



THE ELECTORAL COURT OF SOUTH AFRICA

MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE ELECTORAL COURT

From: The Electoral Court

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Electoral Commission of SA and Another v The Good Party and Others (002/2025EC) [2026]
ZAEC 03 (26 August 2026)

Today the Electoral Court handed down judgment in which it granted the Electoral Commission's application against the Good Party and its related respondents, declaring that the Good Party had failed to comply with their respective obligations in terms of sections 9 and 12 of the Political Funding Act, Act 6 of 2018 (Funding Act), read with the relevant regulations regarding the Funding of Political Parties issued in terms of Section 24(2) of the Funding Act.

The applicants were the Electoral Commission of South Africa (the Commission) and its Chief Electoral Officer. The principal respondents relevant to the dispute were the Good Party, its accounting officer and secretary-general, Mr Herron, and Electrox Properties (Pty) Ltd (Electrox). The Court was required to determine whether an amount of R900 000, paid in connection with campaign material for the Good Party before the 2021 municipal elections, constituted an undisclosed donation and, if so, whether the respondents had contravened the Funding Act and should be subjected to administrative penalties.

The Commission's case was that during August and September 2021, in preparation for the municipal elections, the Good Party purchased t-shirts and other campaign material from Kairos Communications at a total cost of R1 972 365. On 22 September 2021, an amount of R900 000 was paid to Kairos Communications by Electrox, apparently as a donor, on behalf of the Good Party. This donation of R900 000 was not disclosed by the Good Party to the Commission, nor did it reflect in the annual financial statements of the Good Party for the relevant financial period. The Good Party simply did not account for this gratuitous donation to it from Electrox.

The Commission consequently approached the Electoral Court for declaratory relief and the imposition of administrative penalties. In the alternative, should the Court find that Electrox

had not made the donation, the Commission sought relief against the related entities on the basis that they had donated the campaign material to the Good Party.

The dispute centred on the true nature of the R900 000 payment. The Good Party, Mr Herron and Electrox denied that there had been an undisclosed donation. The Court was therefore required to decide which version of the facts should be accepted. Since the matter was brought by way of motion proceedings, the Court applied the *Plascon-Evans* principle, in terms of which the respondents' version would ordinarily be accepted unless it was so far-fetched or clearly untenable that it could be rejected out of hand.

The Court considered the relevant provisions of the Funding Act. Section 9 requires political parties to disclose donations above the prescribed threshold to the Commission, while juristic persons or entities making such donations are similarly required to disclose them. In terms of regulation 7(2), the Commission must keep a record of the disclosures made in terms of this regulation and make them publicly available in accordance with regulation 9. Importantly, section 9(2) of the Funding Act, read with regulation 8, requires a juristic person or entity making a donation (and their duly authorised representatives) to disclose to the Commission the donation made.

Section 11 imposes general disclosure obligations on political parties. Section 12 requires political parties to account for all income received, maintain proper financial records and ensure that the necessary financial statements are prepared. The definition of a donation under the Funding Act includes a donation in kind, which encompasses money paid on behalf of a political party for expenses incurred by that party, as well as the provision of assets, services or facilities for its benefit other than on commercial terms. Section 18 empowers the Commission to institute proceedings for the imposition of administrative fines where the Act has been contravened.

The Commission's case was supported by documentary evidence, an investigation report prepared by specialist investigators appointed by the Commission, and information supplied by Mr August, a former senior member of the Good Party. Mr August had been involved in procuring the campaign material and securing the donation and, as such, he blew the whistle on the fact that the Good Party failed to discharge its obligations in terms of the Funding Act in that they did not disclose to the Commission the R900 000 donation they received from Electrox.

The evidence demonstrated that the Good Party received and used the t-shirts and campaign material, but did not itself pay the R900 000 invoice. Electrox paid the money to Incorp Trade and Investment, a related entity of Kairos Communications, and Kairos thereafter acknowledged the payment and credited it towards the purchase price of the campaign material. The Court found that the evidence established that Electrox had effectively paid the R900 000 on behalf of the Good Party.

The explanations offered by the respondents were rejected as implausible and untenable. Electrox alleged that the payment related to an unspecified 'commercial transaction', while another explanation suggested that the money was connected to the purchase of tiles for a project in the Eastern Cape. The Court found these explanations inconsistent with the

documentary evidence, including the invoice issued by Kairos Communications to the Good Party and the communications surrounding the payment for the t-shirts. Importantly, the Good Party also failed to provide a satisfactory explanation or proof of how it had paid for the campaign material valued at R900 000. The Court accordingly held that the respondents' denials could be rejected under the *Plascon-Evans* principle and that the Commission's version should be accepted.

The Court concluded that the R900 000 payment constituted a donation to the Good Party. Electrox had paid for campaign material on behalf of the Good Party, which subsequently received and used that material for its election campaign. Electrox, as the donor, was required to disclose the donation. The Good Party, as the recipient, and Mr Herron, as its accounting officer, were required to disclose the donation and account for it in accordance with the Funding Act and the applicable regulations.

In determining the appropriate penalties, the Court emphasised the importance of transparency in political funding. Referring to its earlier decision in *Electoral Commission of South Africa and Another v African Independent Congress and Others*, the Court noted that the purpose of the Funding Act is to protect political rights, promote transparency and enable voters to make informed decisions about the persons and entities funding political parties. Disclosure requirements also assist in preventing corruption and undue influence by political funders. The Court found that this was not a minor case where respondents may have overlooked their obligations and unwittingly contravened the Act, but rather that the evidence suggested a deliberate attempt to conceal the donation. It held that appropriate penalties were necessary to send a clear message to role players in the electoral justice system that there should be transparency.

The Court therefore granted the Commission's application against the Good Party, Mr Herron and Electrox. It declared that they had failed to comply with their obligations under sections 9 and 12 of the Funding Act, read with the relevant regulations. The Good Party was ordered to pay an administrative penalty of R50 000 for contravening section 9. The Good Party and Mr Herron were held jointly and severally liable for a further administrative penalty of R40 000 for contravening section 12. Electrox Properties was also ordered to pay an administrative penalty of R40 000. The alternative relief sought against the Govender respondents fell away because the Court found that Electrox had made the payment on behalf of the Good Party. Applying the general approach to costs in this context, in line with *Biowatch Trust v Registrar, Genetic Resources, and Others*, the Court ordered each party to pay its own costs.

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