions	2	-	-
Cash and cash equivalents	3	47 713	177 466
		47 713	177 466
Non-current Assets			
Property, Plant and Equipment	4	1 983 103	1 955 545
		1 983 103	1 955 545
Total Assets		2 030 816	2 133 011
LIABILITIES AND NET ASSETS			
Current Liabilities			
Payables from Non-Exchange Transactions	5	-	-
		-	-
Non-current Liabilities			
		-	-
		-	-
Net Assets			
As represented by Accumulated Funds	6	2 030 816	2 133 011
		2 030 816	2 133 011
Total Liabilities and Net Assets		2 030 816	2 133 011

Accounting Officer
Auditors
Audit Opinion

PJH de Necker
Brink & Brink Inc.
Unqualified



FREEDOM FRONT PLUS (VF PLUS)

Cash Flow Statement for the year ended 31 March 2022

	Notes	2022 R	2021 R
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
IEC RPPF Allowance	7	285 008	-
IEC MPDF Allowance	7	9 301 496	6 505 975
Interest income	7	97	96 525
Other receipts (receivable)	2	-	2 040
		9 586 601	6 604 540
Payments			
Personnel Expenditure	8	(4 129 959)	(3 650 519)
Suppliers and others	9	(5 549 480)	(2 415 136)
		(9 679 439)	(6 065 655)
Net Cash flow from operating activities	11	(92 838)	538 885
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(63 988)	(2 559 689)
Net cash flows from investing activities		(63 988)	(2 559 689)
Net increase/(decrease) in cash and cash equivalents		(156 826)	(2 020 804)
Cash and cash equivalents at the beginning of the year	3, 12	204 539	2 198 270
Cash and cash equivalents at the end of the year	3	47 713	177 466

FREEDOM FRONT PLUS (VF PLUS)



Statement of Financial Performance for the year ended 31 March 2022

	Note(s)	2022 R	2021 R
REVENUE			
Revenue from Exchange Transactions	7	97	96 525
Revenue from Non-Exchange Transactions	7	9 586 504	6 505 975
Total Revenue		9 586 601	6 602 500
EXPENDITURE			
Personnel Expenditure	8	(4 129 959)	(3 650 519)
General Expenses	9	(5 549 480)	(2 388 136)
Depreciation and amortisation	10	(36 430)	(604 145)
Total Expenditure		(9 715 869)	(6 642 800)
SURPLUS / (DEFICIT) for the year		(129 268)	(40 300)



GOOD

Statement of Financial Position as at 31 March 2022

	Note(s)	2022 R	2021 R
Assets			
Current Assets			
Cash and cash equivalents	2	940	13 451
Total Assets		940	13 451
Equity and Liabilities			
Member's interest and reserves			
Retained income		940	553
Liabilities			
Current Liabilities			
Trade and other payables	3	-	12 898
Total Equity and Liabilities		940	13 451

Accounting Officer
Auditors
Audit Opinion

B Herron
VVS Chartered Accountants
Unqualified

Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 R	2021 R
Cash flows from operating activities			
Cash receipts from grants		2 733 811	766 832
Cash paid to suppliers and employees		(2 746 322)	(797 805)
Cash used in operations	7	(12 511)	(30 973)
Net cash from operating activities		(12 511)	(30 973)
Total cash movement for the year		(12 511)	(30 973)
Cash at the beginning of the year		13 451	44 424
Total cash at end of the year	2	940	13 451

Detailed Income Statement for the year ended 31 March 2022

	Notes	2022 R	2021 R
Revenue			
Represented Political Party Fund Allowance		2 733 811	766 832
Operating expenses			
Administration fees		374 115	51 140
Personnel expenditure		861 983	367 290
Promotions and publications		1 497 326	348 173
Profit for the year		2 733 424 387	766 603 229



INKATHA FREEDOM PARTY (IFP)

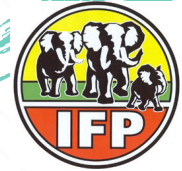
Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Current Assets			
Cash and cash equivalents	2	560	1 465
Non-Current Assets			
Property, plant and equipment	3	550 045	718 163
Total Assets		550 605	719 628
Net Assets		550 605	719 628
Accumulated surplus		550 605	719 628
Total Net Assets		550 605	719 628

Accounting Officer	N Singh
Auditors	RobertsChaplinKrona Inc
Audit Opinion	Unqualified

Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 R	2021 R
Cash flows from operating activities			
Receipts			
IEC allowance received		7 196 366	5 859 090
Investment revenue		60	-
		<u>7 196 426</u>	<u>5 859 090</u>
Payments			
Employee costs		-	(131 964)
Payment to suppliers		(7 181 186)	(5 089 435)
		<u>(7 181 186)</u>	<u>(5 221 399)</u>
Net cash from operating activities	10	15 240	637 691
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(16 145)	(636 092)
Net (decrease)/increase in cash and cash equivalents		(905)	1 599
Cash and cash equivalents at the beginning of the year		1 465	(134)
Cash and cash equivalents at the end of the year	3	560	1 465



Detailed Income Statement for the year ended 31 March 2022

	Notes	2022 R	2021 R
Revenue			
Revenue from the IEC			
RPPF allowance		6 982 417	5 859 090
MPDF allowance		213 949	-
Total revenue from the IEC		7 196 366	5 859 090
Other income			
Investment revenue		60	-
Total other income		60	-
Total income		7 196 426	5 859 090
Expenditure			
Arrangement of meetings		1 100 441	223 871
Bank charges		1 138	1 190
Cleaning		-	15 790
Consulting fees		-	6 877
Depreciation		184 263	123 580
Lease rentals on operating lease		78 397	260 161
Licenses		33 450	34 212
Municipal expenses		5 545	171 537
Printing and stationery		1 136 412	868 706
Promotion and publications		3 219 107	1 141 711
Remuneration of employees		-	131 964
Rental: Office equipment		-	23 677
Repairs and maintenance		7 682	44 013
Security		65 000	103 689
Telephone and fax		36 307	502 480
Travel and accommodation		1 497 707	1 691 521
Total expenditure		7 365 449	5 344 979
(Deficit)/surplus for the year		(169 023)	514 111

Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Non-Current Asset			
Property, plant and equipment	2	12	15
Current Asset			
Cash and cash equivalents	3	241 257	114 520
Total Assets		241 269	114 535
Funds and Liabilities			
Funds			
Accumulated surplus		206 066	82 534
Liabilities			
Current Liability			
Trade and other payables	4	35 203	32 001
Total Funds and Liabilities		241 269	114 535

Accounting Officer
Auditors
Audit Opinion

S Thakur-Rajbansi
Y.D. Maharaj & Co
Unqualified

Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 R	2021 R
Cash flows from operating activities			
Cash generated from operations	10	134 182	109 793
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(7 449)	(90 882)
Proceeds from disposal of property, plant and equipment	2	4	84
Net cash from investing activities		(7 445)	(90 798)
Total cash movement for the year		126 737	18 995
Cash at the beginning of the year		114 520	95 525
Total cash at end of the year	3	241 257	114 520

MINORITY FRONT (MF)



Statement of Comprehensive Income for the year ended 31 March 2022

	Notes	2022 R	2021 R
Income			
Allocation from Fund		808 614	562 528
Expenses			
Administration	5	(115 265)	(308 921)
Arrangement of meetings and rallies	6	(45 320)	(4 934)
Personnel expenditure	7	(172 007)	(120 545)
Promotions and publications	8	(352 490)	(113 703)
		(685 082)	(548 103)
Surplus for the year			
		123 532	14 425
Other comprehensive income		-	-
Total comprehensive surplus for the year		123 532	14 425

UNITED DEMOCRATIC MOVEMENT (UDM)



Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Current Assets			
Cash and cash equivalents	2	336 419	1 890
Total Assets		336 419	1 890
Reserves and Liabilities			
Reserves			
Surplus		336 419	1 890
Total Reserves and Liabilities		336 419	1 890

Accounting Officer
Auditors
Audit Opinion

B H Holomisa
Erasmus Steyn Inc.
Unqualified

Statement of Cash Flow for the period ended 31 March 2022

	Notes	2022 R	2021 R
Cash flows from operating activities			
Surplus for the year		334 529	4 049
<i>Adjustments for:</i>			
Finance costs		599 800	351 053
Net cash flows from operations		934 329	355 102
Finance costs		(599 800)	(351 053)
Net cash flows from operating activities		334 529	4 049
Net increase in cash and cash equivalents		334 529	4 049
Cash and cash equivalents at beginning of the year		1 890	(2 159)
Cash and cash equivalents at end of the year	2	336 419	1 890

UNITED DEMOCRATIC MOVEMENT (UDM)



Detailed Income Statement for the period ended 31 March 2022

	2022 R	2021 R
Income		
Allocation from fund – Represented Political Party Fund (RPPF)	3 077 603	1 118 354
Allocation from fund – Multi-Party Democracy Fund (MPDF)	94 301	-
Electoral Commission refund received	241 500	-
	3 413 404	1 118 354
Expenditure	3 078 875	1 114 305
Personnel expenditure		
Salaries : Employees	199 229	50 000
Travel expenditure		
Car rental and accommodation	29 008	73 738
Arrangement of meetings and rallies		
Venue Hire	15 473	-
Administration expenditure	1 532 368	453 167
Communication expenditure: Telephone, fax and modem	38 668	519
Rental premises	267 867	-
Auditors' remuneration	14 720	-
Bank charges	4 127	2 596
Capital and interest paid on ABSA term loan	599 800	351 053
Municipal election registration	330 000	-
Courier	277 186	99 000
Promotions and publications	1 302 797	537 400
Printing and stationery	710 020	120 000
Promotions: T-Shirts, caps, flags	592 777	417 400
(Deficit) / surplus for the year	334 529	4 049



05

ANNUAL FINANCIAL
STATEMENTS

REPORT OF THE AUDIT COMMITTEE FOR THE REPRESENTED POLITICAL PARTIES' FUNDING

ESTABLISHED IN TERMS OF POLITICAL PARTY FUNDING ACT 6 OF 2018

The Audit Committee is pleased to present its report for the financial year ended 31 March 2022 relating to its oversight of the Represented Political Parties' Funding.

1. Background

The management of the Represented Political Parties' Funding (the Funds) by the Electoral Commission is provided for in the Political Party Funding Act 6 of 2018 [the Act] which became effective on 1 April 2021. The administration of the Funds is conducted under the auspices of the systems, policies, procedures and internal controls of the Electoral Commission of South Africa.

2. Audit Committee responsibility

The Audit Committee of the Electoral Commission of South Africa has been established in terms of section 77 of the PFMA as amended. Members of the Audit Committee serves the Electoral Commission in relation to all its other functions prescribed to it by national legislation.

The Audit Committee confirms that it has adopted approved formal terms of reference detailed in its charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities arising from Treasury Regulation 3.1 and 3.2. as contained therein.

3. Audit Committee Members and Attendance

The Audit Committee of the Electoral Commission held the following meetings where, when relevant, matters relating to the Funds were also discussed during the current financial year: Additionally, officials of the Auditor-General of South Africa, the Accounting Officer, the Chief Executive Party Funding, the Chief Audit Executive and the Chief Financial Officer have attended general meetings of the Audit Committee.

TABLE 13: AUDIT COMMITTEE MEMBERS AND ATTENDANCE

Name of member (all external)	Qualifications	Date appointed	Attended	Apologies	Total attended	Retired
Mr CD Boltman (Chairperson)	MBA	Jun 2017	10	n/a	10	
Dr MEC Moleki	PHD	Mar 2018	10	n/a	10	
Ms SP Mzizi	CA(SA)	Aug 2018	8	2	8	
Adv. T Mohapi	LLM	Feb 2020	2	1	2	22 Sept 2021
Mr Il van Niekerk	CA(SA)	May 2021	9	1	0	
Adv. S T Kholong	LLM	Feb 2022	2	n/a	2	

4. Effectiveness of Internal Control

Based on the reports provided to the Audit Committee by Management, Chief Executive Party Funding, Internal Audit and the Auditor-General of South Africa for year under review, the internal control environment was found to be adequate and effective. Amongst other things, these reports appraised the members regarding the risks relating to the administration of the Funds, pertinent court matters as and where

applicable and the status of in-year management of the Funds. In addition; these reports also appraised the members on the following:

- Payment to political party allocations from the Represented Political Parties Funding (RPPF);
- Issuing of gazette on the Multi-Party Democracy Fund (MPDF); and
- Quarterly Submission of declarations to the Commission by Political Parties.

5. Evaluation of audited annual financial statements

The Audit Committee has:

- Reviewed and discussed with management the Management Report from the Auditor-General of South Africa;
- Reviewed the appropriateness of the accounting policies and practices;
- Reviewed and discussed the adjustments to the financial statements arising from the audit; and
- Reviewed and discussed with management the audited annual financial statements and recommended its approval by the Accounting Officer and the Executive Authority.

The Audit Committee concurs with and accepts the audit report of the Auditor-General.

The Audit Committee wish to congratulate the Commission and Management of the RPPF on achieving a clean audit for the 2021/22 financial year.



Cedric Boltman
Chairperson of the Audit Committee
30 November 2022

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

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Represented Political Parties' Funding (RPPF) set out on pages 74 to 93, which comprise the statement of financial position as at 31 March 2022, statement of financial performance, statement of changes in net assets, cash flow statement and comparison of expenditure to budget for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Represented Political Parties' Funding as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Political Party Funding Act (Act No. 6 of 2018)(PPFA).

Basis for the opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

I am independent of the Funds 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 codes.

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

Other matter

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

Unaudited supplementary schedules

The supplementary information set out on page 94 does not form part of the financial statements and is presented as additional information. I have not audited the annexure and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the Political Party Funding (Act 6 of 2018) 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.

In preparing the financial statements, the accounting officer is responsible for assessing the Funds' 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 Funds or to cease operations, or has no realistic alternative but to do so.

AGSA's responsibilities for the audit of the financial statements

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.

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

The Funds are not required to prepare a report on its performance against predetermined objectives, as it does not fall within the ambit of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and such reporting is not required in terms of the entity's specific legislation.

Report on the audit of compliance with legislation

Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the Funds' compliance with specific matters in key legislation.

The Funds does not fall within the ambit of the PFMA, no specific requirements from legislation as set out in the general notice issued in terms of the PAA was applicable to the audit of the RPPF.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements and the auditor's report that have been specifically reported in this auditor's report.

My opinion on the financial statements and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.

In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I did not receive the other information prior to the date of this audit report. When I do receive and read this information, if I concluded 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 is not corrected, I may have to retract this auditor's report and re-issue and amended report as appropriate. However, if it is corrected, this will not be necessary.

Internal control deficiencies

I considered internal control relevant to my audit of the financial statements; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Auditor-General

Pretoria
30 November 2022



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

FINANCIAL STATEMENTS OF **REPRESENTED POLITICAL PARTIES FUNDING**

Report of the Accounting Officer for the year ended 31 March 2022

The Represented Political Parties Funding

The Represented Political Party Fund (RPPF) and Multi-Party Democracy Fund (MPDF) are funds established in terms of the Political Party Funding Act No 6 of 2018 (the Act) with a view to:

- a) Provide for, and regulate, the public and private funding of political parties;
- b) Fund represented political parties sufficiently;
- c) Determine the duties of political parties in respect of funding;
- d) Provide for powers and duties of the Commission;
- e) Provide for administrative fines;
- f) Create offences and penalties;
- g) Repeal the Public Funding of Represented Political Parties Act, 1997, and provide for transitional matters;
- h) Provide for related matters

The Act determined that the financial year of the Funds will run from 1 April of every year until 31 March in the following year.

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

The Act provides that for each financial year the Electoral Commission must have records kept of moneys received by/or accruing to the Funds, 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 Funds.

Allocations to parties are made in accordance with the prescribed formula in terms of the Act. Particulars of allocations made to represented political parties in respect of the financial year under review are included in this report.

At the end of each financial year every political 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 Electoral Commission by 30 September of each financial year. Extracts from the financial statements of represented political parties, as they were filed with the Electoral Commission, are published in this report.

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.

Internal controls of the Funds operated effectively during the year. The Accounting Officer of the Electoral Commission is responsible for the preparation and fair presentation of the annual financial statements of Funds, comprising of:

- a) Statement of Financial Position as at 31 March 2022;
- b) Statement of Financial Performance as at 31 March 2022;
- c) Statement of Changes in Net Assets for the year ended 31 March 2022;
- d) Cash Flow Statement for the financial year ended 31 March 2022;
- e) Comparison of actual and budgeted expenditure for the year ended 31 March 2022; and
- f) Accounting policies and notes to the 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.

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 RPPF is funded by National Treasury via a vote of Department of Home Affairs and 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.

Other Matters

The Political Party Funding Act No. 6 of 2018 came into effect on 1 April 2021. The Act establishes the Represented Political Party Fund to replace the Represented Political Parties' Fund, which was established by the Public Funding of Represented Political Parties Act 103 of 1997.

The Represented Political Party Fund also came into effect on 1 April 2021. The coming into effect of the Represented Political Party Fund is not adjusting post-balance sheet event.

Approval of the Annual Financial Statements

The annual financial statements of the Funds set out on pages 74 to 94 have been approved by the Accounting Officer.



Simon Mamabolo
Chief Electoral Officer
Electoral Commission
30 November 2022

Statement of Financial Position as at 31 March 2022

	Notes	2022 R	2021 R
Assets			
Current assets			
Cash and cash equivalents	2.1	3,350,335	661,016
Total assets		3,350,335	661,016
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	3	75,272	2,916,693
Trade and other payables from non-exchange transactions	3	2,475,931	722,568
Total liabilities		2,551,203	3,639,261
Net assets		799,132	(2,978,245)
Accumulated Surplus / (deficit)		799,132	(2,978,245)
Total liabilities and net assets		3,350,335	661,016

Statement of Financial Performance for the year ended 31 March 2022

	Notes	2022 R	2021 R
Revenue			
Revenue from non-exchange transactions			
Parliamentary allocation to RPPF	4	166,812,000	162,723,000
Contributions to MPDF	4	5,012,000	-
Investment revenue	4	132,033	248,955
Other revenue	4	729,161	204,184
Total revenue		172,685,194	163,176,139
Expenditure			
Allocation to parties	5	(167,913,524)	(164,968,194)
Allocation from RPPF	5	(162,921,438)	(164,968,194)
Allocation from MPDF	5	(4,992,086)	-
Administration expenses	6	(491,155)	(440,766)
Employee costs	7	(503,139)	(484,197)
Total expenditure		(168,907,818)	(165,893,157)
Surplus / (deficit) for the year		3,777,376	(2,717,018)



Statement of Changes in Net Assets for the year ended 31 March 2022

	Accumulated surplus R	Total Net Assets R
Balance at 31 March 2020	(261,227)	(261,227)
(Deficit) for the year	(2,717,018)	(2,717,018)
Balance at 31 March 2021	(2,978,245)	(2,978,245)
Surplus for the year	3,777,376	3,777,376
Balance at 31 March 2022	799,132	799,132

Cash Flow Statement for the year ended 31 March 2022

	Note	2022 R	2021 R
Cash flows from operating activities			
Cash received from customers			
Parliamentary allocation received	4	166,812,000	162,723,000
Contributions to MPDF	4	5,012,000	-
Investment revenue received	4	132,033	248,955
Other revenue	4	694	-
		<u>171,956,727</u>	<u>162,971,955</u>
Cash paid to political parties, suppliers and employees			
Political parties	5	(165,431,695)	(164,170,195)
Employee costs	7	(503,138)	(454,303)
Payments to suppliers	8	(3,332,576)	1,470,200
		<u>(169,267,409)</u>	<u>(163,154,298)</u>
Net cash flows from operating activities	9	<u>2,689,319</u>	<u>(182,343)</u>
Net Increase/(Decrease) in cash and cash equivalents		2,689,319	(182,343)
Cash and cash equivalents at beginning of the year		<u>661,016</u>	<u>843,359</u>
Cash and cash equivalents at end of the year	2	<u>3,350,335</u>	<u>661,016</u>

Comparison of Expenditure to Budget for the year ended 31 March 2022

	Note	31 March 2022 R Budget	31 March 2022 R Actual	31 March 2022 R Variance
Revenue				
Revenue from non-exchange transactions				
Parliamentary allocation	4	166,812,000	166,812,000	-
Contributions to MPDF ¹	4	-	5,012,000	5,012,000
Investment revenue ²	4	-	132,033	132,033
Other revenue	4	-	729,161	729,161
Total Revenue		166,812,000	172,685,194	5,873,194
Expenditure				
Allocation to parties	5	(162,921,437)	(167,913,525)	(4,992,088)
Administration expenses	6	(460,320)	(491,155)	(30,835)
Employee cost	7	(539,642)	(503,138)	36,504
Total Expenditure		(163,921,399)	(168,907,818)	(4,986,419)
Surplus for the year		2,890,601	3,777,376	886,775

¹ Contributions to MPDF is not budgeted for because there was uncertainty about the Fund's ability to attract contributors.

² Investment revenue is not budgeted for because there is uncertainty about the revenue that could be generated because of the fluctuation in the investment amount during the year.

Accounting Policies for the year ended 31 March 2022

1. Presentation of Annual Financial Statements

Basis of preparation

The annual 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 annual financial statements have been prepared in accordance with standards of Generally Recognised Accounting Practices (GRAP) including any interpretation guidelines and directives issued by the Accounting Standards Board (ASB), and the requirements of the Political Party Funding Act, 6 of 2018, the Regulations of Political Party Funding, 2017 and Regulations regarding the funding of political parties issued in terms of section 24(2) of the Political Party Funding Act.

Going concern

These financial statements have been prepared on a going concern basis. The RPPF is fully dependent on the state for funding. The MPDF is fully dependent on contributions from private sources, and allocations are only made when there are enough funds to disburse.

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. Comparative figures are in respect of the Represented Political Parties' Fund which was established in terms of the Public Funding of Represented Political Parties Act 103 of 1997. The newly established Represented Political Party Fund is a continuation of the Represented Political Parties' Fund.

Functional and presentation currency

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

Budgetary information

The financial statements for the Funds are prepared on the accrual basis, using the classification based on the nature of expenses in the Statement of Financial Performance. The budget is approved on the accrual basis. Reasons for variances between actual and budgeted amounts are provided on page 9. A difference above R850 000 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.

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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

New standards, amendments to existing standards adopted

No new standards were adopted.

Significant accounting policies

The principal accounting policies adopted and applied during this year of operation, are set out below and are consistent with those applied in the previous period.

1.1 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to revenue that accrued to the Funds directly in return for services rendered, 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 which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are 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. Investment revenue comprises interest income on funds invested. Interest income is recognised on a time proportion basis using the effective interest method.

Revenue from non-exchange transactions refers to transactions where the Funds receives revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions includes parliamentary allocations in respect of RPPF and contributions from private sources to the MPDF.

Parliamentary allocations are recognised when there is reasonable assurance that the RPPF will comply with the conditions attached to them and the allocation will be received. Revenue from contributions is recognised when there is reasonable assurance that the funds will be

transferred into the MPDF or when the funds are received.

The Act provides for the Electoral Commission to charge a fee not exceeding five percent of the money credited to the MPDF to defray the cost of administering and managing the Fund. In the current financial year, the Commission resolved not to charge this fee in order to increase benefit for political parties during the election year. Revenue is recognised when it is probable that future economic benefits or service potential will flow to the Funds 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.

1.2 Financial instruments

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

The Funds' financial liabilities comprise trade and other payables from exchange transactions and non-exchange transactions. The subsequent measurement of financial assets and liabilities depends on this categorisation.

Initial Recognition

Financial assets and liabilities are recognised in the statement of financial position only when the Funds becomes a party to the contractual provisions of the instrument. The Funds recognises financial assets using trade date accounting.

Measurement

When a financial asset or financial liability is recognised initially, the Funds 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 non-exchange transactions

Trade and other receivables from non-exchange transactions originated by the Funds 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 from non-exchange is reviewed to determine whether there is any objective evidence that the amount is not recoverable. If so, an impairment loss is recognised immediately in the statement of financial performance.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows calculated using the original effective interest rate (excluding future expected credit losses that have not yet been incurred).

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.

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 classified as financial assets at amortised cost.

Trade and other payables from exchange transactions and non-exchange transactions

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

The Funds' trade and other payables from exchange transactions and non-exchange transactions relate to the amount owed to the suppliers, and other accruals. The Funds' accrual amount represents goods and services that have been delivered by the supplier but remain unpaid as at year-end.

Gains and losses

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

De-recognition of Financial Instruments

Financial assets are de-recognised when the Funds lose control of the contractual rights that comprise the financial assets. The Funds lose control if the right to benefits specified in the contract are realised, the rights expire or the Funds surrenders those rights. Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

1.3 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 Represented Political Parties' Fund.

Implicit in the definition of related party are other government entities and joint ventures that have a significant influence on the Represented Political Party Fund and its activities.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Represented Political Party Fund directly or indirectly.

The Act provides for the Electoral Commission to charge a fee not exceeding five percent of the money credited to the MPDF in the previous financial year to defray the cost of administering and managing the Fund. In the current financial year, the Electoral Commission did not charge a fee as it is the first year of the MPDF and no funds were received in the previous financial year.

Where related party transactions are at arm's length, the Funds apply the exemption regarding disclosure in terms of GRAP 20 and disclosure is limited to the outstanding balances at year end and narrative disclosures of the nature of the transactions

1.4 Effect of New GRAP Standards and Interpretations of GRAP

The following Standards and Interpretations of GRAP have been approved, but are not yet effective:

GRAP 104: Financial Instruments
GRAP 25: Employee Benefits

The effective date for the above standards is not yet determined.

The adoption of these Standards of GRAP, when they become effective, is not expected to have a significant impact on the financial statements.

The following standards being applied are below.

Standard/ interpretation	Effective date	Details	Impact
GRAP 104: Financial Instruments	Not yet determined	The standard is currently being applied <i>Under 1.2 of the accounting policy</i>	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.
GRAP 25: Employee Benefits	Not yet determined	The standard is currently being applied <i>Under 1.15 of the accounting policy</i>	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.

1.5 Expenditure per political parties

The Political Party Funding Act, 6 of 2018, requires that for each financial year, the accounting officers of political parties must submit the audited financial statements to the Commission. Those statements must show the amounts spent during a financial year by each political party that receive allocations, in connection with purposes classifiable under the following descriptive categories:

- a) Personnel expenditure;
- b) Accommodation;
- c) Travel expenses;

- d) Arrangement of meetings and rallies;
- e) Administration;
- f) Promotions and publications; and
- g) Legal expenses incurred in the public interest.

The expenditure arising from the allocations made to political parties are extracted from the political parties' audited financial statements.

Notes to the Annual Financial Statements for the year ended 31 March 2022

	2022 R	2021 R
2. Financial Assets by category		
The accounting policies for financial instruments have been applied to the line items below.		
Financial assets measured at amortised cost		
2.1 Cash and cash equivalents		
Bank balances – Call deposits RPPF	2,634,190	661,016
Bank balances – Current RPPF	644,051	-
Bank balances – Current MPDF	72,094	-
	<u>3,350,335</u>	<u>661,016</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 to their fair value.

The notice deposits are carried at an effective floating interest rate that varied between 3.00% and 3.50% (2021: 3.00% and 4.75%).

No restrictions have been placed on the use of cash and cash equivalents for the operations of the Funds.

The Funds considers that the carrying amount of trade and other receivables from non-exchange transactions approximates the fair value due to their short-term maturity.

Notes to the Annual Financial Statements for the year ended 31 March 2022

	2022 R	2021 R
3. Financial Liabilities by category		
The accounting policies for financial instruments have been applied to the line items below.		
Financial liabilities recognised at amortised cost		
Trade and other payables from exchange transactions		
Electoral Commission	-	2,854,070
Payroll accruals	75,272	62,623
	<u>75,272</u>	<u>2,916,693</u>
Trade and other payables from non-exchange transactions		
Political parties	2,475,931	722,568
RPPF	2,410,683	722,568
MPDF	65,248	-
Total Liabilities	<u>2,551,203</u>	<u>3,639,261</u>

Financial liabilities related to administrative expenses payable to the Commission and the amount owing to two political parties pending submission of the audited annual financial statements and resolution of leadership dispute.

4. Revenue

Parliamentary allocation	166,812,000	162,723,000
Contributions to MPDF	5,012,000	-
Investment revenue – RPPF	132,033	248,955
Other revenue ¹	729,161	204,184
RPPF	728,814	204,184
MPDF	347	-
	<u>172,685,194</u>	<u>163,176,139</u>

¹ Other revenue represents the amount forfeited by political parties because of non-compliance in terms of the Public Funding of Represented Political Parties Act, 103 of 1997.

Notes to the Annual Financial Statements for the year ended 31 March 2022

5a) Allocation per political parties

i) Represented Political Party Fund: 2022

	African Christian Democratic Party (ACDP)	African Independent Congress (AIC)	Al Jama-Ah	African National Congress (ANC)	African Transformation Movement (ATM)	Congress of the People (COPE)	Democratic Alliance (DA)	Economic Freedom Fighters (EFF)	Freedom Front Plus (FF)	GOOD	Inkatha Freedom Party (IFP)	Minority Front (MF)	National Freedom Party (NFP)	Pan Africanist Congress (PAC)	United Democratic Movement (UDM)	Total
Allocation for the year	R 4,625,160	R 2,129,420	R 2,521,609	R 70,704,819	R 3,731,251	R 2,129,420	R 29,855,900	R 19,512,744	R 9,301,496	R 2,652,535	R 6,982,417	R 784,575	R 2,913,994	R 1,998,494	R 3,077,603	R 162,921,437
Less: Amount set off i.t.o the Act		(268,322)														(268,322)
Total allocation to date	4,625,160	1,861,098	2,521,609	70,704,819	3,731,251	2,129,420	29,855,900	19,512,744	9,301,496	2,652,535	6,982,417	784,575	2,913,994	1,998,494	3,077,603	162,653,115
Less: Suspended amount i.t.o. the Act	-	(1,861,098)	-	-	-	-	-	-	-	-	-	-	(460,145)	-	-	(2,321,243)
Total allocation paid during the year	4,625,160	-	2,521,609	70,704,819	3,731,251	2,129,420	29,855,900	19,512,744	9,301,496	2,652,535	6,982,417	784,575	2,453,849	1,998,494	3,077,603	160,331,872
Plus: Suspended amount paid during the year						69,532								103,451		172,983
Total disbursements during the year	4,625,160	-	2,521,609	70,704,819	3,731,251	2,198,952	29,855,900	19,512,744	9,301,496	2,652,535	6,982,417	784,575	2,453,849	2,101,945	3,077,603	160,504,855

Notes to the Annual Financial Statements for the year ended 31 March 2022

ii) Represented Political Parties' Fund: 2021

	African Christian Democratic Party (ACDP)	African Independent Congress (AIC)	AI JAMA-AH	African National Congress (ANC)	African Transformation Movement (ATM)	Congress of the People (COPE)	Democratic Alliance (DA)	Economic Freedom Fighters (EFF)	Freedom Front Plus (FF)	GOOD	Inkatha Freedom Party (IFP)	Minority Front (MF)	National Freedom Party (NFP)	Pan Africanist Congress (PAC)	United Democratic Movement (UDM)	Total
Allocation at the beginning of the year	2,332,774	357,762	587,951	89,890,487	1,502,001	357,762	34,079,560	19,947,947	6,505,975	766,832	5,859,090	562,528	920,290	178,881	1,118,354	164,968,194
Suspended /setoff amount i.t.o. the Act		(89,441)	-	-	-	(69,532)	-	-	-	-	-	-	(460,145)	(178,881)		(797,999)
Total amount paid during the year	2,332,774	268,321	587,951	89,890,487	1,502,001	288,230	34,079,560	19,947,947	6,505,975	766,832	5,859,090	562,528	460,145	-	1,118,354	164,170,195

iii) Multi-Party Democracy Fund: 2022

	African Christian Democratic Party (ACDP)	African Independent Congress (AIC)	AI JAMA-AH	African National Congress (ANC)	African Transformation Movement (ATM)	Congress of the People (COPE)	Democratic Alliance (DA)	Economic Freedom Fighters (EFF)	Freedom Front Plus (FF)	GOOD	Inkatha Freedom Party (IFP)	Minority Front (MF)	National Freedom Party (NFP)	Pan Africanist Congress (PAC)	United Democratic Movement (UDM)	Total
Allocation for the period	141,720	65,248	77,265	2,166,471	114,330	65,248	914,817	597,891	285,008	81,276	213,949	24,040	89,288	61,236	94,301	4,992,086
Suspended amount i.t.o. the Act	-	(65,248)	-	-	-	-	-	-	-	-	-	-	-	-	-	(65,248)
Total disbursements to date	141,720	-	77,265	2,166,471	114,330	65,248	914,817	597,891	285,008	81,276	213,949	24,040	89,288	61,236	94,301	4,926,840

- Allocation to African Independent Congress (AIC) was suspended because the party did not submit the audited financial statements for the financial year ended 31 March 2021

Notes to the Annual Financial Statements for the year ended 31 March 2022

iv) Multi-Party Democracy Fund: 2021

There are no comparative figures for the MPDF as the Political Party Funding Act No. 6 of 2018, which establishes the Fund, came into effect on 1 April 2021.

v) Represented Political Party Fund and Multi-Party Democracy Fund: 2022

	African Christian Democratic Party (ACDP)	African Independent Congress (AIC)	AI JAMA-AH	African National Congress (ANC)	African Transformation Movement (ATM)	Congress of the People (COPE)	Democratic Alliance (DA)	Economic Freedom Fighters (EFF)	Freedom Front Plus (FF)	GOOD	Inkatha Freedom Party (IFP)	Minority Front (MF)	National Freedom Party (NFP)	Pan Africanist Congress (PAC)	United Democratic Movement (UDM)	Total
Allocation for the year	R 4,766,880	R 2,194,668	R 2,598,874	R 72,871,290	R 3,845,581	R 2,194,668	R 30,770,717	R 20,110,635	R 9,586,504	R 2,733,811	R 7,196,366	R 808,615	R 3,003,282	R 2,059,730	R 3,171,904	R 167,913,525
Amount set off i.t.o. the Act		(268,322)														(268,322)
Total Allocation to date	4,766,880	1,926,346	2,598,874	72,871,290	3,845,581	2,194,668	30,770,717	20,110,635	9,586,504	2,733,811	7,196,366	808,615	3,003,282	2,059,730	3,171,904	167,645,203
Less: Suspended amount		(1,926,346)											(460,145)			(2,386,491)
Total allocation paid during the year	4,766,880	-	2,598,874	72,871,290	3,845,581	2,194,668	30,770,717	20,110,635	9,586,504	2,733,811	7,196,366	808,615	2,543,137	2,059,730	3,171,904	165,258,712
Plus: Suspended amount paid		-				69,532								103,451		172,983
Total disbursements during the year	4,766,880	-	2,598,874	72,871,290	3,845,581	2,264,200	30,770,717	20,110,635	9,586,504	2,733,811	7,196,366	808,615	2,543,137	2 163 181	3,171,904	165,431,695

- The amount allocated to African Independent Congress (AIC) was recovered in terms of section 7(2)(b) of the Public Funding of represented Political Parties' Fund 103 of 1997 due to failure to submit the audited financial statements for the financial year ended 31 March 2021, by setting it off against their allocation.
- Allocations to African Independent Congress (AIC) and National Freedom Party (NFP) were suspended because the parties did not submit the audited financial statements for the financial year ended 31 March 2021.

Notes to the Annual Financial Statements for the year ended 31 March 2022

b) Expenditure per political parties

i) Represented Political Party Fund and Multi-Party Democracy Fund: 2022

	African Christian Democratic Party (ACDP)	African Independent Congress (AIC)	AI Jama-Ah	African National Congress (ANC)	African Transition Movement (ATM)	Congress of the People (COPE)	Democratic Alliance (DA)	Economic Freedom Fighters (EFF)	Freedom Front Plus (FF)	GOOD	Inkatha Freedom Party (IFP)	Minority Front (MF)	National Freedom Party (NFP)	Pan Africanist Congress (PAC)	United Democratic Movement (UDM)	Total
Total amount received during the period	4,766,880	-	2,598,874	72,871,290	3,845,581	2,264,200	30,770,717	20,110,635	9,586,504	2,733,811	7,196,366	808,615	2,543,137	2,163,181	3,171,904	165,431,695
Total Expenditure	(5,349,029)		(2,785,145)	(73,196,089)	(3,822,620)		(24,077,703)	(4,927,915)	(9,715,869)	(2,733,424)	(7,365,449)	(685,082)			(3,078,875)	(137,737,200)
Personnel expenditure	544,637		466,206	70,386,116	3,208,968		11,288,945	-	4,129,959	861,963	-	172,007			199,229	91,256,050
Accommodation expenditure	124,938		40,200	-	-		-	-	68,576	-	159,584	-			-	393,298
Travel expenditure	644,045		119,111	-	-		345,899	-	249,994	-	1,338,123	-			29,008	2,726,180
Arrangements of meetings and rallies	272,401		751,772	-	222,579		2,869,676	2,875,395	98,706	-	1,100,441	45,320			15,473	8,251,763
Administrative expenditure	700,571		301,089	2,809,973	391,073		5,585,739	2,052,520	1,488,931	374,115	1,548,194	115,265			1,532,368	16,899,838
Promotion and publications	1,518,935		1,096,063	-	-		186,289	-	3,643,273	1,497,326	3,219,107	352,490			1,302,797	12,816,280
Legal expenses	1,543,502		-	-	-		3,801,155	-	-	-	-	-			-	5,344,657
Fixed asset and other expenditure	-		10,704	-	-		-	-	36,430	-	-	-			-	47,134
Unspent money at end of year	(582,149)		(186,271)	(324,799)	22,961	2,264,200	6,693,014	15,182,720	(129,365)	387	(169,083)	123,533	2,543,137	2,163,181	93,029	27,694,495
Plus: Interest received	40,497		-	199	5,409	-	652,507	-	97	-	60	-			241,500	940,269
Surplus / (deficit) for the period	(541,652)		(186,271)	(324,600)	28,370	2,264,200	7,345,521	15,182,720	(129,268)	387	(169,023)	123,533	2,543,137	2,163,181	334,529	28,634,764

Notes

- The information is extracted from the audited financial statements submitted by the political parties.
- Two political parties did not submit the audited financial statements for the financial year ended 31 March 2022 in time as required by section 12(4) of the Political Party Funding Act, 2018, read with section 10(2)(d) of the Commission's Regulations. The parties are EFF and MF.
- Three political parties did not submit the audited financial statements for the financial year ended 31 March 2022 as required by section 12(4) of the Political Party Funding Act, 2018. They are COPE, NFP and PAC.
- One political party did not receive the allocation for the financial year ended 31 March 2022 due to ongoing leadership disputes. The party is AIC.

ii) Represented Political Parties' Fund: 2021

	African Christian Democratic Party (ACDP)	African Indepen- dent Congress (AIC)	Al Jama- Ah	African National Congress (ANC)	African Transfor- mation Movement (ATM)	Congress of the People (COPE)	Democratic Alliance (DA)	Economic Freedom Fighters (EFF)	Freedom Front Plus (FF)	GOOD	Inkatha Freedom Party (IFP)	Minority Front (MF)	National Freedom Party (NFP)	Pan Africanist Congress (PAC)	United Democratic Movement (UDM)	Total
Total amount received during the year	R 2,332,774	R 268,321	R 567,951	R 89,890,487	R 1,502,001	R 288,230	R 34,079,560	R 19,947,947	R 6,505,975	R 766,832	R 5,859,090	R 562,528	R 460,145	R -	R 1,118,354	R 164,170,195
Total Expenditure	(2,153,712)	(635,215)	238,790	(89,883,543)	(1,604,232)	(31,476,458)	(19,143,530)	(6,642,800)	(766,603)	(5,344,979)	(548,103)	(1,114,305)	(159,313,480)	50,000	114,657,492	
Personnel expenditure	409,544			85,769,693	1,323,983		22,595,164		3,650,519	367,290	131,964	120,545			50,000	114,657,492
Accommodation expenditure	17,265								171,811		185,478					374,554
Travel expenditure	76,491		12,920		47,472		134,133	800	143,577		1,506,043				73,738	1,995,174
Arrangements of meetings and rallies	37,827		156,568		32,192		2,230,836	36,726	303,288		223,871	4,934				3,026,242
Administrative expenditure	1,129,413		124,585	4,113,850	192,007		6,115,682	1,050,404	1,510,561	51,140	2,155,912	308,921			453,167	17,205,642
Promotion and publications	483,172		102,352		8,578		400,643		258,889	348,173	1,141,711	113,703			537,400	3,394,631
Fixed asset and other expenditure	-							18,055,600	604,145							18,559,745
Unspent money at end of year	179,062	268,321	(47,264)	6,944	(102,231)	288,230	2,603,102	804,417	(136,825)	229	514,111	14,425	460,145		4,049	4,856,715
Plus: Interest received	44,302			197	909		144,607		96,525							286,540
Surplus / (deficit) for the year	223,364	268,321	(47,264)	7,141	(101,322)	288,230	2,747,709	804,417	(40,300)	229	514,111	14,425	460,145		4,049	5,143,225

Notes

- The information is extracted from the audited financial statements submitted by the political parties
- Three political parties did not submit the audited financial statements for the financial year ended 31 March 2021 as required by section 6(5) and section 9(3) of the PFRPP Act. They are AIC, COPE and NFP.
- One political party did not receive the allocation for the financial year ended 31 March 2021 due to non-submission of the audited financial statements for the years ended 31 March 2019 and 31 March 2020, and as a result their allocation was set off in terms of section 7(2)(b) of the PFRPP Act. The party is PAC.

Notes to the Annual Financial Statements for the year ended 31 March 2022

	2022 R	2021 R
6. Administration Expenses		
Audit costs	401,066	395,412
Printing and production of books	63,250	45,354
Bank charges	26,839	-
RPPF current	13,424	-
MPDF current	13,415	-
	<u>491,155</u>	<u>440,766</u>
7. Employee Costs		
Salaries	490,490	454,303
Leave accrual	12,649	29,894
	<u>503,139</u>	<u>484,197</u>
8. Payment to suppliers		
Administrative expenses	491,155	440,766
(Increase) in trade and other payables from exchange transactions	2,841,421	(1,910,966)
	<u>3,332,576</u>	<u>(1,470,200)</u>
9. Cash generated from operations		
Surplus / (deficit) for the year	3,777,376	(2,717,018)
Changes in working capital:	(1,088,058)	2,534,675
- Increase / (decrease) in trade and other payables from exchange transactions	(2,841,421)	1,910,966
- Increase in trade and other payables from non-exchange transactions	1,753,363	623,485
- Increase in trade and other receivables from non-exchange	-	224
	<u>2,689,319</u>	<u>(182,343)</u>

Notes to the Annual Financial Statements for the year ended 31 March 2022

	2022	2021
	R	R

10. Taxation

No provision is made for taxation, as the Represented Political Party Fund is exempted from taxation in terms section 10(1) (cA) of the Income Tax Act.

11. Related party balances

Electoral Commission of South Africa	75,272	2,883,963
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In line with prevailing government practices, functions provided on a no cost basis by the Electoral Commission to the RPPF include the rendering of legal, financial, human resources management, information communication technology services, infrastructure and the exercise of internal control.

The RPPF and the MPDF are managed by the Electoral Commission under the same financial policies and procedures applicable to the Commission, taking the stipulations of the Political Party Funding, 6 of 2018 into account. The current year expenditure is budgeted under the new Political Party Funding Unit of the Electoral Commission.

In terms of the RPPF'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.

A fee to defray the cost of administering and managing the MPDF is charged from the money credited to the Fund.

The Audit Committee and internal audit department of the Electoral Commission also serve as the Audit Committee and internal audit department of the Funds. Management costs are carried by the Electoral Commission if they fall within the operational structure of the Electoral Commission and they are negligible.

The Parliamentary allocation transfer to RPPF through the Department of Home Affairs and contributions to the MPDF have been disclosed in note 4.

There were no other outstanding balances with related parties.

Compensation of key management

Compensation of key management is not remunerated by the Funds as it is paid by the Electoral Commission of South Africa.

Notes to the Annual Financial Statements for the year ended 31 March 2022

2022
R

2021
R

12. Financial Instrument Risk Management

The Fund'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 Risk Management Committee under policies approved by the Electoral Commission. The Electoral Commission provides written policies which applies to the Fund for overall risk management, as well as written policies covering specific areas, such as investing excess liquidity. The Represented Political Party Fund and the Multi-Party Democracy Fund are managed by the Commission under the same financial policies and procedures applicable to the Electoral Commission, taking the stipulations of the Political Party Funding No 6. of 2018 into account.

a) Liquidity risk

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
2022					
Trade and other payables from exchange transactions	75,272	75,272	75,272	-	-
(note 3)					
Trade and other payables from non-exchange transactions	2,475,931	2,475,931	2,475,931	-	-
2021					
Trade and other payables from exchange transactions	2,916,693	2,916,693	2,916,693	-	-
(note 3)					
Trade and other payables from non-exchange transactions	722,568	722,568	722,568	-	-

Prudent liquidity risk management implies maintaining sufficient cash

b) Cash flow

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

Parliamentary allocation (note 4)	166,812,000	162,723,000
Contributions to MPDF (note 4)	5,012,000	-

Notes to the Annual Financial Statements for the year ended 31 March 2022

	2022 R	2021 R
c) Credit risk		
With respect to credit risk 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.		
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 (note 2.1)	<u>3,350,335</u>	<u>661,016</u>
d) Interest rate risk		
The Funds' exposure to the risk of changes in market interest rates relates primarily to cash in the current account and notice deposits held with the bank.		
Cash and cash equivalents (note 2.1)	<u>3,350,335</u>	<u>661,016</u>

ANNEXURE A – Unaudited detailed income statement for the year ended 31 March 2022

	2022 R	2021 R
Revenue	172,685,194	163,176,139
Parliamentary allocation	166,812,000	162,723,000
Contributions to MPDF	5,012,000	-
Investment revenue	132,033	248,955
Other revenue	729,161	204,184
Expenditure	168,907,818	165,893,157
Allocations to parties	167,913,524	164,968,194
African Christian Democratic Party (ACDP)	4,766,880	2,332,774
African Independent Congress (AIC)	2,194,667	357,762
African National Congress (ANC)	72,871,290	89,890,487
African Transformation Movement (ATM)	3,845,581	1,502,001
Al Jama-Ah	2,598,874	587,951
Congress of the People (COPE)	2,194,667	357,762
Democratic Alliance (DA)	30,770,717	34,079,560
Economic Freedom Fighters (EFF)	20,110,636	19,947,947
Freedom Front (FF)	9,586,504	6,505,975
GOOD	2,733,811	766,832
Inkatha Freedom Party (IFP)	7,196,366	5,859,090
Minority Front (MF)	808,615	562,528
National Freedom Party (NFP)	3,003,282	920,290
Pan Africanist Congress of Azania (PAC)	2,059,730	178,881
United Democratic Movement (UDM)	3,171,904	1,118,354
Personnel expenditure	503,139	484,197
Employees	503,139	484,197
Administrative expenditure	427,905	395,412
Audit cost	401,066	395,412
Bank charges	26,839	-
Promotion & publications	63,250	45,354
Printing and production of books	63,250	45,354
Surplus / (deficit) for the year	<u>3,777,376</u>	<u>(2,717,018)</u>



SOUTH AFRICA



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

Telephone: +27 12 622 5700
Website: www.elections.org.za

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