

**REPRESENTED POLITICAL PARTY
UNITED DEMOCRATIC MOVEMENT (UDM)**



BALANCE SHEET at 31 March 2002

	2002 R	2001 R
ASSETS		
Non-current assets		
Equipment and furniture	23	8
Current assets		
Receivables and prepayments	121 519	641 914
Cash and cash equivalents	12 503	23 486
	134 022	665 400
Total assets	<u>134 045</u>	<u>665 408</u>
RESERVE AND LIABILITIES		
Reserve		
Unutilised surplus	1 098	603 340
Current liabilities		
Trade and other payables	132 947	62 068
	132 947	62 068
Total reserve and liabilities	<u>134 045</u>	<u>665 408</u>

**CERTIFIED BY ACCOUNTING OFFICER:
AUDITED BY:**

Gen. BH Holomisa
Fourie & Botha

CASH FLOW STATEMENT for the year ended 31 March 2002

	2002 R	2001 R
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	9 049	24 181
Interest received	10 606	6 815
Net cash inflow from operating activities	<u>19 655</u>	<u>30 996</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of equipment and furniture	(30 638)	(6 793)
	<u>(30 638)</u>	<u>(6 793)</u>
Net increase in cash and cash equivalents	(10 983)	24 203
Cash and cash equivalents at beginning of period	23 486	(717)
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>12 503</u>	<u>23 486</u>

Note: For the purposes of the cash flow statement, cash includes cash on hand and deposits held on call.

**REPRESENTED POLITICAL PARTY
UNITED DEMOCRATIC MOVEMENT (UDM)**



DETAILED INCOME STATEMENT for the year ended 31 March 2002

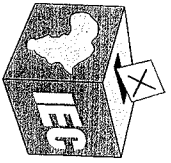
	2002 R	2001 R
INCOME		
Government appropriation	2 734 812	2 514 156
Interest received	2 724 206 10 606	2 507 341 6 815
EXPENDITURE	3 337 054	2 280 634
Personnel expenditure	697 688	482 726
Salaries: Employees	489 304	344 179
Casual wages	13 590	2 770
Telephone allowance	56 866	46 477
PAYE	118 083	79 943
Insurance: UIF	13 074	7 090
Contributions: WCA	3 486	-
Skills development levies	3 285	2 267
Accommodation expenditure	221 557	16 460
Hotel	221 557	16 460
Travel expenditure	502 846	216 676
Hotel expenditure: Meals	10 282	10 665
Public transport	56 645	7 836
Car rental	59 304	42 016
Private transport: Reimburse	89 406	15 456
Parking fees and toll roads	2 571	354
Air travel: Internal	284 638	130 349
Air travel: Foreign	-	10 000
Arrangements of meetings and rallies	660 260	39 054
Hiring: Conference venues	76 971	26 691
Hiring: Buses and taxis	395 025	7 500
Renting equipment: Public addressing	80 641	580
Renting equipment: Other	71 712	283
Renting tables and chairs	-	4 000
Conference facilitators	35 911	-

**REPRESENTED POLITICAL PARTY
UNITED DEMOCRATIC MOVEMENT (UDM)**



DETAILED INCOME STATEMENT for the year ended 31 March 2002

	2002 R	2001 R
EXPENDITURE (continued)		
Administrative expenditure	807 275	548 234
Communication expenditure: Telephone, fax, modem	36 502	32 140
Communication expenditure: Postal services	2 020	2 117
Courier services	127	147
Maintenance and repairs: Equipment	15 074	29 752
Maintenance and repairs: Buildings	64	-
Maintenance and repairs: Computers	3 924	285
Membership and registration - National	-	2 000
Stationery	37 949	9 718
Insurance: Equipment	11 386	1 136
Cleaning	4 354	1 648
Entertainment expenditure: Office teas	2 200	815
Entertainment expenditure: Meetings and rallies	192 451	2 300
Entertainment expenditure: Other	-	1 480
Management fees	170 262	194 600
Legal cost	179 531	99 287
Audit cost	24 803	10 364
Professional fees	17 580	7 874
Bank charges	9 056	8 203
Translating and editing	6 983	-
Market research costs	-	122 550
Part-time office bearers	51 324	-
Newspapers	3 448	-
Security services	7 149	-
E-mail and internet services	7 138	7 506
Registration fees	1 490	-
Rental: Head office	-	10 253
Rental: Provincial office	-	4 059
Rental: Office equipment	22 460	-
Promotion and publications	416 805	970 699
Advertisements: Newspapers	-	4 780
Advertisements: Other	-	100 000
Promotions: T shirts, Caps, Flags	36 360	26 093
Printing and production of pamphlets	57 519	42 964
Printing and production of posters	258 716	712 678
Printing and production of books	64 210	84 184
Depreciation	30 623	6 785
Deficit for the Year	(602 242)	233 522



**REPORT OF THE
AUDITOR-GENERAL**



**REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL
STATEMENTS OF THE REPRESENTED POLITICAL PARTIES FUND FOR THE
YEAR ENDED 31 MARCH 2002**

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 57 to 67, for the year ended 31 March 2002, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 3 and 5 of the Auditor-General Act, 1995 (Act No. 12 of 1995) and section 8(2) of the Public Funding of the Represented Political Parties Act, 1997 (Act No. 103 of 1997) (the Act). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the chief executive officer. My responsibility is to express an opinion on these financial statements based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations that came to my attention and are applicable to financial matters.

I believe that the audit provides a reasonable basis for my opinion.

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Represented Political Parties Fund at 31 March 2002 and the results of its operations and cash flows for the year then ended in accordance with generally accepted accounting practice and in the manner required by the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997).

4. EMPHASIS OF MATTER

Without qualifying the audit opinion expressed above, attention is drawn to the following matters:



4.1 Other matters emphasised

4.1.1 Listing of the fund in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999)

Although the Represented Political Parties Fund meets the definition of a national public entity as defined in the Public Finance Management Act, 1999 (Act No. 1 of 1999), the fund has not yet been listed as a public entity. However, the Minister of Justice was approached on 11 June 2002 with regard to this matter and a response was still awaited at the date of this report.

4.1.2 Tabling of prior year reports in Parliament

In terms of section 8(3) of the Act the commission must, within 30 days after receipt of the Auditor-General's report, submit that report to Parliament together with the audited financial statements of the fund and the commissioner's audit report. The audit reports for the 1999-2000 and 2000-2001 financial years were submitted to the fund on 1 August 2001 and 5 November 2001, respectively. The audited annual financial statements and the audit reports for those two years were tabled on 8 August 2002 and 6 August 2002 respectively.

4.1.3 Reports of political parties

In terms of section 6(3) of the Act, the accounting officer of a political party, appointed in terms of section 6(1)(b) of the act, must within two months after the end of the financial year for which moneys have been allocated to the relevant political party from the fund, prepare a statement showing all amounts received by the party from the fund during the financial year and its application of those moneys, as well as the purposes for which various amounts have been applied, for auditing by a public auditor registered and practising as such in terms of the Public Accountants' and Auditors' Act, 1991 (Act No. 80 of 1991). Section 6(5) of the Act, requires that the auditor's report and audited statements must be submitted to the commission by that accounting officer within three months after the end of that financial year. At the time of this report some of the political parties' statements were not yet available for reviewing/auditing as per section 6(6).

5. APPRECIATION

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

S Labuschagne
for Auditor-General

Pretoria
12/08/2002

REPRESENTED POLITICAL PARTIES' FUND



BALANCE SHEET at 31 March 2002

	Notes	2002 R	2001 R
ASSETS			
Non-current assets			
Equipment and furniture	2	-	87 723
Current assets			
Receivables and prepayments	3	35 072	3 224
Cash and cash equivalents	4	4 214 443	6 360 692
		4 249 515	6 363 916
Total assets		<u>4 249 515</u>	<u>6 451 639</u>
RESERVE AND LIABILITIES			
Reserve			
Unutilised surplus	5	3 706 721	5 576 386
Current liabilities			
Trade and other payables	6	346 358	736 049
Provisions	7	196 436	139 204
		542 794	875 253
Total reserve and liabilities		<u>4 249 515</u>	<u>6 451 639</u>

H. Wille

CHIEF ELECTORAL OFFICER

19/07/2002
DATE

INCOME STATEMENT for the year ended 31 March 2002

	Notes	2002 R	2001 R
INCOME			
Allocation to parties		60 983 000	57 880 000
Administration expenses		(62 886 155)	(57 880 000)
Personnel cost		(228 107)	(174 640)
Operating deficit	8	(2 396 324)	(807 937)
Finance income	9	526 659	2 606 610
Net (deficit)/surplus for the year		<u>(1 869 665)</u>	<u>1 798 673</u>

REPRESENTED POLITICAL PARTIES' FUND



STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2002

	Unutilised surplus 2002 R	
Balance at 31 March 1999	759,940	
Releasing of provisions carried forward from 1998/1999	9 191	
Restated balance at 31 March 1999	769 131	
Releasing of provisions carried forward from 1999/2000	10 540	
Surplus for the year	<u>2 998 042</u>	
Restated balance at 31 March 2000	3 777 713	
Restated surplus for the year	<u>1 798 673</u>	
Restated balance at 31 March 2001	5 576 386	
Deficit for the year	<u>(1 869 665)</u>	
Balance at 31 March 2002	<u>3 706 721</u>	

CASH FLOW STATEMENT for the year ended 31 March 2002

	2002 R	2001 R	Notes
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	(2 731 457)	(703 168)	
Interest received	526 659	2 606 610	
Net cash (outflow)/inflow from operating activities	<u>(2 204 798)</u>	<u>1 903 442</u>	10.1
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of equipment and furniture	58 549	(380)	
Proceeds on disposal of fixed assets	<u>58 549</u>	<u>(380)</u>	
Net (decrease)/increase in cash and cash equivalents	<u>(2 146 249)</u>	<u>1 903 062</u>	
Cash and cash equivalents at beginning of year	6 360 692	4 457 630	
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>4 214 443</u>	<u>6 360 692</u>	

REPRESENTED POLITICAL PARTIES' FUND



NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2002

1. Accounting policy

The annual financial statements have been prepared on the historical cost basis and conform, in all material respects, to generally accepted accounting practice and the requirements of the Public Funding of Represented Political Parties Act, 1997 (Act No. 103 of 1997) and Public Funding of Represented Political Parties Regulations, 1998.

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

1.1 Revenue recognition

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

Interest is recognised on a time proportion basis.

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

1.2 Equipment and furniture

Equipment and furniture are shown at historical cost less accumulated depreciation.

Depreciation on equipment and furniture are calculated to write off the cost thereof on a straight-line basis over its expected useful life. All assets purchased at a value of less than R1 000 have been written off to R1 per item.

The expected useful lives for depreciation purposes, for the main categories of equipment and furniture, are as follows:

Computer equipment and printers	3 years
Computer software	2 years
Office machines and equipment	5 years
Mobile radios and cell phones	3 years
Furniture and fittings	6 years

1.3 Financial instruments

Financial instruments carried on the Balance Sheet include cash and cashbook balances, call deposits, receivables and trade creditors. These instruments are generally carried at their estimated fair value. The particular recognition methods adopted are disclosed in the individual notes associated with each item.

1.4 Cash flow

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

1.5 Comparative figures

The 31 March 2001 comparative figures have been restated to account for the Commission's decision to release expenditure claims brought forward from the previous year's while the remainder of the adjustments affecting periods prior to the 2001 financial year have been adjusted against the opening unutilised surplus.