



NATIONAL LOTTERIES COMMISSION

a member of **the dtic** group

Annual Report
2022|23



ANNUAL REPORT

2022|23

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PART A GENERAL INFORMATION



4.395792
3.852575
4.637457
4.567356
3.967945
2.126548
1.312658
8.674424

1. Public Entity's **General Information**

REGISTERED NAME National Lotteries Commission

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BANKERS Absa
First National Bank
Nedbank
Rand Merchant Bank
Standard Bank

2. List of **Abbreviations/Acronyms**

AA	Accounting Authority
Act	The Lotteries Act (Act No. 57 of 1997), as amended
AFS	Annual Financial Statements
AGSA	Auditor-General South Africa
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
Board	Board of Directors of the NLC
CATHSSETA	Culture, Arts, Tourism, Hospitality, Sports, Sector Education and Training Authority
CFO	Chief Financial Officer
Commissioner	Commissioner of the NLC
DA	Distributing Agency
ERM	Enterprise Risk management
ESD	Enterprise Supplier Development
GRAP	Generally Recognised Accounting Practices
HCM	Human Capital Management
IoDSA	Institute of Directors South Africa
IPSAS	International Public Sector Accounting Standards
M&E	Monitoring and Evaluation
MTEF	Medium-term Expenditure Framework
NDP	National Development Plan
NGO	Non-governmental Organisation
NLC	The National Lotteries Commission established in terms of the Lotteries Amendment Act, including its controlled entities, being National Lotteries Distribution Trust Fund and National Lotteries Participants Trust
NLDTF	National Lottery Distribution Trust Fund
NLPT	National Lotteries Participants Trust
NPO	Non-profit organisation
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act (Act No. 1 of 1999) as amended
R&D	Research and Development
RFP	Request for Proposal
SCA	Supreme Court of Appeal
SCM	Supply Chain Management
SHE	Safety, Health, and Environment
SOP	Standard operating procedures
The dtic	Department of Trade, Industry and Competition
TR	Treasury Regulations



3. Foreword by the **Minister** of Trade, Industry and Competition

MR. EBRAHIM PATEL, MP

The National Lotteries Commission (NLC) is an important entity and its work is intended to serve the poorest and most vulnerable of South Africans. This Report provides details of the activities of the NLC, and list of beneficiaries for the 2022/23 financial year. This report and the provision of the list of beneficiaries, facilitate transparency and accountability in the affairs of the NLC.

Since August 2019, at the start of the new Administration the Ministry and department took several steps to address allegations of misconduct. Following a referral letter by the Special Investigating Unit (SIU) in August 2021 containing details of findings involving an NLC Board member and an official, I requested that the Auditor General be advised of the contents thereof; which was done in September 2021. The NLC received a qualified audit opinion on the financial accounts and a number of internal controls and compliance deficiencies that the accounting authority did not effectively oversee relating to financial reporting and compliance with legislation were identified.

At the time of the audit, investigations were still ongoing against the NLC, being the SIU investigation on the NLC for the period 1 January 2014 to 6 November 2021 and the investigation by the Directorate for Priority Crime Investigation (Hawks) relating to grant funding allegations levelled against beneficiaries, management and previous board members.

Against the background and the previous challenges faced by the NLC, I am glad that a new Board with persons of high integrity and standing in our society were appointed. The Board led by Dr Barney Pityana and the newly appointed Commissioner, Ms Jodi Scholtz, are prioritising measures

to hold implicated persons to account for both criminal conduct and civil liability; and expeditious action with the appropriate authorities will ensure that the process of rebuilding trust in the NLC is successful.

The Board is undertaking operations to restore the integrity and impact of the NLC. In this regard, I am advised that the NLC has made significant changes around the Grant-funding programme where the bulk of fraudulent activity and corruption currently investigated by the SIU took place.

For the year under review, the NLC completed 2 336 monitoring reports using a hybrid approach of physical and virtual project monitoring. As part of digitisation of the grant funding model in the short to medium term, the NLC will leverage the use of cell phones to bypass fixed infrastructural challenges by launching the NLC App as a one-stop grant funding platform.

I wish to thank the Chairperson of the Board Dr Barney Pityana, Members of the Board, the NLC Commissioner Jodi Scholtz, management and staff in working at restoring the credibility of the NLC and enhancing its impact to society.

Ebrahim Patel

Minister of Trade, Industry and Competition

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4. Foreword by the **Chairperson**

N BARNEY PITJANA GCOB FKC MASSAF

It gives me great pleasure to present this Annual Report of the National Lotteries Commission to the people of South Africa. The National Lotteries Commission Act, 1997 (Act 57 of 1997) emphasises the values set out in the Constitution of the Republic of South Africa, 1998. Among the values enshrined in the Constitution is the one that seeks to “ensure accountability, responsiveness and openness” (s.1(d)). It is in that spirit that this Report is published for public comment, and to promote the understanding of the mandate of the NLC.

The National Lotteries Commission is a statutory body established to (1) regulate lotteries and sports pools; (2) to receive and to distribute the proceeds of the lottery such as to benefit good causes; and (3) to promote a public knowledge and awareness of the lottery; and (4) to advise the Minister on the conduct of the lottery as the needs arise. The Act emphasizes further that the lottery must be conducted all due propriety, mindful always that the interests of the participants are protected. The Minister appoints members of the Board of the NLC whose task is, among others, to serve as the trustees of the National Lottery Distribution Trust Fund.

In the last year the National Lotteries Distribution Trust Fund raised about R1,2bn for distribution to good causes. In that regard the lottery is our country’s largest philanthropic institution. It creates employment opportunities in many communities and it serves as a people-driven development agency. We are pleased to be acknowledged as our nation’s force for the mobilisation of communities as agents of their own development.



“

The arrival of the new Board happened amidst ongoing investigations by and cooperation with the Special Investigating Unit (SIU), following several years where the NLC has been the subject of negative media reports focusing on serious allegations of maladministration relating to the grant-making process.

”

In recent years, however, the National Lottery has earned notoriety for a largescale abuse of funds meant for good causes. So extensive was this malfeasance that the President signed a proclamation authorising the SIU to investigate and to bring those responsible for the crimes committed against the people to the prosecution authorities, and to recover as much of the funds that were stolen as possible.

The Minister of Trade, Industry and Competition, for his part, in his capacity as the Executive Authority of the NLC, has intervened to restore the NLC to its statutory mandate. He has done so by retiring the Board and appointing a new Board with the task of restoring the NLC to its statutory mandate, to promote and preserve good governance and restore the confidence of the public and to earn the trust of the people.

Consistent with this mandate, the Board is seized with the task of restoring the NLC, rebuilding its processes and standard operating procedures which had been dismantled, undertake an extensive organisational culture development

and establish an administrative machinery that would guarantee excellence in public service. We have underway probity and lifestyle audits of both Board and executives; we are in the process of designing a new Strategic Plan for the NLC and we wish to restore the relationship of trust with the AGSA, and we assure the Minister and the people of South Africa to remain in partnership to promote the common good. Much of this will take time and is never without pain. The guarantee that the NLC assures the South African public about however is that the NLC will always be at the service of the people.



N Barney Pityana GCOB FKC MASSAF

Chairperson of the Board

On behalf of the Board

August 2023



5. Commissioner's Overview

MS. JODI SCHOLTZ

The 2022/23 financial year was one of significant change at the NLC.

Leadership changes often have the potential to cause disruption, but they also present an opportunity for renewal. In the period under review, some of those opportunities presented themselves through the outcomes of audits and reports that pushed the organisation to review processes on a deeper level and to identify gaps and find improvements, from grant funding right through to procurement.

The arrival of a new Board in 2022 occurred parallel to the winding down of several fixed-term executive contracts. This meant that the NLC faced the possibility of an entirely new leadership structure. In the period under review, the Board appointed a new Commissioner and concurred with the appointment of the Chief Audit Executive, with appointments pending for the roles of Chief Financial Officer (CFO), Chief Operations Officer (COO), and the Executive Manager for Legal Services. While these vacancies are at a critical level of executive management, senior managers within the NLC have held the fort and ensured minimal disruption to the core business.

One significant area of change has been around the Grant-making programme, where the bulk of fraudulent activity and corruption, currently under investigation by the SIU, took place. The funding model has come under scrutiny and review, and improvements are continuous as we navigate the path to strengthening internal controls without being exclusionary to the very sectors of society we are meant to serve.

This has seen us working in partnership not only with law enforcement agencies, but also with banks, and exploring opportunities with sister entities within the dtic.

Significant work has already gone into the improvement of controls as identified by the Auditor-General South Africa (AGSA) as deficiencies within the value chain, and the development of a robust operating model is in progress.

Much of our future planning will require us to look back and analyse missteps taken, as we work to complete implementation actions on the SIU findings to date, to complement the work of the law enforcement agencies, including integrity measures involving staff, recipients, and Board members of the NLC.

The NLC is running several marathons concurrently, but the prize is a common one – regulating lotteries with due propriety, and funding for impact.

We are greatly aided by support from the dtic and entrusted with a precious responsibility by Minister Ebrahim Patel on behalf of the people of South Africa. My appreciation goes out to the Board, led by Prof. Barney Pitso, for their unwavering focus and guidance in pursuit of the NLC we hope to be and the impact we hope to achieve, the executive and management teams at the NLC, and the members of staff who walk this journey with us.

Ms. Jodi Scholtz

Commissioner

A close-up photograph of a young Black woman with her hair in braids, wearing glasses and a light grey blazer over a white t-shirt. She is smiling broadly while holding a black smartphone to her ear. Her left hand is positioned over a laptop keyboard. The background is a softly blurred office environment with bookshelves.

Much of our future planning will require us to look back and analyse missteps taken, as we work to complete implementation actions on the SIU findings to date, to complement the work of the law enforcement agencies, including integrity measures involving staff, recipients, and Board members of the NLC.

A large, stylized, black-outlined quotation mark icon, consisting of two facing chevrons.

6. Statement of **Responsibility**

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

We relied on our five-year strategic plan and Annual Performance Plan (APP) (published on our website), which reflect the NLC's long-term, mid-term and short-term objectives in line with the National Treasury Framework for Strategic Plans and APPs. Interviews with key stakeholders were also conducted to ensure all material information is included in the report.

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

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the AGSA.

The Annual Report is complete, accurate and is free from any omissions.

The Annual Report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the Generally Recognised Accounting Practices (GRAP) standards applicable to the NLC.

The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control that has been 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 are engaged to express an independent opinion on the annual financial statements.

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2023.

Yours faithfully



Ms. Jodi Scholtz

Commissioner



N Barney Pityana GCOB FKC MASSAf

Chairperson of the Board

7. Strategic Overview

6.1. VISION

To be a global innovative leader in regulating safe and sustainable lotteries and sports pools.

6.2. MISSION

To ensure better regulation and social upliftment through innovation.

6.3. VALUES

We are committed to achieving sustainable growth through the practice of good corporate governance, the provision of excellent service and sound regulatory practice. In fulfilling the mission and delivery of our mandate, we demonstrate:

INTEGRITY To be honest, open, accessible, and fair in all our dealings, decisions and actions.

PERFORMANCE EXCELLENCE To take ownership of our responsibilities, to work effectively, efficiently, with professionalism and ensuring a positive sustainable impact on the communities we serve.

SERVICE EXCELLENCE To provide a level of service which is of a high quality, target based and meets the expectations of all stakeholders.

SOCIAL CONSCIOUSNESS To be sensitive to the needs of the community in order to initiate social upliftment.

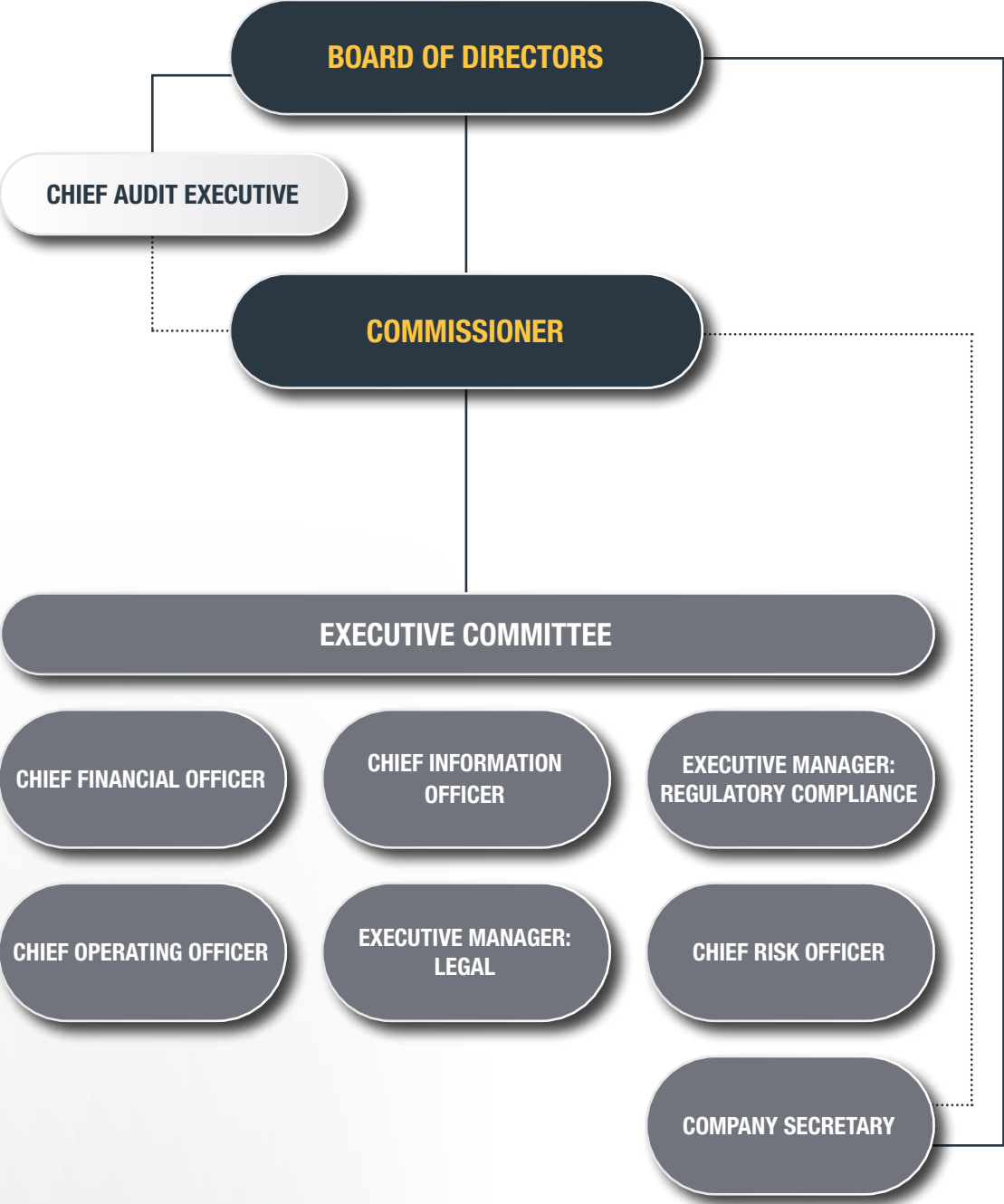
INNOVATION AND AGILITY To continuously strive to redefine standards of excellence in the work that we do.

8. Legislative and other Mandates

- The National Lotteries Commission is a Schedule 3A Public Entity in terms of the Public Finance Management Act (PFMA) (Act no 1 of 1999), as amended and has been established through the Lotteries Act (Act No 57 of 1997) as amended.
- The NLC has the sole mandate to regulate and prohibit lotteries and sports pools and to provide for matters connected therewith.
- To ensure that the National Lottery and Sports Pools are conducted with all due propriety and strictly in accordance with the South African Constitution 1996, this Act, all other applicable law and the licence for the National Lottery, together with any agreement pertaining to that licence and that the interests of every participant in the National Lottery are adequately protected.
- Conduct research on worthy good causes that may be funded without lodging an application prescribed in terms of the Lotteries Act, upon request by the Minister, Board or on its own initiative in consultation with the Board.
- Invite applications for grants from worthy good causes in the prescribed manner.
- Promote public knowledge and awareness by developing and implementing educational and informational measures to educate the public about the lotteries and provisions of the Lotteries Act, as amended, and educating the public by explaining the process, requirements and qualifications relating to the application for grants in terms of this Act.
- Manage staff and its financial, administrative, and clerical functions and exercise any other function as delegated or directed by the Minister or the Board.



9. Organisational Structure



PART B
**PERFORMANCE
INFORMATION**



1. Auditor's Report: **Predetermined Objectives**

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page XXXX of the Report of the Auditors Report, published as Part E: Financial Information.



2. Situational **Analysis**

2.1. SERVICE DELIVERY ENVIRONMENT

The role and functions of the NLC is clearly outlined in the Lotteries Act (No. 57 of 1997, as amended), which places an obligation on the organisation to support (directly and indirectly) the electoral mandate of the National Government. In the quest for achieving its vision and mission, among others, to regulate all lotteries and sport pools with integrity, to ensure the protection of all lottery and sport pools participants, to maximise revenue for good causes in a responsible manner and to distribute funds equitably and expeditiously, the business of the NLC is influenced by the political and economic landscape of the country.

From a sector-specific viewpoint and reflecting on those sectors relevant to the NLC funding programmes, a closer focus on Civil Society Organisations (CSOs) is important. The definition of civil society includes the wide array of non-governmental and not for profit organizations that have a presence in public life, express the interests and values of their members and others, based on ethical, cultural, political, scientific, religious or philanthropic considerations. Another all-encompassing description of civil society organisations (CSOs) includes those who provide social and welfare services aimed at young children (through

early childhood development centres); women and families affected by domestic violence; vulnerable groups including the elderly, people with disabilities, youth, and children, and animal welfare.

Similar to other industries, the COVID-19 pandemic along with other disruptors have had a profound impact on the business of lotteries. While the pandemic seems to have ebbed, some of the effects, akin to the long-Covid syndrome remain evident. This is the case globally, continentally as well as nationally.

There are different types of NGOs in South Africa. These include non-profit organisations (NPO), Faith-based organisations (FBO), Public Benefit organisations (PBO) and Community-based organisations (CBO), among others. Currently, there are about 250 000 NPOs who are registered by the Department of Social Development to operate in South Africa. This mushrooming of NPOs may be a consequence of the high rates of unemployment leading to an increase in socioeconomic challenges. .

Only 50% of the pool of NPOs in South Africa remain fully compliant with the legal requirements guiding their operations. This has become an issue as the Department

of Social Development (DSD) notes that there has been an increase in complaints related to conflicts even at board levels, which signal poor management, governance and accountability on the part of NPOs.

The situation makes it necessary for the mechanisms for due diligence at the NLC to be strengthened. This will ensure that only credible NPOs can be funded, as the mere registration of an NPO cannot be considered an acceptable proxy indicator for good governance at the NPO.

Given that the non-profit organisations directorate is housed in the DSD, the department is working to partially stem the tide of non-compliance by embarking on a 'Know your NPO status' campaign in all provinces. Furthermore, to better regulate the NPO space, the Non-profit Organisations Amendment Bill, 2018 was released for public comments in October 2021. In addition to other matters, the bill seeks to:

- Realign and capacitate the NPO Directorate
- Allow for greater flexibility in required reporting standards

Though the bill has been criticised for a sundry of technical issues, the critical role that NPOs play in a country like South Africa, with all its socioeconomic challenges, is indisputable.

Demographically, South Africa has a population of over 60 million people, making it the 5th most populous nation in Sub-Saharan Africa. Relative to its peers, South Africa is performing very well in terms of infrastructure, financial systems, and innovation capacity. Problematically,

however, the unemployment rate in South Africa is high hovering around the 34% mark. Despite the existence of several social protection schemes which have successfully improved wellbeing to some extent, South Africa is still the most unequal country in the world as denoted by the Gini index of 0.63 as of June 2019 (World Bank, 2022). The top 20% of the population hold 68% of National Income, while the bottom 40% account for only 7% of National Income (Stats SA 2019).

The sustainability and market prospects of national lotteries in South Africa is directly and indirectly affected by the economic landscape and the dynamics of the global, regional and domestic economy. In the context of the economic environment, the issue of unemployment is pre-eminent. The high unemployment level is largely due to structural reasons such as an unreliable energy supply, poor global demand for exports, declining manufacturing output, acute skill-mismatch to labour market needs etc. One of the interventions instituted by the state was that social grants were increased by R350 per recipient. Additionally, a social relief of distress grant of R650 was introduced to cushion the unemployed through the harsh socioeconomic impact of the COVID-19 pandemic. Sector-based fiscal stimuli were also introduced to ensure the survival of SMEs, and sectors like education and health. A permanent basic income grant if feasible would help to mitigate the increasing poverty levels and smoothen household consumption especially for the unemployed. Some of this income is likely to extend to lotteries as people try their luck to change their fortunes.





Over the past decade an average of 30% of South Africa's youth population are not enrolled at education institution or employment (WDI, 2021). This is higher for female youth (32%) than for male youth (27%). These adverse indicators of skill levels are among the structural factors that drive the high youth unemployment rates in South Africa.

On another note, South Africa has consistently succeeded in reducing the incidence of HIV and tuberculosis over the years. This has been done through the manufacture and administration of Anti-Retroviral Drugs (ARVs) as well as awareness creation towards social behavioural change especially among the youth. However, in recent years, HIV incidence among adolescent cohort has begun to increase. This has been attributed to poor social choices driven by increased alcohol and drug consumption. An intensification of the support the NLC gives to civil society organisations who work with children and the youth is warranted. Disturbingly, gender-based violence (GBV) cases have been on the rise, so much so, that it has been described by as South Africa's second pandemic. This untenable situation requires all of society, including the NLC to play a role in tackling this challenge from multiple fronts.

Technology is almost always the secret ingredient in an organisation's tipping point. It is no surprise then that today's most valuable firms leverage their technological capabilities to achieve excellent performance. Given the rapid pace of technological change and the risk of disruption, it has become necessary for organisations to meticulously scrutinise the technological environment. The Fourth Industrial Revolution (4IR) describes technological disruptions driven by increased automation of labour and increased digital connectivity, at the core of which is disruptive/ smart technologies.

The presence of 4IR has also triggered a revised view on how technology will integrate with the fabric of humanity. Academics are beginning to forecast societal changes that these technological disruptions will drive. Society 5.0 is a human-centred society that balances economic progress and solves social issues. The NLC regulates a sector with immense potential for developing breakthrough technologies. As a regulator and through its advisory capacity on policy matters relating to the National Lottery and other lotteries, we plan to prioritise and encourage Research and Development (R&D) expenditure within this sector. Having commenced with the NLC's Digital Transformation strategy in the current financial year, the NLC is envisaging that significant in roads will be made in enhancing the NLC's digital capabilities by the end of the 2023/24 financial year.

The ecological sub-environment is receiving far greater attention from governments and businesses than ever before. This sub-environment includes not only quality of life, sustainability, and recycling of resources but also logistical possibilities and infrastructure. A modern trend has emerged in the ecological environment where the public's perception of how business affects the environment has become critical. Society is now demanding that firms be more proactive in protecting the environment to combat the threats posed by global warming to clean air and water. The ecological sub-environment is carefully considered given the mandate of the NLC as a grant funder that provides registered NPOs with funding to establish projects that improve the lives of everyday South Africans. Data predating 2022 predicted increasing flood exposure across sub-Saharan Africa (The Global Flood Database, 2022). Furthermore, climate change research predicts increased devastation as a result of flooding in the future. There may

not be enough time to recover before contingency plans are embedded. Early-warning systems must be implemented within the short-term, given the high levels of current vulnerabilities. NLC has already rolled-out substantial funding to communities ravaged by these floods.

The interlocked nature of the SDGs, the AU Agenda 2063 and the NDP, allow for the developmental contributions made by the NLC to have global, continental, and national resonance, concurrently.

2.2. ORGANISATIONAL ENVIRONMENT

SHIFT FROM TRADITIONAL LOTTERY MODES OF PHYSICAL DRAW-BASED GAMES TO VIRTUAL ONES

The emerging trends in the form of a shift from traditional modes of physical draw-based games to the virtual ones in the United Kingdom (UK) online lottery market is also evident in the South African market. It was further shown that higher accessibility of the social media platforms such as social networking sites, like Facebook, Twitter, and Google provide opportunities for companies offering lottery gaming services to attract large number of users, by posting the winning prizes on these social platforms leading to an increase in the sales of various lottery tickets. This phenomenon is gaining popularity in South Africa as it is prevalent in the UK market. In the UK this trend is further encouraged by government stringent regulations pertaining to the operation of online lottery resulting in punters gaining trust and interest. Unlike in South Africa, the UK regulations require that online operators must have a standard gambling license and a secondary, remote gambling license. Also, it emerged that in the UK online lottery market provide as vendors with a competitive advantage, in terms of implementing newer technologies, are continuously trying to offer unique and enhanced experience to their customers.

REGULATION OF ILLEGAL GAMING

The drawbacks associated with delays in the amendment of the National Regulatory Framework and the apparent gaps in the law contribute to the persistent surge in illegal gambling activities including betting on the outcomes of lotteries. The NLC has made some strides to address the challenge of illegal lotteries. It should be noted that the escalation of illegal gaming activities across the country presents a serious challenge. Apparent lack of momentum and capacity in the prosecution of illegal gaming especially online operators is also viewed be the result of illegal gaming being regarded as lower priority crime by law enforcement agencies. This challenge persists even though the 2004

National Gambling Act prohibited South African operators from both offering and indulging in interactive gambling online to play casino, poker and bingo games.

CHALLENGES OF INCREASING ILLEGAL GAMBLING ACTIVITIES

The perennial challenge of illegal gambling in South Africa can be traced back to the mid-1990's where it is estimated that roughly 2000 illegal gambling related activities were taking place. The existence of illegal gambling has a far-reaching ramification in the economy and that manifesting in loss of tax revenue by the government, employment opportunities and a negative effect on industry value chain. Illegal lotteries pose substantial threat to the financial sustainability of the NLC lotteries and other games and aggravates associated adverse developments such as crime, conflict and money laundering which ultimately destroys the stability, growth and appeal of the industry.

In view of the rapid rise of illegal gaming activities in South Africa, it should be noted that the regulation of illegal forms gaming falls within the ambit of the National Gambling Board (NGB) mandate, whereas the NLC regulatory authority is limited to the National Lottery related gaming activities and other forms of lotteries that operate within the borders of South Africa making it difficult to regulate online international operators who encroach on the South African market. The challenge of illegal and unregulated online gambling is that the country loses millions in revenue that could be going to the fiscus because companies that operate online gambling do not pay any tax to government and punters are not protected. There are question marks around the intensified law enforcement especially where there is strong evidence that many of the illegal gambling activities continue to operate in plain sight in public spaces.

AMENDMENT OF THE ACT TO ADDRESS THE CHALLENGE OF ILLEGAL GAMING

Although the Lotteries Act was amended to allow for identifying and investigating illegal lotteries, an inspection of the active society lottery schemes, together with education and awareness on illegal and society lotteries, it appears that more still needs to be done. In essence, the NLC legislative mandate is to control, track and regulate all lottery operations in South Africa and to protect lottery operations against fraudulent schemes, to guard the prize money of winners, to enforce measures will discourage underage gaming and unfair play and ensure accountability.

INADEQUATE CAPACITY TO REGULATE ILLEGAL ONLINE GAMING

The advent of technological advancements implies that the regulation of illegal online gambling has become an uphill battle as punters do not have to go to internet cafes to bet, they can do so in the comfort of their homes as there are applications that can be downloaded on smartphones. There are suggestions that provisions must be made in the legislation to prohibit illegal winnings, including amendments in the legislation to prohibit internet service providers to host an illegal gambling site, banks and other payment facilitators from facilitating illegal gambling by transferring, paying or facilitating payment of illegal winnings to people in SA to be liable legal prosecution. It should be noted that besides apparent challenges associated with regulating online gambling, it appears that inadequacy of law enforcement capacity and resources further aggravates the problem for continuous and effective regulation of online gambling.

THE REGULATORY ROLE OF THE NLC – AMENDMENT OF THE LOTTERIES ACT 57 OF 1997

The NLC was established in terms of the Lotteries Act 57 of 1997. The Act was enacted to regulate and prohibit lotteries and sports pools; to establish a National Lotteries Board; consequentially to amend the Post Office Act, 1958, the Gambling Act, 1965, and the Gambling Act, 1982 (Ciskei),

and to repeal the State Lotteries Act, 1984 (Ciskei), and the Lotteries Decree, 1989 (Transkei); and to provide for matters connected therewith.

Act No. 32 of 2013: Lotteries Amendment Act, 2013 was gazetted on 14 April 2015 to amend the Lotteries Act 57 of 1997, so as:

- to amend certain definitions;
- to provide for the establishment of a National Lotteries Commission;
- to provide for the extension of the powers of the board;
- to provide for the licensing of an organ of state to conduct the National Lottery;
- to provide for a clear accountability process for the distributing agency;
- to provide for the professionalisation of the distributing agency;
- to eliminate overlapping of functions between the Minister and the Board;
- to provide for the removal of the reconstruction and development programme as a category entitled to be allocated money of the fund; and
- to provide for matters connected therewith.

The infographic is set against a dark blue background with three white circular icons at the top: a balance scale for 'ESTABLISHMENT', a gavel for 'AMENDMENT', and two people talking for 'REVIEW'. Each icon is inside a white circle that is part of a larger white outline of a rounded rectangle. Below each icon is a white rounded rectangle containing text and a list of bullet points.

ESTABLISHMENT

NLB - ACT 57, 1997

- To regulate and prohibit lotteries and sports pools
- To establish a National Lotteries Board
- Consequentially to amend the Post Office Act, 1958, the Gambling Act, 1965 and the Gambling act, 1982 (Ciskei)
- To repeal the State Lotteries Act, 1984 (Ciskei) and the Lotteries Decree, 1989 (Transkei), and to provide for matters connected therewith

AMENDMENT

NLC - ACT 32, 2013

- To amend certain definitions
- To provide for the establishment of a National Lotteries Commission
- To provide for the extension of the powers of the board
- To provide for the licensing of an organ of state to conduct the National Lottery
- To provide for a clear accountability process for the distributing agency
- To provide for the professionalisation of the distributing agency
- to eliminate overlapping of functions between the Minister and the Board
- To provide for the removal of the reconstruction and development programme as a category entitled to be allocated money of the fund; and
- To provide for matters connected therewith

REVIEW

- Awaiting subsequent review
- **The dtic** in early discussion



THE IMPACT OF THE DTIC STRATEGIC OUTLOOK ON THE MANDATE AND OPERATIONS OF THE NLC

The dtic was established in June 2019 by the incorporation of the Department of Economic Development (EDD) into the Department of Trade and Industry (the dti). The mission of the dtic is to promote structural transformation, towards a dynamic industrial and globally competitive economy; provide a predictable, competitive, equitable and socially responsible environment, conducive to investment, trade and enterprise development; broaden participation in the economy to strengthen economic development; and continually improve the skills and capabilities of the dtic to effectively deliver on its mandate and respond to the needs of South Africa's economic citizens.



The Department's strategic objectives are to: facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation; build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives; facilitate broad-based economic participation through targeted interventions to achieve more inclusive growth; create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner; and promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery.



In line with the dtic strategic outlook and its impact on the NLC operations, the institutional legislative mandate entails:

- Ensuring that the National Lottery and sports pools are conducted with all due propriety and strictly in accordance with the South African Constitution, the Lotteries Act, all other applicable laws and the licence for the National Lottery, together with any agreement pertaining to that licence and that the interests of every participant in the National Lottery are adequately protected;
- Conducting research on worthy causes that may be funded without lodging an application prescribed in terms of the Lotteries Act, upon request by the Minister, Board or on its own initiative in consultation with the Board;
- Inviting applications for grants from worthy causes in the prescribed manner, upon request by the Minister, Board or on its own initiative in consultation with the Board;
- Promoting public knowledge and awareness, developing and implementing educational and informational measures to instruct the public on



the lotteries and provisions of the Lotteries Act, as amended, and educating the public by detailing the process, requirements and qualifications relating to the application for grants in terms of the Act;

- Managing staff, and its financial, administrative and clerical functions; and
- Exercising any other function as delegated or directed by the Minister or the Board.

LATEST DEVELOPMENTS IN THE LOTTERIES MARKET

Globally, the increasing acceptance and popularity of lottery in general has resulted in the creation of a whole different form of gaming on the Internet of which South Africa is no exception in this paradigm shift. The rise in consumer choice for online lottery is propelled by faster internet connectivity, which permits operators to stream various events from around the world, allowing the consumers to bet on several games of chance including the lottery. Furthermore, although the lotteries are characterised by relatively higher odds of winning but offer a high return on low investment as compared to other games of chance. As result, a large group of individuals are attracted by the rewards and invest accordingly to participate in these games.

IMPROVED INTERNET CONNECTIONS, ADVANCES IN SECURITY, ENCRYPTION AND STREAMING TECHNOLOGY

The unprecedented growth opportunities in online game of chance have compelled online vendors to improve the security and reliability of online betting platform which also resulted in the popularity of online lottery across the globe.

Improved security and reliability in a form of advanced encryption and banking technology has further addressed concerns about banking security while conducting any kind of transaction over the Internet resulting punters playing securely and confidently online. To further ensure the integrity of online software platforms for online betting and conducting transactions, international regulatory bodies and independent auditing companies conduct regular auditing and other security evaluation measures.

Rapid technological advances in European countries manifest in a relatively higher uptake in online activities has contributed to the shift in preference from traditional modes of physical draw-based games to the virtual ones. This is evident from the fast-paced increase the growth of the European online lottery market in relation to other countries. The popularity, easy access and cost effectiveness of social media platforms also provide opportunities to the companies offering lottery gaming services to use social media as a promotional strategy to attract large number of users. This is one the major factor that contributes to an

increase in the sales of various lottery tickets which is also associated with convenience purchasing the tickets online. Furthermore, stringent government regulations regarding the operation of online lottery in the European countries help in gaining consumer trust and interest.

It is on these premises that the National Lottery aims to keep abreast of the developments and trends in the lottery market. The international development in the lottery market further shows that the NLC competes in a highly competitive and dynamic environment that require higher innovation and creativity. It is evident that this environment is characterized by the rapidly changing technological advancements, and a competitive gaming industry that is subject to the entry of new and innovative gaming approaches, as well as constant changing gaming attitudes and behavioural patterns among the punters. In this regard it is important for the NLC to keep abreast of technological changes and also be proactive and innovative in terms of product development to remain competitive in the lottery market.

IMPACT OF TECHNOLOGY IN THE REGULATION OF THE LOTTERY INDUSTRY

Technological advancements create a challenge for regulators and policy makers particularly in the gaming industry including the National Lottery. Since the legalization of gambling in South Africa in 1996, the gambling industry has grown and evolved substantially. Technological advancements on existing forms of gambling and new forms of gambling have emerged and have created challenges for regulators and policy makers to effectively regulate the gaming industry. This has been shown by certain forms of illegal gambling that have been persistently growing in popularity.

The influence of information technology in the gaming environment including the lottery is shown in research where nearly half of the participants in the National Lottery Participants and Attitudes Survey in South Africa (2019) believe that information technology enhances participation in the lottery. It was further mentioned in the NLC Strategic Plan 2019/20 that online gambling influences people who want to participate in easily accessible games.

ENTRANCE OF NEW GAMING MODES

The entrance on new gaming modes in the gaming and the lottery industry had a considerable impact on the National Lottery's market share and in the games of chance industry. As a result, the National Lottery experienced a shrinking and stagnant market share. This was further confirmed by studies that show that the decline in the sale of lottery tickets is due to growing competition. The National Lottery

competitors include bookmakers and betting operators that accept wagers on the outcome of the National Lottery as well as other international lotteries or similar games that offer higher prizes compared with the pay-out by the National Lottery. Until the issue around the direct National Lottery competitors is adequately addressed by the NLC, the competition from the operators will continue to restrain the growth of the National Lottery.

REVIEW OF RECENT NLC STUDY – NLC STAKEHOLDER PERCEPTIONS SURVEY

There are numerous strategic outflows that emerged from the findings of the recent study that was conducted by the NLC. Some of the most salient strategic outflows that should be considered by NLC from the recent NLC stakeholder perception survey include:

A. NLC REGULATORY FUNCTION

There was view of a broad lack of awareness regarding the regulatory function of the NLC, necessitating more proactive education to increase public awareness of this crucial role in ensuring that the interests of all participants in the National Lottery are adequately protected. In addition, a decentralised approach, in particular to the regulatory function of the NLC, will empower provincial managers to assist the general public with enquiries. Such a drive will improve the quality and turnaround time of service delivery across all areas of operation of the NLC.

B. NLC COMMUNICATION

Where the NLC is unfairly criticised in the media, a speedy response by the NLC is paramount to protect the good name of the NLC and dissuade the spreading of harmful accusations against the NLC. To optimise transparency and build staff morale, excellent internal communication is also required to ensure that staff feel included and experience a sense of belonging. This will contribute to productivity and efficient service delivery as a positive work force will strive for excellence.

C. GRANT-APPLICATION PROCESS

The grant-application process should be as accessible and simple as possible. Having the application forms available in a selection of South African national languages, in an online

and hard copy format, will be favourably received. There is a need for feedback to applicants during the period they await the result of their application this will create transparency and contribute to improved service delivery. The need for more support by the NLC during the application process was expressed, especially in the rural areas. The establishment of smaller rural NLC satellite offices might be a sensible proposition.

D. GRANTEE DISCLOSURE AND OVERSIGHT

The strong sentiment expressed by internal and external stakeholders that it is in the public interest to disclose the names of grantees makes a strong case that the NLC Board could remind Parliament of its discretion under the provisions of Parliamentary Rule 189 to decide whether grantee information should be treated as confidential or not, while also considering the POPIA compliance requirements. More inspectors should be appointed to inspect the operations of grant applicants and grantees to ensure that the funds are responsibly utilised to the benefit of society.

E. DISCRETIONARY GRANTS

The negative view held particularly by external stakeholders regarding discretionary grants for worthy good causes, requires reviewing and subsequent communication providing clarity regarding the decisions taken concerning this matter.

F. NLC STANDARD OF SERVICE DELIVERY

The same high standard of service delivery across all provincial branches should be encouraged.

G. NLC TECHNOLOGICAL ADVANCEMENT

It was recommended that a forward-looking technology approach is adopted by integrating innovative platforms in all operational areas of the NLC where it adds value.

2.3. KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The dtic commissioned a regulatory impact assessment on selected provisions of the Lotteries Act, as amended. The NLC awaits further engagement on the progress thereof and as such, there are no legislative changes that affected the NLC operations for the year under review.

2.4. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

NLC'S IMPACT STATEMENT Safe and sustainable lottery industry for maximum economic and social impact.			
OUTCOME	OUTCOME INDICATOR	FIVE-YEAR TARGET	PROGRESS MADE IN THE 2022/23 FINANCIAL YEAR
A professional and sustainable organization.	Developed and implemented a People Strategy which is fit for the future	Competent and skilled workforce aligned to technological advancements in the industry	During the year under review the analysis of the data collected during the organisational structure review process led to the interrogation of the AS IS divisional structures and process flows. The outcome of the analysis has prompted the need to review the existing organisational structure, alignment of divisional functions and business processes. The NLC value chain was also remapped and NLC was advised to adopt a risk-based implementation matrix.
	Protecting the NLC Brand	Institutional Reputation Preserved	The reputation of an organisation is crucial for its survival. A good reputation management plan can assist the entity to gain trust. Hence, positive reviews can lead stakeholders to trust the NLC and lend credibility to the good work it does. The target is important in the context of the negative publicity the NLC has been receiving. The plan is multifaceted and is aimed at all media platforms.
	Strategic Partnerships at national and provincial level	Integration and collaboration of funding efforts to ensure sustainability of Civil Society Organisations	10 Strategic partnership memorandum of understanding (MOU's) were entered into during the current financial year. MOU's at a national level cover aspects of Information sharing on matters relating to NPOs and provision of platforms for NLC education and awareness; the mobilisation of rural communities to increase access to funding, and collaboration on education and awareness of NLC mandate amongst traditional communities. MOU's at a provincial level were initiated to provide joint and integrated support services to NPO's within the respective provinces.
Innovative and agile frameworks, systems and standards that are globally competitive.	Optimise returns to good causes	Improved Service Delivery with 100% disbursement of grants	This target refers to the percentage of allocated grants that must be paid (disbursed) as per regulation (GNR644). This implies that payment must be made within 60 days of receipt of a fully compliant grant agreement. A grant agreement is considered to be compliant if all stipulated conditions have been met, including the submission of an acceptable form of verification of banking details. For the year under review 93% of grants (first tranches) were paid within the 60 days turnaround time.
	Number of Enterprise Supplier Development (ESD) Programs	10 ESD Programmes implemented for economic transformation.	3 ESD programmes were committed to in the current financial year. The target was intended to support the transformation J-KPI of the Ministry. Efforts in this area continue with the focus on creating sustainable businesses that grow and lead to job creation, which, in turn, contributes to economic growth.
	Digital transformation	Fully digitized environment that serves the needs of citizens.	The Digital Transformation Strategy commenced during the financial year has heralded the necessity of driving operational efficiencies through appropriate systems. The strategy will ensure the enhancement of systems that are fit for purpose as aligned to NLC's new strategic thrust.

OUTCOME	OUTCOME INDICATOR	FIVE-YEAR TARGET	PROGRESS MADE IN THE 2022/23 FINANCIAL YEAR
Safe and sustainable lotteries and sports pools.	Implement the National Lottery monitoring matrix	The National Lottery is conducted with all due propriety to reinforce its integrity and to maintain participant trust.	Regulatory Compliance is the cornerstone of the NLC with the primary mandate of the organization being a regulator. This is by far the main priority and is executed by focusing on regulating and monitoring compliance and performance of the operator in line with the Licence Agreement.
	Implement the Sports Pool monitoring matrix	Sport Pools are conducted with all due propriety to reinforce its integrity and to maintain participant trust.	Regulatory Compliance is the cornerstone of the NLC with the primary mandate of the organization being a regulator. This is by far the main priority and is executed by focusing on regulating and monitoring compliance and performance of the sports pools operator in line with the Licence Agreement.
	Decentralisation of Regulatory Activities	Reinforcing the NLC Regulatory mandate through effective uptake in all provinces.	Two activities (relating to participant protection and the capacitation of society lotteries) was decentralized to the provinces to ensure that the NLC regions focus on both core mandates of the entity. Continuous capacitation with regards to regulatory activities will be rolled-out going forward.
	Number of retailer inspections conducted nationally	Ensuring that the integrity of the National Lottery is maintained and that the net proceeds of the lottery/sports pool tickets are as large as possible to optimise the impact to good causes.	A retailer refers to those vendors who operate terminals to sell lottery tickets. Retailer inspections are conducted to ensure that the integrity of the National Lottery and Sports Pools is maintained. During the year under review, the regulatory compliance division was able to conduct 802 retailer inspections nationally.
	Percentage investigations on reported and identified lottery schemes	Protecting the interests and preventing harm to participants.	<p>The comprehensive “Impact of Illegal Lotteries” (2016) study documented the proliferation of illegal lotteries in the country. It included an analysis of totalisators offering sports pools, Fafi, bookmakers offering fixed odds bets on the outcome of a lottery, some promotional competitions, bets placed on international lotteries and lottery scams. According to the study, the amount typically lost to the economy equates to R6 billion per annum.</p> <p>As part of our enforcement mandate, we identify and keep informed of various schemes that are advertised requiring public participation. It is only through detailed legal analysis that we are able to ascertain whether or not such schemes can be deemed lotteries, and, if so, whether they are permissible in terms of the Lotteries Act, as amended or are conducted without prior approval, which would render them illegal.</p> <p>For the year under review the NLC committed to investigating 100% of all reported and identified lottery schemes to ensure that the NLC fulfils its role in preventing harm to participants.</p>
A sustainable and impactful civil society sector.	Percentage of applications adjudicated	Ability to measure NLC’s impact in line with pre-determined and results-based outcomes.	Regulation 3A(1)(a) refers to the percentage of applications adjudicated within 150 days, where 150 days is the regulated time in which an application received from the applicant should be adjudicated. This is aimed at ensuring that the NLC responds to applicants within a reasonable time. The target for the current year was 90%. The NLC did not meet this due to the lack of an appointed Charities Distributing Agency for a period of time.
	A minimum of 10% allocated to projects located in the districts of the District Development Model (DDM)	Enhanced intergovernmental efforts to improve economic conditions of the districts.	This target also represents a direct input into the ministerial J-KPI’s. The District Development Model aims to improve the coherence and impact of government service delivery with focus on 44 Districts and 8 Metros around the country as development spaces that can be used as centres of service delivery and economic development, including job creation. For the year under review, 100% of allocations were directed to the districts and metros as defined in the DDM.

OUTCOME	OUTCOME INDICATOR	FIVE-YEAR TARGET	PROGRESS MADE IN THE 2022/23 FINANCIAL YEAR
<p>A sustainable and impactful civil society sector. (continued)</p>	<p>Conduct 2000 monitoring and evaluation site visits</p>	<p>Ability to measure NLC's impact in line with pre-determined and research-based outcomes.</p>	<p>One of the primary purposes of monitoring and evaluation within the NLC is to measure the impact of NLC's funding. Since its inception, it has conducted approximately 10 000 monitoring site visits. These reports provide a wealth of data including that of job creation, skills development and the number of primary and secondary beneficiaries reached by project funding.</p> <p>For the year under review, the NLC completed 2336 monitoring reports using a hybrid approach of physical and virtual project monitoring.</p>
	<p>Capacity Building Civil Society Organisations</p>	<p>Job creation and sustainability</p>	<p>Sustainability of Non-profit organisations is a concern for the NLC as the current demand for funding far outstrips the supply. We believe that Capacity Building is the first step in elevating the non-profit to the next level of operational, programmatic, financial, governance and organisational maturity so that it may effectively advance its mission into the future. The NLC would like to ensure that this effort will represent a strategy towards the creation of a sustainable and effective organisation by building the competencies of the people leading the NPO's. during the year under review, 4 capacity building programmes were conducted nationally.</p>



3. Institutional Programme **Performance Information**

3.1. Programme 1: **Administration and Business Support**

PURPOSE	To ensure that the NLC remains a professional and sustainable organisation with innovative and agile frameworks, systems and standards that are globally competitive.
SUB-PROGRAMS	<ul style="list-style-type: none"> • Corporate Performance • Human Capital • Business Development & Research • Marketing and Communications • Information and Communication Technology (ICT) • Finance • Supply Chain Management • Legal • Secretariat
INSTITUTIONAL OUTCOMES	<ul style="list-style-type: none"> • A professional and sustainable organisation • Innovative and agile frameworks, systems and standards that are globally competitive

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The combination of outputs in this programme position the NLC to execute both mandates to ensure a safe and sustainable lottery industry for maximum economic and social impact. In the ever - changing world of business, new products and services, technological and social media trends, political, legal and economic shifts demand continuous investment in an organisation's main asset, its people.

Organisations of the current era require exceptional quality of leadership and business processes if they are to renew themselves and become a receptive and motivated enterprise proficient of sustaining success. The concept of "organisational renewal" is completely different from organisational development as the entire dynamics shift when the change in the company is being managed, keeping the changing business environment as a primary focus. Therefore, to be successful, organization must develop a leadership style, business process and culture that can effectively handle the challenges and prospects that might come up. A management style that was adequate under one set of conditions may become progressively less effective under changing circumstances.

Thus, organizational renewal results in preventing corporate entropy. The NLC broadly refers to this process as their "Future Fit People Strategy." The focus for the year in perspective was the alignment of systems, processes, and policies to the strategy.

NLC's Brand Management Plan is aimed at continuously developing a positive perception of the entity. The spate of corruption and maladministration has cast a shadow on the good work that the NLC undertakes and the lives that are positively impacted by the proceeds that are derived from the sale of lottery tickets. This aspect is critical to maximise revenue for good causes against dwindling sales, a depressed economy, and an increase in competition for the National Lottery. Additionally, the market has become saturated with scams and individuals are often victims of such illegal activities. For the year under review, given the substantial changes in both the Accounting Authority as well as key leadership positions, it was imperative that the Future-Fit People Strategy be aligned to the new strategic thrust of the entity.

Strategic partnerships are geared at enhancing the mandates of the NLC with specific reference to the funding mandate. It is envisaged that these key partnerships will ensure sustainability of funded projects and streamline

decision making and buy in, especially at provincial levels. Infrastructure projects require significant capital outlay notwithstanding other factors such as security of tenure, community ownership, operational funding support and sustainability. Historically, the NLC has noted that most infrastructure projects experience substantial setbacks for various reasons including that of buy-in from provincial government structures and red-tape from municipalities in the identification of suitable land. It is worth mentioning that once the project is completed, the NLC hands it over to the relevant national body / provincial structure. This validates the importance of ensuring that agreements with the relevant stakeholders / partners are in place upfront.

A good Enterprise Supplier Development (ESD) Programme has the potential to be life changing for a small business by helping to expand its market access. ESD which forms part of B-BBEE Code of Good Practice, involves the upliftment of a small company in which a larger company may like to procure with in future. The main goal of NLC's enterprise development is to create sustainable businesses that grow and lead to job creation, which, in turn, contributes to economic growth. In South Africa, enterprise development can lead to the growth of more small businesses, can provide those entering the job market with opportunities and can ensure the provision of these opportunities are sustainable.

Closely aligned to the concept of organisational renewal and the Future-Fit People Strategy is the NLC's digital transformation strategy. COVID-19 has proved to be a tipping point in governments' digital transformation in that it has accelerated the pace. The NLC is no exception. Before the pandemic, NLC was primarily "doing digital"—that is, leveraging digital technologies to enhance service delivery capabilities but still largely relying on legacy operating models. It is envisaged that this transformation will result in the NLC using technologies such as AI, cyber, and cloud to elevate the human experience and radically transform service delivery and back-office operations.



PROGRAMME 1: ADMINISTRATION AND BUSINESS SUPPORT

Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement 2022/23	Reasons for deviation
A professional and sustainable organization	Optimal performance and effective adaptation of employees	1.1 The Future-Fit People Strategy is implemented	People Strategy was developed and implemented	People Strategy implemented by developing culture transformational plan	Align the structures, systems, processes, and policies as defined in the Future Fit People Strategy.	Achieved. The structure, systems processes and policies as defined in the Future-Fit People Strategy was aligned.		
	Protect and Strengthen the NLC Brand	1.2 The NLC Brand Management Plan is implemented	-	Developed and implemented the NLC Brand Management Plan	Implement and monitor the NLC Brand Management Plan.	Achieved. The NLC Brand Management Plan was implemented and monitored.		
	Strategic Partnerships at national and provincial level	1.3 Identify, develop and implement Strategic partnerships with key stakeholders at provincial and national level	-	-	Strategic partnerships with nine key stakeholders (provincial and national) are developed and implemented.	Not Achieved. 4 Strategic partnerships with key stakeholders (national and provincial) were developed and implemented.	5 under achieved	Strategic partnerships MOU's were not timeously signed by external partners.
Innovative and agile frameworks, systems and standards that are globally competitive	Optimise returns to good causes	2.1 Percentage disbursement of grants as per GNR644, 6(c)(iv)	80% of grants disbursed	85% of grants disbursed	90% of grants paid in line with the regulated 60 day timeframe.	Achieved. 93% of grants was disbursed.	3% over-achievement	The over-achievement is due to higher than anticipated compliant Grant Agreements
	Promoting transformation in the economy to enable greater inclusion and growth	2.2 Number of Enterprise Supplier Development (ESD) Programs implemented nationally	-	-	Implement three ESD programs nationally.	Achieved. Three ESD programs were implemented.		
	Driving digital transformation	2.3 Formulate the organisational digital transformation strategy	-	-	The NLC Digital Transformation Strategy is formulated.	Achieved. The Digital Transformation Strategy was formulated.		

3.2. Programme 2: Regulatory Compliance

PURPOSE	To ensure that the trust and integrity of the lottery landscape is maintained through exercising our regulatory oversight in enforcing safe and sustainable lotteries and sports pools.
SUB-PROGRAMS	<ul style="list-style-type: none"> Regulatory Compliance Lotteries Enforcement
INSTITUTIONAL OUTCOMES	<ul style="list-style-type: none"> Safe and sustainable lotteries and sports pools

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The outputs in this programme aim to uplift the regulatory function of the organisation. It further serves to reinforce the NLC's existence to safeguard participants and the wider public by effectively regulating the lottery industry. The approach enables the NLC to respond to emerging risks and issues whilst constantly seeking ways to drive up standards. This is especially important due to the challenges and opportunities online gaming and smartphone technology is bringing to the sphere. Protecting children and the vulnerable

from being harmed or exploited by gaming continues to be a priority as demonstrated through the retailer verification visits. The monitoring of the National Lottery and Sports Pools Operator is executed through the monitoring matrices. This is at the heart of the regulatory function and is directly derived from the licence agreement. We further plan to increase our regulatory footprint by onboarding functions provincially to as to serve our participants in an improved manner. The outputs in this programme are intended to ensure a safe and sustainable lottery industry for maximum economic and social impact.

PROGRAMME 2: REGULATORY COMPLIANCE								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement 2022/23	Reasons for deviation
Safe and sustainable lotteries and sports pools	Fair and safe national lottery	3.1 The National Lottery monitoring matrix implemented	Compliance with licence conditions monitored	Compliance with licence conditions monitored	Implementation of the National Lottery Monitoring Matrix.	Achieved. The National Lottery monitoring matrix was implemented.		
	Fair and safe sports pools	3.2 The Sports Pool monitoring matrix implemented	-	Compliance with licence conditions monitored	Implementation of the Sports Pool Monitoring Matrix.	Achieved. The Sports Pool monitoring matrix was implemented.		
Enhanced Regulatory Activities		3.3 Number of regulatory activities decentralised to provinces	-	-	Decentralise two (2) regulatory activities to provinces.	Achieved. Two (2) regulatory activities were decentralized to the provinces.		
Retailer Inspections to ensure the integrity of the National Lottery		3.4 Number of retailer inspections conducted nationally	-	650 retailer inspections conducted	700 retailer inspections conducted.	Achieved. 802 retailer inspections were conducted.	102 over-achievement	The over-achievement is due to increased focus on adherence to responsible play measures by retailers to prevent underage and excessive play.
Protecting the interests and preventing harm to participants		3.5 Percentage investigations on reported and identified lottery schemes	95% of all identified and reported lottery schemes investigated	100% of all identified and reported lottery schemes investigated	Conduct investigations on 100% of all identified and reported lottery schemes	Achieved. 100% of all identified and reported lottery schemes were investigated.		

3.3. Programme 3: Grant Making

PURPOSE	Supporting a sustainable and impactful civil society sector to boost economic growth, inclusion and to enable meaningful transformation.
SUB-PROGRAMS	<ul style="list-style-type: none"> • Operations – Grant-Funding • Monitoring and Evaluation • Provincial Offices • Distributing Agencies
INSTITUTIONAL OUTCOMES	<ul style="list-style-type: none"> • A sustainable and impactful civil society sector

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The District Development Model aims to improve the coherence and impact of government service delivery with focus on 44 Districts and eight Metros around the country as development spaces that can be used as centres of service delivery and economic development, including job creation. A large portion of the South African population remains in poverty. The youth are specifically hardest hit by unemployment. 56.4% of economically active youth aged 15 to 24 are unemployed while 35.6% of the youth aged 25 to 34 are unemployed. The highest levels of youth unemployment are found among youth with a matric qualification or lower. While the official unemployment rate increased from about 23% in 2009 to nearly 30% in 2019, the expanded unemployment rate increased from less than 29% in 2009 to nearly 40% in 2019. This is just one aspect we consider when formulating our priority areas. Extensive research is conducted nationally to inform where the need is the greatest.

Monitoring and evaluation is critical in assessing the impact of our developmental interventions. Whilst it is not the only mechanism we deploy, the tools used are important to measure the outputs (products, capital goods, and services

that result from a development intervention. E.g., Number of people trained / Number of workshops conducted) and the outcomes (The likely or achieved short-term and medium-term effects or changes of an intervention's outputs. E.g., Increased skills / New employment opportunities) and the impact (The long-term consequences of the program, may be positive and negative effects. E.g., Improved standard of living). Measuring our impact is also strongly correlated to the sub-categories that we fund as measured through the percentages allocated to priority areas.

Many NPO's face challenges which cannot be overcome overnight. To survive and flourish, civil society organizations must have the competence to represent themselves and others. That's why training must be ongoing, and why building capacity through processes can be so effective. Training is fundamentally important, but training must be focused on more than just the basics. The NLC aims to capacitate NPO's nationally to ensure a robust and sustainable civil society sector exists in South Africa.

The outputs in this programme are intended to improve the way we fund. The combination of outputs in this programme will position the NLC to execute the funding mandate to ensure a safe and sustainable lottery industry for maximum economic and social impact.

PROGRAMME 3 – GRANT-MAKING								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23		Reasons for deviation
A sustainable and impactful civil society sector	Regulation 3A(1)(a)	4.1 Percentage of applications adjudicated within 150 days.	-	90% of applications adjudicated within 150 days.	90% of applications adjudicated within 150 days.	Not Achieved. 61% of applications were adjudicated within 150 days.	29% under-achievement	The Charities Distributing Agency commenced adjudication in the first week of June 2022.

Outcome	Output	Output Indicator	Audited Actual	Audited Actual	Planned Annual	Actual	Reasons for deviation	
			Performance	Performance	Target	Achievement		
			2020/21	2021/22	2022/23	2022/23		
A sustainable and impactful civil society sector (continued)	Funding aligned to the developmental needs of South Africa.	4.2 A minimum of 10% allocated to projects located in the districts of the District Development Model (DDM).	-	-	Allocation of 10% of funds to projects located in the districts of the DDM.	Achieved. 100% of all allocations was made to districts of the DDM.	90% over-achievement	The DDM covers all districts and metros in the country.
	Monitoring and Evaluation of the projects we fund.	4.3 2000 Monitoring reports completed.	1400 monitoring reports (site visits).	2500 monitoring reports.	Complete 2000 Monitoring reports	Achieved. 2336 monitoring reports were completed.	336 over-achievement	The over-achievement is due to the following: (a) ability to conduct the monitoring reports virtually; (b) commitment from the M&E team; and (c) Increased pre-funding requests from the provincial offices.
	Investing in the sustainability of NLC funded organisations.	4.4 Number of capacity building programs implemented nationally.	-	-	Implement four capacity building programs nationally.	Achieved. 4 capacity building programs were implemented nationally.		

STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

The 150-day target is being closely monitored in terms of the revised value-chain and mechanisms in place include the appointment of a new Distributing Agency by the Executive Authority. The target will be monitored at an operational level in the new financial year.

Corporate Performance has further resolved to ensure that the frequency of monitoring targets, especially those with external dependencies, will be monitored on a fortnightly basis.

LINKING PERFORMANCE WITH BUDGETS

Programme/activity/objective	2022/23			2021/22		
	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Programme 1: Administration and Business Support	559 271	451 087	108 184	561 397	504 961	56 436
Programme 2: Regulatory Compliance	2 728	1 729	999	1 338	1 141	196
Programme 3: Grant-Funding	1 278 516	1 021 055	257 461	1 223 300	1 216 833	6 466

4. Revenue Collection

Sources of revenue	2022/23			2021/22		
	Estimate R'000	Actual Amount Collected R'000	(Over)/Under Collection R'000	Estimate R'000	Actual Amount Collected R'000	(Over)/Under Collection R'000
Share of ticket sales	1 613 456	1 663 400	(49 944)	1 549 363	1 641 379	(92 016)
Interest Received	75 016	124 207	(49 191)	74 205	69 654	4 551
Society & Other Lotteries	80	96	(16)	61	96	35
Revenue from Participants Trust	10 903	6 739	4 164	157 481	99 423	58 058
Withdrawals	20 000	24 200	(4 200)	10 000	28 871	(18 871)
Sundry Income	4 000	4 664	(664)	4 000	2 263	1 737
License Signing Fees	2 500	2 777	(277)	2 500	2 500	0
Unclaimed & expired prizes	140 000	155 033	(15 033)	0	0	0
Total	1 877 955	2 010 217	(132 262)	1 797 610	1 844 186	(46 576)

5. Capital Investment

Infrastructure Projects	2022/23			2021/22		
	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Provincial Office Accommodation	20 000	0	20 000	20 050	9 439	10 610

PART C GOVERNANCE



Board Profiles



N BARNEY PITYANA
GCOB FKC MASSAf

Chairperson of the Board and
Non-Executive Director

Appointed 1 September 2022

Prof. Nyameko Barney Pityana is the retired Principal and Vice Chancellor of the University of South Africa (Unisa). He left office in December 2010 having served 9 years in that office. He has since served in honorary positions as the Deputy President of the Academy of Science of South Africa (ASSAf) (2017-2021), and as the General Secretary of the Network of African Academies of Science (NASAC) (2016-2021). Earlier, he served as the founding independent non-Executive Chairperson of Uthingo, the licensed lottery operator in South Africa, (1998-2005).

Prof. Pityana has been active in higher education policy and management in Africa, including South Africa. In this capacity he has published on higher education management, read papers at conferences, served in the Executive Committee of the International Council for Distance and eLearning (ICDE) for four years. He was elected the founding President of the African Council on Distance Education (ACDE) in 2002, in the Executive of the Association of Commonwealth Universities, and he was the keynote speaker at the World Conference on Higher Education convened by UNESCO in Paris in 2000. In South Africa he has served as Chair of Higher Education South Africa (HESA). On policy issues, Pityana has served on the CHE Task Team on an extended Curriculum, and as an independent Assessor on the Mangosuthu University of Technology, as Evaluator of Teaching and Learning in Higher Education of the Teaching and Learning Quality Unit, and, currently, Independent Assessor on the Vaal University of Technology.

Prof. Pityana is a lawyer and theologian and a notable human right academic and activist. An admitted Attorney, he was appointed Chairperson of the South African Human Rights Commission (1995-2001), and a member of the African Commission on Human and Peoples' Rights (1997-2003). In both capacities he was instrumental in the establishment of the National Institutions Coordinating Council that brought together national human rights institutions with the support of the Office of the United Nations (UN) High Commissioner for Human Rights. He has contributed to the UN Human Rights and Development Programmes as an expert and consultant over many years. He also served as Director of the Geneva-based World Council of Churches' Programme to Combat Racism for five years. He served as a member off the founding Board of the Global Reporting Initiative (1997-2002), the international standard setting body for sustainability, accountability and good corporate governance.

Prof. Pityana has degrees in Law from the University of South Africa, and Theology from King's College London and the University of Cape Town where he obtained a PhD in Religious Studies. He trained for the Anglican ministry in Oxford and served in parishes in the Church of England before moving to Geneva in 1988. He has published extensively in theology and human rights law, as well as in higher education management and leadership and Open Distance Learning. His current interests are in the exploration of Public Morality in Politics and in corporate governance.

In 2006 President Thabo Mbeki awarded him the Grand Counselor of the Baobab (GCOB) in that year's Presidential Honours List. He has honorary degrees and fellowships from several international institutions including the Commonwealth of Learning, King's College London and of STIAS; DD honoris causa from Trinity College, Hartford; LLD honoris causa from Athabasca University in Canada, University of Buenos Aires, and from Rhodes University Grahamstown. He is emeritus professor of law at the University of South Africa, and an Honorary Visiting Professor in Philosophy in the Allan Gray Centre for Ethical Leadership at Rhodes University Grahamstown. In 2021 he accepted an appointment as the Honorary professor in the Centre for Advanced Critical Studies in Higher Education Transformation at the Nelson Mandela University in Gqeberha. Until 2021 he was a member of the Council of the University of the Witwatersrand in Johannesburg and served in various committees of Council. He is a Member of the Academy of Science of South Africa (MASSAf).

Among others, he serves on the Board of the Thabo Mbeki Foundation, and as a Trustee of the Archbishop Tutu Intellectual Property Trust. In 2021 he was appointed Deputy Chairperson of the Refugee Appeals Authority of South Africa. In 2022 he was appointed non-executive Chairperson of the National Lotteries Commission. An ordained Anglican priest, in 2011 he was made a Provincial Canon of the Anglican Church of Southern Africa.



MS. B. FERGUSON

Non-Executive Director
Appointed 24 March 2022

Ms. Ferguson is a seasoned leader and entrepreneur with over 30 years business experience. Her participation and leadership roles accompanied with key strengths that consistently achieve collective creative competencies from her teams. She encourages the generation of alternative knowledge combinations, towards achieving optimum organisational performance. Her experience is reflected in her detail at strategy execution that emphasises the importance of talent advancement with management and its strategic impact on organisational performance culture – in information intensive organisations. As the board chairman of SANBI she leverages knowledge management to organise and direct knowledge intensive activities in order to achieve the SANBI mandate.



DR. C.R. LUBISI

Non-Executive Director
Appointed 24 March 2022

Dr. Cassius Reginald Lubisi is an accomplished academic, educationist, public service manager and strategist, and brings to the Presidency many years of experience at a strategic level in the public service and academia. Previously, Dr. Lubisi was the Superintendent-General of the Department of Education in KwaZulu-Natal, where he was responsible for the overall strategic direction and management of the Department. Prior to joining the KwaZulu-Natal provincial government as head of department in 2005, Dr. Lubisi was Deputy Director-General for General Education and Training in the national Department of Education. He has also served as Special Adviser to Former Education Minister Kader Asmal. He was Chairperson of Umalusi, the Council for Quality Assurance in General and Further Education and Training, from June 2002 to May 2004. He worked for ten years as a lecturer and senior lecturer at the School of Education in the Pietermaritzburg campus of the University of Natal. On secondment from the University, he became the project manager and chairperson of the ministerial project committee to develop the National Curriculum Statement for Grades 10 to 12 from 2002 to 2003. The Mpumalanga province-born Dr. Lubisi studied at the University of Natal and completed his Bachelor of Science, Bachelor of Education and Higher Diploma in Education degrees, with the Bachelor of Education being completed cum laude. Dr. Lubisi completed his doctoral degree with the University of Nottingham in the United Kingdom, having researched the topic “An investigation into mathematics teachers’ perceptions and practices of classroom assessment in South African lower secondary schools”. He has been involved in several projects, including the ministerial review of Curriculum2005, Telematic Learning Systems, the South African Democracy Education Trust and the Nelson Mandela Foundation



MR. W. HOFMEYR

Non-Executive Director
Appointed 24 March 2022

Mr. Hofmeyr is a Deputy National Director of Public Prosecutions in South Africa. He was the Head of the Asset Forfeiture Unit (AFU) at the National Prosecuting Authority and in the past he has been responsible for their Legal Affairs Division and their Special Investigating Unit. He is an expert on asset forfeiture and recovery, anti-corruption strategies and the working of the South African Constitution and Bill of Rights. Mr Hofmeyr is the longest-serving Deputy National Director of Public Prosecutions, having been appointed by President Thabo Mbeki in 2001. Mr. Hofmeyr served for five years as a Member of Parliament in South Africa, supporting the government of President Nelson Mandela. During this time, he served as the Chairperson of the Constitutional Assembly committee that drafted the chapter on the Judiciary in the new Constitution, and he was a Parliamentary Counsellor to the Deputy President.



MS. P. MVULANE

Non-Executive Director
Appointed 24 March 2022

CA(SA), RA

Ms. Mvulane is a Chartered Accountant (SAICA) and a Registered Auditor (IRBA). She has over 18 years' experience in different finance roles, i.e. auditor (internal and external) in the private and public sector. She has also been involved with governance structures for the past 11 years and sits on 10 boards as an audit committee member, of which she chairs 5. One of these board is the IRBA (her own professional body) and IBASA. Over the past seven years, she has trained over 1 500 entrepreneurs and 200 non-profit organizational leaders. Her clients include Absa, Standard Bank, SAB Kickstart, National Gazelles – ATNS, the Hope Factory (SAICA ED programme), UPD, BP South Africa, Accenture and Clicks Group

NLC Corporate Governance Framework

The NLC’s corporate governance framework embodies the Lotteries Act No. 57 of 1997 as amended, the PFMA, principles contained in the Companies Act and King IV code, as well as best practice processes and systems that enable the Commission to meet corporate governance expectations, as well as provide direction and control while supporting accountability. The Minister of Trade and Industry, in his capacity as the Executive Authority of the NLC, exercises oversight in accordance with provisions of the PFMA. The NLC complied with all reporting requirements of the PFMA and Treasury Regulations Compliance Schedule through the submission of quarterly reports, management

accounts, income and expenditure statements with projections, the AFS, budget of estimated revenue and expenditure, strategic and annual performance plans, a fraud prevention plan and a risk management plan within the stipulated periods as indicated under the PFMA and Treasury Regulations Compliance Schedule. Parliament, through the Portfolio Committee on Trade and Industry (Portfolio Committee), exercises oversight of the service delivery performance and commitments made in terms of the NLC’s strategy and APP. There were no engagements with the Portfolio Committee during the year under review. The NLC continued to respond to Parliamentary Questions.

THE BOARD CHARTER

The Board Charter was last reviewed in March 2021 with an effective date of 1 April 2021. The Board Charter guides the Board with respect to their functions, powers, and responsibilities. The Board Charter will be reviewed in the next financial year of FY2022/24. The NLC had a pleasure of welcoming the new Chairperson of the Board Prof Barney Pityana GCOB FKC MASSAf who was appointed on 1 September 2022.

OVERVIEW OF THE BOARD’S STATUTORY DUTIES

Over and above the responsibility for setting the strategic direction of the NLC, finance and performance objectives, the Board has applied the principles of openness and transparency in fulfilling its statutory duties to:

<p>DUTY Advise the Minister on issuing of the licence to conduct the National Lottery</p>	<p>OUTCOMES Fourth National Lottery Licence Request for Proposal: Strategy and proposed RFP Document for publishing submitted in line with Section 13(2) (a) of the Lotteries Act requirementsa</p>
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<p>DUTY Advise the Minister on the efficacy of legislation pertaining to lotteries and ancillary matters</p>	<p>OUTCOMES Advised Minister on of Trade, Industry and Competition on the Efficacy of Legislation: Legislative Review:</p> <ul style="list-style-type: none"> • Advice to the Minister on any Matter Relating to the National Lottery and Other Lotteries or Any Other Matter on which the Minister requires the Advice of The Board: • Sale of National Lottery Tickets as an Essential Service. • Submission on approval for Multi-year Funding submitted in line with Lotteries Act requirements. • Re-configuration of NLC Distributing Agencies.
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DUTY

Ensure that the National Lottery and sports pools are conducted with all due propriety.

OUTCOMES

- Monitoring of National Lottery Operations and oversight of National Lottery and Sports Pools Compliance matrix.
- Approval of policies and strategies related to ensuring the National Lottery and Sports Pools are conducted with due propriety.
- Oversight over the National Lottery Participants Trust.

DUTY

Advise the Minister on establishing and implementing social responsibility programmes in respect of lotteries.

OUTCOMES

The NLC has approved a participant protection strategy which entails guidelines on market overstimulation and restrictions of underage play. MOUs concluded ensures responsible play through combating of illegal lotteries.

DUTY

Ensure that the interests of every participant in the National Lottery are adequately protected.

OUTCOMES

- Oversight of the National Lottery Participants Trust.
- Approval of related policies and strategies.
- Monitoring of implementation of policies.

DUTY

Administer and invest the money paid to the NLDTF in accordance with the Lotteries Act.

OUTCOMES

- Approval of Investment Policy and Strategy.

DUTY

Ensure that net proceeds of the National Lottery are as large as possible.

OUTCOMES

- Approval of game design from the Operator. Monitoring financial dimensions of National Lottery Operations.
- Approval of Investment Policy and Strategy.
- Approval of Revenue maximisation strategy.
- Education and Awareness on Society Lotteries and other lotteries.

DUTY

Perform such additional duties in respect of lotteries as the Minister may assign to the Boar

OUTCOMES

- All Board duties performed in line with legislative prescripts. There were no additional duties assigned by the Minister.

DUTY

Administer the NLDTF and hold it in trust.

OUTCOMES

- Approval and implementation of Regulations relating to funds for worthy causes, appropriate budget and M and E.

DUTY

Monitor, regulate and police lotteries incidental to exempt entertainment, private lotteries, and society lotteries

OUTCOMES

- Approval of related policies and strategies. Monitoring of illegal lotteries and curbing of the same. MOUs with relevant authorities and provincial gambling authorities.

DUTY

Make such arrangements as may be specified in the licence for the protection of prize monies and sums for distribution.

OUTCOMES

- Oversight of the National Lottery Participants Trust.

DUTY

Advise the Minister on any matter relating to the National Lottery and other lotteries or any other topic on which the Minister requires the advice of the Board

OUTCOMES

Advised Minister of Trade, Industry and Competition on the Efficacy of Legislation: Legislative Review:

- Advice to the Minister on any Matter Relating to the National Lottery and Other Lotteries or Any Other Matter on which the Minister requires the Advice of The Board: Sale of National Lottery Tickets as an Essential Service.
- Advice relating to the Fourth National Lottery

DUTY

Advise the Minister on percentages of money to be allocated.

OUTCOMES

- Legislative review recommendations submitted.
- Percentages of monies allocated maintained.

BOARD APPOINTMENTS

All Non-executive Board members are appointed by the Minister of Trade and Industry, in accordance with section 3 of the Lotteries Act as amended. The Minister appoints a Chairperson, who shall be a person with relevant knowledge or experience with regard to matters connected with the functions of the Board. Furthermore, one member designated by the Minister and not more than five members who have proven business acumen or applicable knowledge or experience with regard to matters connected with the functions of the Board, and of whom at least one should be a legal practitioner admitted to practice in the Republic and at least one a chartered accountant in the Republic. The Lotteries Act further stipulates that at least four members shall be persons who are not in the service of any sphere of government. The Board currently has one vacant position. The NLC welcomed four Board members on 26 March 2022. The Commissioner is an ex-officio member of the Board. The approved organisational succession plan continued to be implemented and monitored during the year under review.

INDEPENDENCE

All Non-executive Board members are independent. Members are required to complete an annual disclosure of interest and required to disclose interest at every meeting to ensure that circumstances that may give rise to a conflict of interest are managed and monitored effectively. There were no conflicts of interest identified during the reporting period.

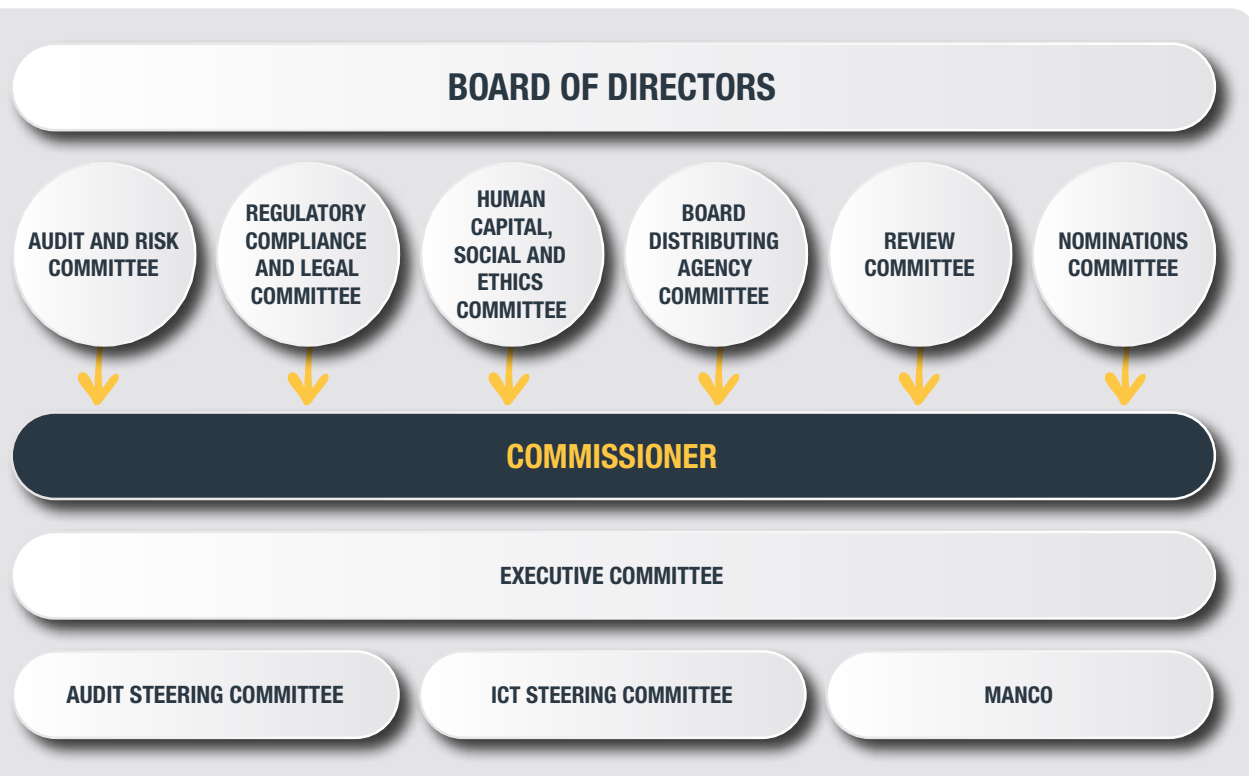
There were no conflicts of interest identified during the reporting period.

BOARD INDUCTION AND CONTINUOUS DEVELOPMENT

The Board was appointed for an interim period of one year from 24 March 2022 to 31 March 2023. The Board development was not conducted and would be pursued as from April 2024 to enable the members to evaluate the effectiveness and performance of an interim board. The Board Induction was held on 11th and 22nd of April 2022.

GOVERNANCE STRUCTURE

The Board reviewed its approach and arrangements for delegation to promote independent judgement and assist with the balance of power and the effective discharge of duties without abdicating its accountability. Delegation arrangements were in accordance with the Lotteries Act, as amended, which stipulates that the Board may appoint committees to assist it in efficiently and effectively performing its functions and exercising its powers. Committees consist of such members of the Board as the Board may designate, with the Board appointing the Chairperson of every committee. Every committee performs its functions in accordance with the provisions of this Act and such directives of the Board that are not in conflict with such requirements. Any delegated function so performed shall be deemed to have been performed by the Board. As such, the Board comprised six committees, which included two statutory committees and four standing committees as depicted below:



COMPANY SECRETARY

The Board reviewed and were satisfied that the skills, competence and experience of the Company Secretary adequately support the performance of the required duties of the Board and that the office of the Company Secretary is empowered, with the position carrying the necessary authority. The Company Secretary is not a member of the Board and has unfettered access to the Board while maintaining an arm's length relationship with the Board and its members.

BOARD MEETINGS AND ATTENDANCE

The NLC Board comprises of five (5) members, including the chairperson. In terms of Board Charter, the Board must meet at least four times a year. During the financial year ended 31 March 2023, Board met on Fifty two (52) occasions. The table below shows the attendance of these meeting.

Board Member	Role	Quarterly Meetings	Special Meetings and Workshops
Prof. N.B. Pityana GCOB FKC MASSAF	Chairperson	3/5	23/47
Ms. B.D. Ferguson	Non-Executive Director	5/5	45/47
Mr. W.A. Hofmeyr	Non-Executive Director	5/5	44/47
Dr. R.C. Lubisi	Non-Executive Director	5/5	43/47
Ms. P.K. Mvulane	Non-Executive Director	5/5	46/47

Special Board Meeting and Workshops include:

- Special Board Meeting (AFS Approval, National Lottery Matters and Urgent Reports)
- NLC and Ithuba RF(Pty) Ltd Joint Boards meetings
- Board Strategy Sessions
- Board Risk Workshops
- RFP Workshops

A summary of the responsibilities discharged are as follows:

Functions	Frequency	Status
NLC and Ithuba (RF) (Pty) Ltd Joint Boards Meetings	Bi-Annually	Complied
Board Strategy Session	Annually	Complied
Board Risk Workshop	Bi-Annually	Complied
Approval of the AFS	Annually	Complied
Approval of Annual Budgets	Bi-Annually	Complied
Approval of Annual Report (1 st and 2 nd draft)	Annually	Complied
Review the actual revenue and expenditure of the quarter	Quarterly	Complied
Review of delegation of authority matrix	Annually	Complied
Review Annual Performance Plan	Annually	Complied
Approval of policies	As and when required	Complied

BOARD REVIEW COMMITTEE OVERVIEW

The Review Committee is established in terms of Section 26H of the Lotteries Act. The Committee is chaired by the Chairperson of the NLC Board and reviews decisions of the Distributing Agency concerning applications for grants, only on application by an aggrieved applicant in the manner prescribed: Provided that such review shall be adjudicated by a Board Committee set up for such purpose without delay. If the Board overrules the decision of the Distributing Agency, the Board may either order the Distributing Agency to re-evaluate the application, taking into consideration matters raised by the Board or set aside the decision of the Distributing Agency and substitute it with an order the Board deems appropriate.

BOARD REVIEW COMMITTEE MEMBERSHIP AND ATTENDANCE

The Board Review Committee is established in terms of Section 26H of the Lotteries Act. The Committee is chaired by the Chairperson of the NLC Board and reviews decisions of the Distributing Agency concerning applications for grants, only on application by an aggrieved applicant in the manner prescribed: Provided that such review shall be adjudicated by a Board committee set up for such purpose without delay.

If the Board overrules the decision of the Distributing Agency, the Board may either order the Distributing Agency to re-evaluate the application taking into consideration matters raised by the Board or set aside the decision of the Distributing Agency and substitute it with an order the Board deems appropriate.

The Board Review Committee comprises of five (5) members, including the chairperson. During the financial year ended 31 March 2023, Board Review Committee convened on eight (8) occasions. The table below shows the attendance of these meeting.

Committee Member	Role	Meetings
Prof. N.B. Pityana GCOB FKC MASSAF	Chairperson	5/8
Ms. B.D. Ferguson	Member	8/8
Mr. W.A. Hofmeyr	Member	5/8
Dr. R.C. Lubisi	Member	5/8
Ms. P.K. Mvulane	Member	8/8

BOARD AND DISTRIBUTING AGENCY COMMITTEE

Overview The Lotteries Act, as amended, stipulates that Chairpersons of the Das may only attend meetings of the Board per invitation or if matters relating to the adjudication of applications for grants or distribution of grants are to be discussed. In view of provisions stipulated in section 3(1)(d) of the Lotteries Act and the nature of matters for discussions, the Board and DA Committee was constituted to deal with DA matters relating to the adjudication of applications for grants and the operations of the Das as matters relating to the grant funding mandate of the NLC. The Committee considered the funding priority areas for the ensuing year. It provided oversight of activities of the Operations Division, particularly the number of grant applications received, performance against legislated timeframes, M and E methodology and outcomes and funding implemented under Section 2A of the Lotteries Act.

Outcomes During their engagements, the Committee reviewed its Charter and policy framework. The Committee's oversight over the Operations Division and Distributing Agencies ensured NLC's strategic objectives and related outcomes were achieved. The Committee continues to ensure the efficient and effective performance of the NLC through the Operations Division as well as ensure the fair and equitable distribution of funds through independent and objective adjudication. The NLC's funding model as ensured that the NLC fulfils its mandate of equitable distribution and addressed identified priorities in our communities.



MEMBERSHIP AND ATTENDANCE

The Board and Distributing Agency Committee comprises of five (5) members and the Chairpersons of the Distributing Agency. In terms of Board and Distributing Agency Charter, the Committee must meet at least four (4) times a year. During the financial year ended 31 March 2023. The Committee convened on six (6) occasions. The table below shows the attendance of these meeting.

Committee Member	Role	Quarterly Meetings	Special Meetings
Dr. R.C. Lubisi	Chairperson	4/4	2/2
Prof. N.B. Pityana GCOB FKCC MASSAF	Member	2/4	1/2
Ms. B.D. Ferguson	Member	4/4	2/2
Mr. W.A. Hofmeyr	Member	4/4	2/2
Ms. P.K. Mvulane	Member	4/4	2/2
Ms. M. Letoaba	<i>Ex-Officio</i> Member: Chairperson - ACNHDA	3/4	0/2
Ms. F. Lagadien	<i>Ex-Officio</i> Member: Deputy Chairperson - ACNHDA	4/4	0/2
Mr. M.E. Ncula	<i>Ex-Officio</i> Member		

Board and Distributing Agency Committee Meetings include Quarterly Meetings and Committee Policy Review Sessions

During their engagements the Committee reviewed its Charter and policy framework. The Committee's oversight over the Operations Division and Distributing Agencies ensured NLC's strategic objectives and related outcomes were achieved. The Committee was satisfied that it had performed all the functions required by its mandate and approved work plan. What is of note was the non-achievement of the 90% of applications to be adjudicated within 150 days as the Charity Distributing Agencies only started adjudicating in June due to delays related to their appointment, the rest of the target were achieved page 32 of the annual report.

The Committee continues to ensure the efficient and effectively performance of the NLC through the Operations Division as well as ensure the fair and equitable distribution of funds through independent and objective adjudication.

The Committee was satisfied that it had performed all the functions required by its mandate and approved work plan.

REGULATORY COMPLIANCE AND LEGAL COMMITTEE OVERVIEW

The Regulatory Compliance and Legal Committee is a Committee charged with the duty to ensure that the Board advises the Minister on issuing the licence to conduct the National Lottery as well as ensure that the National Lottery and sports pools are conducted with all due propriety and strictly in accordance with the Constitution, the Lotteries Act, all other applicable law and the licence for the National Lottery together with any agreement pertaining to that licence.

The Committee is also expected to provide assurance to the Board that the NLC is fulfilling its primary regulatory mandate, that is to ensure that the interests of every participant in the National Lottery are adequately protected.

The Regulatory Compliance and Legal Committee comprises of five members. In terms of Board Regulatory Compliance and Legal Charter, the Committee must meet at least four times a year. During the financial year ended 31 March 2023, Committee convened on five occasions. Compliance with laws and regulations The Board recognises the role that compliance with applicable regulatory requirements plays in the governance and sustainability of the Commission and undertakes to subscribe to fundamental principles to ensure compliance with relevant legislation.

In discharging its duties of ensuring that the Commission complies with legislation, the Board has committed that the Commission shall conduct its business in accordance with applicable regulatory requirements and ensure that appropriate policies and frameworks are committed to, promoting a culture of compliance within the NLC. The Board Regulatory Compliance and Legal Committee is charged with a duty to ensure organisational compliance is maintained at an acceptable level and ensure that all instances of non-compliance are adequately followed up and resolved with sound and practical business recommendations. Organisational compliance monitoring was conducted, whereby Act owners (divisional liaisons where the Act is applicable) provided controls and processes with which the NLC ensures compliance with the requirements of relevant acts. These controls and procedures were assessed for correctness and validity through corroboration of supporting documents such as reports, policies, matrices, etc., and through enquiry with the relevant Act owners.

Continuous monitoring of organisational compliance takes place every quarter and as determined by the organisational compliance and governance unit to ensure that the NLC maintains acceptable levels of compliance with these critical pieces of legislation. Policies developed internally were also subjected to alignment by oversight committees, including the Board, to ensure that they do not conflict with laws and regulations relevant to the NLC. Organisational processes and operations were carried out in such a way as to ensure compliance with applicable legislation in the areas of grant funding, lotteries compliance and enforcement, human resources management, financial management, as well as information and communication technology.

MEMBERSHIP AND ATTENDANCE

The Regulatory Compliance and Legal Committee comprises of five members. In terms of Board Regulatory Compliance and Legal Charter, the Committee must meet at least four (4) times a year. During the financial year ended 31 March 2023, Committee convened on eight (8) occasions. The table below shows the attendance of these meeting.

Committee Member	Role	Meetings
Prof. N.B. Pityana GCOB FKC MASSAf	Chairperson	2/4
Ms. B.D. Ferguson	Member	4/4
Mr. W.A. Hofmeyr	Member	2/4
Dr. R.C. Lubisi	Member	4/4
Ms. P.K. Mvulane	Member	4/4

Board Regulatory Compliance & Legal Committee Meetings include Quarterly Meetings and Committee Policy Review Session



BOARD HUMAN CAPITAL, SOCIAL AND ETHICS COMMITTEE OVERVIEW

The Board Human Capital, Social and Ethics Committee is constituted to ensure that the NLC has a clearly articulated recruitment and remuneration philosophy and the design and implementation of remuneration structures that are market-related, consistent, fair, legally compliant, and equitable and the Board fulfils functions relating to its social and ethical environment, transformation objectives and employment equity as contemplated in relevant legislation(s) and best practice.

MEMBERSHIP AND ATTENDANCE

The Board Human Capital, Social & Ethics Committee comprises of four (4) members, including the Chairperson. In terms of Board Charter, the Committee must meet at least four times a year. During the financial year ended 31 March 2023, Committee convened on seven (7) occasions. The table below shows the attendance of these meeting.

Board Member	Role	Quarterly Meetings	Special Meetings
Ms. B.D. Ferguson	Chairperson	4/4	3/3
Dr. R.C. Lubisi	Member	4/4	3/3
Ms. P.K. Mvulane	Member	4/4	3/3
Dr. S.M. Mosia	Co-Opted External Expert	¾	3/3

Board Human Capital, Social & Ethics Committee Meetings include Quarterly Meetings and Committee Policy Review Session.

DRIVING PERFORMANCE THROUGH REWARD

At the NLC, we are committed to ensuring good corporate governance and ethical leadership. We take our role in contributing to the prevention of financial crime seriously and believe in the transparent disclosure of our responsible remuneration policies and practices, as well as our approach to the responsible management of our tax affairs. To ensure our reward strategy is fit for purpose and supports the delivery of our organisational objectives, we have listened to and sought feedback from our shareholder and broader stakeholder group. Pleasingly, we are starting to see green shoots across our business, and we remain optimistic that we are gaining momentum in our recovery journey. Likewise, we seek to progress our employee value proposition. We strive to create an environment where our employees feel deeply connected and aligned with our purpose and vision. This is demonstrated by their relentless focus on delivering at every stage of our journey. We want our employees to feel empowered and motivated to be part of an organisation that rewards and recognises high performance.

BOARD NOMINATIONS COMMITTEE OVERVIEW

The Board Nominations Committee was established to ensure that the Board comprise of the appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibility objectively and independently.

The Board Nominations Committee comprises of four (4) members, including the chairperson. In terms of Committee Charter, the Board must meet at least twice a year. During the financial year ended 31 March 2023, the Committee convene as follows;

Board Member	Role	Quarterly Meetings	Special Meetings and Workshops
Ms. B.D. Ferguson	Chairperson	4/4	0/0
Dr. R.C. Lubisi	Member	4/4	0/0
Ms. P.K. Mvulane	Member	4/4	0/0
Mr. W. Hofmeyr	Member	4/4	0/0

BOARD AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ("the Committee") is established as an independent statutory committee in terms of the PFMA. The Committee functions within approved terms of reference and complies with relevant legislation, regulation and governance codes. The Committee submits this report for the financial year ended 31 March 2023, as required by Treasury Regulation 27.1.10 issued in terms of Sections 76(4)(d) and 77 of the PFMA.

AUDIT AND RISK COMMITTEE MEMBERSHIP AND RESPONSIBILITIES

The Audit Committee comprises four members and is chaired by Ms Precious Mvulane. The Committee Charter makes provision for a minimum of four meetings per year and a provision of two special meetings. During the financial year ended 31 March 2023, the audit committee met on eight (8) occasions. The table below shows the attendance of these meetings.

The Audit and Risk Committee reports that it is satisfied that it has complied with its responsibilities as outlined in Sections 76(4)(d) and 77 of the PFMA and Treasury Regulation 27.1.10. The Committee also reports that it has adopted and reviewed formal terms of reference as its Audit Committee charter and has discharged all its responsibilities as contained therein. The table below shows meeting attendance during the financial year ended 31 March 2023.

Committee Member	Role	Quarterly Meetings	Special Meetings and Workshops
Ms. P.K .Mvulane	Chairperson	3/3	4/4
Mr. W.A. Hofmeyr	Member	3/3	4/4
Dr. R.C. Lubisi	Member	3/3	4/4
Dr. P. Dala	Co-Opted External Member	2/3	3/4
Ms. K. Singh	Representative from the dtic	2/8	0/2
Mr. D. Kekana	Representative from the dtic	2/4	2/4
Adv. T. Nevondwe	NLPT Chairperson (By invitation)	8/8	2/2

Special Board Meeting and Workshops include:

- Special Meeting (AFS Approval, National Lottery Participant Trust Workshop)
- Board Policy Review Session
- Investigation Reports
- Report from External Audit matters

A summary of the responsibilities discharged are as follows:

Functions	Frequency	Status
Review Audit Committee charter and recommend to the Board for approval	Annually	Complied
Approve Audit Committee Annual Work Plan	Annually	Complied
Review the performance of the Committee and its members and report back to the Board	Annually	Complied
Approve Audited Annual Financial statements (1st and 2nd draft)	Bi-Annually	Complied
Approval of Annual Budgets	Bi-Annually	Complied
Approval of Annual Report (1st and 2nd draft)	Annually	Complied
Review the actual revenue and expenditure of the quarter	Quarterly	Complied
Review of delegation of authority matrix	Annually	Complied
Review Annual Performance Plan	Annually	Complied
Approval of policies (Finance, SCM, ICT, Internal Audit)	As and when required	Complied
Review and Approve the Internal Audit charter and Plan	Annually	Complied
Monitor and evaluate the performance of the Internal Audit function	Quarterly	Complied
Review risk management strategy	Annually	Complied
Assessment of Risk Registers	Quarterly	Complied
Review combined assurance model, progress, and risk reports	Quarterly	Complied
Review of the ICT strategy and monitor implementation	Quarterly	Complied
Review ICT Charter and Policies	As and when required	Complied
Review Compliance Risk Register	Quarterly	Complied
Approve the terms of engagement of the external auditor, including remuneration	Annually	Complied
Review and approve the annual external audit plan	Annually	Complied
Assess the quality, effectiveness, and performance of the external audit process	Annually	Complied
Review Auditors' Report	Annually	Complied
Investigation Reports	Quarterly	Complied

ETHICS MANAGEMENT

At the NLC, we aim to grow and preserve relationships of trust with our stakeholders by conducting our business ethically and protecting the public funds (received from the Operator and distributed to NPOs for good causes) against fraud and corruption. We believe that leadership based on ethical foundations results in a culture of ethical and moral behaviour and compliance with laws, rules, codes, and standards. The Board exercised its responsibility to establish and maintain a culture of honesty, transparency, fairness, responsibility, and accountability to position the NLC as regulator and funder of choice.

Our internal stakeholders are guided by policies that facilitate ethical decision-making during the ordinary course of business. The offering of favours to gain unfair commercial advantages is strictly prohibited. The composition of the Human Capital, Social and Ethics Committee is included on page 79 of the same report. The Committee meets quarterly and during the current financial year met as outlined above.

During the current financial year, the Committee focused on and monitored NLC's activities with respect to several matters including workplace, employee wellness, environment, preferential procurement and B-BBEE.

The NLC processes and systems enable the Commission to meet corporate governance expectations as well as provide direction, control, and accountability by the Commission. The governing body (the Board of the NLC) is required to govern the ethics of the organisation in a manner that supports the establishment of an ethical culture as contemplated in Principle 2 of King IV Code of Good Governance South Africa 2016. The Board has approved the NLC's Ethics and Conduct Policy, which is an undertaking that the ethical standards contained herein are key drivers of NLC's activities. The code together with NLC approved policies provide guidance to NLC employees to understand and live values in decision making in the ordinary course of business.

In addressing ethical or unethical behaviour in the NLC context and promoting the value of integrity, through our interventions, the Ethics Office supports ethical culture and influences individual employees within the NLC. The management of ethics is about promoting ethical behaviour and to prevent unethical behaviour. The NLC is committed to achieving sustainable growth through the practice of good corporate governance, provision of excellent service and sound regulatory practice.

The Ethics Office continued to implement its annual operational plan by engaging in activities which ensure the achievement of set targets. The Ethics Office collated all staff declarations that were made by staff on the electronic disclosure system (MyDisclosure) to ensure that all staff members have disclosed all their financial interest for the 2022/2023 Financial Year. The electronic disclosure system was decommissioned in the month of November 2022 due to the (MyDisclosure) contract coming to an end. To date, 88% of staff had disclosed their interests electronically and manually, sanctions were issued against the remaining 12% of staff who did not comply in line with Disciplinary policy.

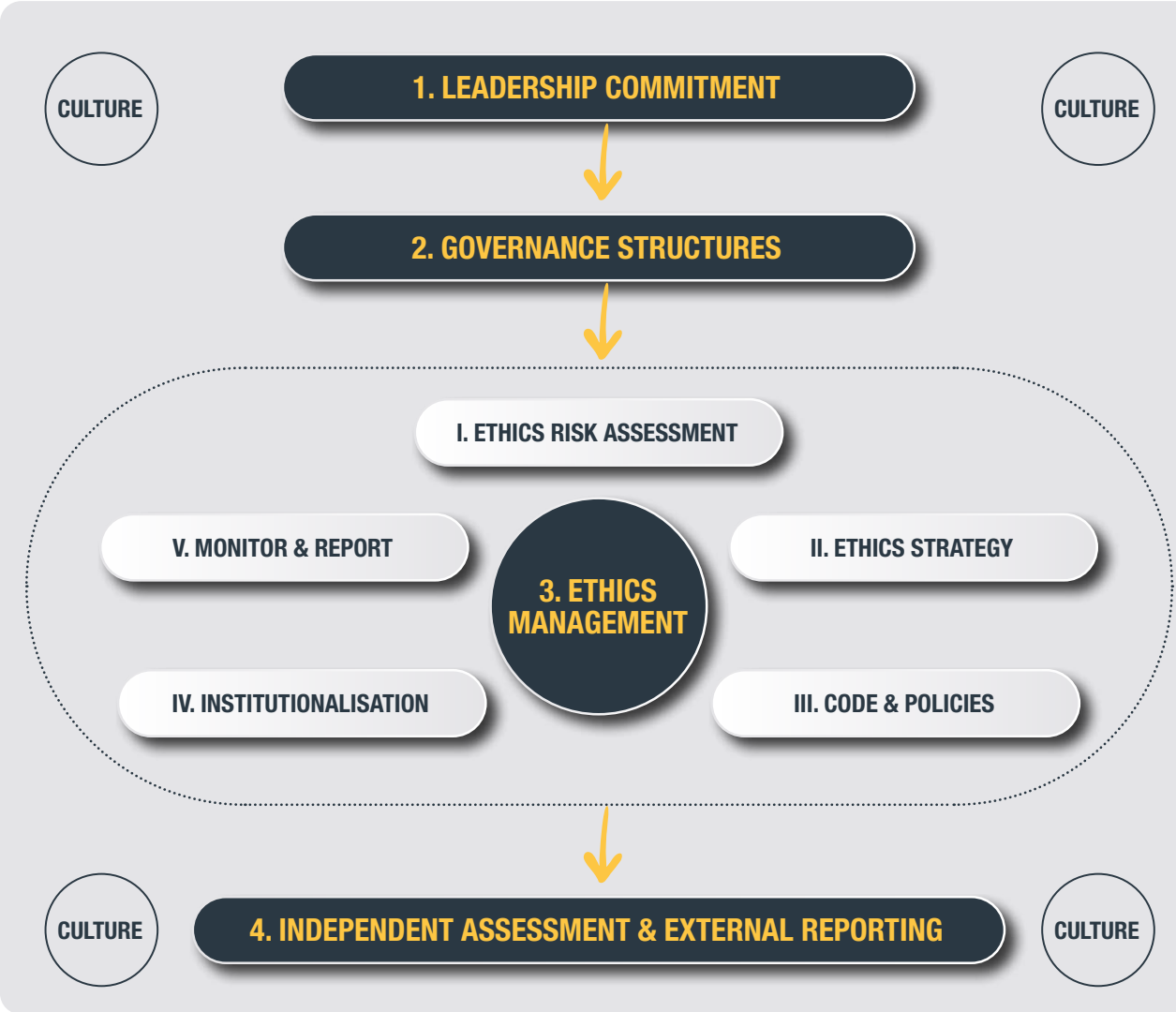
The Ethics office also conducted eight (8) organisation-wide interventions during the 2022/23 financial year i.e. December 2022. The first of which was focused on mental health awareness in the workplace and the second being directed at iterating the NLC's position when it comes to gifts and donations as outlined in the Ethics and Conduct Policy.

The Ethics Office also conducts Conflict of Interest (Col) on Operations (Grant Funding Applications) this also included in the Grant Funding form for all applicants. This exercise ensures that Col risks is adequately managed in the grant making value chain of the NLC by assessing any possible Col on projects processed in the preceding quarter, providing assurance to management and the Board that NLC's business is conducted ethically. A total of 567 grant applications were submitted to the Ethics Office for assessment. 536 of those applications were not compliant as they were not accompanied by signed disclosures forms.

Ethics Media Monitoring is centered on media coverage that includes or is focused on ethical or unethical content pertaining to the NLC. This includes South African editorial platforms such as print media, online and broadcast, social media platforms such as Twitter, Instagram, and Facebook. The monitoring exercise, which is conducted by an external service provider, is designed to offer an insight into what South Africans are hearing, seeing, and reading about the NLC.

There was a total of 231 units of ethical and unethical media reports about the NLC across South African editorial platforms – print, online and broadcast – and social media platforms, Twitter, Instagram, and Facebook. 47 units (20%) of the media reports relating to public perceptions of the NLC were ethical in nature and these were circulated 43 226 600 times. 184 units (80%) of unethical media content was circulated a total of 214 220 599 times during the month of December 2022.

The NLC adopts the Governance of Ethics Framework, as developed by The Ethics institution, and endorsed by the Public Service Commission. The Ethics Office report focuses on the elements of the Governance of Ethics Framework:



ETHICS MANAGEMENT FRAMEWORK

KEY ELEMENTS OF THE NLC ETHICS MANAGEMENT PROGRAMME

- Training and Awareness: Training and raising awareness on ethics and compliance risks.
- Monitoring and reporting: Assessing the effectiveness of programme implementation, identifying opportunities for improvement and reporting to the Board Human Capital, Social and Ethics Committee
- Advice: Providing advice and guidance to employees on ethics related matters
- Speaking openly and raising concerns: Creating a culture of speaking out by providing safe channels to raise concerns and report possible.

- Policies, Procedures, Standards & Guidelines: Establishing approaches and requirements to mitigate Ethics risks and reflect ethical expectations and
- Risk Assessments: Identifying, assessing, and evaluating Ethics risks and controls.

The NLC adopts the Governance of Ethics Framework, as developed by The Ethics Institution and endorsed by the Public Service Commission. The Ethics Office report focuses on the elements of the Governance of Ethics Framework. The NLC’s Ethics Programme includes risk assessments, policies, standards, procedures and guidelines, training and awareness, advice, monitoring, and reporting, as well creating platforms that encourage speaking openly on possible misconduct.

The key elements of our Ethics Management programme establish a risk-based approach.

LEADERSHIP COMMITMENT AND GOVERNANCE STRUCTURES

The Board of the NLC is committed to integrity-based performance that protects and enhances the value and reputation of the National Lotteries Commission. The NLC is committed to achieving sustainable growth through the practice of good corporate governance, provision of excellent service and sound regulatory practice. The Ethics Office provides a comprehensive report of its activities to the Commissioner, Exco, the Board Human Capital, Social & Ethics Committee on a quarterly basis. The reporting structure is aligned to the adopted Ethics Management framework.

INSTITUTIONALISATION OF ETHICS IN THE WORKPLACE

NLC employees are guided by the ethics and conduct policy and gift and donations policy (code). An abridged version of this is included in all supplier's contract, grant agreements and the National Lottery operator licence. These stakeholders are expected to abide by the same level of ethics. The NLC code is available on the NLC intranet for all employees to access. The ethics office rolled out quarterly organisational ethics interventions and subsequently considered findings or outcomes of these initiatives.

In the coming financial year, the NLC aims to enhance its ethics strategy, which will be aligned with the NLC sustainable business strategy.

All divisions and business units engaged with organisation-wide ethics content with the themes indicated below:

LIVING OUR NLC VALUES – INTEGRITY AT THE HEART OF TRUST

The objective of this Ethics intervention was to serve as a reminder to NLC employees about living the core values of the organisation, more specifically the value of Integrity. The theme 'Living our Values: Integrity at the Heart of Trust' sought to encourage NLC employees to live the NLC's value of integrity through ethical decision-making and to also embrace the ETHICS model as a guiding tool towards ethical decision-making. Through this intervention, our hope was to showcase the NLC's commitment to enhancing and embedding principles of integrity into our ethics management processes. This intervention is part of an ongoing theme which will be focused on ensuring that the Commission's ethics infrastructure (programs, structure, people, and processes) are effective in detecting and preventing non-compliance and in so doing enhancing the culture of integrity within the organisation.

ETHICAL LEADERSHIP AND GOVERNANCE OF ETHICS

This intervention is aligned to the new leadership vision. Good corporate governance is essentially about effective, ethical leadership. While leadership starts with each individual director, it finds its expression through the board as a collective, setting the appropriate example and tone. The Ethics Office under the leadership and direction of the Board Chairperson have put together an action plan this includes the implementation of an ESG framework within the NLC to assess the organisation's business practices and performance on various sustainability and ethical issues.

MENTAL HEALTH AWARENESS – ETHICS PERSPECTIVE

Mental health issues were identified by HCM as the topmost presenting problems during the second quarter and contributed 21.43% of total challenges within the organisation. These statistics indicated that employees are faced with challenges which are likely to impact on their mental health and impact on their ability to be productive and produce work that is of an acceptable standard. It is therefore important to foster a resilient and mentally healthy workplace to increase productivity, lower healthcare costs, lower absenteeism and maintain the ethical standards of the organisation. The month of October was Mental Health Awareness month whereby the public is educated about mental health and also attempt to reduce the stigma and discrimination that people with mental health issues are subjected to. An interactive mental health employee handbook was given to employees.

ETHICS & CONDUCT POLICY – GIFTS & DONATIONS

This intervention was a reminder to all staff members about the NLC's position on gifting and donations, especially that the office was heading towards the festive season (season of gifting). While the NLC recognises that there are many occasions to celebrate throughout the year – significant work-related accomplishments, holiday festivities, etc., these types of celebrations should be modest in cost and respectful of the NLC Ethics and Conduct Policy.

With giving or accepting gifts, one always runs the risk of giving or accepting a gift that could potentially be considered inappropriate. No matter how well-meaning or well-intentioned a gift, even the perception of impropriety or conflict of interest can be harmful. With the gift-giving season approaching, we need to be crystal clear on the acceptable forms of gifting. These provisions can be found in Section 7.5 & 7.6 of the Ethics & Conduct Policy.

DECLARATIONS OF INTEREST

The NLC is always committed to conducting business ethically and thereby ensuring fairness and transparency. The NLC Conflict of Interest Barometer is used to get a conflict-of-interest score for respective applicants. The score then determines the Col category under which an applicant falls. Where an organisations conflict-of-interest score is 16 or greater, the application is referred for external review.

On external review, the applicant's information is verified against the following databases:

- Companies and Intellectual Property Commission.
- CSD registration verification.
- 2 x Company Credit verification at different Credit Bureaus.
- Separate bank account verification (where needed).
- Regulatory bodies (if applicable).
- Deeds Office (if applicable).

The score is determined by the following two factors:

- Association with an employee of the Commission
- Association with any other organisation that has received or applied to receive funding from the Commission.

The Ethics and Conduct Policy prescribes that annual declarations are made by all employees on a platform as directed by the Ethics Office. During the 2022/23 Financial Year, only 88% of staff were compliant with the Ethics & Conduct Policy.

The NLC is committed to be 100% compliant in the 2023/24 Financial Year, as it is crucial that employees submit declarations of interest for the following reasons:

STRATEGIC CONSIDERATIONS

While the NLC continues to be a catalyst for social upliftment - our commitment to running an organisation that is rooted in ethics and integrity will never change. The introduction of our internal and external vetting process is yet another way we continue to ensure that we uphold the highest ethical standards. In the coming financial year, the NLC is embarking on an exciting Integrity Enhancement Programme for external and internal stakeholders. This programme will see the enhancement of our vetting processes and includes integrity testing for staff, management and board and a Corporate Governance Development Programme for our beneficiaries.

The NLC employees are guided by the ethics and conduct policy and gift and donations policy (code). An abridged version of this is included in all suppliers' contracts, grant agreements and the National Lottery Operator licence. These stakeholders are expected to abide by the same level of ethics. The NLC code is available on the NLC intranet for all employees to access. The ethics office rolled out quarterly organisational ethics interventions and subsequently considered findings or outcomes of these initiatives.

In the coming financial year, the NLC will continue implementing its ethics strategy, which will be aligned with the NLC sustainable business strategy. The NLC did not incur any fines during the year.

Distributing Agency members is indicated on page 45 of the report, Board members and employees lodged their disclosures of interest, and no material conflicts of interest were identified.

Avoiding conflicts of interest

A declaration of interest helps to identify potential conflicts of interest between an employee's personal interests and their work responsibilities. By disclosing their outside interests, employees can ensure that they do not engage in activities that may compromise their ability to perform their duties objectively.

Building trust

By being transparent about their interests, employees can help build trust with their colleagues and stakeholders. This can foster a positive workplace culture and promote ethical behaviour.

Compliance with regulations

All employees are required by the Ethics & Conduct Policy as well as The Lotteries Amendment Act to submit a declaration of interest. Failing to do so can result in appropriate disciplinary action taken consistent with the NLC's disciplinary procedures and processes.

Protection against accusations of impropriety

In the event of an investigation or audit, a declaration of interest can serve as evidence that an employee has acted in good faith and disclosed their interests in a timely manner and necessary action taken thereafter.

GIFT DECLARATIONS

In terms of the donations policy, employees are required to electronically disclose all gifts received from suppliers, from any person who received a grant or intends to apply or has applied in terms of section 13, for a licence to conduct the National Lottery. The ethics office recorded a total of 5 gifts during the period.

HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The NLC places the utmost importance on the health and safety of its employees and the public. To ensure compliance with the provisions of the Occupational Health and Safety (OHS) Act, NLC provides a health and safety of personnel, visitors, consultants, and contractors, the NLC has an approved OHS policy and OHS implementation plan. An OHS Committee was appointed in line with the Act to monitor and foster compliance on health and safety issues and recommend appropriate steps to be taken to address risks and threats.

SOCIAL RESPONSIBILITY

The NLC's core objectives speak to the promotion of social upliftment. Social responsibility is therefore an inherent part of the NLC's daily activities. Furthermore, in support of being catalysts for social upliftment.

BROAD BASED BLACK ECONOMIC EMPOWERMENT

During the current financial year, the Committee focused on and monitored NLC's activities with respect to several matters including workplace, employee wellness, environment, preferential procurement and B-BBEE.

COMPLIANCE WITH LAWS AND REGULATIONS

The Board recognises the role that compliance with applicable regulatory requirements plays in the governance and sustainability of the Commission and undertakes to subscribe to fundamental principles to ensure compliance with relevant legislation. In discharging its duties of ensuring that the Commission complies with legislation, the Board has committed that the Commission shall conduct its business in accordance with applicable regulatory requirements and ensure that appropriate policies and frameworks are committed to, promoting a culture of compliance within the NLC. The Board Regulatory Compliance and Legal Committee is charged with a duty to ensure organisational compliance is maintained at an acceptable level and ensure that all instances of non-compliance are adequately followed up and resolved with sound and practical business recommendations. Organisational compliance monitoring was conducted, whereby Act owners (divisional liaisons where the Act is applicable) provided controls and processes with which the NLC ensures compliance with the requirements of relevant Acts. These controls and procedures were





assessed for correctness and validity through corroboration of supporting documents such as reports, policies, matrices, etc., and through enquiry with the relevant Act owners.

Continuous monitoring of organisational compliance takes place every quarter and as determined by the organisational compliance and governance unit to ensure that the NLC maintains acceptable levels of compliance with these critical pieces of legislation. Policies developed internally were also subjected to alignment by oversight committees, including the Board, to ensure that they do not conflict with laws and regulations relevant to the NLC. Organisational processes and operations are being reviewed to ensure compliance with applicable legislation in the areas of grant funding, lotteries compliance and enforcement, human resources management, financial management, as well as information and communication technology. There was no material or repeat regulatory penalties, sanctions, or fines for non-compliance with statutory obligations, and there were no environmental regulator inspections conducted during the period. The Committee was satisfied that the NLC has complied with primary legislation governing the public entity, which is the Lotteries Act, as amended, and endeavours to ensure complete compliance to the PFMA. Other applicable laws and regulations were complied with during the year under review.

FRAUD AND UNETHICAL CONDUCT

The organisation holds a zero-tolerance policy toward any acts of fraud, corruption, and related misconduct.

The organisation will therefore not condone such actions, whether known or unknown and expects the highest standards of ethical conduct of its officials and related parties. Driven by a formal anti-fraud and corruption policy, the organisation enables timely fraud reporting, investigation, and resolution through a range of related standard operating procedures. The organisation performs a periodic review of its fraud risks through a formal fraud risk assessment. We support openness and transparency through a set of organisational values, a clearly communicated whistleblowing policy and channels thereof, and protecting the rights of whistle-blowers in terms of legislation.

An ethics policy underpins our approach to ethics, overseen by the Human Resources, Ethics and Social Responsibility Committee. A periodic conflict of interest assessment is conducted in various areas of the organisation, and the findings thereof are resolved and included in future organisational process improvements. Through adequate segregation of duties, awareness building and consequence



management, we give priority to the management of fraud risks within the organisation – not only as a cause of financial losses but a fundamental cause of reputational risk as well as a direct cause of loss of value and protection for lottery participants and beneficiaries. The NLC prioritised and rolled out an organisational compliance framework and interventions as well as ethics awareness interventions during the period under review.

KING IV CODE™ DISCLOSURES FOR THE YEAR ENDED 31 MARCH 2023

National Lottery Commission (NLC) is committed to alignment with the corporate governance principles contained in the King IV Report on Corporate Governance for South Africa (2016) (King IV Report) and the achievement of the 17 Principles contained in the King IV Code of Corporate Governance and Report. The NLC and the Board of Directors are focused and committed in achieving the associated good governance outcomes.

The NLC continuously reviews its corporate governance practices to assess the status of compliance and degree of alignment to each of the 17 Principles. NLC's application of each of the principles towards the achievement of the governance outcomes is summarised in the disclosure compliance table below.

The NLC Board assessment of each of the Principles towards achieving the outcomes of King IV is summarised in the disclosures:

- The 2023 NLC Annual Integrated Report.
- NLC audited Annual Financial Statements for the year ended 31 March 2023.

The Board takes ultimate responsibility for good governance in the NLC and has delegated some of its responsibilities to various structures within the NLC. These include the Audit and Risk Committee, the Human Capital Social and Ethics Committee, the Regulatory Compliance and Legal Committee, the Board & DA Committee, the Review Committee, the Nominations Committee, and members of the Management team. All Delegations of Power are in writing and are reviewed and approved by the Board on an annual basis.

All delegations of authority are in terms of the National Lotteries Act, the PFMA, Treasury Regulations and best practices. All Board Committees function in terms of a comprehensive written terms of reference or charters. The Board and Board Committees operate in terms of Annual Work Plans.

On a quarterly basis the Board Committees receives reports from Management regarding the matters set out in the Committee Charters and Committee Annual Work plans. Board Committees make recommendation to Management and the Board on matters that fall within the ambit of their authority as they may consider appropriate. On a quarterly basis the Board Committees report to the Board on their activities and on how they have discharged their responsibilities.

Board Committees also make recommendations to the Board on matters that are reserved for the Board and on such others as it may consider appropriate. The Board exercises oversight over the functions and activities of all Board Committees and Management in terms of its own Work Plan.

KING IV CODE™ PRINCIPLES LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

Principle	Compliance Status
<p>Principle 1: The Board should lead ethically and effectively.</p>	<p>The NLC Board's conduct is governed by, among others, the Board Terms of Reference, the NLC Code of Ethics and the Conflict Interest Policy. This is over and above the fact that the Board subscribes to the principles advocated in among others, the King Report on Corporate Governance for South Africa, 2016.</p>
<p>Principle 2: The Board should govern NLC's ethics in a way that supports the establishment of an ethical culture.</p>	<p>The NLC Board has approved the Code of Ethics, which is part of the NCL Ethics Framework. All staff members and members of the Board are required to comply with the ethical standards stipulated in the Code. Over and above this, the Social and Ethics Committee, ensures that ethical standards are adhered to in all aspects of the business, thus achieving a sustainable, ethical corporate culture.</p>
<p>Principle 3: The Board should ensure that NLC is and is seen to be a responsible corporate citizen.</p>	<p>The NLC mandate relates to grant funding and the core sectors are Charities, Sport and Arts and Culture. Thus, this aspect is adhered to.</p>
<p>Principle 4: The Board should appreciate that NLC's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process</p>	<p>The NLC has a corporate plan adopted and an annual performance plan which set the organisational targets. The corporate plan for the next financial year is currently under review by the Board.</p>



Principle	Compliance Status
<p>Principle 5: The Board should ensure that the reports issued by NLC enable its stakeholders to make informed assessments of NLC's performance and its short, medium, and long term prospects</p>	<p>Reporting is governed by the Lotteries Act, the PFMA and National Treasury Regulations. All external reports are first reviewed by the Executive Team and Committees of the Board for accuracy, usefulness, timeliness and completeness before they are tabled before the Board for approval and for release to third parties.</p>
<p>Principle 6: The Board should serve as the focal point and custodian of corporate governance in NLC.</p>	<p>The NLC Board is the custodian of corporate governance and is ultimately responsible for corporate governance. Board actions are governed by the Board Terms of Reference, National Treasury Guidelines & Practice Notes and Corporate Governance best practices, including the King IV Report on Corporate Governance for South Africa.</p>
<p>Principle 7: The Board should comprise the appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibilities objectively and effectively.</p>	<p>In the appointment of Board Members and Committee Members, the Minister and the NLC Board aligns with the recommendation of King IV Report on Corporate Governance for South Africa. By ensuring that the composition of the Board and Committee members are of the right skills set and relevant experience.</p>
<p>Principle 8: The Board should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of duties</p>	<p>The business of the NLC is managed by the direction of the Board, which has the authority to exercise all the powers and perform any of the functions of the NLC, except to the extent that Lotteries Act provides otherwise. The Board acknowledges its authority and responsibility to control, manage and direct its own affairs. The Board is, however, aware of the fact that it is entitled to discharge such responsibility by way of express delegation of its authority to control, manage and direct its own affairs.</p> <p>The Board has delegated some of its powers, duties, and functions to the Commissioner of the NLC, certain Directors, Board Committees, employees of the NLC, and holders of certain specific positions or bodies.</p> <p>The Board has approved delegations of power, which comprehensively set out the powers it has reserved for itself, and the powers delegated to Board Committees and other structures and functionaries.</p>
<p>Principle 9: The Board should ensure that the evaluation of its own performance and that of its committees, its Chair, and its individual members, support continued improvement in its performance and effectiveness</p>	<p>In terms of the Annual Work Plans, the Board and Board Committees are evaluated on their performance on an annual basis. The Performance Evaluation ensures that the Board and Board Committees identifies areas that requires improvement, and that there is effectiveness in how their duties are discharged.</p>
<p>Principle 10: The Board should ensure that the appointment of, and delegation to, Management contribute to role clarity and the effective exercise of authority and responsibilities.</p>	<p>The Board has an approved Delegation of Powers framework and Policy to enable appropriate delegation of authority and responsibility to the executive team and function. The Board delegates authority to the executive team to manage the day-to-day business and affairs of the business but maintains overall responsibility for governance leadership of the NLC.</p>

Principle	Compliance Status
<p>Principle 11: The Board should govern risk in a way that supports NLC in setting and achieving its strategic objectives.</p>	<p>Risk oversight is a primary Board responsibility, and the Board develops and continuously improves practices to establish a well- defined and effective risk management oversight function. The Board plays a critical role in influencing Management’s processes and procedure for monitoring risks and clearly defines which risks the full Board should regularly discuss, and risks that are generally be delegated to a Board Committees. Management maintains a register of all enterprise-wide risks, which are mapped for the oversight of the Board and Board committees, particularly the Audit and Risk Committee.</p>
<p>Principle 12: The Board should govern technology and information in a way that supports NLC setting and achieving its strategic objectives.</p>	<p>Information and Technology Governance It is an integral part of the overall governance structures of the NLC, and directors take an active role in information and technology strategy and governance through the Audit and Risk Committee.</p>
<p>Principle 13: The Board should govern compliance with applicable laws and adopt, non-binding rules, codes and standards in a way that supports NLC being ethical and a good corporate citizen.</p>	<p>The NLC Board and Committees sufficiently familiarise themselves with the content of applicable laws and regulations, this includes regular training to keep abreast of regulatory changes. The Legal and Regulatory Compliance Committee Assist the Board and the business in ensuring that the NLC complies with all the relevant laws and regulations, by monitoring and issuing compliance reports.</p>
<p>Principle 14: The Board should ensure that NLC remunerates fairly, responsibly, and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium, and long term</p>	<p>The NLC has an approved Remuneration Policy for all staff members. The Board regularly reviews and approves the remuneration arrangements of Executives including fixed and variable remuneration components, performance measures and targets for incentives. A separate policy for remuneration of directors is also available.</p>
<p>Principle 15: The Board should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of NLC’s external reports.</p>	<p>The Board Audit and Risk has adopted a Combined Assurance Model for Internal Audit which assists in assessing the integrity of information supplied by the divisions in terms of integrated reporting. This includes but not limited to monitoring and evolution reports of the organisation, annual report, financial statements, as well as grant funding.</p>
<p>Principle 16: In the execution of its governance role and responsibilities, the Board should adopt a stakeholder inclusive approach.</p>	<p>The Board has adopted an inclusive approach to stakeholder management. The Board has approved a Communication Policy which governs all its interactions with stakeholders, internally and externally.</p>
<p>Principle 17: The Board should ensure that responsible investment is practiced by the NLC to promote good governance and the creation of value by the companies in which it invests.</p>	<p>The NLC has an approved Investment Policy in place, the Policy outlines the process and considerations to be taken when Investing the NLC Funds.</p>

PART D
**HUMAN RESOURCE
MANAGEMENT**



1. INTRODUCTION

During the 2022/23 Financial Year, the NLC implemented the Future-Fit People Strategy, a strategy which is based on NLC's recognition that the workplace and the way we work is in a constant state of change and these changes call upon for a new way of thinking, behaving, working, leading, and managing. The NLC reviewed and digitised its manual processes based on the Human Capital Management (HCM) digital implementation plan.

Furthermore, HCM implemented an upskilling and reskilling programme to develop identified employees for viable future careers using the NLC's digital training transformation platform, which is designed to create self-motivated, diverse, digitally skilled, and future ready employees.

As part of implementing Future-Fit People Strategy objectives, the NLC embarked on an organisational culture and leadership transformation survey. The survey served as an outlet for employees to define the NLC current and desired organisational culture and leadership ethos. This was followed by organisational culture and leadership transformation survey validation sessions. These sessions provided NLC employees an opportunity to contribute to defining the NLC's preferred leadership brand and desired organisational culture. In a bid to inculcate a new organisational and leadership culture aligned to the

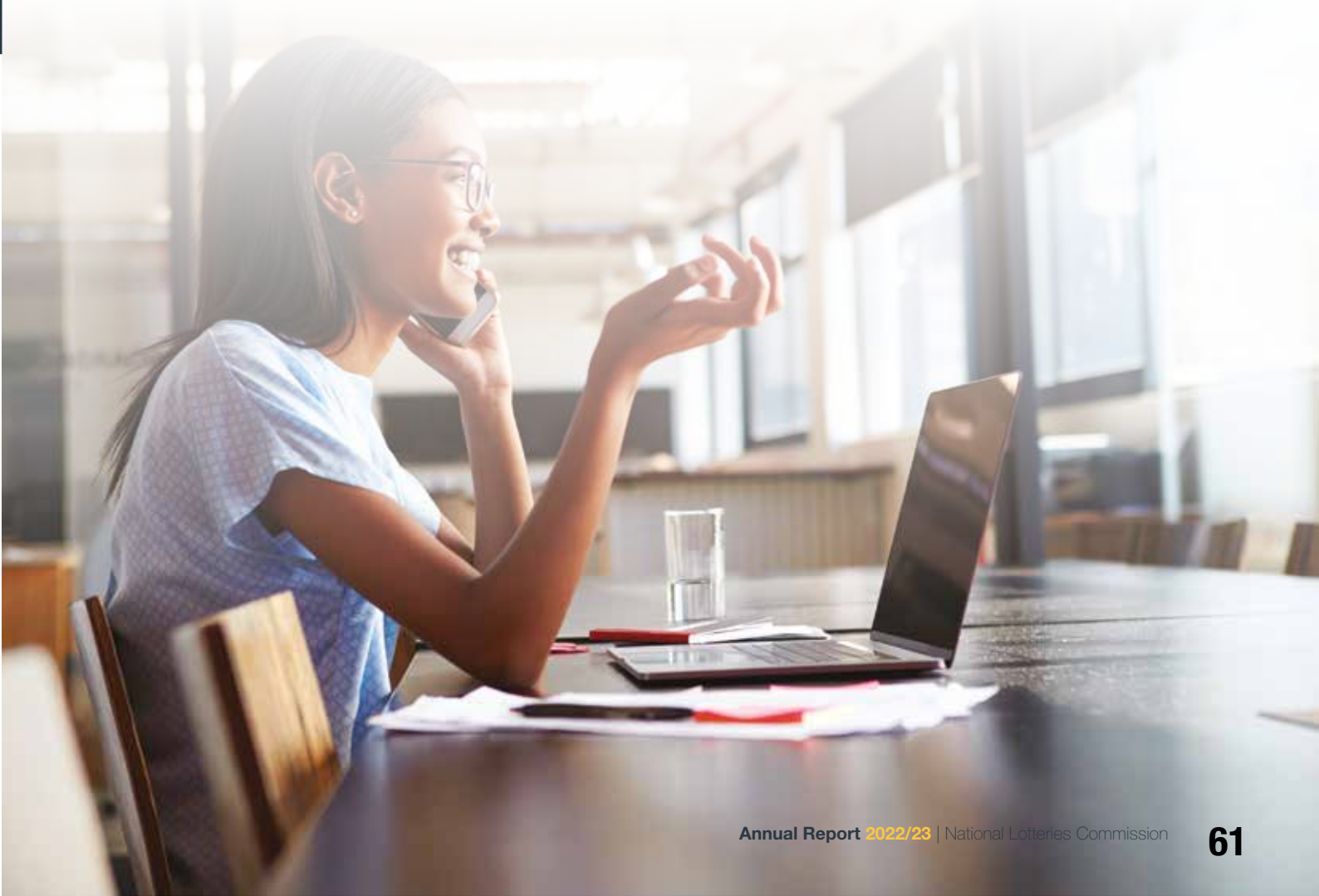
organisational renewal theme and the NLC's preferred desired culture, HCM aggressively rolled out Leading Change & Culture Transformation sessions.

In line with the organisational renewal and realignment of strategic functions, the NLC embarked on an organisational structure review work study project that led to the adoption of a Risk Based model.

EMPLOYEE WELLNESS, RESILIENCE AND ENGAGEMENT SESSIONS

The NLC's employee wellness programme Zithande, is developed around the physical, mental, and financial health of our staff members and their families. The overall engagement rate, which includes uptake of all services provided, amounted to 14.9% during the period under review. The most prevalent issues requiring support included organisational issues requiring robust staff engagement to produce a conducive working environment.

Resilience and change management sessions were conducted to enable leaders and managers driving organisational change to better understand and appropriately address the workplace drivers impacting the wellbeing, and ultimately the engagement and performance of their teams. Overview of HR matters at the public entity



2. HUMAN RESOURCE OVERSIGHT STATISTICS

2.1 PERSONNEL RELATED EXPENDITURE

PERSONNEL COST BY SALARY BAND

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (%)	No. of employees (#)	Average personnel cost per employee (R'000)
Top Management	19 691	1,5	4	R 4,922
Senior Management	57 162	10,6	31	R 1,843
Professional Qualified	62 940	17,1	50	R 1,258
Skilled	70 417	28	82	R 858
Semi-skilled	61 786	37	108	R 572
Unskilled	5 203	5,8	17	R 306
TOTAL	277 199	100	292	R 949

TRAINING COSTS

Occupation Category	Training Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure as a % of Personnel Cost (%)	No. of employees trained (#)	Avg training cost per employee (R'000)
Top Management	78	19 691	6%	4	19
Senior Management	286	57 162	2%	31	9
Professional Qualified	245	62 940	1.90%	50	4
Skilled	310	70 417	1.70%	82	3.7
Semi-skilled	198	61 786	1.90%	108	1.8
Unskilled	69	5 203	22.70%	17	4
TOTAL	1186	277 199	0.42%	292	

TRAINING COSTS

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Semi-skilled	198	61 786	1.90%	108	1.8
Unskilled	69	5 203	22.70%	17	4
TOTAL	1186	277 199	0.42%	292	



EMPLOYMENT AND VACANCIES

Occupational Level	No. of Vacancies
Top Management	3
Senior Management	17
Professional Qualified	3
Skilled	16
Semi-skilled	6
Unskilled	0
TOTAL	45

The NLC has seventeen (17) vacant positions on Senior Management level, twelve (12) of which can be attributed to Distributing Agency Members. The internal succession and development plan will be used in order to fill the vacant positions.



EMPLOYMENT CHANGES

The successful implementation of the a succession plan and internship programme, has allowed the NLC to appoint fewer individuals from outside the organisation to fill both higher and lower-level positions.

The internship programme ensures that interns are trained and empowered with the necessary skills, competencies, and experience that prepares them for permanent roles.

On Senior Management and Professional levels, the NLC has made appointments from internal employees as part out our succession and development plan.

Level	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	7	1	4	4
Senior Management	38	1	7	32
Professional Qualified	43	0	2	41
Skilled	86	1	8	79
Semi-skilled	104	26	8	122
Unskilled	17	0	0	17
TOTAL	295	29	29	295

GEOGRAPHIC SPREAD

Office location/ Provincial office	Number of staff
Head Office (Pretoria)	163
Gauteng	21
Eastern Cape	16
Free State	12
Mpumalanga	14
North West	13
Northern Cape	12
KwaZulu-Natal	14
Limpopo	17
Western Cape	13
Total	295

REASONS FOR STAFF LEAVING

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	12	27.3%
Dismissal	1	2.7%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	31	70%
Other	0	0%
Total	44	

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Nature of disciplinary Action	Number
Verbal Warning	1
Written Warning	5
Final Written warning	4
Dismissal	1

The reasons for staff leaving the NLC vary, and include:

- Resignation comprises of staff leaving the organisation for better opportunities.
- Interns leave for gainful employment to the external market due to being exposed to meaningful training from the NLC
- The expiry of contract comprises internship and fixed-term contracts.

The largest cause of attrition was expiry of contract, followed by resignations. There were no terminations due to ill health and or death.

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

As part of measures to redress the disadvantages in employment experienced by designated groups and ensure the equitable representation in all occupation categories and levels within the NLC, has achieved some of its employment equity targets. However, improvement will be made by increasing the percentage of African female senior managers.

The NLC has exceeded the target for people living with disabilities within the organisation, with a 3% of our staff complement consisting of people living with disabilities. HCM will continue to appoint from the designated groups to encourage diversity within the organisation and also address underrepresentation in certain occupational categories.

Level	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	2	0	1	-	-	-	-
Senior Management	15	10	1	1	1	1	1	1
Professional Qualified	19	15	1	1	-	-	-	-
Skilled	32	28	2	2	1	1	1	1
Semi-skilled	37	38	1	1	-	-	-	-
Unskilled	3	5	0	0	0	0	0	0
TOTAL	107	98	5	6	2	2	2	2

Level	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	2	1	1	1	1	-	-
Senior Management	10	18	2	3	1	1	1	1
Professional Qualified	20	20	0	1	-	-	1	1
Skilled	41	45	1	1	0	1	1	2
Semi-skilled	75	65	7	9	1	1	2	4
Unskilled	14	14	-	-	-	-	-	-
TOTAL	162	164	11	15	3	3	5	8

Level	DISABLED STAFF			
	MALE		FEMALE	
	Current	Target	Current	Target
Top Management	-	-	-	-
Senior Management	0	1	2	2
Professional Qualified	2	2	1	1
Skilled	2	2	0	3
Semi-skilled	2	2	1	2
Unskilled	-	-	-	-
TOTAL	6	7	4	8

PART E
**PFMA
COMPLIANCE REPORT**



INFORMATION ON IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

RECONCILIATION OF IRREGULAR EXPENDITURE

(A) RECONCILIATION OF IRREGULAR EXPENDITURE

Description	2022/2023 R'000	2021/2022 R'000
Opening balance	339 896	41 106
Prior Period Errors		123 473
As Restated	339 896	164 579
Add: Irregular expenditure confirmed	94 412	175 317
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	434 308	339 896

The NLC is still assessing irregular expenditure from years prior to the 2021/22 financial year and therefore the amount of the 2021/22 opening balance disclosed is not complete and will be restated in 2023/24 Annual Report.

RECONCILING NOTES TO THE ANNUAL FINANCIAL STATEMENT DISCLOSURE

Description	2022/2023 R'000	2021/2022 R'000
Irregular expenditure that was under assessment in 2021/2022	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23(##)	-	148 335
Irregular expenditure for the current year	94 412	26 982
Total	94 412	175 317

(##) During the year ended on 31 March 2023, an amount of R148.3 million was identified as irregular expenditure incurred in 2021/22 financial year. The irregular expenditure was discovered during the 2022/23 financial year when revisiting the population.

B) DETAILS OF CURRENT AND PREVIOUS YEAR'S IRREGULAR EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION)

Description	2022/2023 R'000	2021/2022 R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	50 813	101 690
Irregular expenditure under investigation	-	-
Total	50 813	101 690

The NLC is still assessing irregular from years prior to the 2021/22 financial year and therefore the amount of the 2021/22 opening balance disclosed is not complete and will be restated in 2023/24 Annual Report.

C) DETAILS OF CURRENT AND PREVIOUS YEAR DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF IRREGULAR EXPENDITURE

Description	2022/2023 R'000	2021/2022 R'000
umerous officials implicated. These officials have either been placed on precautionary suspension; have subsequently resigned or corrective action is still to be actioned.	94 412	175 317
Total	94 412	175 317

FRUITLESS AND WASTEFUL EXPENDITURE

(A) RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE

Description	2022/2023	2021/2022
	R'000	R'000
Opening balance	18 924	1 058
Prior Period Errors		11 818
As Restated	18 924	12 876
Add: Fruitless and Wasteful expenditure confirmed		6 053
Less: Irregular expenditure not condoned and removed	-	-
Less: Fruitless and Wasteful expenditure recoverable	-	-5
Less: Fruitless and Wasteful expenditure not recovered and written off	-	-
Closing balance	18 924	18 924

RECONCILING NOTES TO THE ANNUAL FINANCIAL STATEMENT DISCLOSURE

Description	2022/2023	2021/2022
	R'000	R'000
Fruitless and Wasteful expenditure that was under assessment in 2021/2022	-	-
Fruitless and Wasteful expenditure that relates to 2021/22 and identified in 2022/23(##)	-	6 000
Irregular expenditure for the current year	-	53
Total	-	6 053

(##) During the year ended on 31 March 2023, an amount of R6 million was identified as fruitless and wasteful expenditure incurred in 2021/22 but was identified during the 2022/23 audit.

B) DETAILS OF CURRENT AND PREVIOUS YEAR'S FRUITLESS AND WASTEFUL EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION)

Description	2022/2023	2021/2022
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	6 000
Irregular expenditure under investigation	-	-
Total	-	6 000

LATE AND/OR NON-PAYMENT OF SUPPLIERS

PAYMENT OF INVOICES

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	4 268	331 098
Invoices paid within 30 days or agreed period	3 964	317 823
Invoices paid after 30 days or agreed period	12	886
Invoices older than 30 days or agreed period (unpaid and without dispute)		
Invoices older than 30 days or agreed period (unpaid and in dispute)	3	2

NLC was still undergoing a reconciliation with the service provider for the invoices in dispute

PART F

FINANCIAL INFORMATION



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Report of the **Accounting Authority**

The National Lotteries Commission Accounting Authority presents its fifteenth annual report, which is supplementary to the audited separate and consolidated annual financial statements of the National Lotteries Commission (NLC), National Lottery Distribution Trust Fund (NLDTF) and National Lotteries Participants Trust (NLPT) for the year ended 31 March 2023.

1. NATURE OF OPERATIONS

The NLC is a regulator of the National Lottery and sports pools as well as other lotteries, including society lotteries to raise funds. Ithuba Holdings (RF) (Pty) Ltd is a private company that currently operates the National Lottery and sports pools under a licence from the government which commenced on 1 June 2015. The Operator pays a percentage of the revenue from national lottery and sports Pools ticket sales to the NLDTF in terms of the Licence Agreement. These proceeds are destined for good causes as stipulated in the Lotteries Act No 57 of 1997 (Lotteries Act), as amended, and allocated to eligible and deserving applicants by Distributing Agencies appointed by the Minister of the Department of Trade, Industry and Competition. Furthermore, the NLC may, upon request by the Minister, Board or on its own initiative in consultation with the Board, conduct research on worthy good causes that may be funded without lodging an application as prescribed in terms of the Lotteries Act.

The NLC Board administers the NLDTF and transfers the necessary running costs to the NLC. The NLC withdraws the necessary funds required from the NLDTF, based on the overall annual budget approved by the Minister of trade, industry, and competition.

The National Lotteries Participants Trust (NLPT) was founded by Ithuba Holdings RF (Pty) Ltd in terms of the Licence Agreement between the dtic, NLC and the Lottery Operator. The main objective of the NLPT is to hold monies in the Trust on behalf of Ithuba for prize winners and monies for advanced plays. Independent Trustees are charged with the responsibility to ensure that monies held in the Trust are safeguarded in terms of the Trust Deed.

2. STATEMENT OF RESPONSIBILITY FOR THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

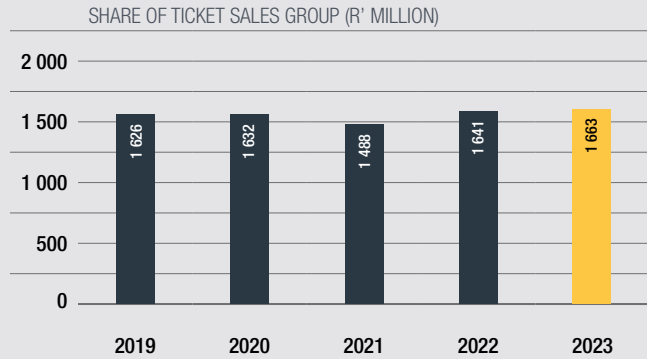
To the best of our knowledge and belief, we confirm the following:

- All information and amounts disclosed in the annual report is consistent with the consolidated annual financial statements audited by the Auditor General of South Africa (AGSA). The consolidated annual financial statements are complete, accurate and free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The separate and consolidated annual financial statements have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) applicable.
- The accounting authority is responsible for the preparation of the separate and consolidated annual financial statements and for the judgements made in the financial statements. The accounting authority is responsible for establishing and implementing a system of internal control that is designed to provide reasonable assurance to the integrity and reliability of the performance information, the human capital information and the separate and consolidated annual financial statements. The Auditor General is engaged to express an independent opinion on the consolidated annual financial statements. In our opinion, the consolidated and separate annual financial statements fairly reflect the financial affairs of the NLC, NLDTF and NLPT for the year ended 31 March 2023.

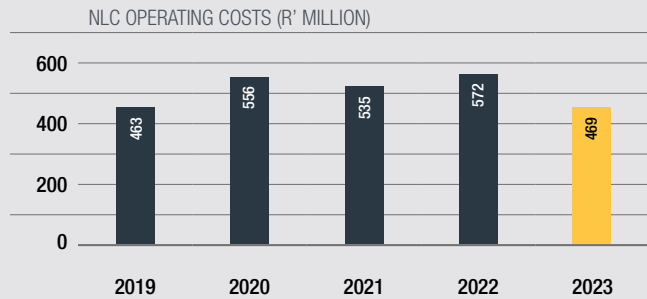
3. OPERATING AND FINANCIAL REVIEW

SALIENT COMPARATIVE INFORMATION

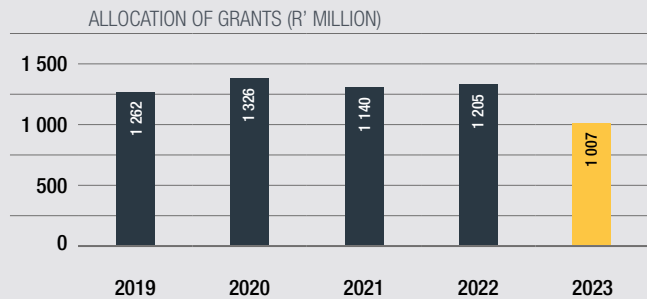
Revenue from share of ticket sales marginally increased by 1% to R1.66 billion. The increase is attributable to the introduction of new online sale partners and the high Jackpot Prizes that drove Player Participation. There were 12 notable Jackpots during the financial year.



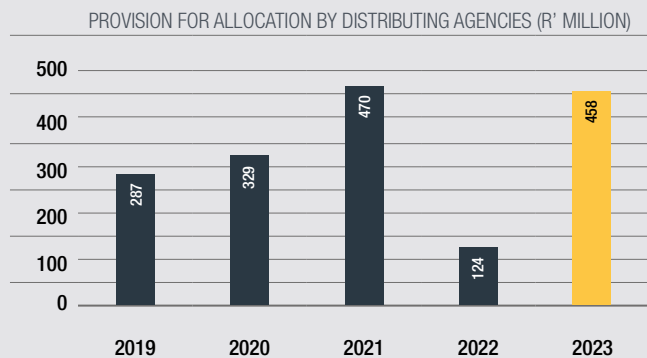
NLC operational costs have decreased by 18% mainly due to the reduced legal fees, consultants, advertising and publicity.



The 16% reduction in grant allocations is mainly attributable to a moratorium on Proactive funding during the year under review.

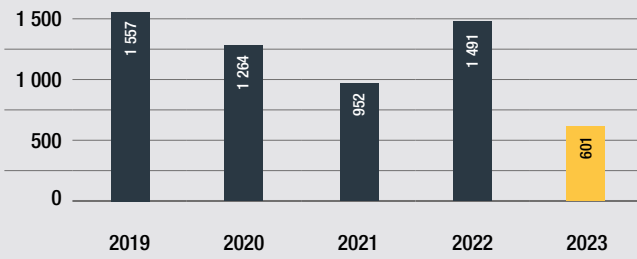


Provision for Allocation by Distributing Agencies have increased by 268% due to current year grant allocations and delayed payments as a result of implementation of additional controls in the grant funding unit such as conducting site visits to validate existence of the projects and minimise fraud risk.



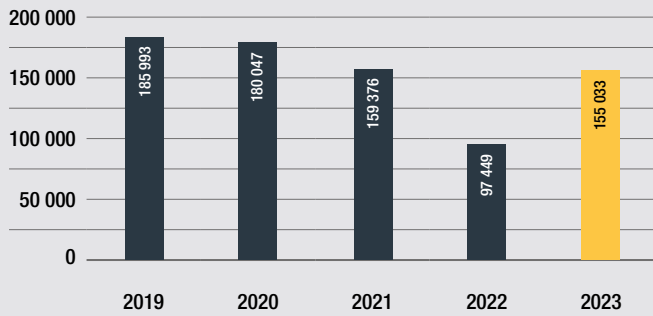
CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

CASH DISBURSED (R' MILLION)



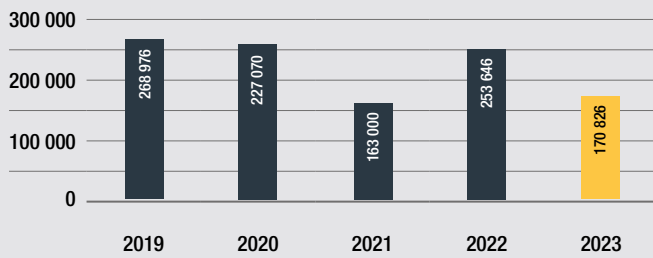
Payments to beneficiaries have decreased by 60% due to delays in payments process as a result of implementation of additional controls, for example, conducting site visits and requesting affidavits from beneficiaries to minimise fraud risk.

EXPIRED AND UNCLAIMED PRIZES (R' MILLION)



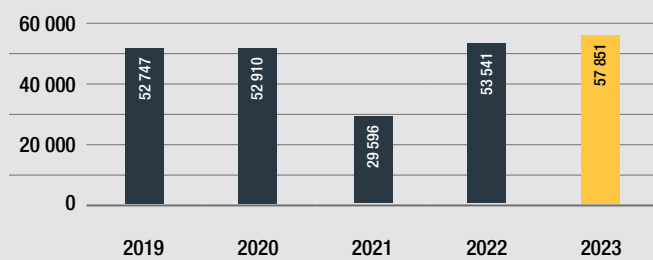
The 60% increase is mainly attributable to three notable division 1 jackpot prizes that expired during the financial year

UNCLAIMED PRIZES - WINNERS - GROUP (R'000)



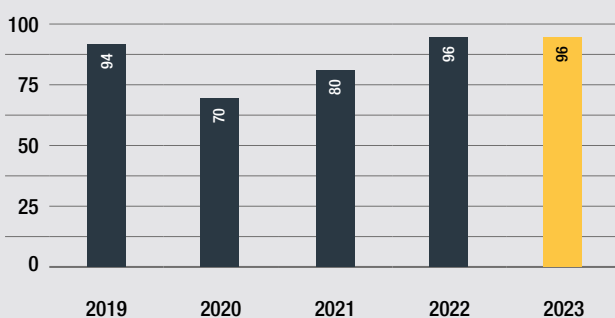
The 33% decrease is because of more winners claiming their prizes compared to previous year. The Operator continue with its campaigns to communicate in various platforms when prizes are won and when prizes are about to expire.

FUNDS RAISED BY SOCIETY LOTTERIES (R' MILLION)



The 8% increase is due to new societies that were approved for the year and managed to conduct their society lottery schemes, there has also been increased support from players who bought tickets in support of these schemes. Society lottery ticket sales are mainly driven by promotions at shopping malls and events attended by the public.

SOCIETY LOTTERIES (R' MILLION)



There has been no movement in fees received from Society and Scheme Registrations from the prior year. The NLC shall continue to educate and create awareness on society lotteries in order to assist Non-Profit Organisations (NPO's) to generate their own revenue to contribute to the sustainability of the NPS's

**4. MATERIALITY FRAMEWORK IN TERMS OF TREASURY
REGULATION 28.1.5**

For purposes of 'material' (sections 50(1), 55(2) and 66(1) of the Public Finance Management Act No. 1 of 1999, as amended) and 'significant' (section 54 (2) of the Public Finance Management Act No. 1 of 1999, as amended), the Accounting Authority developed and agreed on a framework of acceptable levels of materiality and significance. Overall materiality for the year under review for consolidated annual financial statements is 1% of the budgeted expenditure and for separate annual financial statements for NLC, NLDTF and NLPT is 1% of budgeted operational expenditure, 1% of budgeted grants allocations and 1% of total assets respectively.

**5. APPROVAL OF CONSOLIDATED AND SEPARATE ANNUAL
FINANCIAL STATEMENTS**

The consolidated and separate annual financial statements set out on pages 82 to 128 for the NLC, pages 135 to 150 for the NLDTF, were approved by the Accounting Authority on 31 May 2023 and are signed on their behalf.



.....
N Barney Pityana GCOB FKC MASSAf
Accounting Authority

Report of the Auditor-General

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON NATIONAL LOTTERIES COMMISSION

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

QUALIFIED OPINION

1. I have audited the consolidated and separate financial statements of the National Lotteries Commission and its subsidiaries (the group) set out on pages 82 to 128, which comprise the consolidated and separate statement of financial position as at 31 March 2023, the consolidated and separate statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matter described in the basis for qualified opinion section of this auditor's report, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the National Lotteries Commission as at 31 March 2023, and its financial performance and cash flows for the year then ended, in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).
3. In my opinion, the separate financial statements present fairly, in all material respects, the financial position of the National Lotteries Commission as at 31 March 2023 and its separate financial performance and separate cash flows for the year then ended, in accordance with the Standards of GRAP and the requirements of the PFMA.

BASIS FOR QUALIFIED OPINION

ALLOCATION OF GRANTS

4. I was unable to obtain sufficient appropriate audit evidence of whether all approved allocation of grants were recorded in the consolidated financial statements, due to the status of the accounting records. I was unable to confirm whether all the allocation of grants

were recorded by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to allocation of grants stated at R972 353 000 in the consolidated financial statements.

CONTEXT FOR OPINION

5. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the consolidated and separate financial statements section of my report.
6. I am independent of the group in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

OTHER MATTER

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

NATIONAL TREASURY INSTRUCTION NO. 4 OF 2022-23: PFMA COMPLIANCE AND REPORTING FRAMEWORK

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

the current year and prior year figures are disclosed in note 41 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of National Lotteries Commission. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now included as part of other information in the annual report of the auditees. We do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

13. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

15. I selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected programmes that measures the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Regulatory Compliance	[31]	To ensure that the trust and integrity of the lottery landscape is maintained through exercising our regulatory oversight in enforcing safe and sustainable lotteries and sports pools.
Grant Making	[32]	Supporting a sustainable and impactful civil society sector to boost economic growth, inclusion and to enable meaningful transformation

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

17. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the group's mandate and the achievement of its planned objectives

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

10. The accounting authority is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

11. In preparing the consolidated and separate financial statements, the accounting authority is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

12. My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
18. I performed the procedures for reporting material findings only; and not to express an assurance opinion.
19. The material findings on the performance information of the selected programmes are as follows:

Programme 3: Grant making

Indicator 4.2- A minimum of 10% allocated to projects located in the districts of the District Development Model (DDM)

20. The indicator was included in the approved annual performance plan and strategic plan but not clearly defined during planning processes. It was also not determined how related target would be measured and what evidence would be needed to support the achievement. Consequently, the information might be less useful for measuring performance.

Adequate processes had not been established to consistently measure and reliably report on this indicator. Consequently, I could not confirm the reliability of the reported achievement of 100% against the target of 10%.

OTHER MATTER

21. I draw attention to the matters below.

ACHIEVEMENT OF PLANNED TARGETS

22. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and underachievements. This information should be considered in the context of the material findings on the reported performance information.

MATERIAL MISSTATEMENTS

23. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of programme 3; Grant Making. Management did not correct all of the misstatements and I reported material findings in this regard.

REPORT ON COMPLIANCE WITH LEGISLATION

24. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the group's compliance with legislation.
25. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the group, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
27. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

ANNUAL FINANCIAL STATEMENTS, PERFORMANCE AND ANNUAL REPORT

28. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper

records, as required by section 55(1) (a) and (b) of the PFMA. Material misstatements of receivables, revenue and expenditure identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified an opinion.

EXPENDITURE MANAGEMENT

29. Resources of the National Lottery Distribution Trust Fund were not utilised economically, as required by section 57(b) of the PFMA. The non-compliance resulted in a material irregularity as reported in the section on the material irregularities.
30. Effective and appropriate steps were not taken to prevent irregular expenditure as disclosed in note 41 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the irregular expenditure was caused by no clear guidance on the scoring of the sub criteria in evaluations.

PROCUREMENT AND CONTRACT MANAGEMENT

31. Some of the goods and services of a transaction value of R2 000 but not exceeding R1 000 000 were procured without following quotation process and deviations were not approved by the accounting officer and it was practical to follow quotation process, as required by Treasury Regulation 16A6.1, paragraph 3.2.1 and 3.2.4(a) of NTI 02 of 2021/22, paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4. Similar non-compliance was also reported in the prior year.
32. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of SCM instruction note 2 of 2021/22. Similar non-compliance was also reported in the prior year.
33. Some of the goods and services of a transaction value above R1 000 000 were procured without inviting competitive bids , as required by Treasury Regulation 16A6.1, paragraph 3.3.1 of NTI 02 of 2021/22 , paragraph 4.1 of NTI 03 of 2021/22 and TR 16A6.4. Similar non-compliance was also reported in the prior year.
34. Some of the deviation process followed in respect of identifying prospective suppliers are not in line with the process prescribed in the institution's the SCM policy as required PFMA instruction note no.3 of 2021/22 par. 4.4.(d).

35. Some of the bid invitation to tender for procurement of commodities designated for local content and production did not stipulated the minimum threshold for local production and content as required by the 2017 Procurement Regulation 8(2). Similar non-compliance was also reported in the prior year.
36. Some of the commodities designated for local content and production, were procured from suppliers who did not submit a declaration on local production and content in accordance with paragraph 3.4 of National Treasury Instruction Note 4 of 2015/2016.
37. Some of the commodities designated for local content and production, were procured from suppliers who did not meet the prescribed minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8(5).

CONSEQUENCE MANAGEMENT

38. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 51(1)(e)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed
39. Disciplinary steps were not taken against some of the officials who had incurred and permitted irregular expenditure, as required by section 51(1)(e)(iii) of the PFMA.

OTHER INFORMATION IN THE ANNUAL REPORT

40. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the consolidated and separate financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
41. My opinion on the consolidated and separate financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
42. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the consolidated and separate financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

43. The other information I obtained prior to the date of this auditor's report is the accounting authority's report, registers of historical balances of registers of irregular, fruitless and wasteful expenditure and the Foreword by Minister and Chairperson of the Board, Commissioner's Overview, Corporate Governance report and Human Resource Management Report are expected to be made available to us after 31 July 2023.
44. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
45. Particulars of irregular, fruitless and wasteful expenditure included in the annual report is materially inconsistent with audit evidence obtained during the audit. Irregular and Fruitless and wasteful expenditure was not recorded in the registers of the entity.
46. When I do receive and read the Foreword by Minister and Chairperson of the Board, Commissioner's Overview, Corporate Governance report and Human Resource Management Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

47. I considered internal control relevant to my audit of the consolidated and separate financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
48. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
49. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information as material misstatements were identified.
50. Management did not implement controls over daily and monthly processing and reconciling of transactions as misstatements were identified.
51. Management did not review and monitor compliance with applicable legislation as instances of non-compliance with legislation were identified.

MATERIAL IRREGULARITIES

52. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

MATERIAL IRREGULARITIES IN PROGRESS

53. I identified a material irregularity during the audit and notified the accounting authority, as required by material irregularity regulation 3(2). By the date of this auditor's report, the response of the accounting authority was not yet due. This material irregularity will be included in next year's auditor's report.

OTHER REPORTS

54. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
55. On 6 November 2020 Proclamation No. R.32 of 2020 (Proclamation) was signed by the president. Pursuant to the proclamation the Special Investigating Unit (SIU) conducted a search and seizure at National Lotteries Commission premises on 8 December 2020 during which many of the auditee's copies of items and information, including various files concerning funding, were seized. This was in light of an investigation being conducted on the National Lottery Distribution Trust Fund, which covers the period 1 January 2014 to 6 November 2020. The investigation was in progress at the date of this auditor's report.
56. Two investigations are currently in progress which are being performed by the SIU and Hawks, relating to grant funding allegations levelled against beneficiaries, management and former board members.

Auditor General

Pretoria
31 July 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

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

FINANCIAL STATEMENTS

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

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

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

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

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

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections 51(1)(a)(iv); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56(1); 56(2); 57(b)
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury Regulations 8.2.1; 8.2.2; 16A3.1; 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a) & (b); 16A6.2(e); 16A6.3(a); 16A3.3(a)(i); 16A6.3(b); 16A6.3(c); 16A6.3(d); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A7.7; 16A8.2(1); 16A8.2(2); 16A8.3; 16A8.3(d); 16A8.4; 16A9.1; 16A9; 16A9.1(b)(ii); 16A9.1(c); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 16A9.2(a)(iii); 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.1.2(c); 31.2.1; 31.3.3; 33.1.1; 33.1.3
Prevention and Combating of Corrupt Activities Act No.12 of 2004 (PRECCA)	Section 29; 34(1)
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17; 25(1); 25(5) & 25(7A)
Preferential Procurement Policy Framework Act 5 of 2005 (PPPFA)	Sections 1(i); 2.1(a); 2.1(b); 2.1(f)
Preferential Procurement Regulations 2017 (PPR)	Regulations 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.5; 6.6; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; 8.2; 8.5; 9.1; 9.2; 10.1; 10.2; 11.1; 11.2; 12.1 and 12.2
Preferential Procurement Regulations (PPR) 2022	Regulations 3.1; 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
PFMA SCM Instruction no. 09 of 2022/2023	Paragraphs 3.1; 3.3 (b); 3.3 (c); 3.3 (e); 3.6
National Treasury Instruction (NTI) No.1 of 2015/16	Paragraphs 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021/22	Paragraphs 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.4 (c)-(d); 4.6; 5.4; 7.2; 7.6
NT SCM Instruction 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 03 2019/20	Paragraphs 5.5.1(vi); 5.5.1(x);
NT SCM Instruction Note 11 2020/21	Paragraphs 3.1; 3.4(a) and (b); 3.9; 6.1; 6.2; 6.7
NT SCM Instruction note 2 of 2021/22	Paragraphs 3.2.1; 3.2.2; 3.2.4(a)&(b); 3.3.1; 3.2.2; 4.1
PFMA SCM Instruction 04 of 2022/23	Paragraphs 4(1); 4(2); 4(4)
Practice Note 5 of 2009/10	Paragraph 3.3
PFMA SCM instruction 08 of 2022/23	Paragraphs 3.2; 4.3.2; 4.3.3
NT instruction note 4 of 2015/16	Paragraph 3.4
Second amendment of NTI 05 of 2020/21	Paragraphs 4.8; 4.9 ; 5.1 ; 5.3
Erratum NTI 5 of 202/21	Paragraphs 1; Paragraphs 2
Practice note 7 of 2009/10	Paragraph 4.1.2
Practice note 11 of 2008/09	Paragraphs 3.1; 3.1 (b)
NT instruction note 1 of 2021/22	Paragraph 4.1

Statement of Financial Performance

for the year ended 31 March 2023

	NOTE	GROUP		COMPANY	
		Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
REVENUE		2 010 218	1 851 757	468 798	571 621
REVENUE FROM NON-EXCHANGE TRANSACTIONS		1 865 155	1 777 882	467 310	569 581
Transfers from NLDTF	0	-	-	-	-
Fund revenue	2	1 849 372	-	464 532	567 073
Surplus on disposal of assets	12	-	1 775 374	-	-
Other income	4	13 005	8	-	8
Licence fees	3	2 778	2 500	2 778	2 500
REVENUE FROM EXCHANGE TRANSACTIONS		145 063	73 875	1 489	2 040
Other income	4	20 856	4 222	800	1 846
Investment and interest income	5	124 207	69 653	688	194
EXPENDITURE		(1 449 049)	(1 759 135)	(468 798)	(571 621)
Allocation of grants	6	(972 353)	(1 172 388)	-	-
Employee costs	7	(277 144)	(312 689)	(277 144)	(312 689)
Goods and services	8	(188 273)	(256 004)	(184 419)	(251 574)
Administration expenses	9	(3 775)	(3 552)	-	-
Other Expenses	10	(299)	(7 325)	(30)	(182)
Depreciation, amortisation and impairment	11	(6 626)	(7 176)	(6 627)	(7 176)
Deficit on disposal of assets	12	(579)	-	(579)	-
Surplus/(deficit) for the year		561 169	92 622	-	-

Statement of Financial Position

as at 31 March 2023

	NOTE	GROUP		COMPANY	
		Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	13	85 086	90 845	85 086	90 845
Intangible assets	14	118 370	118 517	118 370	118 517
		203 456	209 362	203 456	209 362
CURRENT ASSETS					
Trade and other receivables from exchange transactions	15	35 952	10 364	1 149	2 435
Trade and other receivables from non-exchange transactions	15	30 014	24 772	-	-
Prepayments and deposits	16	6 242	4 643	6 162	4 564
Cash and cash equivalents	17	2 943 767	2 164 926	9 051	7 139
		3 015 975	2 204 705	16 362	14 138
Total Assets		3 219 431	2 414 067	219 819	223 500
LIABILITIES					
NON-CURRENT LIABILITIES					
Deferred income - License fees	18	3 306	417	3 306	417
		3 306	417	3 306	417
CURRENT LIABILITIES					
Current portion of deferred income - License fees	18	2 833	2 500	2 833	2 500
Provision for allocations	19	458 444	124 365	-	-
Trade and other payables from exchange transactions	20	21 477	26 048	21 084	25 544
Trade and other payables from non-exchange transactions	20	212 809	298 430	165 135	164 669
Provisions	21	27 461	30 372	27 461	30 372
		723 024	481 715	216 513	223 085
Total Liabilities		726 329	482 132	219 819	223 502
NET ASSETS					
Accumulated Funds		2 493 104	1 931 935	-	-
Total Net Assets and Liabilities		3 219 433	2 414 067	219 819	223 502

Statement of **Changes in Net Assets** for the year ended 31 March 2023

GROUP	Accumulated Surplus R'000
Restated balance as at 31 March 2020	1 767 116
Restated surplus for the year	72 197
Surplus for the year reported in 2020/21	72 640
Prior year error	25 (443)
Restated balance as at 31 March 2021	1 839 313
Restated surplus for the year	92 621
Surplus for the year reported in 2020/22	94 662
Prior year error	25 (2 041)
Restated balance as at 31 March 2023	1 931 935
Surplus for the year	561 169
Balance as at 31 March 2023	2 493 104
COMPANY	Accumulated Surplus R'000
Balance as at 31 March 2021	-
At the beginning of the year	-
Surplus/(Deficit) for the year	-
Balance as at 31 March 2022	-
Surplus/(Deficit) for the year	-
Balance as at 31 March 2023	-

Statement of Cash Flows

for the year ended 31 March 2023

	NOTE	GROUP		COMPANY	
		Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
CASH FLOW FROM OPERATING ACTIVITIES					
CASH RECEIPTS					
Transfers and subsidies		-	-	464 998	602 000
Cash received from Ithuba Holdings (RF) (Pty) Ltd and other parties		2 033 675	2 260 087	-	-
Interest income		233 236	71 056	637	179
Cash received from beneficiaries and other parties		9 893	651	7 619	408
		2 276 804	2 331 795	473 253	602 587
CASH PAYMENTS					
Cash paid to beneficiaries and other parties		(1 026 619)	(1 912 831)	-	-
Employee costs paid		(279 541)	(330 677)	(279 541)	(330 676)
Goods and services		(190 503)	(254 135)	(190 503)	(254 133)
		(1 496 663)	(2 497 643)	(470 044)	(584 809)
Net cash generated (utilized) from operating activities	22.1	780 141	(165 849)	3 209	17 778
CASH FLOW FROM INVESTING ACTIVITIES					
Net purchases of property, plant and equipment		(1 351)	(12 208)	(1 351)	(12 208)
Proceeds on disposal of property, plant and equipment		50	42	50	42
Net purchases of intangible assets		-	(1 887)	-	(1 887)
Net redemption/(investment) of financial assets		-	-	-	-
		(1 300)	(14 052)	(1 300)	(14 052)
Net increase/(decrease) in cash and cash equivalents		778 841	(179 900)	1 912	3 723
Cash and cash equivalents at the beginning of the year	17	2 164 926	2 344 826	7 139	3 416
Cash and cash equivalents at the end of the year	17	2 943 767	2 164 926	9 051	7 139

Statement of Comparison of Budget and Actual Amounts: Group

for the year ended 31 March 2023

	Approved Budget R'000	Adjustments R'000	Final Budget R'000	Actual Amounts R'000	Difference: Final Budget and Actual R'000
REVENUE AND INCOME					
Share of ticket sales	1 613 456	-	1 613 456	1 663 400	49 944
Interest Income	75 016	-	75 016	124 207	49 191
Licence fees	2 500	-	2 500	2 778	278
Societies and Other Lotteries	80	-	80	96	16
Revenue from Participants NLPT	150 903	-	150 903	161 772	10 869
Unclaimed and expired prize money	140 000	-	140 000	155 033	15 033
Interest from the NLPT	10 903	-	10 903	6 739	(4 164)
Revocations	20 000	-	20 000	24 200	4 200
Surplus on disposal of assets	-	-	-	-	-
Other operating Income	4 000	-	4 000	33 765	29 765
RFP Lottery Fee -Application Fee	12 000	-	12 000	-	(12 000)
Total revenue and income	1 877 955	-	1 877 955	2 010 217	132 262
EXPENSES					
Employee costs	(358 927)	120	(358 807)	(277 144)	81 663
Goods and services	(224 595)	(1 583)	(226 178)	(186 225)	39 953
Administration Expenses	(3 676)	-	(3 676)	(3 775)	(99)
Other Expenses	-	-	-	(299)	(299)
Deficit on disposal of assets	-	-	-	(579)	(579)
Depreciation, amortisation and impairment	(8 571)	-	(8 571)	(6 626)	1 945
Professional fees	(8 000)	-	(8 000)	(2 048)	5 952
Total expenditure	(603 769)	(1 463)	(605 232)	(476 696)	128 536
Available for Distribution to Grant Allocations	1 274 186	(1 463)	1 272 723	1 533 521	260 799
Allocation of grants	(1 239 115)	1 463	(1 237 652)	(972 353)	265 299
Surplus/(Deficit) for the year	35 071	-	35 071	561 168	526 098
CAPITAL EXPENDITURE					
Capital acquisitions	(35 665)	-	(35 665)	(1 351)	34 314

Statement of Comparison of Budget and Actual Amounts: Group

for the year ended 31 March 2023 (continued)

Account	Explanation of difference	Amount R'000
Share of ticket sales	The net positive variance is mainly due to Lotto and Daily Lotto games performing more than budgeted, off-set by the underperformance of other games, Powerball, SportStake andEaziWin . The game performance benefitted from the Lotto jackpot reaching the highest jackpot since 2018 (with R86.9 million in September and R74 million in November), resulting in favourable sales. Daily Lotto exceeded projections, the game performance also benefited from the guaranteed jackpots. The second highest daily Lotto jackpot was reached on the 31st of March. The introduction of Capitec, African Bank and Time Bank as a partner during the year also contributed to increased sales on the online platform.	49 944
Interest Income	The positive variance on Interest income is mainly due to the accumulation of cash in the current account as a result of withheld beneficiaries payments from the 3rd Quarter of the financial year and an increase in the Repo rates throughout the 2022/23 financial year.	49 191
Licence fees	The variance is mainly attributable to the extension of the 3rd Lottery Licence	278
Societies and Other Lotteries	The variance is trivial.	16
Revenue from Participants NLPT	The positive variance is due to expired prizes, the projections were less than unclaimed and expired prizes received.	10 869
RFP Lottery Fees - Application Fees	The RFP project did not materialise as envisaged during the financial year.	(12 000)
Deficit on disposal of assets	The variance is trivial.	(579)
Other operating Income	One of the NLDTF beneficiaries could not use the funds amounting to R3 million and was requested to return the full amount of the grant.	29 765
Employee costs	The bonus for 2022/23 was not provided for due to the NLC not meeting the minimum performance requirements. An amount of R23 million that was provided for in the previous year for an ex gratia payment was reversed in the current year due to the Board not approving the pay-out. There were 22 vacancies that were included in the budget that were not filled.	81 663
Revocations	The variance is trivial.	4 200
Allocation of grants	The underspending on grant allocations is mainly attributable to a moratorium placed on Proactive funding during the year under review, set-off by minimal withdrawals of approved projects.	265 299
Goods and services	The variance in goods and services is mainly driven by the following: Advertising & Publicity Procurement of Media Services was affected due to contracting on the marketing panel and the launch of special projects was postponed indefinitely. Board Members Emoluments The variance in Board emoluments resulted from the less than anticipated number of Board members appointed to the NLC Board. The Board emoluments catered for a Board comprising of seven members. However, only 4 members were appointed. Furthermore, there was budget allocation for the RFP process which did not materialise as expected due to the extension of the 3rd National Lottery Licence. Computer Expenses Some software licences were not renewed or procured as envisaged. Consulting Fees The RFP process did not take off as expected due to extension of the 3 rd National Lottery Licence. Outsourced services the appointment of the EFP support service provider did not materialise.	39 953
Administration Expenses	The variance is trivial.	(99)
Other Expenses	The variance is trivial.	(299)
Depreciation, amortisation and impairment	The depreciation charge was over budgeted	1 945
Professional fees	There has been a reduction in infrastructure projects that required the use of professional engineers.	5 952
Capital acquisitions	There has also been a delay with the building project for three provincial office buildings while NLC is getting professional service providers to oversee the project.	34 314

Statement of Comparison of Budget and Actual Amounts: Company

for the year ended 31 March 2023

	Approved Budget R'000	Adjustments R'000	Final Budget R'000	Actual Amounts R'000	Difference: Final Budget and Actual R'000
REVENUE					
Transfers from NLDTF	574 203	1 463	575 666	464 532	(111 134)
License fees	2 500	-	2 500	2 778	278
RFP Lottery Fee Application Fee	12 000	-	12 000	-	(12 000)
Interest Income	162	-	162	688	526
Other operating Income	500	-	500	705	205
Surplus on disposal of assets	-	-	-	-	-
Societies & Other Lotteries	80	-	80	96	16
Total revenue	589 445	1 463	590 908	468 798	(122 110)
EXPENSES					
Employee costs	(358 807)	-	(358 807)	(277 144)	81 663
Goods and services	(223 530)	-	(223 530)	(184 419)	39 111
Deficit on disposal of assets	-	-	-	(579)	(579)
Other Expenses	-	-	-	(30)	(30)
Depreciation, amortisation and impairment	(8 571)	-	(8 571)	(6 626)	1 945
Total expenditure	(590 908)	-	(590 908)	(468 798)	122 111
Surplus/(deficit) for the year	(1 463)	1 463	-	-	1
CAPITAL EXPENDITURE					
Capital acquisitions	(35 665)	-	(35 665)	(1 351)	34 314

Statement of Comparison of Budget and Actual Amounts: Company

for the year ended 31 March 2023 (continued)

Account	Explanation of difference	Amount R'000
Transfers from NLDTF	There was an under recovery in transfers and subsidies as a result of the savings in goods and services in the current financial year. See reasons below	(111 134)
Transfers and subsidies received	The variance is mainly attributable to the extension of the 3rd Lottery Licence	27
RFP Lottery Fees - Application Fees	The RFP project did not materialise as envisaged during the financial year.	(12 000)
Interest Income	The positive variance on Interest income is mainly due to the increase in the Repo rates throughout the 2022/23 financial year.	526
Societies & Other Lotteries	The RFP project did not materialise as envisaged during the financial year.	16
Employee costs	The bonus for 2022/23 was not provided for due to the NLC not meeting the minimum performance requirements. An amount of R23 million that was provided for in the previous year for an ex gratia payment was reversed in the current year due to the Board not approving the pay-out. There were 22 vacancies that were included in the budget that were not filled.	81 663
Goods and services	<p>The variance in goods and services is mainly driven by the following:</p> <p>Advertising & Publicity Procurement of Media Services was affected due to contracting on the marketing panel and the launch of special projects was postponed indefinitely.</p> <p>Board Members Emoluments The variance in Board emoluments resulted from the less than anticipated number of Board members appointed to the NLC Board. The Board emoluments catered for a Board comprising of seven members. However, only 4 members were appointed. Furthermore, there was budget allocation for the RFP process which did not materialise as expected due to the extension of the 3rd National Lottery Licence.</p> <p>Computer Expenses Some software licences were not renewed or procured as envisaged.</p> <p>Consulting Fees The RFP process did not take off as expected due to extension of the 3rd National Lottery Licence. Outsourced services the appointment of the EFP support service provider did not materialise.</p>	39 111
Depreciation, amortisation and impairment	The depreciation charge was over budgeted	1 945
Capital acquisitions	There has also been a delay with the building project for three provincial office buildings while NLC is getting professional service providers to oversee the project.	34 314

Summary of Significant **Accounting Policies** for the year ended 31 March 2023

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below. These policies have been consistently applied to all the years presented.

1. BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) as well as the Public Finance Management Act, Act

No. 1 of 1999, as amended (PFMA). They have been prepared in accordance with the going concern principle using the historical cost basis except where otherwise stated in the accounting policies below.

The preparation of annual financial statements in conformity with GRAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are outlined in point 19 of the summary of significant accounting policies.

All monetary information and figures presented in these annual financial statements are stated in thousands of Rand (R' 000), unless otherwise indicated.

New standards, amendments and interpretations approved and not yet effective

Standard	Scope and potential impact	Effective date
IGRAP 104: Financial instruments	<p>No Impact in current year, but in the future. The changes to GRAP 104 affect the following:</p> <ul style="list-style-type: none"> • Classification of financial assets • Amortised cost of financial assets • Impairment of financial assets (Expected credit losses will be disclosed) • Disclosures 	The effective date of this revised standard will be 1 April 2025 as determined by the Minister of Finance.
GRAP 1: Presentation of financial statements	No impact in current year. It will affect how the information is aggregated in the financial statements, applying the concept of materiality. The requirements will be applied prospectively.	The effective date of this revised standard will be 1 April 2023 as determined by the Minister of Finance.
IGRAP 25: Employee benefits	No impact in the current financial year. The definition of employee benefits is revised and the changes are on the following: Interest costs and expected return on plan assets are replaced with a single net interest component. The disclosure objectives of defined benefits plans include disclosure of plans according to their characteristics, risk associated with the plans, the plan's relationship with the entity's financial statements. The obligations arising from the terminations benefits will be recognised at the earlier of : when the entity can no longer withdraw the offer of benefits and when costs of restructuring is recognised in terms of GRAP 19 and involves payment of termination benefits. The changes to IGRAP25 include the introduction of how defined benefit costs should be recognised	The effective date of the revised standard will be 1 April 2023 as determined by the Minister of Finance

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
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Standard	Scope and potential impact	Effective date
IGRAP 7: The limit on a defined benefit asset, minimum funding requirements and their interaction	Minimal to No impact on the annual financial statements.	The effective date of the revised standard will be 1 April 2023 as determined by the Minister of Finance
Improvements/ Amendments to standards 2020	No impact in current financial year.	The effective date of the revised standard will be 1 April 2023 as determined by the Minister of Finance
IGRAP 21: The Effect of Past Decisions on Materiality	The Standard answers a question of whether past decisions about materiality affects subsequent reporting periods. The consensus from the standard is that materiality is assessed at each reporting period and therefore past decisions will not affect subsequent periods unless an error occurred. The standard affects NLC as assessments on materiality are done at each reporting period.	The effective date of this revised standard will be 1 April 2023 as determined by the Minister of Finance.

NLC did not apply any of the standards above. It is not expected that the above standards, amendments and interpretations will have any material impact on the NLC's annual financial statements.

2. CONSOLIDATION

The separate and consolidated annual financial statements include the assets, liabilities and results of the operations of the controlling company and its controlled entities. The controlling entity is NLC. The NLC and its controlled entities all prepare the annual financial statements using SA GRAP. Intercompany transactions are eliminated on consolidation.

The following factors were considered in consolidating the NLDT and the NLPT

S10(c) of the Lotteries Act: Functions of board: The board shall manage and administer the fund and hold it in trust; 22: Administration of the Fund:

- (1) The fund shall be administered by the board.
- (2) The fund shall be held in trust by the board for distribution of any sum paid into the fund as is allocated for expenditure referred to in section 26(3)(b), (c), (d) and (e) after the distribution agency has considered an application for a grant or following a recommendation of funding of worthy causes from the Commission after research conducted in terms of the Act.

26(1), (2) and 34: So much of the sum that is paid to the fund, as the Minister after consultation with the board deems appropriate, shall be allocated to the board in respect of the board's expenses.

The consolidation of NLPT was decided upon by AGSA in September 2018. The factors that the AGSA took into account to arrive at the conclusion to consolidate NLPT were the following: AGSA holds a view that NLC has power to appoint the majority of the voting rights of the trustees. The AGSA holds a view that NLC holds an indirect title to the net assets of the trust through the NLDTF. The NLC is the regulator and NLPT is a regulated entity as it regulates the Operator, Ithuba Holdings (RF) (Pty) Ltd.

2.1. CONTROLLED ENTITIES

The NLDTF is a Fund which was established in terms of section 21 of the Lotteries Act No 57 of 1997, as amended. It was established to administer the distribution of funds to the respective sectors, namely Charities, Sports and Recreation, Arts, Miscellaneous and Culture and National Heritage. The National Lotteries Participants Trust (NLPT) is founded by the

Ithuba Holdings (RF) Pty Ltd (National Lottery Operator) in terms of the Trust Deed. The main objective of the trust is to hold all monies in trust received from Ithuba Holding by the Trust for the benefit of the winners, participants who have made an advance payment for future draws. In September 2018, the AGSA concluded that the NLC should consolidate the annual financial statements of NLPT in the annual financial statements of NLC. The NLC is the regulator and NLPT is a regulated entity as it regulates the Operator, Ithuba Holdings (RF) (Pty) Ltd.

Intra-group transactions, balances and unrealised gains on intra-group transactions are eliminated. Unrealised losses are also eliminated. Controlled entities' accounting policies are consistent with the policies adopted by NLC.

3. REVENUE RECOGNITION

Revenue is the gross inflow of economic benefits or service potential during the reporting year when these inflows result in an increase in net assets. Revenue is recognized when it is probable that future economic benefits will flow to the enterprise and these benefits can be measured reliably.

The NLC and its controlled entities distinguishes between two forms of revenue namely revenue from exchange transactions and revenue from non-exchange transactions.

Revenue from exchange transactions is defined as revenue in which NLC receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity or party in exchange.

Revenue from non-exchange transactions is defined as revenue in which NLC receives value from another entity or party without directly giving approximately equal value in exchange or gives value to another entity or party without directly receiving approximately equal value in exchange.

3.1. TRANSFER FROM NLDTF

Transfers from the NLDTF are initially measured at fair value on date of transfer. Transfers from the NLDTF are measured at the amount of the increase in net assets recognised by the NLC.

The NLC withdraws the amounts as and when required, based on an approved budget by the Minister of the Department of Trade and Industry. Income is generally recognised as operating costs are defrayed, the end result being the surrendering of surpluses to (or recovering of any deficit from) the NLDTF, thus not accounting for any accumulated surplus.

3.2. LICENCE FEES

Revenue from licence fees are paid at the inception of the licence by the National Lottery Operator in order to operate the National lottery licence. The consideration received is measured at the fair value and amortised over the licence term in the Statement of Financial Performance. The useful life has been reviewed and adjustments disclosed in note number 27 changes in accounting estimate.

3.3. INVESTMENT INCOME AND INTEREST INCOME

Investment income comprises interest received from cash and cash equivalents. Interest is accounted for on an accrual basis using the effective interest rate method.

3.4. SHARE OF TICKET SALES

Revenue from share of national lottery and sports pools ticket sales is accounted for on the accrual basis and is measured as a percentage of ticket sales from the operator as stipulated and agreed in the in the Licence to Operate the National Lottery and the Sports Pools Licence.

3.5. EXPIRED AND UNCLAIMED PRIZES

Expired and unclaimed prizes relate to prizes in constituent lotteries (not being an Instant Lottery) for which remain unclaimed for a year of 365 days following the draw in which the prize was won as stipulated in the Licence Agreement. Such monies are accounted for on an accrual basis. Payments of the funds by Ithuba are through the intermediation of the National Lotteries Participants Trust (NLPT).

3.6. INTEREST FROM NATIONAL LOTTERIES PARTICIPANTS TRUST

Any interest that remain in the National Lotteries Participants Trust after deduction of the National Lotteries Participants Trust costs are due to the NLDTF as stipulated in the Trust Deed of the NLPT. These monies are accounted for on an accrual basis. Payments of the funds by Ithuba Holdings (RF) (Pty) Ltd are through the intermediation of the National Lotteries Participants Trust. Interest earned on the bank accounts of the NLPT is accounted in the NLPT to the extent that it is utilised to defray the NLPT expenses.

3.7. REVOCATIONS

Revocations are effected by the NLC under the following circumstances

- Breach of Grant Agreement
- Voluntary cancellation of the Grant Agreement by the beneficiary due to various reasons;
- Cancellation due to identification and/or determination of irregularities from the beneficiary organisation; or
- Any other reasons that the Minister considers enough to warrant cancellation as set out in Section 31 of the Act.
- A revocation that is approved in the same year that the allocation was granted is off-set against the grant allocation.

A revocation is recognised as income when a grant is revoked and is recognised at the amount of the revocation.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible items that are expected to be used for more than one reporting year. Property and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to NLC and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Property and equipment are depreciated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Furniture and fittings	10 to 26 years
Office equipment	3 to 17 years
Computer equipment	3 to 16 years
Network Infrastructure	Shorter of the estimated life or year of the lease, 7 years for servers
Leasehold improvements	Shorter of estimated life or year of lease
Buildings	0 to 99 years

The assets' residual values and useful lives have been reviewed and adjustments disclosed in note no 27 changes in accounting estimate.. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value-in-use.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount. These are recorded in surplus or deficit

5. INTANGIBLE ASSETS

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by NLC are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available;
- the expenditure attributable to the software product during its development can be reliably measured

Directly attributable costs, that are capitalised as part of the software product, include the software development employee costs and an appropriate portion of directly attributable overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent year.

Intangible assets are classified as indefinite on initial acquisition when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the year over which the asset is expected to provide service potential to the entity.

Software licenses and systems with indefinite useful lives are capitalised and not amortised. An annual impairment test will be performed on the licences and systems.

Subsequent to initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over 2 to 7 years

Intangible assets with indefinite lives consists of:

- websites
- integrated systems

Intangible assets are amortised using the straight-line method.

6. LEASES

6.1. OPERATING LEASE

NLC classifies leases as operating leases where the lessor effectively retains the risks and benefits of ownership. Operating lease payments are recognised in surplus or deficit on a straight-line basis over the year of the lease.

7. FINANCIAL ASSETS

NLC classifies its financial assets in the following categories:

- financial assets at amortised cost
- financial assets at fair value

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

7.1. FINANCIAL ASSETS AT AMORTISED COST

Financial assets at amortised cost are non-derivative financial assets that have fixed or determinable payments, excluding those assets that:

- the entity designates at fair value at initial recognition; or
- are held for trading

Financial assets carried at amortised cost, are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. These assets are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

NLC will derecognise a financial assets when:

- (a) the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- (b) NLC transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- (c) NLC despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial assets at amortised cost consists of:

- Investments;
- Trade and Other Receivables from exchange transactions;
- Trade and Other Receivables from non-exchange transactions;
- Deposits

7.2. FINANCIAL ASSETS AT FAIR VALUE

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- (a) derivatives;
- (b) combined instruments that are designated at fair value in accordance with paragraphs 20 or 21 of GRAP 104
- (c) instruments held for trading. A financial instrument is held for trading if:
 - (i) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - (ii) on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
- (d) non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition in accordance with paragraph 17; and
- (e) financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Financial assets at fair value consists of cash and cash equivalents and the equity intrinsic value of investments (refer to note 5)

Financial Assets at fair value will be initially recognised is at fair value. A gain or loss arising from a change in the fair value of a financial asset measured at fair value shall be recognised in surplus or deficit.

8. IMPAIRMENT OF ASSETS

8.1. FINANCIAL ASSETS CARRIED AT AMORTISED COST

NLC assesses at each reporting year whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a 'loss event') and the loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence includes one or more of the following events:

- significant financial difficulty of the issuer or debtor;
- a breach of contract, such as default or delinquency in payments;
- becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties;
- observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in NLC, including:
 - adverse changes in the payment status of issuers or debtors of NLC;
 - national or local economic conditions that correlates with defaults on the assets of NLC;

NLC first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If NLC determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred on loans and receivables carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in surplus or deficit.

If in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improved credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

8.2. IMPAIRMENT OF OTHER NON-FINANCIAL ASSETS

Assets, including intangible assets, that are subject to amortisation, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such indicators include continued losses, changes in technology, market, economic, legal and operating environments.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable amount is measured using the higher of the fair value less costs to sell and the value-in-use. Value-in-use is the present value of the asset's remaining service potential. An impairment charge is recognised as a loss in surplus or deficit immediately.

Cash-generating assets are assets managed with the objective of generating a commercial return. Non-cash-generating assets are assets other than cash-generating assets. NLC and its controlled do not hold cash generating assets and therefore all assets are classified as non-cash-generating assets.

9. FINANCIAL LIABILITIES

NLC classifies its financial liabilities in the following category:

- financial liabilities at amortised cost

9.1. FINANCIAL LIABILITIES AT AMORTISED COST

Financial liabilities at amortised cost are non-derivative financial assets that have fixed or determinable payments, excluding those liabilities that:

- the entity designates at fair value at initial recognition; or
- are held for trading

Financial liabilities carried at amortised cost, are initially recognised at fair value plus transaction costs that are directly attributable to the issue of the financial liability.

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities at amortised cost consists of:

- Provision for allocation;
- Trade and other payables from exchange transactions;
- Other provision;
- Trade and other payables from non exchange transactions;

A gain or a loss is recognised in surplus or deficit when the financial liability is derecognised or through the amortisation process.

NLC derecognises financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

- cash on hand
- deposits held at call and short notice
- balances with banks

Cash and cash equivalents only include items held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. It comprises cash in hand and deposits held at call with respective banks. Cash and cash equivalents have a maturity of less than three months. Cash and cash equivalents are classified as financial assets at fair value and are carried at cost which due to their short term nature approximates fair value.

11. CONTINGENT ASSETS

Contingent assets are possible assets that arise from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is not recognised in the annual financial statement, however it is disclosed where an inflow of economic benefits or service potential is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements

12. FINANCIAL RISK MANAGEMENT

The Company and Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Board manages these risks through a Board Audit and Risk Committee. The Board manages these risks through quarterly reporting of risk management.

12.1. MARKET RISK

The Company and Group's activities as a regulator do not expose it to a significant amount of market risk. The Board has an approved investment policy in place. The pillars of the policy include capital preservation, liquidity and maximisation of returns.

12.2. CREDIT RISK

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables and committed transactions.

The Company and Group also follows regulations issued by National Treasury to manage its exposure to credit risk.

12.3. LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to meet the daily demands of the operations.

Management monitors daily balances of cash and cash equivalents as well as investment accounts to ensure that enough funds are available to meet the needs of the operation.

13. EMPLOYEE BENEFITS

13.1. POST-EMPLOYMENT BENEFITS

The Provident Fund to which employees belong is a defined contribution fund, which provides retirement, death and disability benefits. The contributions are charged to the Statement of Financial Performance in the year to which they relate.

13.2. PROVISION FOR LEAVE PAY

The NLC accrues in full the employees' rights to annual leave entitlement in respect of past service. The undiscounted amount is expensed over the year the services are rendered. A provision is made for the

estimated liability as a result of services rendered by employees up to the reporting date. The NLC remains liable to pay out an amount equal to the leave balance at current rate of remuneration. Payment of the leave is dependent on when employees resign. The NLC has an approved leave policy.

13.3 PROVISION FOR BONUS PLAN

The NLC recognises a provision and an expense for bonuses in staff costs, based on a formula where there is a contractual obligation or where there is a past practice that has created a constructive obligation. Bonuses are paid based on the outcome of annual performance assessments and only paid once approval of the Board is obtained. The timing of the approval of the bonus varies from year to year. The NLC has an approved performance management policy.

14. TRADE AND OTHER PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less from the reporting date. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

15. PROVISIONS

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

16. CONTINGENT LIABILITIES

Company and Group discloses a contingent liability when:

- it has a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- it has a present obligation that arises from past events but not recognised because
 - it is not probable that an outflow of resources will be required to settle an obligation or
 - the amount of the obligation cannot be measured with sufficient reliability.

-A contingent liability is not recognised in the annual financial statements, however it is disclosed unless the probability of an outflow of economic benefits is remote. Contingent liabilities comprise grants allocated by the Distributing Agencies to beneficiaries on a conditional basis and the stipulated conditions have not been met as at 31 March 2023.

17. ALLOCATION OF GRANTS

Allocations are accounted for when applications for assistance from individual organisations are considered and grants are unconditionally awarded by the respective distributing agencies. Pro-active funding allocations are accounted for when funding is considered in terms of section 2A(4) of the Lotteries Act and grants are unconditionally awarded by the Assurance committee.

Revocations will be triggered if there is a breach of Grant Agreement, voluntary cancellation of the Grant Agreement by the funded organisation due to various reasons; cancellation due to identification and/or determination of irregularities from the organisation.

18. CONTRACTUAL COMMITMENTS

A commitment is a contractual arrangement that binds the entity to incur future expenditure based on items that are still to be received. Disclosure of commitments entered into before year end are relevant for the following standards of GRAP:

- GRAP 1 on Presentation of Financial Statements (disclosure of unrecognised contractual commitments)
- GRAP 13 on Leases (disclosure of the future minimum lease payments)
- GRAP 17 on Property, Plant & Equipment (disclosure of contractual commitments for Property, Plant & Equipment)
- GRAP 31 on Intangible Assets (disclosure of the contractual commitments for the acquisition of intangible assets)

19. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Assumptions and estimates form an integral part of financial reporting and have an impact on the amounts reported. Assumptions are based on historical experience and expectations of future outcomes and anticipated changes in the environment. Assumptions are further regularly reviewed in the light of emerging events and adjusted where required.

19.1 PROVISION FOR ALLOCATIONS

Allocations are accounted for when applications for assistance from individual organisations are considered and grants are unconditionally awarded by the respective Distributing Agencies. Research based (pro active funding) allocations are accounted for when funding is considered in terms of section 2A(4) of the Lotteries Act and grants are unconditionally awarded by the Assurance committee. Disclosures are made for those organisations which were funded by the NLDTF in which Distributing Agencies may have significant interest in. Disclosures made relate to the payments, allocations in the current year and outstanding amounts outstanding at year end.

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date. The best estimate of the expenditure required to settle the present obligation is the amount that an entity would rationally pay to settle the obligation at the reporting date or to transfer it to a third party at that time. It will often be impossible or prohibitively expensive to settle or transfer an obligation at the reporting date. However, the estimate of the amount that an entity would rationally pay to settle or transfer the obligation gives the best estimate of the expenditure required to settle the present obligation at the reporting date. An impairment is recognised when an organisation has breached the provisions of Regulation 6 and Clause 10 of the grant agreement and the NLC has not communicated the breach to the beneficiary.

19.2 DEPRECIATION

Depreciation is recognised through surplus or deficit on a straight-line basis over the estimated useful life, or the lease term if shorter, of each asset or component of an item of property, plant and equipment. Land is not depreciated and major repairs and overhauls are depreciated over the remaining useful life of the related asset or to the date of the next major repair or overhaul, if shorter. Depreciation commences when the asset is available for use.

The 80/20 principle is applied to split the initial acquisition cost of the land and buildings, where 80% is buildings and 20% is land of the initial acquisition cost.

19.3 PROVISION FOR DOUBTFUL DEBTS

A provision for doubtful debt is raised in instances where there are indications that the debt may not be recoverable from the debtor. The assessment of recoverability is done on a individual debtor basis.

19.4 CONTINGENT LIABILITIES

Contingent liabilities are not recognised in the financial statements, but are disclosed in the notes to the annual financial statements unless the probability of occurrence is remote.

19.5 BENEFICIARIES WRITTEN OFF

Beneficiaries written off are those beneficiaries where all avenues for recovery have been completely exhausted and the outstanding debts are considered not recoverable.

19.6 CONTINGENT ASSETS

Contingent assets are not recognised in the annual financial statements, but are disclosed in the notes to the financial statements unless the probability of occurrence is remote.

20. RELATED PARTIES

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

As a minimum, the following are regarded as related parties of the reporting entity:

- (a) A person or a close member of that person's family related to the reporting entity if that person:
 - (i) has control or joint control over the NLC;
 - (ii) has significant influence over the NLC or
 - (iii) is a member of the management of the NLDTF or NLC.

Related party transactions are transfers of resources, services or obligations between the NLC and a related party, regardless of whether a price is charged.

21. IRREGULAR EXPENDITURE

Irregular Expenditure means expenditure incurred in contravention of, or not in accordance with a requirement of any applicable legislation, including:

- The PFMA, or
- the Treasury Regulations;
- a National Treasury Instruction, issued in terms of section 76 of the PFMA;
- Any legislation providing for procurement procedures

When confirmed, irregular expenditure must be recorded in the notes to the annual financial statements. The amount to be recorded in the notes must be equal to the value of the irregular expenditure incurred unless it is impracticable to determine the value thereof. Where such impracticality exists, the reasons therefore must be provided in the notes. Irregular expenditure must be removed from the notes when it is either

- (a) condoned by the National Treasury or the relevant authority;
- (b) it is transferred to receivables for recovery; or
- (c) it is not condoned and is irrecoverable. A receivable related to irregular expenditure is measured at the amount that is expected to be recovered and must be de-recognised when the receivable is settled or subsequently written off as irrecoverable.

Any irregular expenditure is charged against income in the year in which it is incurred.

Irregular expenditure is removed from the register when the relevant authority has condoned the irregular expenditure. The accounting officer or authority may remove irregular expenditure that was not condoned by the relevant authority.

22. FRUITLESS AND WASTEFUL EXPENDITURE

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

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

Any fruitless and wasteful expenditure is charged against income in the year in which it is incurred.

Any fruitless and wasteful expenditure will be removed from the register once the loss has been recovered. Any unrecoverable losses may be written off by the accounting officer or accounting authority.

23. BUDGET INFORMATION

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives. The approved budget covers the financial year from 2022/04/01 to 2023/03/31. The budget for the economic entity includes all the entities approved budgets under its control. The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting year has been included in the statement of comparison of budget and actual amounts.

24. EVENTS AFTER REPORTING DATE

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date);
and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity adjusts the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

Notes to the Annual Financial Statements for the year ended 31 March 2023

	GROUP		COMPANY	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000	R'000	R'000
1. TRANSFERS FROM NLDTF				
Payments from fund in respect of expenses	-	-	464 532	567 073
	-	-	464 532	567 073
2. FUND REVENUE				
Share of ticket sales	1 663 400	1 641 380	-	-
Expired and unclaimed prizes	155 033	97 449	-	-
Interest from the National Lotteries Participants Trust	6 739	1 973	-	-
Revocations*	24 200	34 572	-	-
	1 849 372	1 775 374	-	-
*R42.8 million was paid in previous year for the projects that were withdrawn in 2022/23 financial year.				
3. LICENCE FEES				
Recognition of Lottery Licence Fees	2 778	2 500	2 778	2 500
	2 778	2 500	2 778	2 500
4. OTHER INCOME				
Registration fees - Schemes and Societies	96	96	96	96
Sundry income*	20 507	4 126	705	1 750
Movement in Impairment of Provision	13 005	-	-	-
Movement in the provision for doubtful debt	253	-	-	-
	33 861	4 222	800	1 846
* Sundry income mainly consists of unspent amounts returned by beneficiaries.				
5. INVESTMENT AND INTEREST INCOME				
Call and current accounts	118 664	64 192	688	194
Interest income from National Lotteries Participants Trust current accounts	5 542	5 461	-	-
	124 207	69 653	688	194
6. ALLOCATION OF GRANTS				
Current year allocations	1 007 112	1 205 297	-	-
Less: Current year revocations*	(34 759)	(32 909)	-	-
	972 353	1 172 388	-	-

R194 000 was paid in the current year relating to one of the projects that was withdrawn

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	GROUP		COMPANY	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
7. EMPLOYEE COSTS	R'000	R'000	R'000	R'000
Salaries, wages and allowances	225 720	229 404	225 720	229 404
Medical aid fund contribution	16 105	15 729	16 105	15 729
Defined provident fund contributions	26 022	25 654	26 022	25 654
Social security levies (Unemployment Insurance Fund, Skills Development Levy)	2 981	3 385	2 981	3 385
Risk Benefit and Management Fees	7 421	7 770	7 421	7 770
Provision for leave pay	1 691	(575)	1 691	(575)
Provision for bonus	-	7 680	-	7 680
Provision for Ex-gratia [^]	(2 795)	23 642	(2 795)	23 642
	277 144	312 689	277 144	312 689

[^] Provision for Ex-gratia relates to an amount that was provided for as a result of deviation from performance management policy. The amount was included in salaries, wages and allowances amount in 2021/22 financial statements, this has been reclassified to provision for ex-gratia for fair presentation of the AFS.

8. GOODS AND SERVICES				
Advertising and publicity	5 981	36 370	5 981	36 370
Audit fees	10 356	8 708	9 379	7 716
Bank charges	178	205	81	71
Computer expenses	17 967	22 787	17 967	22 787
Conferences and meetings	2 070	2 302	2 070	2 302
^^Consulting Fees	15 664	24 025	15 664	24 025
Courier and delivery costs	276	519	276	519
Distributing Agency Emoluments	1 870	1 951	1 870	1 951
Enterprise & Supplier Development	1 209	1 771	1 209	1 771
Professional fees	2 048	2 450	-	-
^^Board Member Fees including Board Committees	4 767	6 170	4 767	6 170
Insurance	830	664	639	475
*Legal fees	34 310	48 988	34 310	48 988
Rental - Motor Vehicles	3 033	2 924	3 033	2 924
Rental - Office Buildings	19 832	20 407	19 832	20 407
Rental - Office Equipment	1 579	1 112	1 579	1 112
Outsourcing	3 592	10 350	3 592	10 350
Printing and stationary	1 451	1 425	1 451	1 425
Refreshments and catering	943	609	939	609
Repairs and maintenance [^]	1 830	2 697	1 830	2 697
Research	287	949	287	949
*Investigations	27 795	29 895	27 795	29 895
Small assets written off	-	5	-	5
Staff recruitment	642	252	642	252
Staff training	1 186	3 781	1 186	3 727
Staff welfare	743	2 994	743	2 994
Security	6 940	5 407	6 940	5 407
Subscriptions	132	219	132	219
Sub total	167 511	239 936	164 062	235 898

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	GROUP		COMPANY	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
8. GOODS AND SERVICES	R'000	R'000	R'000	R'000
Sub total carried over	167 511	239 936	164 062	235 898
**Sundry expenses	4 998	4 593	4 998	4 593
Telephone charges	3 224	1 710	3 224	1 710
Travel and accommodation	7 062	4 387	7 062	4 387
Trustee Fees	537	610	-	-
Water and electricity	4 943	4 767	4 943	4 767
	188 273	256 004	184 419	251 574

^R1.091 million (2022: R2.5 million) of repairs and maintenance relates to property plant and equipment

* An amount of R1.799 million was reclassified from investigations to legal fees.

**Included in sundry expenses is general expenses of R1.078 million, cleaning of R1.244 million, motor vehicle expenses of R1.956 million,

^^ R0.239 million was reclassified from consulting fees to Board Emoluments

9. ADMINISTRATION EXPENSES

Trust Administration fees	3 775	3 552	-	-
	3 775	3 552	-	-

10. OTHER EXPENSES

Movement in Provision for doubtful debts	(178)	592	(178)	100
Impairment of Provision	-	6 652	-	-
Debtors written off	477	82	208	82
	299	7 325	30	182

11. DEPRECIATION, AMORTISATION AND IMPAIRMENT

11.1 DEPRECIATION

Network infrastructure	999	1 458	999	1 458
Computer equipment	1 749	1 635	1 749	1 635
Furniture and fittings	1 229	1 359	1 229	1 359
Leasehold improvements	-	51	-	51
Office equipment	1 575	1 708	1 575	1 708
Buildings	532	517	532	517
	6 083	6 728	6 083	6 728

11.2 IMPAIRMENT

Property, plant and equipment	397	-	397	-
	397	-	397	-

11.3 AMORTISATION

Software	146	448	147	448
	146	448	147	448

Total

	6 626	7 176	6 627	7 176
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12. SURPLUS /(DEFICIT) ON DISPOSAL OF ASSETS

Surplus /(Deficit) on disposal of assets	(579)	8	(579)	8
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CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

13. PROPERTY, PLANT AND EQUIPMENT: GROUP AND COMPANY

YEAR ENDED 31 MARCH 2023	Buildings R'000	Network Infrastructure R'000	Computer equipment R'000	Furniture and fittings R'000	Leasehold improvements R'000	Office equipment R'000	Total R'000
Opening carrying amount	70 040	3 870	5 252	4 457	(0)	7 226	90 845
Additions	-	-	1 312	27	-	12	1 351
Disposals	-	-	(217)	(112)	-	(300)	(629)
• Cost	-	-	(1 166)	(476)	-	(2 463)	(4 105)
• Accumulated Depreciation	-	-	949	364	-	2 163	3 476
Impairment Charge	-	-	(31)	(108)	-	(259)	(397)
Depreciation Charge	(532)	(999)	(1 749)	(1 229)	-	(1 575)	(6 083)
Closing carrying amount	69 508	2 871	4 568	3 036	(0)	5 103	85 086

AT 31 MARCH 2023

Cost	71 308	13 711	14 870	14 987	8 276	16 678	139 830
Accumulated Depreciation and Impairment	(1 800)	(10 840)	(10 302)	(11 951)	(8 276)	(11 575)	(54 744)
Carrying Amount	69 508	2 871	4 568	3 036	(0)	5 103	85 086

**YEAR ENDED
31 MARCH 2022
RESTATE**

Opening carrying amount	61 118	5 327	4 340	5 809	51	8 752	85 397
Additions	9 439	-	2 558	7	-	206	12 210
Disposals	-	-	(10)	-	-	(24)	(35)
• Cost	-	-	(951)	-	-	(76)	(1 033)
• Accumulated Depreciation	-	-	941	-	-	52	999
Depreciation Charge	(517)	(1 458)	(1 635)	(1 359)	(51)	(1 708)	(6 728)
Closing carrying amount	70 040	3 870	5 252	4 457	(0)	7 226	90 845

AT 31 MARCH 2022

Cost	71 308	13 711	14 724	15 435	8 276	19 129	142 584
Accumulated Depreciation	(1 268)	(9 841)	(9 472)	(10 979)	(8 276)	(11 903)	(51 739)
Carrying Amount	70 040	3 870	5 252	4 457	(0)	7 226	90 845

14. INTANGIBLE ASSETS: GROUP AND COMPANY

YEAR ENDED 31 MARCH 2023	Geographical Information System R'000	Enterprise System* R'000	Software** R'000	Grant Management System R'000	Website R'000	Total R'000
Opening carrying amount	1 810	108 602	7 907	-	198	118 517
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
• Cost	-	-	(467)	(6 963)	-	(7 430)
• Accumulated Depreciation	-	-	467	6 963	-	7 430
Impairment Charge	-	-	-	-	-	-
Amortisation Charge	-	-	(147)	-	-	(147)
Closing carrying amount	1 810	108 602	7 760	-	198	118 370

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

14. INTANGIBLE ASSETS: GROUP AND COMPANY (CONTINUED)

	Geographical Information System R'000	Enterprise System* R'000	Software** R'000	Grant Management System R'000	Website R'000	Total R'000
AT 31 MARCH 2023						
Cost	1 810	108 602	10 436	-	198	121 046
Accumulated Amortisation/Impairment	-	-	(2 675)	-	-	(2 675)
Carrying Amount	1 810	108 602	7 760	-	198	118 370
YEAR ENDED 31 MARCH 2022						
Opening carrying amount	1 810	108 602	6 468	-	198	117 078
Additions	-	-	1 887	-	-	1 887
Disposals	-	-	-	-	-	-
• Cost	-	-	(288)	-	-	(288)
• Accumulated Depreciation	-	-	288	-	-	288
Amortisation Charge	-	-	(448)	-	-	(448)
Closing carrying amount	1 810	108 602	7 907	-	198	118 517
AT 31 MARCH 2022						
Cost	1 810	108 602	10 903	6 963	198	128 476
Accumulated Amortisation/Impairment	-	-	(2 995)	(6 963)	-	(9 958)
Carrying Amount	1 810	108 602	7 907	-	198	118 517

15. TRADE AND OTHER RECEIVABLES

15.1 TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS:

	GROUP		COMPANY	
	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
• Study loans and advances	51	87	51	87
• Staff receivables - Payroll	45	528	45	528
• Sundry debtors	975	1 793	975	1 793
• Gross Sundry debtors	975	1 972	975	1 971
• Provision for Doubtful Sundry Debtors	-	(178)	-	(178)
Accrued income	16 038	6 623	78	27
• Interest receivable on current and call accounts	16 038	6 623	78	27
Total	17 110	9 032	1 149	2 435
Claims from beneficiaries	18 842	1 332	-	-
• Gross amount claimed	19 082	1 824	-	-
• Provision for doubtful claim recovery from beneficiaries	(240)	(492)	-	-
Current	35 952	10 364	1 149	2 435
	35 952	10 364	1 149	2 435

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

15. TRADE AND OTHER RECEIVABLES (CONTINUED)	GROUP		COMPANY	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000	R'000	R'000
15.2 TRADE AND OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS:				
<i>ACCRUED INCOME AND REVENUE</i>				
• Share of ticket sales- Ithuba Holdings (RF) Pty (Ltd)	25 075	19 064	-	-
• Advance sales due from Ithuba Holdings (RF) (Pty) Ltd	4 939	5 708	-	-
Total	30 014	24 772	-	-
Current	30 014	24 772	-	-
	30 014	24 772	-	-

16. PREPAYMENTS AND DEPOSITS				
Prepayments	79	79	0	-
Deposits	6 162	4 564	6 162	4 564
	6 242	4 643	6 162	4 564

17. CASH AND CASH EQUIVALENTS				
17.1 CASH AT BANK				
Cash at bank – current account	907 389	428 664	5 895	4 099
Cash at bank – call account	2 036 320	1 736 233	3 098	3 011
Cash on hand	57	29	58	29
Total cash at bank as per Statement of Cash flow	2 943 767	2 164 926	9 051	7 139

The current and call accounts are not pledged.

18. DEFERRED INCOME - LICENCE FEES				
Opening balance	124 365	470 618	-	-
Additional provision made during the year	972 353	1 172 388	-	-
Payments made during the year	(601 070)	(1 490 721)	-	-
Revocations	(24 200)	(34 572)	-	-
Provision for impairment	(13 005)	6 652	-	-
Closing balance	458 444	124 365	-	-
Current	458 444	124 365	-	-
Non-current	124 365	-	-	-
	458 444	124 365	-	-

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	GROUP		COMPANY	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
19. PROVISION FOR ALLOCATION BY DISTRIBUTING AGENCIES	R'000	R'000	R'000	R'000
Opening balance	124 365	470 618	-	-
Additional provision made during the year	972 353	1 172 388	-	-
Payments made during the year	(601 070)	(1 490 721)	-	-
Revocations	(24 200)	(34 572)	-	-
Provision for impairment	(13 005)	6 652	-	-
Closing balance	458 444	124 365	-	-
Current	458 444	124 365	-	-
Non-current	-	-	-	-
	458 444	124 365	-	-

Payments refers not only to payments against current year allocations but also to payments relating to commitments from previous years.

IMPAIRMENT OF PROVISION FOR ALLOCATIONS

Opening balance	6 331	12 983	-	-
Movement for the year	13 005	(6 652)	-	-
Closing balance	19 336	6 331	-	-

20. TRADE AND OTHER PAYABLES

20.1 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Supplier payables	7 872	4 909	7 872	4 909
Accruals	10 769	20 885	10 377	20 382
Payroll creditors	-	4	-	4
Straight-lining of operating lease payments	2 836	249	2 836	249
	21 477	26 048	21 084	25 544
Current	21 477	26 048	21 084	25 544
Non-current	-	-	-	-
	21 477	26 048	21 084	25 544

20.2 TRADE AND OTHER PAYABLES FROM NON-EXCHANGE TRANSACTIONS:

National Lottery Distribution Trust Fund	-	-	165 135	164 669
• Unclaimed Prizes - Ithuba Holdings (RF) (Pty) Ltd	170 826	253 646	-	-
• Unclaimed Funds - Ithuba Holdings (RF) (Pty) Ltd	11 428	13 735	-	-
• Advance Sales due to Players - Ithuba Holdings (RF) (Pty)Ltd	30 555	31 049	-	-
• Advance Sales due to Ithuba Holdings (RF)(Pty)Ltd	-	-	-	-
	212 809	298 430	165 135	164 669

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21. PROVISIONS	GROUP		COMPANY	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000	R'000	R'000
LEAVE PAY				
Opening balance	6 730	7 408	6 730	7 408
Additional provisions raised	6 594	6 730	6 594	6 730
Used during the year	(1 333)	(359)	(1 333)	(359)
Unused amounts reversed	(5 397)	(7 048)	(5 397)	(7 048)
Closing balance	6 594	6 730	6 594	6 730

The leave balance is calculated based on the leave days carried over at year end.

BONUS				
Opening balance	-	28 829	-	28 829
Additional provisions raised	-	-	-	-
Used during the year	-	(28 829)	-	(28 829)
Closing balance	-	-	-	-

Bonuses are calculated based on the NLC performance management policy.

GENERAL				
Opening balance	23 642	1 486	23 642	1 486
Additional provisions raised	20 867	23 642	20 867	23 642
Unused amounts reversed	(23 642)		(23 642)	
Used during the year	-	(1 486)	-	(1 486)
Total Provisions	27 461	30 372	27 461	30 372

The general provision relates to ex gratia payments for NLC employees

Total Provisions	27 461	30 372	27 461	30 372
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22. CASH FLOW INFORMATION

22.1 CASH GENERATED BY OPERATIONS

Surplus/(deficit) per the statement of financial performance	561 169	92 622	-	(0)
Adjusted for:				
<i>Non-cash items:</i>				
Amortisation and impairment	544	448	544	448
Deferred income	(2 778)	(2 500)	(2 778)	(2 500)
Depreciation	6 083	6 728	6 083	6 728
Operating lease payments smoothing	2 587	(1 482)	2 587	(1 482)
(Surplus)/deficit on sale of assets	579	(8)	579	(8)
Provision for bad debts	(253)	492	-	-
Impairment of Provision	(13 005)	6 652	-	-
Surplus/(deficit) after adjustment for non-cash items	554 926	102 952	7 015	3 186

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for the year ended 31 March 2023

22. CASH FLOW INFORMATION (CONTINUED)	GROUP		COMPANY	
	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
<i>WORKING CAPITAL CHANGES</i>				
• (Increase)/Decrease in Trade and other Receivables	(32 176)	(8 660)	(313)	70
• Increase/ (Decrease) in Trade and other payables	(92 446)	100 118	(6 248)	21 870
• Increase/ (Decrease) in Provisions	(2 912)	(7 351)	(2 912)	(7 351)
• Increase /(Decrease)in Provision for allocations	347 083	(352 904)	-	-
Deferred income - License fees	5 666		5 666	
Net cash generated/(utilised) from operating activities	780 142	(165 846)	3 208	17 775

There has been a change in the cash flow figures from prior year, changes in receivables were disclosed as R26 429 and changes in payables as R62 943. This has been corrected to the figures above, to reflect the correct movement in the two accounts.

23. COMMITMENTS

23.1 CAPITAL COMMITMENTS

Purchase Order Commitments	8 539	8 539	8 539	8 539
	8 539	8 539	8 539	8 539

Capital commitments relate to capital acquisitions. Contract commitments are ranging from 12 to 36 months. Full amount disclosed relates to property, plant and equipment.

23.2 OPERATING LEASE COMMITMENTS

NLC leases buildings for its head office and some of the provincial offices. Motor vehicles are under operating leases. The remaining years of the leases range from less than one year to less than four years. The future minimum commitments in terms of the leases of buildings and motor vehicles are as follows:

Due within one year	19 347	4 475	19 347	4 475
Due within two to five years	51 717	3 651	51 717	3 651
Net commitment	71 064	8 126	71 064	8 126

The lease term for Polokwane and Western Cape ends in June 2023 and Durban lease end in July 2023.

23.3 OPERATING COMMITMENTS

Purchase Order Commitments	3 714	3 170	3 714	3 170
Contract Commitments	10 652	9 485	10 652	9 485
	14 366	12 655	14 366	12 655

Operating commitments relate to purchase order and contract commitments. Contract commitments are for a year ranging from 12 to 36 months.

24. MANAGEMENT OF FINANCIAL RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and investment return. Market risk that could impact on future cash flows and the value of a financial instrument arises from:

Interest rate risk: The impact of changes in market interest rates.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Liquidity risk is the risk that the Company and Group will encounter difficulty in meeting obligations associated with financial liabilities due to insufficient cash being available to meet commitments as and when they become due.

Financial risks are managed by the Company and Group as follows:

- Review by the internal auditors of compliance with policies and exposure limits on a continual basis and regularly reporting to the Board Audit and Risk Committee;
- Monitoring forecast and accrual cash flows and matching the maturity profiles of financial assets and liabilities.

To assist in the analysis of the financial risks that the Company and Group is exposed to, the statement of financial position has been divided into the following categories:

- Financial assets and liabilities;
- Non-financial assets and liabilities.

AS AT 31 MARCH 2023	Notes	GROUP			COMPANY		
		Total R'000	Financial Assets and Liabilities R'000	Non-financial assets and liabilities R'000	Total R'000	Financial Assets and Liabilities R'000	Non-financial assets and liabilities R'000
<i>FINANCIAL INSTRUMENTS AT AMORTISED COST:</i>							
UNLISTED:							
• Trade and other receivables from exchange transactions	15.1	35 952	35 952	-	1 149	1 149	-
• Trade and other receivables from non-exchange transactions	15.2	30 014	30 014	-	-	-	-
<i>FINANCIAL INSTRUMENTS AT FAIR VALUE:</i>							
• Cash and cash equivalents	17	2 943 767	2 943 767	-	9 051	9 051	-
<i>NON-FINANCIAL ASSETS</i>							
• Other assets	13 & 14	203 456	-	203 456	203 456	-	203 456
• Deposits and Prepayments	16	6 242	-	6 242	6 162	-	6 162
Total Assets		3 219 431	3 009 733	209 698	219 818	10 200	209 618
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>							
PROVISION FOR ALLOCATION BY DISTRIBUTING AGENCIES							
• Trade and other payables from exchange transactions	20.1	21 477	18 641	2 836	21 084	18 248	2 836
• Trade and other payables from non-exchange transactions	20.2	212 809	212 809	-	165 135	165 135	-
<i>NON-FINANCIAL LIABILITY</i>							
• Deferred income - Licence fees	18	6 139	-	6 139	6 139	-	6 139
• Provisions	21	27 461	-	27 461	27 461	-	27 461
Total liabilities		726 329	689 893	36 436	219 819	183 383	36 436

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24. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

AS AT 31 MARCH 2022 RESTATE	Notes	GROUP			COMPANY		
		Total R'000	Financial Assets and Liabilities R'000	Non-financial assets and liabilities R'000	Total R'000	Financial Assets and Liabilities R'000	Non-financial assets and liabilities R'000
<i>FINANCIAL INSTRUMENTS AT AMORTISED COST:</i>							
UNLISTED:							
• Trade and other receivables from exchange transactions	15.1	10 364	10 364	-	2 435	2 435	-
• Trade and other receivables from non-exchange transactions	15.2	24 772	24 772	-	-	-	-
<i>FINANCIAL INSTRUMENTS AT FAIR VALUE:</i>							
• Cash and cash equivalents	17	2 164 926	2 164 926	-	7 139	7 139	-
<i>NON-FINANCIAL ASSETS</i>							
• Other assets	13 & 14	209 362	-	209 362	209 362	-	209 362
• Deposits and Prepayments	16	4 643	-	4 643	4 564	-	4 564
Total Assets		2 414 067	2 200 062	214 005	223 500	9 574	213 926
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>							
• Provision for allocation by Distributing Agencies		124 365	124 365	-	-	-	-
• Trade and other payables from exchange transactions		26 048	25 795	253	25 544	25 291	253
• Trade and other payables from non-exchange transactions		298 430	298 430	-	164 669	164 669	-
<i>NON-FINANCIAL LIABILITY</i>							
• Deferred income - Licence fees		2 917	-	2 917	2 917	-	2 917
• Provisions		30 372	-	30 372	30 372	-	30 372
Total liabilities		482 132	448 590	33 542	223 502	189 960	33 542

24.1. FINANCIAL ASSETS AND LIABILITIES

The Company and Group is exposed to financial risk through the following financial assets and liabilities:

	Notes	GROUP		COMPANY	
		Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
<i>FINANCIAL INSTRUMENTS AT AMORTISED COST:</i>					
UNLISTED:					
• Trade and other receivables from exchange transactions	15.1	35 952	10 364	1 149	2 435
• Trade and other receivables from non-exchange transactions	15.2	30 014	24 772	-	-
<i>FINANCIAL INSTRUMENTS AT FAIR VALUE:</i>					
• Cash and cash equivalents	17	2 943 767	2 164 926	9 051	7 139
Total financial assets		3 009 733	2 200 062	10 200	9 574
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>					
PROVISION FOR ALLOCATION BY DISTRIBUTING AGENCIES	19	458 444	124 365	-	-
• Trade and other payables from exchange transactions	20.1	18 641	25 795	18 248	25 291
• Trade and other payables from non-exchange transactions	20.2	212 809	298 430	165 135	164 669
Total financial liabilities		689 893	448 590	183 383	189 960

24. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

24.1.1 MARKET RISK

Sensitivity to changes in interest rates and market indices relevant to financial assets or financial liabilities due to the risk that future cash flows will fluctuate. The table below details the specific interest rate risk that the Company and Group is exposed to:

AS AT 31 MARCH 2023	Notes	Carrying amount R'000	GROUP		Non-interest bearing R'000
			Fixed R'000	Floating R'000	
FINANCIAL INSTRUMENTS AT AMORTISED COST:					
UNLISTED:					
• Trade and other receivables from exchange transactions	15.1	35 952	-	-	35 952
• Trade and other receivables from non-exchange transactions	15.2	30 014	-	-	30 014
FINANCIAL INSTRUMENTS AT FAIR VALUE:					
• Cash and cash equivalents	17	2 943 766	-	2 943 709	57
Total financial assets		3 009 732	-	2 943 709	66 023
FINANCIAL LIABILITIES AT AMORTISED COST:					
• Provision for allocation by Distributing Agencies	19	458 444	-	-	458 444
• Trade and other payables from exchange transactions	20.1	18 641	-	-	18 641
• Trade and other payables from non-exchange transactions	20.2	212 809	-	-	212 809
Total financial liabilities		689 893	-	-	689 893
AS AT 31 MARCH 2022 RESTATED					
FINANCIAL INSTRUMENTS AT AMORTISED COST:					
UNLISTED:					
• Trade and other receivables from exchange transactions	15.1	10 364	-	-	10 364
• Trade and other receivables from non-exchange transactions	15.2	24 772	-	-	24 772
FINANCIAL INSTRUMENTS AT FAIR VALUE:					
• Cash and cash equivalents	17	2 164 926	-	2 164 897	29
Total financial assets		2 200 062	-	2 164 897	35 165
FINANCIAL LIABILITIES AT AMORTISED COST:					
• Provision for allocation by Distributing Agencies	19	124 365	-	-	124 365
• Trade and other payables from exchange transactions	20.1	25 795	-	-	25 795
• Trade and other payables from non-exchange transactions	20.2	298 430	-	-	298 430
Total financial liabilities		448 590	-	-	448 590

24. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

24.1.1 MARKET RISK (CONTINUED)		GROUP		COMPANY	
		Carrying amount R'000	Fixed R'000	Floating R'000	Non-interest bearing R'000
AS AT 31 MARCH 2023	Notes				
<i>FINANCIAL INSTRUMENTS AT AMORTISED COST:</i>					
UNLISTED:					
• Trade and other receivables from exchange transactions	15.1	1 149	-	-	1 149
• Trade and other receivables from non-exchange transactions	15.2	-	-	-	-
<i>FINANCIAL INSTRUMENTS AT FAIR VALUE:</i>					
• Cash and cash equivalents	17	9 051	-	8 993	58
Total financial assets		10 200	-	8 993	1 207
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>					
• Provision for allocation by Distributing Agencies	19	-	-	-	-
• Trade payables from exchange transactions	20.1	18 248	-	-	18 248
• Trade payables from non-exchange transactions	20.2	165 135	-	-	165 135
Total financial liabilities		183 383	-	-	183 383
AS AT 31 MARCH 2022 RESTATED					
<i>FINANCIAL INSTRUMENTS AT AMORTISED COST:</i>					
UNLISTED:					
• Trade and other receivables from exchange transactions	15.1	2 435	-	-	2 435
• Trade and other receivables from non-exchange transactions	15.2	-	-	-	-
<i>FINANCIAL INSTRUMENTS AT FAIR VALUE:</i>					
• Cash and cash equivalents	17	7 139	-	7 110	29
Total financial assets		9 574	-	7 110	2 464
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>					
• Trade and other payables from exchange transactions	20.1	25 291	-	-	25 291
• Trade and other payables from non-exchange transactions	20.2	164 669	-	-	164 669
Total financial liabilities		189 960	-	-	189 960

24. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

24.1.2 CREDIT RISK

Key areas where the Company and Group was exposed to credit risk:

- Cash and cash equivalents

As at 31 March 2023 S&P Global Ratings revised the outlooks of financial institutions to stable from positive, while affirming all global and national scale ratings. NLC aligned the disclosure in line with the decision by the rating agency.

		GROUP					
		Total	AA+	BBB+	BB+	B+	
		R'000	AA	BBB	BB	B	Not rated
AS AT 31 MARCH 2023	Notes	R'000	AA-	BBB-	BB-	B-	R'000
<i>FINANCIAL INSTRUMENTS AT AMORTISED COST</i>							
FINANCIAL INSTRUMENTS AT FAIR VALUE:							
Cash and cash equivalents	17	2 943 767	-	-	2 943 767	-	-
		2 943 767	-	-	2 943 767	-	-

AS AT 31 MARCH 2022

<i>FINANCIAL INSTRUMENTS AT AMORTISED COST</i>							
FINANCIAL INSTRUMENTS AT FAIR VALUE:							
Cash and cash equivalents	17	2 164 926	-	-	2 164 926	-	-
		2 164 926	-	-	2 164 926	-	-

		COMPANY					
		Total	AA+	BBB+	BB+	B+	
		R'000	AA	BBB	BB	B	Not rated
AS AT 31 MARCH 2023	Notes	R'000	AA-	BBB-	BB-	B-	R'000
<i>FINANCIAL INSTRUMENTS AT AMORTISED COST</i>							
FINANCIAL INSTRUMENTS AT FAIR VALUE:							
Cash and cash equivalents	17	9 051	-	-	9 051	-	-
		9 051	-	-	9 051	-	-

AS AT 31 MARCH 2022

<i>FINANCIAL INSTRUMENTS AT AMORTISED COST</i>							
FINANCIAL INSTRUMENTS AT FAIR VALUE:							
Cash and cash equivalents	17	7 139	-	-	7 139	-	-
		7 139	-	-	7 139	-	-

24. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

24.1.2 CREDIT RISK (CONTINUED)	Notes	GROUP		COMPANY	
		Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
		R'000	R'000	R'000	R'000
CREDIT RISK RELATING TO RECEIVABLES					
Ithuba Holdings (RF) (Pty) Ltd	15.2	30 014	24 772	-	-
Beneficiaries	15.1	19 082	1 824	-	-
Other receivables from exchange transactions	15.1	17 065	8 504	1 104	1 907
		66 161	35 100	1 104	1 907

THE AGEING OF THE COMPONENTS OF TRADE AND OTHER RECEIVABLES WAS:	GROUP			
	Gross Year Ended 31 March 2023	Impairment Year Ended 31 March 2023 Restated	Gross Year Ended 31 March 2022	Impairment Year Ended 31 March 2022 Restated
	R'000	R'000	R'000	R'000
Within a year [^]	65 073	(240)	33 276	(178)
Later than one year	1 088	-	1 824	(492)
Total	66 161	(240)	35 100	(670)

[^]A greater portion of the debtors not impaired are going to be recovered within one month after year end

THE AGEING OF THE COMPONENTS OF TRADE AND OTHER RECEIVABLES WAS:	COMPANY			
	Gross Year Ended 31 March 2023	Impairment Year Ended 31 March 2023 Restated	Gross Year Ended 31 March 2022	Impairment Year Ended 31 March 2022 Restated
	R'000	R'000	R'000	R'000
Within a year	16	-	2 435	(178)
Later than one year	1 088	-	-	-
Total	1 104	-	2 435	(178)

THE MOVEMENT IN THE PROVISION FOR IMPAIRMENT DURING THE YEAR WAS AS FOLLOWS:	GROUP		COMPANY	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000	R'000	R'000
Balance at the beginning of the year	(670)	-	(178)	-
Movement in provision	430	(670)	178	(178)
Balance at the end of the year	(240)	(670)	(0)	(178)

24. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

24.1.3 LIQUIDITY RISK

The table below analyses the Company and Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining year at the reporting date to the contractual maturity date.

AS AT 31 MARCH 2023	Notes	GROUP		COMPANY	
		Total R'000	Within a year R'000	Total R'000	Within a year R'000
Provision for allocation by Distributing Agencies	19	458 444	458 444	-	-
Trade and other payables from exchange transactions	20.1	18 641	18 641	18 248	18 248
Trade and other payables from non-exchange transactions	20.2	212 809	212 809	165 135	165 135
Total		689 893	689 893	183 383	183 383
AS AT 31 MARCH 2022					
Provision for allocation by Distributing Agencies	19	124 365	124 365	-	-
Trade and other payables from exchange transactions	20.1	25 795	25 795	25 291	25 291
Trade and other payables from non-exchange transactions	20.2	298 430	298 430	164 669	164 669
Total		448 590	448 590	189 960	189 960

25. PRIOR YEAR ERROR - GROUP

During the current financial year errors were identified relating to the prior years. The nature of the errors are as follows:

- Invoices totaling to a net of R1 735 640 belonging to 2021/22 financial year were received during the current financial year and the 2021/22 financial year accruals have been adjusted.
- During the year it was discovered that invoices totaling to R61 859 were not included in the accounts payable of 2021/22.
- Invoices totaling to a net of R802.59 belonging to 2020/21 financial year were received during the current financial year and the 2020/21 financial year accruals have been adjusted.
- Invoices totaling to R23 452.83 for 2021/22 was processed in relation to Board fees.
- An invoice totaling R1 022 550.67 for return of earning for 2022 was issued in May 2023.
- During the 2023 audit it was discovered that intangible assets totalling to a cost of R 452 549.80 were incorrectly classified. This resulted in a decrease of the assets and the full adjustment was made in 2020/21 financial year and a R50 926 amortisation adjustment for 2020/21 and 2021/22 financial year.
- An invoice totaling R627 272.5 relating to 2020/21 financial year was received in June 2023.

During the financial year while correcting the useful lives it was not that depreciation for some assets needs to be corrected as it was not calculated correctly. The effect of the error has been adjusted as follows:

- An increase of R9 381 in depreciation for furniture
- A decrease of R 8 889 in depreciation for Office Equipment
- An increase of R35 060 in depreciation for Computer Equipment for from the time the useful life came to an end. An additional remaining useful life has been added to these assets to allow the NLC to phase out the old assets and work on a replacement strategy. The effect of the error has been adjusted as follows:

Computer Equipment

- 2017/18 - Decrease in accumulated depreciation of R859 610
- 2018/19 - Decrease in accumulated depreciation R468 486
- 2019/20 - Decrease in accumulated depreciation R455 908
- 2020/21 - Decrease in accumulated depreciation R444 599
- 2021/22 - Increase in accumulated depreciation R85 203

25. PRIOR YEAR ERROR - GROUP (CONTINUED)

- Accounts payable ledger was overstated by a total of R113 880.51 in the 2018/19 financial year.
- Accounts payable ledger was understated by a total of R364 279.78 in the 2019/20 financial year.
- Accounts payable ledger was understated by a total of R45 003.16 in the 2021/22 financial year.
- During the current year, it was discovered that allocations amounting to R114 000 was erroneously over-allocated in the 2020/21 financial year.
- During the current year, it was discovered that allocations amounting to R233 500 were erroneously withdrawn in the 2020/21 financial year.
- During the current year, it was discovered that allocations amounting to R216 367 were erroneously withdrawn in the 2021/22 financial year.
- During the current year, it was discovered that withdrawals amounting to R122 600 were erroneously omitted in the 2021/22 financial year.
- During the current year the NLC company made adjustments totaling to R1 162 690 in 2021/22 goods and services which ultimately affected the comparative figures for transfers to NLC.
- During the current year the NLC company made adjustments totaling R23 977 in 2020/21 goods and services which ultimately affected the comparative figures for transfers to NLC.
- During the current year, it was discovered that an allocation amounting to R54 000 for covid project was erroneously omitted in the 2020/21 financial year
- During the current year, it was discovered that an allocation amounting to R243 198 was duplicated due to an incorrect capturing of the beneficiary name in the 2020/21 financial year

The financial statements have been retrospectively restated.

The impact of the errors are as follows:	2021/22 R'000	2020/21 R'000	2019/20 R'000	2018/19 R'000	2017/18 R'000
(Increase)/Decrease in goods and services	(2 086)	(1 021)	-	-	-
Increase/(Decrease) in Sundry Income	(45)		(364)	114	-
Increase/(Decrease) in Revocations	149	(234)	-	-	-
(Increase)/Decrease in depreciation, amortisation and impairment	(59)	751	456	468	860
(Increase)/Decrease in Allocations of Grants	-	60			
(Increase/ (Decrease) in Statement of Financial Performance	(2 041)	(443)	92	582	860
(Increase)/Decrease in Trade and other payables from exchange transactions	(2 086)	(568)	-	-	-
(Increase)/Decrease in Intangible assets		(453)	-	-	-
(Increase)/Decrease in Property Plant and Equipment transactions	(59)	751	456	468	860
Decrease in Provisions for Allocations	104	(174)	(364)	114	-
Increase/(Decrease) in Net Assets	(2 041)	(443)	92	582	860

26. PRIOR YEAR ERROR - COMPANY

During the current financial year errors were identified relating to the prior years. The nature of the errors are as follows:

- Invoices totaling to a net of R1 735 640 belonging to 2021/22 financial year were received during the current financial year and the 2021/22 financial year accruals have been adjusted.
- During the year it was discovered that invoices totaling to R61 859 were not included in the accounts payable of 2021/22.
- A credit note amounting to R523 963.05 was issued by a supplier for services belonging to the 2021/22 financial year.
- A credit note amounting to R291 468 for water charges was issued by a service provider for services belonging to the 2020/21 and 2021/22 financial year respectively. The total adjusted in each year is R58 488 for 2020/21 and R232 980 for 2021/22
- Invoices totaling to a net of R802.59 belonging to 2020/21 financial year were received during the current financial year and the 2020/21 financial year accruals have been adjusted.
- Invoices totaling to R23 452.83 for 2021/22 was processed in relation to Board fees.
- An invoice totaling R1 022 550.67 for return of earning for 2022 was issued in May 2023.
- During the 2023 audit it was discovered that intangible assets totalling to a cost of R 452 549.80 were incorrectly classified. This resulted in a decrease of the assets and the full adjustment was made in 2020/21 financial year and a R50 926 amortisation adjustment for 2020/21 and 2021/22 financial year.
- An invoice totaling R627 272.5 relating to 2020/21 financial year was received in June 2023.

During the financial year while correcting the useful lives it was not that depreciation for some assets needs to be corrected as it was not calculated correctly. The effect of the error has been adjusted as follows:

- An increase of R9 381 in depreciation for furniture
- A decrease of R 8 889 in depreciation for Office Equipment
- An increase of R35 060 in depreciation for Computer Equipment

During the financial year the NLC reassessed the remaining useful live of property plant and equipment. Assets that had a carrying amount of zero and still in use were revised and a prior year error accounted for from the time the useful life came to an end. An additional remaining useful life has been added to these assets to allow the NLC to phase out the old assets and work on a replacement strategy. The effect of the error has been adjusted as follows:

Computer Equipment

- 2017/18 - Decrease in accumulated depreciation of R859 610
- 2018/19 - Decrease in accumulated depreciation R468 486
- 2019/20 - Decrease in accumulated depreciation R455 908
- 2020/21 - Decrease in accumulated depreciation R444 599
- 2021/22 - Increase in accumulated depreciation R85 203

Furniture and fittings

- 2020/21 - Decrease in accumulated depreciation R78 060
- 2021/22 - Decrease in accumulated depreciation R45 416

Office Equipment

- 2020/21 - Decrease in accumulated depreciation R177 709
- 2021/22 - Increase in accumulated depreciation R34 990

26. PRIOR YEAR ERROR - COMPANY (CONTINUED)

	2021/22 R'000	2020/21 R'000	2019/20 R'000	2018/19 R'000	2017/18 R'000
The impact of the errors are as follows:					
(Increase)/Decrease in goods and services	(2 086)	(1 021)	-	-	-
Increase/(Decrease) Transfers from NLDTF	2 145	269	(456)	(468)	(860)
(Increase)/Decrease in depreciation, amortisation and impairment	(59)	751	456	468	860
Increase/ (Decrease) in Statement of Financial Performance	(0)	-	-	-	-
(Increase)/Decrease in Trade and other payables from exchange transactions	(2 086)	(568)	-	-	-
(Increase)/Decrease in Intangible assets		(453)			
(Increase)/Decrease in Property Plant and Equipment transactions	(59)	751	456	468	860
(Increase)/Decrease in Trade and other payables from non exchange transactions	2 145	269	(456)	(468)	(860)
Increase/(Decrease) in Net Assets	-	-	-	-	-

27. CHANGE IN ACCOUNTING ESTIMATE

The year of the 3rd National Lottery licence was extended on 31 May 2022 by a further 2 years, ending on 31 May 2025. The effect of the change has increased the amortization of deferred income (refer to note 18) of the current year licence fee by R 333 333.

The NLC has reassessed the useful lives of property, plant and equipment which resulted in useful lives to change from 3 to 23 years on average. The effect of the change in accounting estimate has resulted to the following impact for the current year. The effect on future years has not been determined.

Increase in depreciation of R122 111 for computer equipment Increase in depreciation of R1 236 for office equipment and Decrease in depreciation of R105 710 for furniture and fittings

The change in estimate has resulted in a prior period error that has been disclosed in note 26 and 27 for the company and the group.

28. TAXATION

28.1 GROUP

The NLC and NLDTF are exempt from Income Tax in terms of Section 10(1)(cA) of the Income Tax Act, 1962.

The NLPT is a registered tax payer in terms of Section 67 of the Income Tax Act no. 58 of 1962 as amended. The Trust's tax reference number is 2332466172. There is no tax payable by the trust.

28.2 COMPANY AND GROUP

The NLC is exempt from income tax in terms of Section 10(1)(cA) of the Income Tax Act, 1962.

29. EVENTS AFTER REPORTING YEAR

The NLC received invoices amounting to a total of R1 598 786.88 between June and July of which R627 272.5 of this amount related to work that was done in 2020/21 financial year.

30. CONTINGENT LIABILITIES - GROUP AND COMPANY

On 10 May 2022 the Supreme Courts of Appeal ordered costs in favour of the respondent in one particular case. The associated costs were unknown at the time of preparing and approval of the annual financial statements.

Costs were awarded against the NLC in a case against a beneficiary, the invoices are still to be taxed and therefore the liability cannot be quantified.

31. CONTINGENT ASSETS - GROUP

First National Bank (FNB) has communicated to NLC management on suspicious transactions between February 2022 to October 2022 related to the grants beneficiaries to the value of R142 million, mostly involving sports clubs. As a result, FNB put these suspicious accounts on hold and froze the payments and did not allow further withdrawals during the year. Investigations are currently underway.

A preservation order was obtained by the National Prosecuting Authority's Assets Forfeiture Unit in one of the matters that were investigated by the Special Investigation Unit (SIU)

NLDTF. The asset in question was sold in an auction and the NDLTF is awaiting payment of the proceeds.

NLDTF paid R 4.228 million to two beneficiaries in the previous years and need to claim from the beneficiaries due to identified fraud and irregularities in 2021/22 financial year. The recoverable amount and time of settlement can not be reliably estimated at year end.

The NLC was awarded costs in three court cases and is awaiting the taxing of the invoices to get the final amount due.

32. CONTINGENT ASSETS - COMPANY

The NLC was awarded costs in three court cases and is awaiting the taxing of the invoices to get the final amount due.

33. COMPARISON OF APPROVED BUDGET AND FINAL BUDGET - GROUP

	Approved Budget R'000	Final Budget R'000	Adjustments R'000	Reason for Adjustments
Share of ticket sales	1 613 456	1 613 456	-	No adjustments to budget
Revenue from Participants Trust	150 903	150 903	-	No adjustments to budget
Unclaimed and expired prize money	140 000	140 000	-	No adjustments to budget
Interest from the Participants Trust	10 903	10 903	-	No adjustments to budget
Investments and interest received	75 016	75 016	-	No adjustments to budget
Licence fees	2 500	2 500	-	No adjustments to budget
Sundry income	4 000	4 000	-	No adjustments to budget
Societies and Other Lotteries	80	80	-	No adjustments to budget
Revocations	20 000	20 000	-	No adjustments to budget
RFP Lottery Fee Application Fee	12 000	12 000	-	No adjustments to budget
Employee costs	(358 927)	(358 807)	(120)	Adjustment was due to the adjustment made to the NLPT budget in January 2023
Professional Fees	(8 000)	(8 000)	-	No adjustments to budget
Allocation of grants	(1 239 115)	(1 239 115)	-	No adjustments to budget
Goods and services	(224 595)	(226 178)	1 583	Adjustment was due to the adjustment made to the NLPT budget in January 2023
Depreciation and amortisation	(8 571)	(8 571)	-	No adjustments to budget
Administration Expenses	(3 676)	(3 676)	-	No adjustments to budget
Capital acquisitions	(35 665)	(35 665)	-	No adjustments to budget

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34. COMPARISON OF APPROVED BUDGET AND FINAL BUDGET - COMPANY

The budget and the accounting bases are the same; both are on the accrual basis. The financial statements and the budget are prepared using a classification on the nature of expenses in the statement of financial performance.

	Approved Budget R'000	Final Budget R'000	Adjustments R'000	Reason for Adjustments
Transfers and subsidies received	574 203	575 666	1 463	Adjustment was due to the adjustment made to the NLPT budget in January 2023
RFP Lottery Fee Application Fee	12 000	12 000	-	No adjustments to budget
License fees	2 500	2 500	-	No adjustments to budget
Other Operating Income	500	500	-	No adjustments to budget
Interest Income	162	162	-	No adjustments to budget
Society Lotteries	80	80	-	No adjustments to budget
Employee costs	(358 927)	(358 807)	120	Adjustment was due to the adjustment made to the NLPT budget in January 2023
Goods and services	(223 530)	(223 530)	-	No adjustments to budget
Depreciation and amortisation	(8 571)	(8 571)	-	No adjustments to budget
Capital acquisitions	(35 665)	(35 665)	-	No adjustments to budget

35. DISTRIBUTING AGENCY FEES - SPORTS AND RECREATION GROUP AND COMPANY

Members	Members' Fees R'000	Travel Costs R'000	Professional Fees R'000	Total 2023 R'000	Total 2022 R'000
Dr JH Adams	463	-	-	463	483
Mr RR Mali	539	-	-	539	562
Mr ME Ncula	868	-	-	868	905
Total	1 870	-	-	1 870	1 950

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
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36. EXECUTIVE MANagements EMOLUMENTS GROUP AND COMPANY

EXECUTIVES	Basic Salary R'000	Provident Fund and Risk Benefit Contributions R'000	Travel Allowance R'000	Cell phone Allowance R'000	Acting Allowances R'000	Other Allowances R'000	Total 2023 R'000	Total 2022 R'000
Mrs. T Mampane - Commissioner [^]	1 410	-	60	-	-	101	1 571	5 092
Ms. J Scholtz - Commissioner ^{^^}	348	53	-	8	-	18	427	
Mr LV October - Commissioner ^{^^^}	877	-	-	-	-	10	887	
Mr P Letwaba - Chief Operations Officer ^{^^^^}	1 027	165	50	20	-	272	1 534	3 352
Mr S Dlamini - Chief Operations Officer - Acting ^{^^^^^}	1 560	234	-	30	26	116	1 966	-
Ms. X Ntuli - Chief Financial Officer ^{^^^^^^}	705	108	-	16	-	195	1 024	3 281
Ms. A Maharaj-Domun - Chief Financial Officer - Acting ^{^^^^^^^}	1 411	223	96	30	37	272	2 069	
Mr M Ramusi - Chief Information Officer	2 424	538	120	48	-	235	3 365	4 410
Ms. T Nkuna - Executive: Regulatory Compliance	2 099	282	156	48	22	142	2 749	3 240
Mr T Maselwa - Executive Manager: Legal [*]							-	196
Mr T Ramagoma - Executive Manager: Legal ^{**}	1 392	206	-	32	-	15	1 645	586
Adv. N Nene - Company Secretary	2 095	312	-	32	-	104	2 543	3 218
	15 348	2 121	482	264	85	1 479	19 779	23 375

[^]Mrs. T Mampane resigned effective 31 August 2022

^{^^}Ms. J Scholtz was appointed as a Commissioner effective 1 February 2023

^{^^^}Mr LV October was appointed as Acting Commissioner from 1 September 2022 to 30 November 2022.

^{^^^^}Mr P Letwaba resigned effective 15 August 2022

^{^^^^^}Mr S Dlamini was acting COO

^{^^^^^^}Ms. X Ntuli resigned as CFO effective 1st August 2022

^{^^^^^^^}Ms. A Maharaj-Domun was acting CFO

^{*}Mr T Maselwa resigned on 30 April 2021

^{**}Mr T Ramagoma resigned effective 21 November 2022

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

37. BOARD OF TRUSTEE'S EMOLUMENTS - GROUP

MEMBERS	Members' Fees R'000	Travel Costs R'000	Total 2023 R'000	Total 2022 R'000
Dr. MT Matshoba-Ramuedzisi*****	108	-	108	161
Mr A Mahlalutye	135	-	135	135
Adv. LT Nevondwe	294	-	294	314
Adv. E Mabuza*	-	-	-	-
Ms. X Ntuli***	-	-	-	-
Ms. T Nkuna****	-	-	-	-
	537	-	537	610

*Adv. E Mabuza is a representative of Ithuba Holdings RF (Pty) Ltd] (as an Operator) and is not remunerated

***Ms. X Ntuli was nominated to represent NLC from 1 January 2020 and resigned from NLC effective 31 July 2023. Ms. Ntuli was not remunerated

****Ms. T Nkuna was appointed as the NLC Representative from 21 February 2023. Ms. Nkuna is not remunerated.

*****Dr. MT Matshoba-Ramuedzisi resigned on 30 November 2022,

38. BOARD AND SUB COMMITTEE MEMBERS EMOLUMENTS - GROUP AND COMPANY

The following fees were paid to or receivable by the Board of Directors and Board Committee Members during the year under review

MEMBERS	Board meeting fees R'000	Travel costs R'000	Cell phone allowance R'000	RFP Meetings R'000	Total 2023 R'000	Total 2022 R'000
Dr S Mojaki*	69	-	9	-	77	240
Prof B Pityana	679	-	32	149	860	-
Adv. WE Huma	-	-	-	-	-	339
Prof Y Gordhan	-	-	-	-	-	1 881
Dr M Madzivhandila	-	-	-	-	-	1 610
Ms. D Dondur	-	-	-	-	-	1 996
Dr P Dala*	118	-	24	-	142	-
Ms. P Mvulane	669	20	40	255	984	31
Mr W Hofmeyr	581	2	32	-	616	27
Dr CR Lubisi	684	15	40	255	995	14
Ms B Ferguson	774	29	40	255	1 098	35
Total	3 574	66	216	915	4 771	6 171

*Dr S Mojaki and Dr P Dala are independent members of the Board.

39. RELATED PARTY TRANSACTIONS

The NLC is a regulator of the National Lottery, other lotteries and sports pools. Ithuba Holdings (RF) (Pty) Ltd is a private company that currently operates the National Lottery under licence from the Government. The Operator pays a share of ticket sales to the NLDTF in terms of the licence agreement. These proceeds are destined for good causes as specified in the Lotteries Act. The NLC administers the NLDTF and accounts for all running costs. The NLC withdraws the necessary funds required from the NLDTF, based on an overall annual budget approved by the Minister of Trade and Industry and Competition. The National Lotteries Participants Trust (NLPT) was established by the Lottery Operator [herein Ithuba Holdings RF (Pty) Ltd] in terms of the licence agreement between the dtic, NLC and the Lottery Operator. The main objective of the NLPT is to hold monies in the Trust on behalf of Ithuba for prize winners and monies for advance plays.

39.1 TRANSACTIONS BETWEEN THE NLDTF AND OTHER PARTIES

The NLC is a controlling entity of the NLDTF. The NLDTF is administered by the NLC as stipulated in section 21 of the Lotteries Act (as amended)

	GROUP		COMPANY	
	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
Transfers to NLDTF	-	-	(464 532)	(567 073)
Add: Trade and other payables from non-exchange transactions (Opening)	-	-	164 669	129 742
Less: Trade and other payables from non-exchange transactions (Closing)	-	-	(165 135)	(164 669)
	-	-	(464 998)	(602 000)

ITHUBA HOLDINGS (RF) (PTY)LTD

Proceeds from Ithuba (Pty) Ltd	1 663 400	1 641 380	-	-
Add: Trade and other receivables from non-exchange (Opening)	19 064	17 707	-	-
Less: Trade and other receivables from non-exchange (Closing)	(25 075)	(19 064)	-	-
Add: Unclaimed prizes and advanced days for Ithuba Holdings (RF) (Pty) Ltd (Opening)	292 722	184 034	-	-
Less: Unclaimed prizes and advanced days for Ithuba Holdings (RF) (Pty) Ltd (Closing)	(207 870)	(292 722)	-	-
	1 742 241	1 531 336	-	-

NATIONAL LOTTERIES PARTICIPANTS TRUST (NLPT)

Revenue from NLPT	161 772	99 422	-	-
Add: Trade and other receivables from non-exchange transactions (Opening)	15 508	87 665	-	-
Less: Trade and other receivables from non-exchange transactions (Closing)	-	-	-	-
Cash proceeds from NLPT	129 213	171 579	-	-

The balances reflected represent cash received from NLPT and have been eliminated on consolidation.

39. RELATED PARTY TRANSACTIONS (CONTINUED)

39.2 CONTROLLING ENTITY

The NLC reports to the Department of Trade and Industry and Competition which is a controlling entity. The following transactions took place between the dtic and the NLC: The National Department of Trade and Industry and Competition

	GROUP		COMPANY	
	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
Payments made by dtic on behalf of NLC for use of the forensic panel	1 232	-	-	-
Revenue receivables from dtic	-	773	-	773
Add: Trade and other receivables from non-exchange transactions (Opening)	773	-	773	-
Less: Trade and other receivables from non-exchange transactions (Closing)	(773)	(773)	(773)	(773)
Cash received from the dtic	-	-	-	-

39.3 ENTITIES UNDER COMMON CONTROL

The following entities are entities under the common control of the Department of Trade Industry and Competition. No transactions took place between the NLC and these entities except for where indicated otherwise.

Companies and Intellectual Property Commission	-	-	-	-
Companies Tribunal	-	-	-	-
National Empowerment Fund	-	-	-	-
Export Credit Insurance Corporation of South Africa SOC Limited	-	-	-	-
South African Bureau of Standards	-	-	-	-
National Credit Regulator	-	-	-	-
National Gambling Board	-	-	-	-
South African National Accreditation System	-	-	-	-
National Consumer Tribunal	-	-	-	-
National Consumer Commission	-	-	-	-
National Metrology Institute of South Africa	-	-	-	-
National Regulator for Compulsory Specifications	-	-	-	-
International Trade Administration Commission	-	-	-	-
Competition Commission	-	-	-	-
B-BBEE Commission	-	-	-	-

40. PROVISION FOR ALLOCATION BY DISTRIBUTING AGENCIES

It is the duty of the Distributing Agency Members to adjudicate applications for funding within their respective sectors. Members who have a conflict that may impact the ability to adjudicate impartially do not adjudicate on the projects, as they recuse themselves whilst these projects are being adjudicated. Listed below are balances and transactions with those organisations which were funded by the NLC and in which Distributing Agencies have significant interest. The transactions were in the ordinary course of business and at arms length.

Sector	Name of Beneficiary	Distributing Agency Member	Nature of Relationship	Amount Granted 2022/23 R'000	Payments 2022/23 R'000	Revocations 2022/23 R'000	Amount Owing 2022/23 R'000	Amount Owing R'000
SRDA	Athletics South Africa (ASA)	Dr Adams	Dr Adams: President of Boland Athletics	2 200	-	-	2 200	-

* Boland Athletics is Athletics Federation in the Western Cape affiliated to Athletics South Africa.

CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2023

	GROUP		COMPANY	
	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
41. IRREGULAR EXPENDITURE AND FRUITLESS AND WASTEFUL EXPENDITURE				
Irregular expenditure	94 412	175 317	92 364	172 867
Fruitless and wasteful expenditure	-	6 053	-	53
Closing balance	94 412	181 370	92 364	172 920

The expenditure transactions relating to the 2022 financial year of the Group and company was revisited and a total of R147.1 million (group) and R144.6 million (company) was identified as additional irregular expenditure.

(1) AMOUNTS OF MATERIAL LOSSES THROUGH CRIMINAL CONDUCT

There have been no losses incurred due to criminal conduct

(2) DISCIPLINARY STEPS TAKEN AS A RESULT OF LOSSES, IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

INCIDENT DESCRIPTION

IRREGULAR EXPENDITURE

Numerous officials implicated. These officials have either been placed on precautionary suspension; have subsequently resigned or corrective action is still to be actioned.

94 412	175 317	92 364	172 867
94 412	175 317	92 364	172 867

FRUITLESS AND WASTEFUL EXPENDITURE

One instance where fees have been recovered

- 5 - 5

One instance where write off has been recommended

- 48 - 48

One instance where determination has not been done

- 6 000 - -

- **6 053** - **53**

Non-compliance with SCM legislation and prescripts



**ANNUAL FINANCIAL STATEMENTS OF THE
NATIONAL LOTTERIES PARTICIPANTS TRUST**
FOR THE YEAR ENDED 31 MARCH 2023

Trustees' Report

The Trustees have pleasure in submitting their report on the Annual Financial Statements of the National Lotteries Participants Trust (NLPT) for the year ended 31 March 2023.

1. NATURE OF THE TRUST

The Trust was incorporated by Ithuba Holdings (RF) (Pty) Ltd on 29 May 2015 and will terminate in terms of Clause 7 of the Replacement Trust Deed. The Trust is constituted for the benefit of the beneficiaries subject to the terms and conditions of the trust deed to hold and safeguard all monies received for the benefit of the beneficiaries. The beneficiaries are the winners, the licensee Ithuba Holdings (RF) (Pty) Ltd, National Lottery Players and the National Lottery Distribution Trust Fund.

2. STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

To the best of our knowledge, we confirm the following:

- All information and amounts disclosed in the report are consistent with the annual financial statements audited by the Auditor-General of South Africa (AGSA). The Annual Financial Statements are complete, accurate and free from any omissions.
- The report has been prepared in accordance with the guidelines on the report as issued by National Treasury.
- The Annual Financial Statements have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practice applicable to the National Lotteries Participants Trust.

- The accounting authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in the statements.. The accounting authority is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance to the integrity and reliability of the statements.
- The Trustees are responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance to the integrity and reliability of the annual financial statements.
- The AG SA is engaged to express an independent opinion on the annual financial statements. In our opinion, the annual financial statements fairly reflect the financial affairs of the National Lotteries Participants Trust for the financial year ended 31 March 2023.

3. APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 135 to 150 for the National Lotteries Participants Trust were approved by the Board of Trustees and signed on their behalf by:



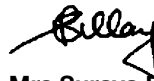
Lufuno Tokyo Nevondwe

Chairperson of the Board: NLPT

Practitioner's **Compilation**

We have compiled the annual financial statements of the National Lotteries Participants Trust, under the administration of Nedgroup Trust (Pty) Ltd as set out on pages 135 to 150, based on information provided by the trustees and administrators. These Annual Financial Statements comprise of the Statement of Financial Position of the National Lotteries Participants Trust as at 31 March 2023, the related Statement of Financial Performance, Statement of Changes in Net Assets and Statement of Cash Flows and Statement of Comparison of Budget Information with actual amounts for the year then ended as well as the notes to the annual financial statements.

We are the compilers of the annual financial statements and the internal controls are monitored throughout the financial year by the trustees, the Regulator, the Licensee and the Administrators to ensure the Trust maintains the highest ethical standards and that the trust's business is conducted in a manner that in all reasonable circumstances is above reproach.



Mrs Suraya Pillay
Nedgroup Trust (Pty) Ltd

Report of the Auditor-General

REPORT OF THE AUDITOR-GENERAL TO TRUSTEES OF THE NATIONAL LOTTERIES PARTICIPANTS TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

1. I have audited the financial statements of the National Lotteries Participants Trust set out on pages 135 to 150, which comprise the, statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets and statement of cash flows statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Lotteries Participants Trust as at 31 March 2023., and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP).

BASIS FOR OPINION

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

RESPONSIBILITIES OF THE TRUSTEES FOR THE FINANCIAL STATEMENTS

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

RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE NATIONAL LOTTERIES PARTICIPANTS TRUST FINANCIAL STATEMENTS

8. 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.
9. 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

10. The trust is 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 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

11. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the trust's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
12. I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

OTHER INFORMATION IN THE ANNUAL REPORT

13. The trustees are responsible for the other information included in the annual report, which includes the trustees' report. The other information referred to does not include the financial statements and the auditor's report presented in the annual performance report that have been specifically reported on in this auditor's report.
14. My opinion on the financial statements, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
15. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

16. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

17. 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.

Auditor – General

Pretoria

31 July 2023



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements.

FINANCIAL STATEMENTS

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

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

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the National Lotteries Participants Trust to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE.

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

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

Statement of **Financial Performance** for the year ended 31 March 2023

	NOTE	TRUST	
		Year Ended 31 March 2023	Year Ended 31 March 2022
		R'000	R'000
REVENUE			
REVENUE FROM EXCHANGE TRANSACTIONS			
Interest received		5 543	5 461
		(5 543)	(5 461)
EXPENDITURE			
Goods and services		(1 768)	(1 909)
Administration expenses		(3 775)	(3 552)
		-	-
Surplus for the year		-	-

Statement of Financial Position

as at 31 March 2023

	NOTE	TRUST	
		Year Ended 31 March 2023	Year Ended 31 March 2022
		R'000	R'000
ASSETS			
CURRENT ASSETS			
Trade and other receivables - from exchange transactions	1.1	1 348	817
Trade and other receivables - from non-exchange transactions	1.2	4 939	5 708
Prepayments	2	79	79
Cash and cash equivalents	3	254 903	307 839
Total Assets		261 269	314 443
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables - from exchange transactions	4.1	392	503
Trade and other payables - from non-exchange transactions	4.2	260 876	313 939
Total Liabilities		261 268	314 442
NET ASSETS			
Initial Donation: Ithuba Holdings (RF) (Pty) Ltd		1	1
Total Net Assets and Liabilities		261 269	314 443

Statement of **Changes in Net Assets** for the year ended 31 March 2023

	Accumulated Surplus R'000
Balance as at 31 March 2021	1
Surplus for the year ended 31 March 2022	-
Balance as at 31 March 2022	1
Surplus for the year ended 31 March 2023	-
Balance as at 31 March 2023	1

Statement of Cash Flows

for the year ended 31 March 2023

	NOTE	TRUST	
		Year Ended 31 March 2023	Year Ended 31 March 2022
		R'000	R'000
CASH FLOW FROM OPERATING ACTIVITIES			
Cash Receipts		487 992	620 063
Cash received from Ithuba Holdings (RF) (Pty) Ltd		11 749	7 190
Interest received		499 741	627 253
CASH PAYMENTS			
Cash paid to NLDTF, Ithuba Holdings (RF) (Pty) Ltd and other parties		(552 677)	(591 477)
		(552 677)	(591 477)
Net cash generated/(utilised) from operating activities	8.1	(52 936)	35 776
Net increase/(decrease) in cash and cash equivalents		(52 936)	35 776
Cash and cash equivalents at the beginning of the year	3	307 839	272 063
Cash and cash equivalents at the end of the year	3	254 903	307 839

Statement of Comparison of Budget and Actual Amounts

for the year ended 31 March 2023

	Approved Budget R'000	Adjustments R'000	Final Budget R'000	Actual Amounts R'000	Difference: Final Budget and Actual R'000
REVENUE AND INCOME					
Interest Received	6 239	-	6 239	5 543	(696)
Total revenue and income	6 239	-	6 239	5 543	(696)
EXPENSES					
Goods and services	(980)	(1 583)	(2 563)	(1 768)	795
Employee Costs (approved and reversed)	(120)	120	-	-	-
Administrative expenses	(3 676)	-	(3 676)	(3 775)	(99)
Total expenditure	(4 776)	(1 463)	6 239	(5 543)	696
Surplus/(Deficit) for the year	1 463	(1 463)	-	-	-

Account	Explanation of difference	Amount R'000
Interest received	Interest received of the Trust is recognised to the extent of expenditure incurred.	(696)
Administrative expenses	The actual amount incurred was less than the budgeted amount. The actual amount was calculated by using the CPI rate as at 30 September 2022.	(99)
Goods and services	The actual amount incurred was less than the budgeted amount. The trustee fee was determined by the number of meetings held during the year.	795

Summary of Significant **Accounting Policies** for the year ended 31 March 2023

The principal accounting policies applied in the preparation of these separate annual financial statements are set out below. These policies have been consistently applied to all the years presented.

1. BASIS OF PREPARATION

The separate annual financial statements have been prepared in accordance with South African Standards of Generally Recognised Accounting Practice (SA GRAP). They have been prepared in accordance with the going concern principle using the historical cost basis except where otherwise stated in the accounting policies below.

The preparation of Annual Financial Statements in conformity with SA GRAP requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying National Lotteries Participants Trust's accounting policies.

All monetary information and figures presented in these annual financial statements are stated in thousands of Rand (R' 000), unless otherwise

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS APPROVED AND NOT YET EFFECTIVE

Standard	Scope and potential impact	Effective date
GRAP 25: Employee Benefits	None	No Effective date has been determined by the Minister of Finance. Standards will be applied only upon determination of effective date by the Minister where applicable.
IGRAP 7: Limit on define benefit asset, minimum funding requirements and their interaction	None	
GRAP 104: Financial instruments	None	Effective date 01 April 2025
IGRAP 21: Effect of past decisions on materiality	None	Effective date 01 April 2023

NLPT did not apply any of the standards above. It is not expected that the above standards, amendments and interpretations will have any material impact on the NLPT's annual financial statements on initial application where applicable.

GRAP 25 does not apply to NLPT, because NLPT Trust does not have employees.

Changes to GRAP 104 affect the following:

- Classification of financial assets
- Amortised cost of financial assets
- Impairment of financial assets
- Disclosures

2. REVENUE RECOGNITION

Revenue is the gross inflow of economic benefits or service potential during the reporting period when these inflows result in an increase in net assets. Revenue is recognised when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably.

The NLPT distinguishes between two forms of revenue namely, revenue from exchange transactions and revenue from non-exchange transactions.

Revenue from exchange transactions is defined as revenue on which NLPT receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity or party in exchange.

Revenue from non-exchange transactions is defined as revenue in which NLPT receives value from another entity or party without directly giving approximately equal value in exchange or gives value to another entity or party without directly receiving approximately equal value in exchange.

2.1. INTEREST RECEIVED

Investment income comprises interest received from assets held at amortised cost and cash and cash equivalents. Interest is accounted for on an accrual basis using the effective interest rate method. Interest received is realised to the extent of expenses incurred.

3. FRUITLESS AND IRREGULAR EXPENDITURE

No fruitless and/or irregular expenditure was incurred during the year under review.

4. FINANCIAL ASSETS

NLPT classifies its financial assets in the following categories:

- financial assets at amortised cost
- financial assets at fair value

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

4.1. FINANCIAL ASSETS AT AMORTISED COST

Financial assets carried at amortised cost, are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. These assets are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

Financial assets at amortised cost consist of:

- Trade and other receivables from exchange transaction
- Trade and other receivables from non-exchange transaction

NLPT will derecognise a financial asset when:

- (a) the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- (b) NLPT transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- (c) NLPT despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

4.2. FINANCIAL LIABILITIES

National Lotteries Participants Trust classifies its financial liabilities in the following category:

- financial liabilities at amortised cost

4.2.1. FINANCIAL LIABILITIES AT AMORTISED COST

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities at amortised cost consists of:

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

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise balances with:

- Nedbank Private Wealth (Pty) Ltd - Advance and Online Play
- Nedbank Private Wealth (Pty) Ltd - Expired account
- Nedbank Private Wealth (Pty) Ltd - Interest account
- Nedbank Private Wealth (Pty) Ltd - Prize Money account

Cash and cash equivalents only include items held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. It comprises cash on hand and deposits held at call with respective banks. Cash and cash equivalents have a maturity of less than three months. Cash and cash equivalents are classified as financial assets at fair value and are carried at cost which due to their short-term nature approximates fair value.

6. FINANCIAL RISK MANAGEMENT

The NLPT's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Board of trustees manages these risks through quarterly reporting at Board Audit and Risk Committee and Trustee meetings.

6.1. MARKET RISK

The NLPT's activities do not expose it to a significant amount of market risk. Therefore no formal policies have been developed to guard against market risk.

6.2. CREDIT RISK

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables and committed transactions.

6.3. LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to meet the daily demands of the operations. Management monitors daily balances of cash and cash equivalents as well as investment accounts to ensure that enough funds are available to meet the needs of the operation.

7. TRADE AND OTHER PAYABLES

Trade payables are obligations to pay for services that have been utilized in the ordinary course of business from suppliers as well as obligations due to the beneficiaries (participants) and the NLDTF and the licensee (Ithuba Holdings (RF) (Pty) Ltd) and Lottery Winners. Accounts payable are classified as current liabilities as they are due and payable within one year or less from the reporting date. No non-current liabilities exist at reporting date. Trade payables are initially recognised at fair value.

- National Lotteries Participants Trust: Expired Funds and Net Interest Income due to the National Lotteries Participants Trust
- Advance Sales due to Winners and due to Ithuba Holdings (RF) (Pty) Ltd: Advanced sales
- Unclaimed funds - Funds due to winners
- Unclaimed funds - Ithuba Holdings (RF) (Pty) Ltd: Funds due to Licensee

8. TRADE AND OTHER RECEIVABLES

Trade receivables are in respect of interest accrued to the Trust and/or funds due to it from the Licensee (Ithuba Holdings (RF) (Pty) Ltd) in respect of unclaimed funds. Accounts receivable are classified as current assets as they are due and receivable within one year or less from reporting date. No non-current assets exist at reporting date. Trade receivables are initially recorded at fair value.

- National Lotteries Participants Trust: Expired Funds and Net Interest Income due to the National Lotteries Participants Trust
- Advance Sales due to Winners and due to Ithuba Holdings (RF) (Pty) Ltd: Advanced sales
- Unclaimed funds - Funds due to winners
- Unclaimed funds - Ithuba Holdings (RF) (Pty) Ltd: Funds due to Licensee

9. RELATED PARTIES

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

As a minimum, the following are regarded as related parties of the Trust:

- The National Lotteries Distribution Trust Fund (NLDTF)
- The National Lotteries Commission (NLC)

Related party transactions are transfers of resources or obligations between the National Lotteries Participants Trust and a related party, regardless of whether a price is charged.

10. BUDGET INFORMATION

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives. The approved budget covers the financial year from 2022/04/01 to 2023/03/31. The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period has been included in the statement of comparison of budget and actual amounts.

Notes to the Annual Financial Statements for the year ended 31 March 2023

	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
1. TRADE AND OTHER RECEIVABLES		
1.1 TRADE AND OTHER RECEIVABLES - FROM EXCHANGE TRANSACTIONS		
Interest Accrued	1 348	817
	1 348	817
1.2 TRADE AND OTHER RECEIVABLES - FROM NON-EXCHANGE TRANSACTIONS		
Advanced sales due from Ithuba Holdings (RF) (Pty) Ltd	4 939	5 708
	4 939	5 708
2. PREPAYMENTS		
Insurance – Directors and Public Officers Indemnity Insurance	79	79
	79	79
3. CASH AND CASH EQUIVALENTS		
Nedbank Private Wealth (Pty) Ltd - Advance and Online Play account	27 081	26 806
Nedbank Private Wealth (Pty) Ltd - Expired account	36 305	33 327
Nedbank Private Wealth (Pty) Ltd - Interest account (overdraft)	3 355	(12 497)
Nedbank Private Wealth (Pty) Ltd - Prize Money account	188 162	260 203
	254 903	307 839
None of the accounts is pledged as security.		
4. TRADE AND OTHER PAYABLES		
4.1 TRADE AND OTHER PAYABLES - FROM EXCHANGE TRANSACTIONS		
Administration fees	392	369
Audit fee due	-	134
	392	503
4.2 TRADE AND OTHER PAYABLES - FROM NON-EXCHANGE TRANSACTIONS		
Advanced sales due to Ithuba Holdings (RF) (Pty) Ltd - Players	30 555	31 049
Transfers to NLDTF	48 067	15 508
Unclaimed Funds - Ithuba Holdings (RF) (Pty) Ltd	11 428	13 735
Unclaimed and Unexpired Prizes Monies - Winners	170 826	253 646
	260 876	313 938

	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000
5. INTEREST INCOME		
Current accounts	5 543	5 461
	5 543	5 461

6. GOODS AND SERVICES

Audit fees	978	992
Bank charges	60	63
Catering expenses	3	-
Professional indemnity fees	190	189
Training fee	-	55
Trustee fees	537	610
	1 768	1 909

7. ADMINISTRATION EXPENSES

Administration fees	3 775	3 552
	3 775	3 552

8. CASH FLOW INFORMATION

8.1 CASH GENERATED BY/(UTILISED FROM) OPERATIONS

Surplus/(Deficit) as per the Statement of Financial Performance	-	-
	-	-

WORKING CAPITAL CHANGES

Decrease/(Increase) in Trade and other receivables	238	(5 238)
(Decrease)/Increase in Trade and other payables	(53 173)	41 014
Net cash generated/(utilised) from operating activities	(52 935)	35 776

9. MANAGEMENT OF FINANCIAL RISK

The NLPT's Trustees monitors and manages the financial risks relating to the Trust through quarterly reports.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and investment return. Market risk that could impact on future cash flows and hence the value of a financial instrument arises from:

Interest rate risk: The impact of changes in market interest rates.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Liquidity risk is the risk that NLPT will encounter difficulty in meeting obligations associated with financial liabilities due to insufficient cash being available to meet commitments as and when they become due.

To assist in the analysis of the financial risks that National Lotteries Participant Trust is exposed to, the statement of financial position has been divided into the following categories:

- Financial assets and liabilities;
- Non-financial assets and liabilities.

9. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

AS AT 31 MARCH 2023	NOTE	Total R'000	Financial Assets and Liabilities R'000	Non- Financial Assets and Liabilities R'000
<i>FINANCIAL ASSETS AT AMORTISED COST:</i>				
Unlisted:				
• Trade and other receivables from exchange transactions	1.1	1 348	1 348	-
• Trade and other receivables from non-exchange transactions	1.2	4 939	4 939	-
<i>NON- FINANCIAL ASSET</i>				
Prepayments	2	79	-	79
<i>FINANCIAL ASSETS AT FAIR VALUE</i>				
• Cash and cash equivalents	3	254 903	254 903	-
Total Assets		261 269	261 190	79
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>				
Trade and other payables - from exchange transactions				
		392	392	-
Trade and other payables - from non-exchange transactions				
		260 876	260 876	-
Total liabilities		261 268	261 268	-
AS AT 31 MARCH 2022	NOTE	Total R'000	Financial Assets and Liabilities R'000	Non- Financial Assets and Liabilities R'000
<i>FINANCIAL ASSETS AT AMORTISED COST:</i>				
Unlisted:				
• Trade and other receivables from exchange transactions	1.1	817	817	-
• Trade and other receivables from non-exchange transactions	1.2	5 708	5 708	-
<i>NON- FINANCIAL ASSET</i>				
Prepayments	2	79	-	79
<i>FINANCIAL ASSETS AT FAIR VALUE</i>				
• Cash and cash equivalents	3	307 839	307 839	-
Total Assets		314 443	314 364	79
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>				
Trade and other payables - from exchange transactions				
		503	503	-
Trade and other payables - from non-exchange transactions				
		313 938	313 938	-
Total liabilities		314 441	314 441	-

9. MANAGEMENT OF FINANCIAL RISK (CONTINUED)	Year Ended	Year Ended
	31 March 2023	31 March 2022
	R'000	R'000

9.1. FINANCIAL ASSETS AND LIABILITIES

The NLPT is exposed to financial risk through the following financial assets and liabilities:

FINANCIAL ASSETS AT AMORTISED COST

Unlisted:

• Trade and other receivables from exchange transactions	1 348	817
• Trade and other receivables from non-exchange transactions	4 939	5 708

FINANCIAL ASSETS AT FAIR VALUE

• Cash and cash equivalents	254 903	307 839
Total financial assets	261 190	314 364

FINANCIAL LIABILITIES AT AMORTISED COST

Trade and other payables - from exchange transactions	392	503
Trade and other payables - from non-exchange transactions	260 876	313 938
Total financial liabilities	261 268	314 441

9.1.1. MARKET RISK

(A) INTEREST RATE RISK

Sensitivity to changes in interest rates is relevant to financial assets or financial liabilities bearing floating interest rates due to the risk that future cash flows will fluctuate. NLPT holds its money in call accounts. Changes in the future cash flows of the Trust will be as a result of interest changes.

The table below details the specific interest rate risk that the NLPT is exposed to:

AS AT 31 MARCH 2023	Notes	Carrying amount R'000	Fixed R'000	Floating R'000	Non-interest bearing R'000
FINANCIAL ASSETS AT AMORTISED COST:					
Unlisted:					
• Trade and other receivable from exchange transactions	1.1	1 348	-	-	1 348
• Trade and other receivable from non-exchange transactions	1.2	4 939	-	-	4 939
FINANCIAL ASSETS AT FAIR VALUE:					
Cash and cash equivalents	3	254 903	-	254 903	-
Total financial assets		261 190	-	254 903	6 287
FINANCIAL LIABILITIES AT AMORTISED COST					
Trade and other payables - from exchange transactions	4.1	392	-	-	392
Trade and other payables - from non-exchange transactions	4.2	260 876	-	-	260 876
Total financial liabilities		261 268	-	-	261 268

9. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

<i>AS AT 31 MARCH 2022</i>	Notes	Carrying amount R'000	Fixed R'000	Floating R'000	Non-interest bearing R'000
FINANCIAL ASSETS AT AMORTISED COST:					
Unlisted:					
• Trade and other receivable from exchange transactions	1.1	817	-	-	817
• Trade and other receivable from non-exchange transactions	1.2	5 708	-	-	5 708
FINANCIAL ASSETS AT FAIR VALUE:					
Cash and cash equivalents	3	307 839	-	307 839	-
Total financial assets		314 364	-	307 839	6 525
FINANCIAL LIABILITIES AT AMORTISED COST					
Trade and other payables - from exchange transactions	4.1	503	-	-	503
Trade and other payables - from non-exchange transactions	4.2	313 938	-	-	313 938
Total financial liabilities		314 441	-	-	314 441

9.1.2. CREDIT RISK

Key areas where NLPT is exposed to credit risk:

- Cash and cash equivalents

As at 31 March 2023 Fitch upgraded financial institutions to a rating of BB- with a stable outlook. NLPT aligned the disclosure in line with the decision by the rating agency.

<i>AS AT MARCH 2023</i>	Notes	Total R'000	A BB- B+ R'000	BBB+ BBB- R'000	BB+ BB R'000	B+ B- R'000	Not rated R'000
Financial assets at fair value:							
• Cash and cash equivalents	3	254 903	-	-	254 903	-	-
		254 903	-	-	254 903	-	-

AS AT MARCH 2022

Financial assets at fair value:							
• Cash and cash equivalents		307 839	-	-	307 839	-	-
		307 839	-	-	307 839	-	-

<i>CREDIT RISK RELATING TO RECEIVABLES</i>	Notes	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
Interest Accrued	1.1	1 348	817
Advanced sales due from Ithuba Holdings (RF) (Pty) Ltd	1.2	4 939	5 708
		6 287	6 525

9. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

The ageing of the components of trade and other receivables was as follows:

	Gross 31 March 2023 R'000	Impairment 31 March 2022 R'000	Gross 31 March 2023 R'000	Impairment 31 March 2022 R'000
Within a year	6 287	-	6 525	-
Total	6 287	-	6 525	-

9.1.3. LIQUIDITY RISK

The table below analyses the NLPT's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

AS AT 31 MARCH 2023	Notes	Total R'000	Within a year R'000
Trade and other payables - from exchange transactions	4.1	392	392
Trade and other payables - from non-exchange transactions	4.2	260 876	260 876
Total		261 268	261 268

AS AT 31 MARCH 2022

Trade and other payables - from exchange transactions	4.1	503	503
Trade and other payables - from non-exchange transactions	4.2	313 938	313 938
Total		314 441	314 441

10. TAXATION

The NLPT is a registered taxpayer in terms of Section 67 of the Income Tax Act no. 58 of 1962. The Trust's tax reference number is 2332466172. There is no tax payable for the trust.

11. COMPARISON OF APPROVED BUDGET AND FINAL BUDGET

The budget and the accounting bases are the same; both are on the accrual basis. The annual financial statements and the budget are prepared using a classification on the nature of expenses in the statement of financial performance.

	Approved Budget R'000	Final Budget R'000	Adjustments R'000	Reason for Adjustments
Interest received	6 239	6 239	-	No Adjustments
Administrations fees	(3 676)	(3 676)	-	No Adjustments
Employee Costs	(120)	-	120	No employee costs were to be incurred for the year under review.
Goods and services	(980)	(2 563)	(1 583)	Adjustments made for audit work done, bank charges incurred and Public Officer Insurance policy premium.

12. TRUSTEE'S EMOLUMENTS

MEMBERS	Members' Fees R'000	Travel Costs R'000	Total 2023 R'000	Total 2022 R'000
Dr. MT Matshoba-Ramuedzisi****	108	-	108	162
Mr A Mahlalutye	135	-	135	135
Adv. LT Nevondwe	294	-	294	313
Adv. E Mabuza*	-	-	-	-
Mr P Letwaba**	-	-	-	-
Ms T Nkuna*****	-	-	-	-
Ms X Ntuli***	-	-	-	-
Total	537	-	537	610

*Adv. E Mabuza is a representative of Ithuba Holdings (RF) (Pty) Ltd (as an Operator) and is not remunerated.

** Mr P Letwaba (representative of NLC) resigned on 24 August 2022 from the NLC. Mr P Letwaba was not remunerated for trustee services.

***Ms X Ntuli (representative of NLC) resigned on 27 June 2022 from the NLC. Ms Ntuli was not remunerated for trustee services.

****Dr. MT Matshoba-Ramuedzisi resigned on the 30 November 2022.

*****Ms T Nkuna was appointed as the NLC Representative from 21 February 2023. Ms Nkuna is not remunerated.

13. RELATED PARTY TRANSACTIONS

Key management is defined as individuals with the authority and responsibility for planning, directing and controlling the activities of the NLPT. All Trustees are regarded as key management. Close family members of key management personnel are those family members who may be expected to influence, or be influenced by, key management individuals in their dealings with the National Lotteries Participants Trust. An entity is related to the Trust if members' of the entity's key management have significant influence in the Trust. Other related party transactions are also disclosed in terms of disclosure requirements. Qualitative and quantitative materiality is considered in the disclosure of these transactions.

TRANSACTIONS BETWEEN NLPT AND OTHER PARTIES	Notes	Year Ended 31 March 2023	Year Ended 31 March 2022
		R'000	R'000
Ithuba Holdings (RF) (Pty) Ltd			
• Trade and other receivables from non-exchange transactions	1.2	4 939	5 708
• Trade and other payables from non-exchange transactions	4.2	41 983	44 784
NATIONAL LOTTERY DISTRIBUTION TRUST FUND			
• Trade and other payables from non-exchange transactions	4.2	48 067	15 508

CONTROLLING ENTITY

The NLC is a controlling entity of the NLDTF. The NLPT and NLDTF are under common control of the NLC. The NLDTF is administered by the NLC as stipulated in section 21 of the National Lotteries Act (as amended). For the first time since inception of the NLPT, in 2018 the Auditor-General of South Africa (AGSA) required NLPT to be consolidated in the NLC annual financial statements.

The Trustees held trustee meetings at the NLC offices. However, during the 2023 financial year meetings were held virtually, except for the one in-person meeting held on the 26 January 2023.



**FINANCIAL STATEMENTS FOR THE NATIONAL
LOTTERY DISTRIBUTION TRUST FUND**

FOR THE YEAR ENDED 31 MARCH 2023

Report of the Auditor-General

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON NATIONAL LOTTERY DISTRIBUTION TRUST FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

QUALIFIED OPINION

1. I have audited the financial statements of the National Lottery Distribution Trust Fund set out on pages 157 to 181, which comprise the statement of financial position as at 31 March 2023, the statement of financial performance, statement of changes in net assets, and statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matter described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the National Lottery Distribution Trust Fund as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

BASIS FOR QUALIFIED OPINION

ALLOCATION OF GRANTS

3. I was unable to obtain sufficient appropriate audit evidence of whether all approved allocation of grants were recorded, due to the status of the accounting records. I was unable to confirm whether all approved allocation of grants were recorded by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to allocation of grants stated at R972 354 000 in the financial statements

CONTEXT FOR OPINION

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

5. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

OTHER MATTERS

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

NATIONAL TREASURY INSTRUCTION NO. 4 OF 2022-23: PFMA COMPLIANCE AND REPORTING FRAMEWORK

8. On 23 December 2022 National Treasury issued Instruction Note No. 4: PFMA Compliance and Reporting Framework of 2022-23 in terms of section 76(1)(b), (e) and (f), 2(e) and (4)(a) and (c) of the PFMA which came into effect on 3 January 2023. The PFMA Compliance and Reporting Framework also addresses the disclosure of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure. Among the effects of this framework is that irregular and fruitless and wasteful expenditure incurred in previous financial years and not addressed is no longer disclosed in the disclosure notes of the annual financial statements, only the current year and prior year figures are disclosed in note 22 to the financial statements. The movements in respect of irregular expenditure and fruitless and wasteful expenditure are no longer disclosed in the notes to the annual financial statements of National Lottery Distribution Trust Fund. The disclosure of these movements (e.g. condoned, recoverable, removed, written off, under assessment, under determination and under investigation) are now included as part of other information in the annual report of the auditees. I do not express an opinion on the disclosure of irregular expenditure and fruitless and wasteful expenditure in the annual report.

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE FINANCIAL STATEMENTS

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

RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE FINANCIAL STATEMENTS

11. 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.
12. 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

13. The entity's performance information was reported in the annual performance report of the National Lotteries Commission. I audited the reported performance information as part of the audit of National Lotteries Commission and any audit findings are included in the auditor's report.

REPORT ON COMPLIANCE WITH LEGISLATION

14. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the entity's compliance with legislation.
15. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
16. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
17. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

ANNUAL FINANCIAL STATEMENTS, PERFORMANCE AND ANNUAL REPORT

18. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 55(1) (a) and (b) of the PFMA.

Material misstatements of receivables revenue and expenditure identified by the auditors in the submitted financial statements were corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified an opinion.

EXPENDITURE MANAGEMENT

19. Resources of the National Lottery Distribution Trust Fund were not utilised economically, as required by section 57(b) of the PFMA. The non-compliance resulted in a material irregularity as reported in the section on the material irregularities.

OTHER INFORMATION IN THE ANNUAL REPORT

20. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements and auditor's report.
21. My opinion on the financial statements and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
22. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
23. The other information I obtained prior to the date of this auditor's report is the accounting authority's report, reconciliation of irregular, fruitless and wasteful expenditure and the Foreword by Minister and Chairperson of the Board, Commissioner's Overview, Corporate Governance report and Human Resource Management Report expected to be made available to us after 31 July 2023.
24. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
25. Particulars of fruitless and wasteful expenditure included in the annual report is materially inconsistent with audit evidence obtained during the audit. Fruitless and wasteful expenditure was not recorded in the registers of the entity.
26. When I do receive and read the Foreword by Minister and Chairperson of the Board, Commissioner's Overview, Corporate Governance report and Human Resource Management Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

27. I considered internal control relevant to my audit of the financial statements and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
28. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
29. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information as misstatements were identified.
30. Management did not implement controls over daily and monthly processing and reconciling of transactions as misstatements were identified.
31. Management did not review and monitor compliance with applicable legislation as instances of noncompliance were identified.

MATERIAL IRREGULARITIES

32. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

MATERIAL IRREGULARITIES IN PROGRESS

33. I identified a material irregularity during the audit and notified the accounting authority, as required by material irregularity regulation 3(2). By the date of this auditor's report, the response of the accounting authority was not yet due. This material irregularity will be included in next year's auditor's report.

OTHER REPORTS

34. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
35. On 6 November 2020 Proclamation No. R.32 of 2020 (Proclamation) was signed by the president. Pursuant to the proclamation the Special Investigating Unit (SIU) conducted a search and seizure at National Lotteries Commission premises on 8 December 2020 during which many of the auditee's copies of items and information, including various files concerning funding,

were seized. This was in light of an investigation being conducted on the National Lottery Distribution Trust Fund, which covers the period 1 January 2014 to 6 November 2020. The investigation was in progress at the date of this auditor's report.

36. Two investigations are currently in progress which are being performed by the SIU and Hawks, relating to grant funding allegations levelled against beneficiaries, management and former board members.

Auditor General

Pretoria
31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- the auditor-general's responsibility for the audit

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements.

FINANCIAL STATEMENTS

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

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

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the National Lotteries Participants Trust to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE.

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

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

Statement of **Financial Performance** for the year ended 31 March 2023

	Notes	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
REVENUE		2 000 404	1 841 749
REVENUE FROM NON-EXCHANGE TRANSACTIONS		1 862 373	1 775 375
Fund revenue	1	1 849 369	1 775 375
Other income	3	13 004	
REVENUE FROM EXCHANGE TRANSACTIONS		138 031	66 374
Investment and interest income	2	117 975	63 998
Other income	3	20 055	2 375
EXPENDITURE		(1 439 239)	(1 749 126)
Allocation of Grants	4	(972 354)	(1 172 388)
Transfers to the NLC	5	(464 532)	(567 073)
Administrative expenses	6	(36)	(71)
Operating expenses	7	(2 048)	(2 450)
Other expenses	8	(269)	(7 144)
Surplus for the year		561 165	92 623

Statement of Financial Position

as at 31 March 2023

	Notes	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
CURRENT ASSETS			
Trade and other receivables from exchange transactions	9	33 454	7 111
Trade and other receivables from non-exchange transactions	10	238 277	199 241
Cash and cash equivalents	11	2 679 812	1 849 948
		2 951 543	2 056 300
Total Assets		2 951 543	2 056 300
LIABILITIES			
CURRENT LIABILITIES			
Provision for allocations		458 446	124 365
		458 446	124 365
Total Liabilities		458 446	124 365
NET ASSETS			
Accumulated Funds		2 493 098	1 931 933
Total Net Assets and Liabilities		2 951 544	2 056 298

Statement of **Changes in Net Assets** for the year ended 31 March 2023

	NOTE	Accumulated Surplus R'000
Restated balance as at 31 March 2020		1 767 114
Restated surplus for the year		72 197
Surplus for the year reported in 2020/21		72 640
Prior period error	15	(443)
Restated balance as at 31 March 2021		1 839 311
Restated surplus for the year		92 621
Surplus for the year reported in 2021/22		94 662
Prior period error	15	(2 041)
Restated balance as at 31 March 2022		1 931 933
Surplus for the year		561 165
Balance as at 31 March 2023		2 493 098

Statement of Cash Flows

for the year ended 31 March 2023

	NOTE	TRUST	
		Year Ended 31 March 2023	Year Ended 31 March 2022
		R'000	R'000
CASH FLOW FROM OPERATING ACTIVITIES			
CASH RECEIPTS			
Cash received from Ithuba (RF)(Pty) Ltd and Participants Trust		1 786 600	1 811 602
Interest income		109 142	63 687
Cash received from beneficiaries and other parties		2 278	554
		1 898 019	1 875 843
CASH PAYMENTS			
Cash paid to Beneficiaries and other parties		(1 068 154)	(2 095 243)
		(1 068 154)	(2 095 243)
Net cash generated/(utilised) in operating activities	13	829 866	(219 400)
CASH FLOW FROM INVESTING ACTIVITIES			
Net redemption/(investment) of financial assets		-	-
Net cash flows generated from investing activities		-	-
Net increase in cash and cash equivalent		829 864	(219 400)
Cash and cash equivalent at the beginning of the year	11	1 849 948	2 069 347
Cash and cash equivalent at the end of the year	11	2 679 812	1 849 948

Statement of Comparison of Budget and Actual Amounts

for the year ended 31 March 2023

	Approved Budget R'000	Adjustments R'000	Final Budget R'000	Actual Amounts R'000	Difference: Final Budget and Actual R'000
REVENUE					
Share of ticket sales	1 613 456	-	1 613 456	1 663 399	49 944
Interest income	68 616	-	68 616	117 975	49 359
Revenue from Participants Trust	150 903	-	150 903	161 771	10 868
Revenue from NLPT- Interest	10 903	-	10 903	6 738	(4 165)
Revenue from NLPT- Unclaimed and expired prize monies	140 000	-	140 000	155 032	15 032
Revocations	20 000	-	20 000	24 199	4 199
Other operating income (Sundry Income)	3 500	-	3 500	33 059	29 559
Total revenue	1 856 475	-	1 856 475	2 000 403	143 928
EXPENSES					
Transfers to NLC	(574 203)	(1 463)	(575 666)	(464 532)	111 134
Other expenses				(269)	(269)
Administrative expenses	(86)	-	(86)	(36)	50
Professional fees	(8 000)	-	(8 000)	(2 048)	5 952
Total expenditure	(582 289)	(1 463)	(583 752)	(466 885)	116 867
Available for Distribution to Grant Allocations	1 274 186	-1 463	1 272 723	1 533 518	260 795
Allocation of Grants	(1 239 115)	1 463	(1 237 652)	(972 354)	265 298
Surplus/(deficit) for the year	35 071	-	35 071	561 164	526 094

Statement of Comparison of Budget and Actual Amounts

for the year ended 31 March 2023 (continued)

Account	Explanation of difference	Amount R'000
Share of ticket sales	The net positive variance is mainly due to Lotto and Daily Lotto games performing more than budgeted, off-set by the underperformance of other games, Powerball, SportStake and EaziWin . The game performance benefitted from the Lotto jackpot reaching the highest jackpot since 2018 (with R86.9m in September and R74m in November), resulting in favourable sales. Daily Lotto exceeded projections, the game performance also benefitted from the guaranteed jackpots. The second highest daily Lotto jackpot was reached on the 31st of March. The introduction of Capitec, African Bank and Time Bank as a partner during the year also contributed to increased sales on the online platform.	49 944
Interest income	The positive variance on Interest income is mainly due to the accumulation of cash in the current account as a result of withheld beneficiaries payments from the 3rd Quarter of the financial year and an increase in the Repo rates throughout the 2022/23 financial year.	49 359
Revenue from NLPT-Interest	The variance in interest relates to the over estimation of the interest income from NLPT.	(4 165)
Revenue from NLPT-Unclaimed and expired prize monies	The positive variance is due to expired prizes, the projections were less than unclaimed and expired prizes received.	15 032
Allocation of Grants	The underspending on grant allocations is mainly attributable to a moratorium placed on Proactive funding during the year under review, off-set by minimal withdrawals of approved projects.	265 298
Revocations	The variance is trivial.	4 199
Operating expenses (Professional fees)	There has been a reduction in infrastructure projects that required the use of professional engineers.	5 952
Transfers to NLC	The underspending on transfers to NLC are a s result of savings in staff related costs and high value goods and services in NLC.	111 134
Other operating income (Sundry Income)	The positive variance is mainly attributable to under-budgeting of unutilised project funds claimed back from beneficiaries and recovery of a doubtful debt from previous year.	29 559
Administrative expenses	The variance is trivial.	50

Summary of Significant Accounting Policies for the year ended 31 March 2023

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

1. BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with South African Generally Recognised Accounting Practice (SA GRAP) as well as the Public Finance Management Act, Act No. 1 of 1999, as amended (PFMA). They have been prepared in accordance with the going concern principle using the historical cost basis except where otherwise stated in the accounting policies below.

The preparation of financial statements in conformity with SA GRAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are outlined in point 11 of the summary of significant accounting policies.

All monetary information and figures presented in these financial statements are stated in thousands of Rand (R'000), unless otherwise indicated.

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS APPROVED AND NOT YET EFFECTIVE

Standard	Scope and potential impact	Effective date
GRAP 104: Financial instruments	No Impact in current year, but in the future. The changes to GRAP 104 affect the following: <ul style="list-style-type: none"> • Classification of financial assets • Amortised cost of financial assets • Impairment of financial assets (Expected credit losses will be disclosed) • Disclosures 	The effective date of this revised standard will be 1 April 2025 as determined by the Minister of Finance.
GRAP 1: Presentation of financial statements	No impact in current year. It will affect how the information is aggregated in the financial statements, applying the concept of materiality. The requirements will be applied prospectively.	The effective date of this revised standard will be 1 April 2023 as determined by the Minister of Finance.
GRAP 25: Employee benefits	No impact. GRAP 25 do not apply to NLDTF annual financial statements, the cost of the employees is accounted in the NLC entity.	The effective date of the revised standard will be 1 April 2023 as determined by the Minister of Finance
IGRAP 7: The limit on a defined benefit asset, minimum funding requirements and their interaction	No impact. IGRAP 7 do not apply to NLDTF financial statements, the cost and benefits of the employees is accounted in the NLC entity.	The effective date of the revised standard will be 1 April 2023 as determined by the Minister of Finance
Improvements/Amendments to standards 2020 (GRAP 20- Realted Parties and GRAP 24 - Presentation of Budget Information)	No impact in current financial year.	The effective date of the revised standard will be 1 April 2023 as determined by the Minister of Finance
IGRAP 21: The Effect of Past Decisions on Materiality	The Standard answers a question of whether past decisions about materiality affects subsequent reporting periods. The consensus from the standard is that materiality is assessed at each reporting period and therefore past decisions will not affect subsequent periods unless an error occurred. The standard affects NLDTF as assessments on materiality are done at each reporting period	The effective date of this revised standard will be 1 April 2023 as determined by the Minister of Finance.

NLDTF did not apply any of the standards above. It is not expected that the above standards, amendments and interpretations will have any material impact on the NLDTF's annual financial statements.

2. REVENUE RECOGNITION

Revenue is the gross inflow of economic benefits or service potential during the reporting period when these inflows result in an increase in net assets. Revenue is recognised when it is probable that future economic benefits will flow to the enterprise and these benefits can be measured reliably.

The NLDTF distinguishes between two forms of revenue namely revenue from exchange transactions and revenue from non-exchange transactions.

Revenue from exchange transactions is defined as revenue in which NLDTF receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity or party in exchange.

Revenue from non-exchange transactions is defined as revenue in which NLDTF receives value from another entity or party without directly giving approximately equal value in exchange or gives value to another entity or party without directly receiving approximately equal value in exchange.

2.1 INVESTMENT AND INTEREST INCOME

Investment income comprises interest accrued from cash and cash equivalents. Interest is accounted for on an accrual basis using the effective interest rate method.

2.2 SHARE OF TICKET SALES

Revenue from share of national lottery and sports pools ticket sales is accounted for on the accrual basis and is measured as a percentage of ticket sales from the operator as stipulated and agreed in the in the Licence to Operate the National Lottery and the Sports Pools Licence.

2.3 EXPIRED AND UNCLAIMED PRIZES

Expired and unclaimed prizes relate to prizes in constituent lotteries (not being an Instant Lottery) for which remain unclaimed for a period of 365 days following the draw in which the prize was won as stipulated in the Licence Agreement. Such monies are accounted for on an accrual basis. Payments of the funds by Ithuba Holdings (RF) (Pty) Ltd are through the intermediation of the National Lotteries Participants Trust (NLPT).

2.4 INTEREST FROM THE NATIONAL LOTTERIES PARTICIPANTS TRUST

Any interest that remain in the National Lotteries Participants Trust after deduction of the National Lotteries Participants Trust costs are due to the NLDTF as stipulated in the Trust Deed of the NLPT. These monies are accounted for on an accrual basis. Payments of the funds by Ithuba Holdings (RF) (Pty) Ltd are through the intermediation of the National Lotteries Participants Trust. Interest earned on the bank accounts of the NLPT is accounted in the NLPT to the extent that it is utilised to defray the NLPT expenses.

2.5 REVOCATIONS

Revocations are effected by the NLC under the following circumstances:

- Breach of Grant Agreement
- Voluntary cancellation of the Grant Agreement by the beneficiary due to various reasons;
- Cancellation due to identification and/or determination of irregularities from the beneficiary organisation; or
- Any other reasons that the Minister of the dtic considers enough to warrant cancellation as set out in Section 31 of the Act.
- A revocation that is approved in the same year that the allocation was granted is off-set against the grant allocation.

A revocation is recognised as income when a grant is revoked and is recognised at the amount of the revocation.

3. FINANCIAL ASSETS

NLDTF classifies its financial assets in the following categories:

- financial assets at amortised cost
- financial assets at fair value

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

3.1 FINANCIAL ASSETS AT AMORTISED COST

Financial assets at amortised cost are non-derivative financial assets that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading

Financial assets carried at amortised cost, are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. These assets are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

NLDTF's investments are classified at amortised cost and consists of money market securities.

NLDTF will derecognize a financial assets when:

- (a) the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- (b) NLDTF transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- (c) NLDTF despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial assets at amortised cost consists of:

- investments;
- trade and other receivables from exchange transaction;
- trade and other receivables from non-exchange transaction;

3.2 FINANCIAL ASSETS AT FAIR VALUE

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- (a) derivatives;
- (b) combined instruments that are designated at fair value in accordance with paragraphs 20 or 21 of GRAP 104;
- (c) instruments held for trading. A financial instrument is held for trading if:
 - (i) it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - (ii) on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
- (d) non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition in accordance with paragraph .17; and
- (e) financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Financial assets at fair value consists of cash and cash equivalents and the equity intrinsic value of investments (refer to note 11)

Financial Assets at fair value will be initially recognised is at fair value. A gain or loss arising from a change in the fair value of a financial asset measured at fair value shall be recognised in surplus or deficit.

4. IMPAIRMENT OF ASSETS

4.1 FINANCIAL ASSETS CARRIED AT AMORTISED COST

NLDTF assesses at each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a 'loss event') and the loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence includes one or more of the following events:

- significant financial difficulty of the issuer or debtor
- a breach of contract, such as default or delinquency in payments
- it becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganization
- the disappearance of an active market for that financial asset because of financial difficulties
- observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in NLDTF, including:

adverse changes in the payment status of issuers or debtors of NLDTF

national or local economic conditions that correlates with defaults on the assets of NLDTF

NLDTF first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If NLDTF determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred on loans and receivables carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in surplus or deficit.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improved credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in surplus or deficit.

4.2 IMPAIRMENT OF OTHER NON-FINANCIAL ASSETS

Assets, including intangible assets, that are subject to amortisation, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Such indicators include continued deficits, changes in technology, market, economic, legal and operating environments.

An impairment deficit is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is measured using the higher of the fair value less costs to sell and the value-in-use. Value-in-use is the present value of projected cash flows covering the remaining useful life of the asset. An impairment charge is recognised as a deficit in surplus or deficit immediately.

Cash-generating assets are assets managed with the objective of generating a commercial return. Non-cash-generating assets are assets other than cash-generating assets. Therefore, NLDTF classifies assets as non-cash generating assets.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

- cash in hand
- deposits held at call and short notice
- balances with banks

Cash and cash equivalents only include items held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. It comprises cash in hand and deposits held at call with respective banks. Cash and cash equivalents have a maturity of less than three months. Cash and cash equivalents are classified as financial assets at fair value and are carried at cost which due to their short-term nature approximates fair value.

6. FINANCIAL RISK MANAGEMENT

The NLDTF's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Board manages these risks through quarterly reporting of risk management.

6.1 MARKET RISK

The NLDTF's activities do not expose it to a significant amount of market risk. Therefore no formal policies have been developed to guard against market risk.

6.2 CREDIT RISK

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables and committed transactions. For banks and financial institutions, only banks approved by the Minister of Finance are used.

The NLDTF also follows regulations issued by National Treasury to manage its exposure to credit risk.

6.3 LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to meet the daily demands of the operations.

Management monitors daily balances of cash and cash equivalents as well as investment accounts to ensure that enough funds are available to meet the needs of operations.

7. PROVISIONS

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

8. CONTINGENT LIABILITIES

NLDTF discloses a contingent liability when:

- it has a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- it has a present obligation that arises from past events but not recognised because it is not probable that an outflow of resources will be required to settle an obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent liability is not recognised in the financial statements, however it is disclosed unless the probability of an outflow of economic benefits is remote.

9. ALLOCATION OF GRANTS

Allocations are accounted for when applications for assistance from individual organisations are considered and grants are unconditionally awarded by the respective distributing agencies. Pro-active funding allocations are accounted for when funding is considered in terms of section 2A(4) of the Lotteries Act and grants are unconditionally awarded by the Assurance committee. Revocations will be triggered if there is a breach of Grant Agreement, voluntary cancellation of the Grant Agreement by the funded organisation due to various reasons; cancellation due to identification and/or determination of irregularities from the organisation.

10. COMPARISON OF THE APPROVED BUDGET AND ACTUAL AMOUNTS

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives. The approved budget covers the financial year from 2022/04/01 to 2023/03/31. The budget for the economic entity includes all the entities approved budgets under its control. The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period has been included in the statement of comparison of budget and actual amounts.

11. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

Assumptions and estimates form an integral part of financial reporting and have an impact on the amounts reported. Assumptions are based on historical experience and expectations of future outcomes and anticipated changes in the environment. Assumptions are further regularly reviewed in the light of emerging events and adjusted where required.

11.1 PROVISION FOR ALLOCATIONS

Allocations are accounted for when applications for assistance from individual organisations are considered and grants are unconditionally awarded by the respective Distributing Agencies. Pro-active funding allocations are accounted for when funding is considered in terms of section 2A(4) of the Lotteries Act and grants are unconditionally awarded by the Assurance committee. Disclosures are made for those organisations which were funded by the NLDTF in which Distributing Agencies may have a significant interest in. Disclosures made relate to the payments, allocations in the current year and amounts outstanding at year end.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date. The best estimate of the expenditure required to settle the present obligation is the amount that an entity would rationally pay to settle the obligation at the reporting date or to transfer it to a third party at that time. It will often be impossible or prohibitively expensive to settle or transfer an obligation at the reporting date. However, the estimate of

the amount that an entity would rationally pay to settle or transfer the obligation gives the best estimate of the expenditure required to settle the present obligation at the reporting date. An impairment is recognised when an organisation has breached the provisions of Regulation 6 and Clause 10 of the grant agreement and the NLC has not communicated the breach to the beneficiary.

11.2 CONTINGENT LIABILITY

Contingent liabilities are not recognised in the financial statements, but are disclosed in the notes to the financial statements unless the probability of occurrence is remote.

11.3 PROVISION FOR DOUBTFUL DEBTS

A provision for doubtful debt is raised in instances where there are indications that the debt may not be recoverable from the debtor. The assessment of recoverability is done on a individual debt basis.

11.4 BENEFICIARIES WRITTEN OFF

Beneficiaries written off are those beneficiaries where all avenues for recovery have been completely exhausted and the outstanding debts are considered not recoverable.

11.5 CONTINGENT ASSETS

Contingent assets are possible assets that arise from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is not recognised in the financial statement, however it is disclosed where an inflow of economic benefits or service potential is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements.

12. IRREGULAR EXPENDITURE

Irregular Expenditure means expenditure incurred in contravention of, or not in accordance with a requirement of any applicable legislation, including:

- The PFMA,
- the Treasury Regulations;
- a National Treasury Instruction, issued in terms of section 76 of the PFMA; or
- Any legislation providing for procurement procedures

When confirmed, irregular expenditure must be recorded in the notes to the financial statements. The amount to be recorded in the notes must be equal to the value of the irregular expenditure incurred unless it is impracticable to determine the value thereof. Where such impracticality exists, the reasons therefore must be provided in the notes. Irregular expenditure must be removed from the notes when it is either

- (a) condoned by the National Treasury or the relevant authority;
- (b) it is transferred to receivables for recovery; or
- (c) it is not condoned and is irrecoverable. A receivable related to irregular expenditure is measured at the amount that is expected to be recovered and must be de-recognised when the receivable is settled or subsequently written off as irrecoverable.

Any irregular expenditure is charged against income in the year in which it is incurred.

Irregular expenditure is removed from the register when the relevant authority has condoned the irregular expenditure. The accounting officer or authority may remove irregular expenditure that was not condoned by the relevant authority.

13. FRUITLESS AND WASTEFUL EXPENDITURE

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

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc. (as applicable).

Any fruitless and wasteful expenditure is charged against income in the year in which it is incurred.

Any fruitless and wasteful expenditure will be removed from the register once the loss has been recovered.

Any unrecoverable losses may be written off by the accounting officer or accounting authority.

14. RELATED PARTIES

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

As a minimum, the following are regarded as related parties of the reporting entity:

- (a) A person or a close member of that person's family related to the reporting entity if that person:
 - (i) has control or joint control over the NLDTF;
 - (ii) has significant influence over the NLDTF or

Related party transactions are transfers of resources, services or obligations between the NLDTF and a related party, regardless of whether a price is charged.

15. FINANCIAL LIABILITIES

NLDTF classifies its financial liabilities in the following category:

- financial liabilities at amortised cost

15.1 FINANCIAL LIABILITIES AT AMORTISED COST

Financial liabilities at amortised cost are non-derivative financial assets that have fixed or determinable payments, excluding those liabilities that:

- the entity designates at fair value at initial recognition; or
- are held for trading

Financial liabilities carried at amortised cost, are initially recognised at fair value plus transaction costs that are directly attributable to the issue of the financial liability.

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities at amortised cost consists of:

- Provision for allocations;
- Trade and other payables from non-exchange transactions.

A gain or a loss is recognised in surplus or deficit when the financial liability is derecognised or through the amortisation process

NLDTF derecognises a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

16. BUDGET INFORMATION

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives. The approved budget covers the financial year from 2022/04/01 to 2023/03/31. The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting year has been included in the statement of comparison of budget and actual amount.

17. EVENTS AFTER REPORTING DATE

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity adjusts the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

Notes to the Annual Financial Statements for the year ended 31 March 2023

	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000
1. FUND REVENUE		
Share of ticket sales	1 663 399	1 641 380
Interest earned on unclaimed and expired prizes - National Lotteries Participants Trust	6 738	1 973
Expired and unclaimed prizes	155 032	97 450
Revocations*	24 199	34 572
	1 849 369	1 775 375

* R42.8 million was paid in previous year for the projects that were withdrawn in 2022/23 financial year.

2. INVESTMENT AND INTEREST INCOME		
Interest from call and current accounts	117 975	63 998
	117 975	63 998

3. OTHER INCOME		
Other income from exchange transactions		
Sundry income*	19 802	2 376
Movement in the provision for doubtful debt	253	
	20 055	2 375

* Sundry income mainly consists of unspent amounts returned by beneficiaries.

OTHER INCOME FROM NON-EXCHANGE TRANSACTIONS		
Movement in impairment of provisions	13 004	-
	13 004	-

4. ALLOCATION OF GRANTS		
Current year allocations	1 007 112	1 205 297
Less: current year revocations*	(34 758)	(32 909)
	972 354	1 172 388

*R194 000 was paid in the current year relating to one of the projects that was withdrawn

5. TRANSFERS TO THE NLC		
Transfer from the fund for NLC operational costs	464 532	567 073
	464 532	567 073

6. ADMINISTRATIVE EXPENSES		
Bank Charges	36	71
	36	71

NATIONAL LOTTERY DISTRIBUTION TRUST FUND
Established in terms of Lotteries Act No 57 of 1997 as amended

	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
7. OPERATING EXPENDITURE		
Professional fees	2 048	2 450
	2 048	2 450
8. OTHER OPERATING EXPENSES		
Debtors written off	269	-
Movement in the provision for doubtful debt	-	492
Impairment of Provision	-	6 652
	269	7 144
9. TRADE AND OTHER RECEIVABLES		
Trade and other receivables from exchange transactions:		
Accrued income	14 612	5 779
• Interest receivable on current and call accounts	14 612	5 779
Claims from beneficiaries	18 842	1 332
• Gross amount claimed	19 081	1 823
• Provision for doubtful claim recovery from beneficiaries	(239)	(491)
Total	33 454	7 111
Current	33 454	7 111
Non-current	-	-
	33 454	7 111
10. TRADE AND OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
Accrued income		
• Interest Receivable from National Lotteries Participants Trust	4 388	934
• Expired and unclaimed prizes - National Lotteries Participants Trust	43 679	14 574
• Accounts receivable: NLC	165 135	164 669
• Share of ticket sales- Ithuba Holdings (RF) Pty (Ltd)	25 075	19 064
Total	238 277	199 241
Current	238 277	199 241
	238 277	199 241
11. CASH AND CASH EQUIVALENTS		
Cash at bank – current account	646 591	116 726
Cash at bank – call account	2 033 222	1 733 222
Total cash at bank	2 679 812	1 849 948

None of the cash balances are pledged or secured.

NATIONAL LOTTERY DISTRIBUTION TRUST FUND
Established in terms of Lotteries Act No 57 of 1997 as amended

	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000
12. PROVISION FOR ALLOCATIONS		
Opening balance	124 365	470 618
Additional provision made during the year (including increases to existing provisions)	972 354	1 172 388
Payments made during the year	(601 070)	(1 490 721)
Revocations from previous years	(24 199)	(34 572)
Provision for impairment	(13 004)	6 652
Closing balance	458 446	124 365
Current	458 446	124 365
	458 446	124 365

IMPAIRMENT OF PROVISION FOR ALLOCATIONS

Opening balance	6 331	12 983
Movement for the year	13 004	(6 652)
Closing balance	19 336	6 331

13. CASH FLOW INFORMATION

CASH GENERATED BY OPERATIONS		
Surplus/(deficit) per the statement of financial performance	561 165	92 623
<i>Adjusted for:</i>		
<i>NON-CASH ITEMS:</i>		
Provision for bad debts	(253)	492
Impairment of Provision	(13 004)	6 652
	547 908	99 766
<i>WORKING CAPITAL CHANGES</i>		
(Increase)/Decrease in Trade and other receivables	(65 127)	33 740
Increase/(Decrease) in Provision for allocations	347 085	(352 904)
	829 866	(219 398)

14. MANAGEMENT OF FINANCIAL RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and investment return. Market risk that could impact on future cash flows and hence the value of a financial instrument arise from:

- Interest rate risk: The impact of changes in market interest rates.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Liquidity risk is the risk that NLDTF will encounter difficulty in meeting obligations associated with financial liabilities due to insufficient cash being available to meet commitments as and when they become due.

Financial risks are managed by NLDTF as follows:

- Review by the internal auditors of compliance with policies and exposure limits on a continual basis and regularly reporting to the Board Audit and Risk Committee;
- Monitoring forecast and accrual cash flows and matching the maturity profiles of financial assets and liabilities.

14. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

To assist in the analysis of the financial risks that NLDTF is exposed to, the statement of financial position has been divided into the following categories:

- Financial assets and liabilities;
- Non-financial assets and liabilities.

AS AT 31 MARCH 2023	Total R'000	Financial Assets and Liabilities R'000
<i>FINANCIAL ASSETS AT AMORTISED COST:</i>		
Unlisted:		
• Trade and other receivables from exchange transactions	33 454	33 454
• Trade and other receivables from non-exchange transactions	238 277	238 277
Financial assets at fair value:		
• Cash and cash equivalents	2 679 812	2 679 812
Total Assets	2 951 543	2 951 543
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>		
Provision for allocations	458 446	458 446
Total liabilities	458 446	458 446
AS AT 31 MARCH 2022 (RESTATED)		
<i>FINANCIAL ASSETS AT AMORTISED COST:</i>		
Unlisted:		
• Trade and other receivables from exchange transactions	7 111	7 111
• Trade and other receivables from non-exchange transactions	199 241	199 241
Financial assets at fair value:		
• Cash and cash equivalents	1 849 948	1 849 948
Total Assets	2 056 300	2 056 300
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>		
Provision for allocations	124 365	124 365
Total liabilities	124 365	124 365
14.1 FINANCIAL ASSETS AND LIABILITIES	Year Ended	Year Ended
The NLDTF is exposed to financial risk through the following financial assets and liabilities:	31 March 2023	31 March 2022
	R'000	R'000
<i>FINANCIAL ASSETS AT AMORTISED COST:</i>		
• Trade and other receivables from exchange transactions	33 454	7 111
• Trade and other receivables from non-exchange transactions	238 277	199 241
Financial assets at fair value:		
• Cash and cash equivalents	2 679 812	1 849 948
Total financial assets	2 951 543	2 056 300
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>		
Provision for allocations	458 446	124 365
Total financial liabilities	458 446	124 365

14. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

14.1.1 MARKET RISK

(A) INTEREST RATE AND MARKET INDICES RISK

Sensitivity to changes in interest rates and market indices relevant to financial assets or financial liabilities due to the risk that future cash flows will fluctuate.

The table below details the specific interest rate risk that the NLDTF is exposed to:

AS AT 31 MARCH 2023	Carrying amount R'000	Fixed R'000	Floating R'000	Non-interest bearing R'000
<i>FINANCIAL ASSETS AT AMORTISED COST:</i>				
• Trade and other receivable from exchange transactions	33 454	-	-	33 454
• Trade and other receivable from non-exchange transactions	238 276	-	-	238 276
Financial assets at fair value:				
• Cash and cash equivalents	2 679 812	-	2 679 812	-
Total financial assets	2 951 542	-	2 679 812	271 730
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>				
Provision for allocations	458 446	-	-	458 446
Total financial liabilities	458 446	-	-	458 446
AS AT 31 MARCH 2022 (RESTATED)				
<i>FINANCIAL ASSETS AT AMORTISED COST:</i>				
• Trade and other receivable from exchange transactions	7 111	-	-	7 111
• Trade and other receivable from non-exchange transactions	199 241	-	-	199 241
Financial assets at fair value:				
• Cash and cash equivalents	1 849 948	-	1 849 948	-
Total financial assets	2 056 300	-	1 849 948	206 352
<i>FINANCIAL LIABILITIES AT AMORTISED COST:</i>				
Provision for allocations	124 365	-	-	124 365
Total financial liabilities	124 365	-	-	124 365

14.1.2 CREDIT RISK

Key areas where NLDTF is exposed to credit risk:

- **Cash and cash equivalents**

As at 31 March 2023 S&P Global Ratings revised the outlooks of financial institutions to stable from positive, while affirming all global and national scale ratings. NLC aligned the disclosure in line with the decision by the rating agency.

- **Trade and other receivables**

The credit quality of consumer receivables from exchange transaction that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

14. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

AS AT MARCH 2023	Total R'000	A BB- B+ R'000	BBB+ BBB- R'000	BB+ BB R'000	B+ B- R'000	Not rated R'000
Financial assets at fair value:						
• Cash and cash equivalents	2 679 812	-	-	2 679 812	-	-
	2 679 812	-	-	2 679 812	-	-

AS AT MARCH 2022

Financial assets at fair value:						
• Cash and cash equivalents	1 849 948	-	-	1 849 948	-	-
	1 849 948	-	-	1 849 948	-	-

CREDIT RISK RELATING TO RECEIVABLES

	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
National Lotteries Participants Trust	48 068	15 508
Ithuba Holdings (RF) (Pty) Ltd	25 075	19 064
National Lotteries Commission	165 135	164 669
Interest receivable on current and call accounts	14 612	5 779
Claims from beneficiaries	19 081	1 823
	271 970	206 843

THE AGEING OF THE COMPONENTS OF TRADE AND OTHER RECEIVABLES WAS AS FOLLOWS:

	Gross Year ended 31 March 2023 R'000	Impairment Year ended 31 March 2023 R'000	Gross Year ended 31 March 2022 R'000	Impairment Year ended 31 March 2022 R'000
Within a year	271 970	(239)	206 843	(492)
Later than one year	-	-	-	-
Total	271 970	(239)	206 843	(492)

THE MOVEMENT IN THE PROVISION FOR IMPAIRMENT DURING THE YEAR WAS AS FOLLOWS:

	Year Ended 31 March 2023 R'000	Year Ended 31 March 2022 R'000
Balance at the beginning of the year	(492)	
Movement in provision	253	(492)
Balance at the end of the year	(239)	(492)

In 2022 annual financial statements the movement in impairment was erroneously disclosed as zero, this has been corrected

14. MANAGEMENT OF FINANCIAL RISK (CONTINUED)

14.1.3 LIQUIDITY RISK

The table below analyses the NLDTF's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

<i>AS AT 31 MARCH 2023</i>	Total R'000	Within a year R'000
Provision for allocations	458 446	458 446
Total	458 446	458 446
<i>AS AT 31 MARCH 2022</i>		
Provision for allocations	124 365	124 365
Total	124 365	124 365

15. PRIOR PERIOD ERROR

During the current financial year errors were identified relating to the prior years. The nature of the errors is as follows:

During the current year, it was discovered that accounts payable age analysis balance did not agree to the provisions balance in the general ledger due to prior period errors. The errors were as follows:

- Accounts payable ledger was overstated by a total of R113 880.51 in the 2018/19 financial year.
- Accounts payable ledger was understated by a total of R364 279.78 in the 2019/20 financial year.
- Accounts payable ledger was understated by a total of R45 003.16 in the 2021/22 financial year.
- During the current year, it was discovered that allocations amounting to R114 000 was erroneously over-allocated in the 2020/21 financial year.
- During the current year, it was discovered that allocations amounting to R233 500 were erroneously withdrawn in the 2020/21 financial year.
- During the current year, it was discovered that allocations amounting to R216 367 were erroneously withdrawn in the 2021/22 financial year.
- During the current year, it was discovered that withdrawals amounting to R122 600 were erroneously omitted in the 2021/22 financial year.
- During the current year the NLC company made adjustments to their annual financial statements per below and the transfers from NLDTF have been adjusted per below
- During the current year, it was discovered that an allocation amounting to R54 000 for covid project was erroneously omitted in the 2020/21 financial year.
- During the current year, it was discovered that an allocation amounting to R243 198 was duplicated due to an incorrect capturing of the beneficiary name in the 2020/21 financial year.

15. PRIOR PERIOD ERROR (CONTINUED)

THE IMPACT OF THE ERRORS ARE AS FOLLOWS:	2021/22 R'000	2020/21 R'000	2019/20 R'000	2018/19 R'000	2017/18 R'000
(Increase)/Decrease in Allocations of Grants	-	60	-	-	-
(Increase)/Decrease in Impairments	-	-	-	-	-
Increase/(Decrease) in Revocations	149	(234)	-	-	-
Increase/(Decrease) in Sundry Income	(45)	-	(364)	114	-
(Increase)/Decrease in transfers to NLC	(2 145)	(269)	456	468	860
(Decrease) in Statement of Financial Performance	(2 041)	(443)	92	582	860
Increase/(Decrease) in Trade and other receivables from non-exchange transactions	(2 145)	(269)	456	468	860
(Increase)/Decrease in Provisions for Allocations	104	(174)	(364)	114	-
(Decrease) in Net Assets	(2 041)	(443)	92	582	860

16. TAXATION

The National Lottery Distribution Trust Fund is exempt from Income Tax in terms of Section 10(1)(cA) of the Income Tax Act, 1962.

17. COMPARISON OF APPROVED BUDGET AND FINAL BUDGET

The budget and the accounting bases are the same; both are on the accrual basis. The annual financial statements and the budget are prepared using a classification on the nature of expenses in the statement of financial performance. The approved budget covers the period from 1 April 2022 to 31 March 2023.

	Approved Budget R'000	Final Budget R'000	Adjustments R'000	Reason for Adjustments
Share of ticket sales	1 613 456	1 613 456	-	No Adjustment to budget
Investment Income	68 616	68 616	-	No Adjustment to budget
Revenue from Participants Trust	150 903	150 903	-	No Adjustment to budget
Revenue from NLPT- Interest	10 903	10 903	-	No Adjustment to budget
Revenue from NLPT - Unclaimed and expired prize monies	140 000	140 000	-	No Adjustment to budget
Revocations	20 000	20 000	-	No Adjustment to budget
Other operating income (Sundry Income)	3 500	3 500	-	No Adjustment to budget
Allocation of Grants	(1 239 115)	(1 237 652)	1 463	Adjustment was due to the adjustment made to the NLPT budget in January 2023
Professional fees	(8 000)	(8 000)	-	No Adjustment to budget
Administrative expenses	(86)	(86)	-	No Adjustment to budget
Transfers to NLC	(574 203)	(575 666)	1 463	Adjustment was due to the adjustment made to the NLPT budget in January 2023

18. RELATED PARTY TRANSACTIONS

The NLC is a regulator of the National Lottery, other lotteries and sports pools. Ithuba Holdings (RF) (Pty) Ltd (Lottery Operator) is a private company that currently operates the National Lottery under licence from the Government. The Lottery Operator pays a share of ticket sales to the NLDTF in terms of the licence agreement. These proceeds are destined for good causes as stipulated in the Lotteries Act. The NLC administers the NLDTF and accounts for all running costs. The NLC withdraws the necessary funds required from the NLDTF, based on an overall annual budget approved by the Minister of the dtic. The National Lotteries Participants Trust (NLPT) was established by the Lottery Operator in terms of the licence agreement between the Lottery Operator, the dtic and the NLC. The main objective of the NLPT is to hold monies in the Trust on behalf of Ithuba (RF)(Pty) Ltd for prize winners and monies for advance plays.

18.1 TRANSACTIONS BETWEEN THE NLDTF AND OTHER PARTIES

	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000
<i>18.1.1 ITHUBA HOLDINGS (RF) (PTY) LTD</i>		
Revenue from Ithuba Holdings (RF) (Pty) Ltd	1 663 399	1 641 380
Add: Trade and other receivables from non-exchange transactions (Opening)	19 064	17 707
Less: Trade and other receivables from non-exchange transactions (Closing)	(25 075)	(19 064)
Cash proceeds	1 657 389	1 640 024

18.1.2 ENTITY UNDER COMMON CONTROL

<i>NATIONAL LOTTERY PARTICIPANTS TRUST (NLPT)</i>		
Revenue from NLPT	161 771	99 423
Add: Trade and other receivables from non-exchange transactions (Opening)	15 508	87 665
Less: Trade and other receivables from non-exchange transactions (Closing)	(48 068)	(15 508)
Cash proceeds	129 211	171 579

18.1.3 CONTROLLING ENTITY

The NLC is a controlling entity of the NLDTF. The NLDTF is administered by the NLC as stipulated in section 21 of the Lotteries Act (as amended)		
Transfers to NLC	(464 532)	(567 073)
Add: Trade and other receivables from non-exchange transactions (Opening)	164 669	129 742
Less: Trade and other receivables from non-exchange transactions (Closing)	(165 135)	(164 669)
Cash proceeds	(464 998)	(602 000)

19. PROVISION FOR ALLOCATIONS

It is the duty of the Distributing Agency Members to adjudicate applications for funding within their respective sectors. Members who have a conflict that may impact the ability to adjudicate impartially do not adjudicate on the projects, as they recuse themselves whilst these projects are being adjudicated. Listed below are balances and transactions with those organisations which were funded by the NLDTF and in which Distributing Agencies have significant interest. The transactions were in the ordinary course of business and at arms length.

Sector	Name of Beneficiary	Distributing Agency Member	Nature of Relationship	Amount Granted 2022/23	Payments 2022/23	Revocations 2022/23	Amount Owning 2022/23	Amount Owning 2021/22
SRDA	Athletics South Africa (ASA)	Dr Adams	Dr Adams: President of Boland Athletics*	2 200	-	-	2 200	-

*Boland Athletics is Athletics Federation in the Western Cape affiliated to Athletics South Africa.

20. EVENTS AFTER REPORTING PERIOD

The management and the Board are not aware of any matter or circumstances arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the entity.

21. CONTINGENT ASSETS

First National Bank (FNB) has communicated to NLC management on suspicious transactions between February 2022 to October 2022 related to the grants beneficiaries to the value of R142 million, mostly involving sports clubs. As a result, FNB put these suspicious accounts on hold and froze the payments and did not allow further withdrawals during the year. Investigations are currently underway.

A preservation order was obtained by the National Prosecuting Authority's Assets Forfeiture Unit in one of the matters that were investigated by the SIU. The asset in question was sold in an auction and the NDLTF is awaiting payment of the proceeds.

NLDTF paid R 4.228 million to two beneficiaries in the previous years and need to claim from the beneficiaries due to identified fraud and irregularities in 2021/22 financial year. The recoverable amount and time of settlement can not be reliably estimated at year end.

22. IRREGULAR EXPENDITURE AND FRUITLESS AND WASTEFUL EXPENDITURE	Year Ended 31 March 2023	Year Ended 31 March 2022
	R'000	R'000
Irregular expenditure	2 048	2 450
Fruitless and wasteful expenditure	-	6 000
	2 048	8 450

(1) AMOUNTS OF MATERIAL LOSSES THROUGH CRIMINAL CONDUCT

There have been no losses incurred due to criminal conduct.

(2) DISCIPLINARY STEPS TAKEN AS A RESULT OF LOSSES, IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

INCIDENT DESCRIPTION		
Irregular Expenditure	2 048	2 450
Corrective action still to be taken	2 048	2 450

The supplier's contract was not compliant with Regulation 5 (2) of Preferential Procurement Regulations, 2017.

PART G

DIVISIONAL OVERVIEW OF THE 2022/23 FINANCIAL YEAR



1. Regulatory Compliance

REGULATORY FOCUS ON LOTTERIES AND SPORTS POOLS

To ensure that the NLC remains effective as a regulator of lotteries and sports pools, a risk assessment is conducted to identify those matters that affect the regulatory mandate of creating a safe and sustainable lotteries industry, while protecting participants and maximising revenue to ensure a sustainable fund for good causes.

The lottery industry remains competitive, with licenced and registered local lotteries finding themselves competing with foreign lotteries due to online platforms. Online gaming is providing more options for consumers; however, it is also threatening the revenue generated by traditional lottery operators. The proliferation of online operators also poses threats to the restrictive legislated environment. The global lottery industry is coming to grips with the rapid changes resulting from online gaming and the use of technology. Within this context, the NLC is expected to regulate the lotteries and sports pools industry and curb the scourge of illegal lotteries. The NLC is further expected to advise the Minister on the issuing of the Licence to conduct the National Lottery and sports pools while ensuring the National Lottery and sports pools are conducted with all due propriety; that the interests of every participant in the National Lottery are adequately protected and that the net proceeds of the National Lottery are as large as possible.

REGULATORY RESPONSE TO LEGITIMATE NEEDS OF STAKEHOLDERS

Key stakeholders of the NLC's regulatory function include lottery participants, operators and other gaming regulators. The NLC strives to provide an enabling environment for licenced operators to conduct their affairs without a heavy regulatory burden to comply with.

To this end, the NLC engages regularly with the National Lottery Operator to ensure that regulatory requirements are streamlined, and that National Lottery operations are conducted efficiently while regulatory compliance is maintained.

The NLC has put in measures to increase the uptake of society lotteries as a means of fundraising for NPOs, a model for conducting society lotteries was created to assist NPOs. Compliance seminars are also held with organisations to create awareness on requirements of the Lotteries Act.

The Board approved the participants protection strategy, which aims to ensure achievement of the NLC's legislated mandate to protect the interests of lottery participants. Objectives of the strategy, implemented through workshops conducted across the country, include:

- Identifying best practice in respect of participants protection in the lotteries sector.
- Enabling the NLC to make responsible play an integral part of its regulatory mandate and in so doing, minimise harm to society.
- Stating clear rules for the National Lottery and sports pools operator, society and other lottery operators relating to:
 - Ensuring that interests of players and vulnerable groups are protected.
 - Ensuring that the Act and its regulations, together with requirements of the licences (for National Lottery and sports pools) are strictly adhered to.
 - Providing the public with accurate information to enable informed choices to be made about the National Lottery, sports pools, societies, and other lotteries.
- Promoting a positive reputation for the National Lottery, sports pools, societies, and other lotteries, accurately reflecting their integrity as regulated lotteries; and
- Lottery scheme operators.

OVERVIEW OF REGULATORY ACTIVITIES ACHIEVED

Monitoring of all lotteries and sports pools to ensure they are conducted with integrity. Being an enabling regulator for lotteries and sports pools operators to ensure that their requests for regulatory approvals are attended to timeously. Addressing all enquiries and complaints by providing complete and accurate information.

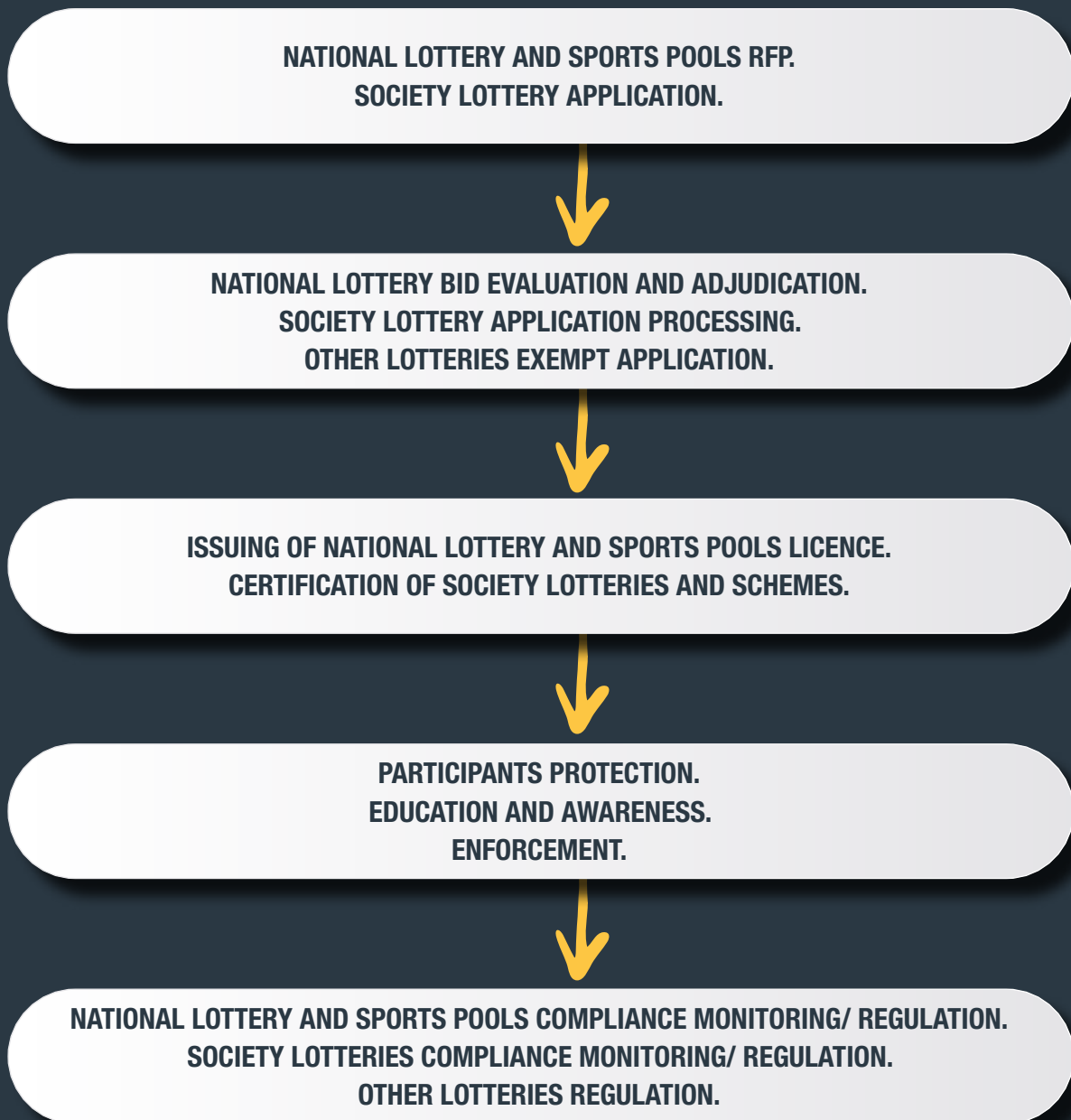
Protecting lottery and sports pool players' interests; assisting operators of lotteries and sports pools to adhere to regulatory requirements and enforce compliance.

Achieving our performance targets ensures that we remain effective in our regulatory work by protecting lottery and sports pools players and supporting education and awareness on the Lotteries Act.

Seeking new and improved ways of doing our work to ensure efficient and effective utilisation of resources. Assessing and approving innovative ways proposed by lottery and sports pools operators to ensure the success of their operations while adhering to regulatory requirements.

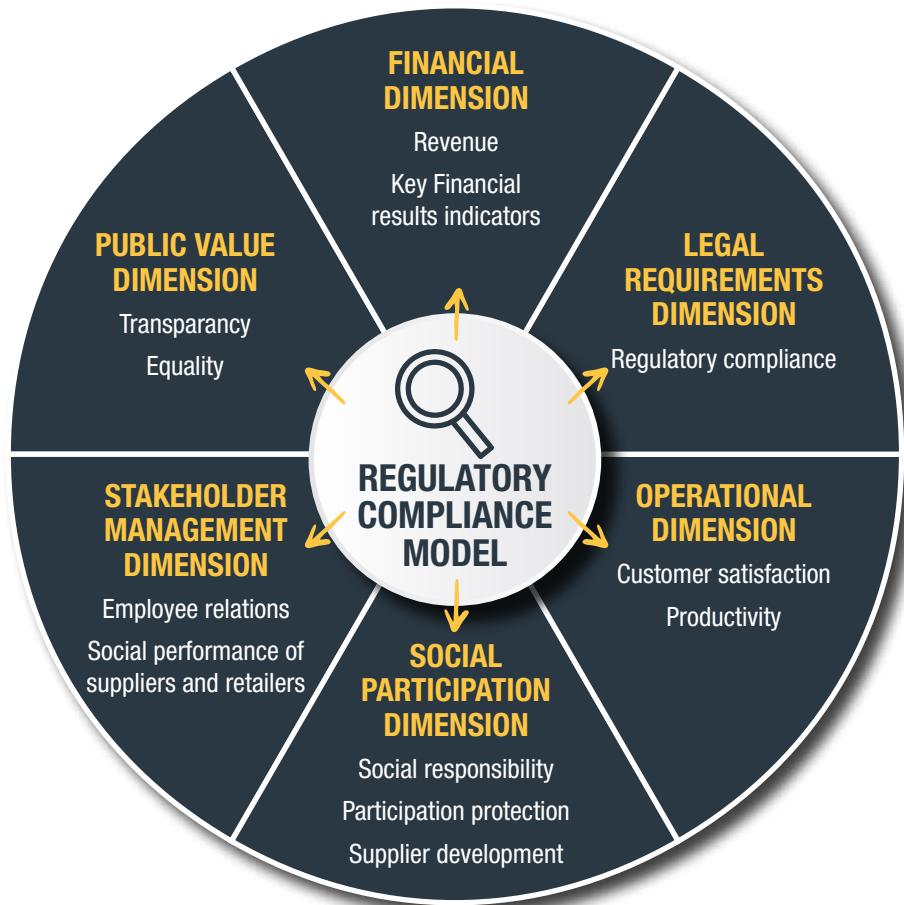
REGULATORY VALUE CHAIN

The NLC's regulatory compliance value chain is based on the core regulatory activities of a well-functioning lotteries and sports pools regulator.



REGULATORY COMPLIANCE MODEL

The NLC's regulatory mandate continues to be one of the organisation's main priority areas, focusing on regulating and monitoring the compliance and performance of the Operator with the Lotteries Act and licenses to conduct the National Lottery and Sports Pools. The NLC ensures optimum and balanced regulation of lottery operators through the regulatory compliance model depicted below:



Adopted from Dr L Meyer Regulatory Compliance Model 2013

In accordance with the Board's directive to ensure that the NLC is positioned and recognised as a regulator, the following must be implemented:

- Developing a strategy that will influence the direction of the legislation by advising the Minister.
- Aligning the structure to the regulatory mandate of the NLC.
- Introducing programmes that give effect to section 2B that stipulates that the Commission must ensure that the interests of participants in the National Lottery are adequately protected.
- Identify innovative ways to combat illegal lotteries.
- Exploring opportunities in private lotteries as contemplated in the Lotteries Act.

REGULATING THE NATIONAL LOTTERY AND SPORTS POOLS OPERATOR

The National Lottery comprises various games of chance. The main objective of our regulatory work is to ensure that the integrity and reputation of the National Lottery and Sports Pools are maintained. The protection of lottery participants further remains top of our agenda to ensure agreements by Ithuba adhere to the Act and licence agreement.

REGULATORY ACTIVITIES

As part of the ongoing regulatory work and delivering on the APP target for the period under review, the following was conducted in regulating and ensuring the Operator's compliance with and performance against the licence agreement and the Act:

1. VETTING PERSONS THAT RUN OR ARE ASSOCIATED WITH RUNNING THE NATIONAL LOTTERY AND SPORTS POOLS

All directors and staff of the Operator are vetted, together with retailers who sell National Lottery and Sports Pools tickets. The NLC also ensures that contractors that conduct business with the Operator are also vetted to ensure that the integrity of the National Lottery and Sports Pools is maintained, and players are protected. The fit and proper assessment as required by Section 13(3) was conducted on those persons charged with the management of the National Lottery and Sports Pools. All persons involved were found to be fit and proper.

2. PROVIDING REGULATORY APPROVALS AND MINISTERIAL ADVICE

The NLC receives proposals from the Operator for new games or changes to existing games, the introduction of alternate channels of play and amendments to game rules and prize pay-out structures. These proposals are assessed and approved by the Board as required in the Act and the licence agreement. The Operator submitted various proposals during the year under review, and the necessary approvals were granted once compliance with the Act and licence agreement were verified. In line with Section 14(1), the Minister, after consulting with the Board renewed the National Lottery Licence by 24 months, to commence on 01 June 2023. This has resulted in increased contributions to the NLDTF from 25.5% to 29.5%.

3. ENSURING PLAYER PROTECTION

Protecting players is central to our regulatory mandate. The following are some of the critical activities we perform to protect players:

Ensuring that the Operator pays prizes promptly by conducting regular reviews of payments to prize winners.

Protecting players against possible fraud by ensuring the Operator implements appropriate security measures to verify the identity of winners who claim prizes.

Conducting reviews to ensure that the Operator protects the anonymity of winners, in line with licence requirements.

Approving and monitoring descriptions and procedures for key processes (e.g., draws and prize payments).

Ensuring that clear information is available to players, including information on games available, how to play and claim prizes.

Handling complaints from players regarding service from the retailer or the Operator after exhausting the Operator's complaints handling procedures.

Ensuring that there are controls in place to protect players against excessive play.

Ensuring that there are controls in place to protect against underage play.

4. SAFEGUARDING THE FAIRNESS OF THE NATIONAL LOTTERY AND SPORTS POOLS DRAWS

Through inspections, reviews, certification and testing, we have ensured that all draws are fair, number selection is random, and results are accurately recorded. Approved procedures govern how the National Lottery and Sports Pools draws are carried out, and every draw is overseen by independent auditors who also provide assurance that the draw is carried out correctly in line with approved procedures. Furthermore, the Operator is required to carry out periodic tests and re-accreditation of draw equipment/systems to ensure the randomness of draw results. The recently adopted Random Number Generator is independently tested and accredited for randomness and independence.

5. MONITORING THE CENTRAL GAMING SYSTEM THROUGH THE INDEPENDENT VERIFICATION SYSTEM

The NLC monitors the reliability, security and efficiency of the National Lottery and Sports Pools' central gaming system, network of terminals and all the play channels to ensure that every National Lottery ticket bought is appropriately recorded and included in the relevant draw. The system allows the NLC to agree sales figures and prize shares and make certain that the number of winners and prize amounts are accurate after each draw. The system also enables the NLC to confirm that monies due to good causes are correctly determined.

6. MONITORING THE PROTECTION OF PLAYERS FUNDS AND PRIZES WON

During the period under review, we monitored and verified that:

The correct prize allocations have been made and paid across all games.

In line with approved game rules and prize structures, the Operator is monitored to ensure that correct prizes are allocated for all games.

The safeguarding of players funds

The funds for players who bought tickets in advance are monitored to ensure that they are transferred weekly to the Participants Trust Fund for safekeeping.

The safeguarding of prizes won, but not claimed.

The Operator is required to, on a weekly basis, transfer prize money won, but not yet claimed, into the Participants Trust Fund, to keep it secure for future prize claims.

Prizes won but not claimed within 365 days after the draw date.

Prizes won, but not claimed within 365 days, are considered as expired and are transferred to the NLDTF.

7. PROTECTING THE INTEGRITY OF THE NATIONAL LOTTERY AND SPORTS POOLS

We monitor the National Lottery website and other media to ensure the integrity of the National Lottery and Sports Pools information displayed therein. We also verify that Trademarks, Copyright and National Lottery logos correctly appear on all National Lottery and Sports Pools materials available to the public. This ensures that players can tell the difference between the National Lottery, Sports Pools and other gaming products available in the market. Retailer inspections were regularly conducted to ensure that retailers comply with regulatory requirements.

8. MONITORING THE IMPLEMENTATION OF SOCIAL RESPONSIBILITY PROGRAMMES, B-BBEE, SUPPLIER DEVELOPMENT INITIATIVES, LOCALISATION, AND ECONOMIC EMPOWERMENT REQUIREMENTS

The Act and Licence agreement stipulates that the Operator will initiate and support opportunities for social and economic empowerment, affirmative action, employment equity and representation, training and skills development, promotion of small businesses and job creation, advancement of women in business, as well as winners counselling and financial advice. The Operator is also required to show commitment to and comply with all B-BBEE legislation and





localise its procurement of goods and services to the extent that it is reasonably possible, without having a detrimental effect on the running of the National Lottery. The Operator was assessed at level 1 B-BBEE. Over 91% of goods and services procured were from local suppliers, of which R724 million was spent on suppliers rated level 3 and above.

9. HANDLING COMPLAINTS ABOUT THE NATIONAL LOTTERY AND SPORTS POOLS

The NLC handled complaints raised in connection with the National Lottery. Complaints are reported to the NLC as escalation after exhausting the Operator's complaints handling processes. However, the NLC accepts all complaints and forwards all those that require preliminary handling by the Operator. A follow-up is conducted to ensure that all complaints are adequately handled in line with Licence requirements.

10. ENSURING COMPLIANCE AND ENFORCEMENT

10.1 SOCIETY LOTTERIES

The Act permits NPOs to raise funds through lotteries. Interested NPOs are required to register with the NLC. As a result of our education and awareness initiatives, we have noted an increase in organisations registering as societies. On registration, a society is eligible to submit a lottery scheme to the NLC for registration. The Act allows an NPO to operate up to six schemes in a year, raising a maximum of R2 million per scheme. An exemption can be granted to increase the cost of the ticket, the value of prizes and funds to be raised by the NPO.

During the period under review, the division implemented a model for society lotteries. The Act authorises the NLC to conduct inspections to determine that society lottery activities are undertaken in line with the Act. The summary of society-lottery-related activities conducted during the year is indicated below:

Society lotteries	2022-23	2021-22
Number of societies registered	31	32
Number of schemes registered	96	88
Number of compliance inspections conducted	8	13
Number of draw inspections conducted	22	24
Number of pre-approval inspections conducted	35	33
Number of exemptions granted	17	6
Number of compliance seminars held	88	100
Number of lottery returns assessed	71	74

The summary of revenue generated by 71 schemes [2022: 74 schemes] is reflected below:

Month	Funds raised 2022-2023	Funds raised 2021-2022
April	R3 725 199.00	R219 380.00
May	R1 926 800.00	R1 432 442.00
June	R1 057 320.00	R1 000 050.00
July	R130 450.00	R306 900.00
August	R43 050.00	R2 202 900.00
September	R2 361 600.00	R63 650.00
October	R315 280.00	R4 217 475.00
November	R748 220.00	R278 645.00
December	R2 077 857.00	R901 850.00
January	R1 625 800.00	R1 043 495.00
February	R42 542 071.00	R39 880 620.00
March	R1 297 530.00	R911 050.00
Total	R57 851 177.00	R52 458 457.00



Our focus for the new financial year will be to continue creating awareness on society lotteries and assisting NPOs who wish to run such schemes in complying with the Act.

L5. ILLEGAL LOTTERIES AND SCHEMES

As part of our enforcement mandate, we identified and were informed of various forms of schemes that were advertised requiring public participation. Through detailed legal analysis, we ascertain whether or not such schemes can be considered to be lotteries and whether they are permissible in terms of the Act. If such lotteries are conducted without prior approval of the Board, they are rendered illegal.

Society lotteries that were non-compliant with the Act were identified. We were successful in having such schemes declared illegal as they were contrary to the Act. These schemes were subsequently discontinued.

Competitions that were run as promotional competitions, but not in compliance with requirements of the Consumer Protection Act, were also identified as a form of illegal lottery, and the companies were instructed to discontinue

competitions. These are considered key achievements for the NLC for the year under review in delivering our mandate of monitoring and regulating lotteries. Below is a table summarising the number of investigations conducted for the year:

Lottery schemes investigated	2022-23	2021-22
Number of illegal lotteries investigated and closed	170	56
Number of promotional competitions investigated and closed	455	1 010
Number of lottery schemes under investigation	16	9

L3. 11. MONITORING OF PAYMENTS TO THE NLDTF

We have ensured that the proportion of National Lottery ticket sales that go to good causes, as well as any other prescribed payments, are transferred from the Operator to the NLDTF in accordance with timelines specified in the licence. For the period under review, we verified that the Operator's payments are complete and accurate.

2. Grant-Funding and Operating Model

The Operations Division plays a critical role as an artery of execution of the NLC's strategic outcomes on the grant funding mandate to attain operational effectiveness and contribute to improving society's welfare. In particular, the division is responsible for ensuring that the Grant-Funding strategy, a core component of the NLC mandate, is successfully realised, and additionally tasked with enhancing the public's understanding of the NLC's dual mandate regarding regulatory and grant funding functions, improving the reputation and brand positioning, and communicating the identified funding focus areas to the public.

The Operations division discharges the grant funding mandate in an extraordinarily uncertain and dynamic context defined by devastating health, social and economic crises. Unprecedented in modern memory, the COVID-19 pandemic worsened and exposed the already shocking levels of poverty, inequality and unemployment in South Africa, resulting in the opportunistic growth of various social ills. Moreover, the pandemic continues to challenge us to depart from the traditional operating models and adopt agile and responsive strategies to meet the growing demands for funding. The sharp increase in demand for funding seeking to improve the living conditions of poor communities should not be viewed in isolation as it mirrors the increased reliance on social grants by most households in South Africa – an indication of persistent poverty.

As a result, our strategic approach to 'Fund for Impact' allows us to be alive to the communities' abject socio-economic conditions and further maximise the impact of our funding with limited resources. Through our grant funding model, which is dichotomised into application-based and research-based funding, we develop funding focus areas aligned with national priorities and proactively address strategic developmental issues in the communities. Creating strategic partnerships and fostering collaborative efforts are at the core of delivering integrated services and amplifying the impact of our funding in various districts.

Despite the disruptions to life and livelihoods caused by the COVID-19 pandemic, it also highlights and accelerates the need to stay relevant and digitise our services and grant funding processes. The ever-present threat of the virus, which requires less human contact, presses us to develop and implement new innovative solutions to serve the public better. As we take stock and rejoice in the accomplishments of the 2020/21 financial year under trying circumstances

– we should not for a moment lose sight of the lessons learned. In this vein, the 2022/23 Financial Year accords us an opportunity to draw from the insights gained in the previous financial year in decisively addressing issues such as the influx of applications for funding and reviewing of progress reports.

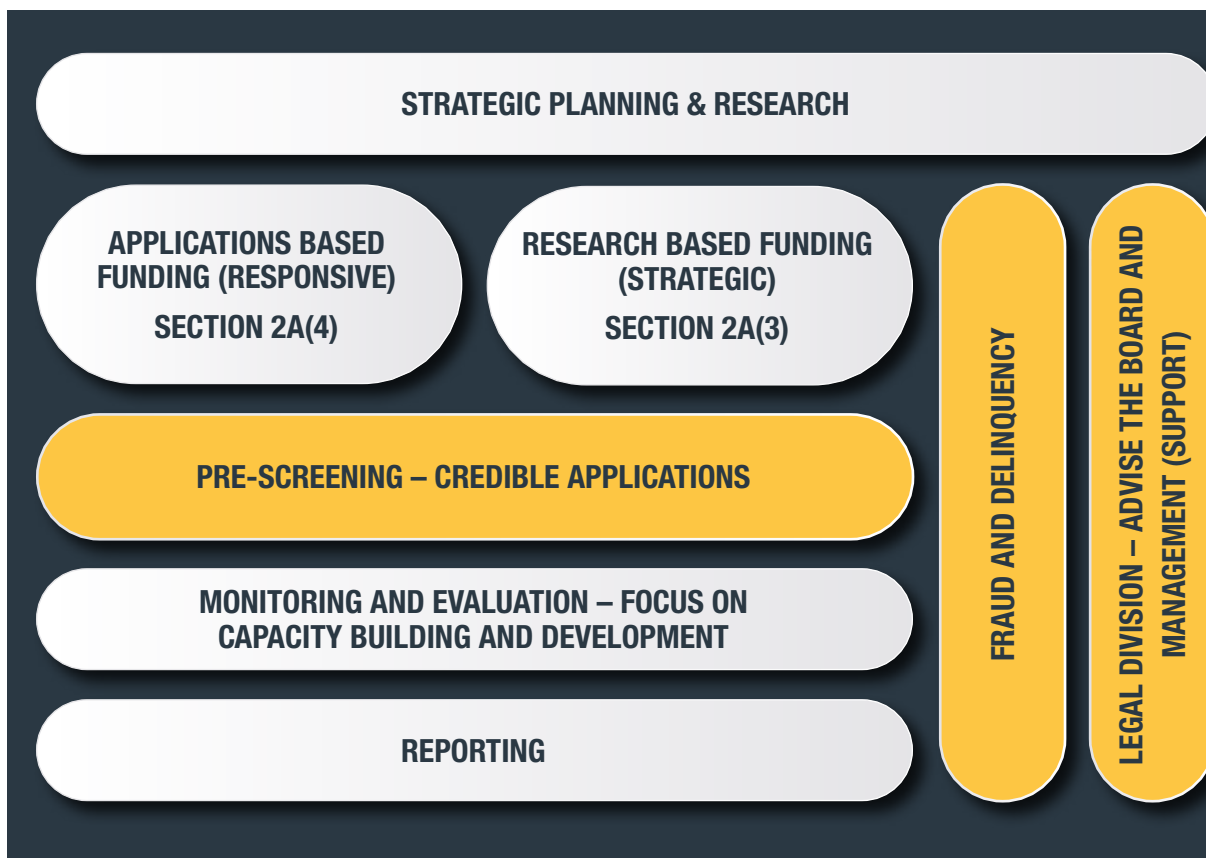
The achievements of our operational targets in the last financial year have not pacified us into falsely believing that our road will henceforth become smooth. As we develop the AOPs for 2023/24, we are fully aware that we must become even more resilient, adaptable, committed, tenacious and indefatigable in our mandate to release the poor and marginalised people from the handcuffs of poverty and inequality. For this to materialise, the continued support of the Human Capital Management and ICT departments, including the knowledge and experience of our employees, is essential.

OPERATIONAL MODEL

The Operations Division ensures that funding is administered efficiently and economically. The NLC's Grant Funding model is designed to promote and support the NLC's strategic mandate by responding to socio-economic challenges and leveraging on opportunities through grant funding. The edifice of NLC's model is built upon the principle to utilise NLC capital to create opportunities for communities to realise their potential. The funding model's centre is an overarching objective of 'Fund for Impact' to maximise the return on limited resources. The application-based funding accounts for 90% of the grants, and research-based funding constitutes the remaining 10%.

Both the application-based (responsive) and research-based (strategic) funding models illustrated in figure 3.1, are based on strategic planning and research. Furthermore, both modes entail thorough monitoring and impact evaluation for learning lessons and demonstrating success.

Applications are assessed against strategically formulated criteria for application-based funding, constituting the critical reference point for success and impact. The NLC develops a strategic framework annually with focus areas broadly aligned with national priorities. Research based funding assists in addressing strategic development issues to enhance social engineering on a wide geographical basis.



In this mode, the broad project idea originates with and is developed strategically and proactively by the funder based on research conducted. Research-based funding may also be available for emergency support following natural or other disasters.

DIVISIONAL PRIORITIES

THE INFLUX OF APPLICATIONS

The high number of applications received by the NLC continues to be a huge challenge. In 2022/23 the NLC received 9 417 applications in five months. The biggest concern is that almost 70% of received application are declined due to various reasons, which include funds being depleted. Another major challenge with this influx of applications is that there is anecdotal evidence of an increase in fraudulent applications from “non-existent” organisations or organizations that only exist on paper and do not have any programmes/projects. The number of applications is expected to grow substantially by the financial year 2023/24 Call for Applications.

It is not inconceivable to link the flood of applications with the increased demand for funding to address worrying socio-economic challenges in the communities and the growing public’s knowledge about the NLC services because of the education and awareness initiatives. The complexity of this issue is such that there are no clear-cut solutions. It raises more questions. For instance, should we continue accepting applications that do not meet the set criteria for funding? Should we not agree to review the regulations to allow for the administrative decline of non-compliant applications if we receive them? Should we stop stirring the market with education and awareness workshops?

Admittedly, addressing the influx of applications requires a multifaceted approach focusing on short-term and long-term wins. To this end, the following inputs are worth exploring from the 2023/24 financial year into the future:

- Raising the entry levels for NLC applicants by aligning the requirements to the legislation that governs the types organisations that apply to the NLC, even if they are first time applicants, among other measures.
- Introduction of the Pre-Adjudication visit to all compliant applications.
- Minimising and narrowing the funding focus areas.



- Discontinuation of the Independent Accredited Agents.
- Shifting the focus of education and awareness workshops from grant funding to regulatory function,
- Closing the Call for Applications immediately when the budget is depleted and communicating such to the public timeously,
- Tightening controls to identify people serving in the management committees of multiple organisations applying in different provinces,
- Implementing multiyear funding as a deterrent to registering multiple NPOs, and
- Agitating for a review of the regulations empowers the administration not to accept or decline non-compliant applications.

FRAUDULENT ORGANISATIONS APPLYING FOR NLC FUNDING

The financial year of 2022/23 saw increasing signs of fraudulent organisations within the NLC system. This realisation was confirmed by one of the Banks threatening to close the NLC bank accounts due to suspicious transactions the NLC grants have been paid. The bank ended up freezing the accounts of these organisation until they were Validated by the NLC.

This led to the introduction of an urgent validation process, which comprised of the following measures;

- Physical visits to the organisation to validate the organisation's exitance,
- Signing of affidavits by all staff and directors of the organisation
- Submission of three months bank statements.

Once validated, the NLC would then advise the bank to unfreeze the funds. This process was also applied to

recently confirmed funding projects as well as those that were activating release of subsequent tranches.

As a long-term solution, the Board resolved that all compliant applications of the NLC will be subjected to an Independent Physical Validation process to be done by the independent inspectorate. This is a welcome development from the Operations Division; however, it also brings with it a risk of not meeting the 150-day turnaround time.

The implementation of the independent Inspectorate will therefore become a major focal point in the 2023/24 financial year.

PROGRESS REPORTS

Once again, the issue of the progress reports came under a more intense spotlight in this financial year (2022/23) following the findings noted by the AGSA on the liability of grants. AGSA stated, amongst other issues, that there needed to be more communication between the NLC and the grant holders concerning the submission of the progress reports. Furthermore, another concern is noncompliance with the Grant-Funding Policy of reviewing the progress reports within 30 days of receipt. However, the 2022/23 financial year allowed us to improve our performance in progress reports, thereby reducing the liability on grants. It is essential first to note the challenges bedevilling our performance in this regard:

- The current Grant Management System does not notify when the grant is paid, or the progress reports are due.
- The system is not consistent in sending out progress report reminder letters.
- The progress report function is manual, as the current system does not support it.

- The Monitoring and Evaluation team have a complete monthly cycle for site visits, leaving little room to review progress reports.

Accordant with the influx of applications discussed in the preceding paragraph, a multifaceted approach is required based on the complex nature of this issue, and we should explore the following thoughts further:

- Operationalising the review of progress reports to allow close monitoring,
- The Distributing Agencies to reconsider allocating tranche payments, especially for allocations below R250,000, to reduce liabilities on grants,
- Automating the progress report process to allow notification of timeframes and sending of reminder letters, and
- Leveraging and accepting communication platforms such as WhatsApp as formal communication to contact grant holders.

BUSINESS PROCESS REVIEW PROJECT

The fraud and corruption risk landscape has changed and will continue to evolve with business trends, enhancements in technology and most importantly, to stay ahead of law enforcement agencies. Enhancement of the Grant Management Systems processes that addresses internal control weaknesses and allows for the integration with key institutions to validate applications data so that leakages can be contained was adopted by the board as one of the strategic approaches to combating fraud and corruption has plagued the NLC in recent times. In response to these marching orders, the Operations Division will undertake a Business Processes Review Project that will focus on closing the leaks in the system and improve efficiency and effectiveness of the Division. The project will adopt and 360-degree view of the division, which will focus of Processes, Systems and People.

The Operations Division is mindful of the fact that the Business Process review will be a success if it is aligned and, to some extent influenced by the NLC Digital Transformation Strategy and is viewed as an important input into the strategy.

DIGITISATION OF THE GRANT-FUNDING MODEL

It has been said before, but it bears repeating – the COVID-19 pandemic offered the NLC an opportunity to leapfrog development through digitisation and potentially cement its position as a global leader in regulating National

Lotteries and funding for good courses. Undoubtedly, COVID-19 changed the digital narrative from “nice-to-have” to “must-have” for many organisations around the globe. The benefits of digital technologies are well documented. For the Operations Division, these would include enhancing the Grant-Funding Mandate from a digital perspective by improving the efficiency and accelerating the pace of the grant funding value chain.

The Operations Division is of the view that the following potential benefits should be at the centre of the digitisation journey for grant funding, in the short to medium term:

- Online or remote submission of applications for funding, progress reports and additional information,
- Online applications interfaced with an updated, stable and reliable Grant Management System,
- A digital platform for applicants and grant holders to check application and payment progress,
- Integrated communication and customer relationships system,
- Building exchanges to accelerate data sharing with other strategic partners, e.g., DSD
- Monitoring real-time information on what is happening, e.g., the number of applications vs the available budget, and
- Leveraging cell phones to bypass fixed infrastructural challenges by launching the NLC App as a one-stop grant funding platform.

RESTORATION OF THE NLC BRAND REPUTATION

The trends and frequency of media coverage confirms that the NLC has not been spared from the heightened spate of fraud and corruption which has adversely impacted the reputation of the entity. While other measures are being implemented across the organisation, to combat corruption and fraud, the Operations Division, has identified the following approaches as key in restoring the NLC Brand reputation,

- Improve the standard of performance across the division.
- Engender a culture of accountability and consequence management.
- Integrate the Fraud and Corruption initiatives in the external communications and engagements with stakeholders.
- Embark on an ongoing engagement programme on matters related values, policies, and importance of performance and brand relationship.



STRATEGIC PARTNERSHIPS

The NLC concedes that it is not the only player in the developmental space. Therefore, partnerships are necessary to enhance the grant funding mandate and build a sustainable civil society sector. Table 5.1 indicates the strategic partners that can add value to our grant funding and regulatory functions.

Strategic Partner	Value-Add
The Department of Trade and Industry and Competition	<ul style="list-style-type: none"> • Sharing of best practices and technology • Alignment to the integrated reporting • Alignment of Development objectives
Department of Social Development (DSD)	<ul style="list-style-type: none"> • Verification of the NPOs' registration • The utilisation of the network and footprint in the districts • Alignment with funding focus areas
Department of Health (DOH)	<ul style="list-style-type: none"> • Health promotion programmes
Department of Rural Development and Agrarian Reform (DRDAR)	<ul style="list-style-type: none"> • Rural development • Green economy
Department of Sports Recreation, Arts and Culture (DSRAC)	<ul style="list-style-type: none"> • Strategic direction and transformation • Sports development • Verification of affiliated sports bodies
Department of Cooperative Governance and Traditional Affairs (COGTA)	<ul style="list-style-type: none"> • Access to beneficiaries and support on ongoing projects • District Development Model
Law Enforcement Agencies	<ul style="list-style-type: none"> • Compliance enforcement with the regulatory framework
Department of forestry, fishery, and the environment (DFFE)	<ul style="list-style-type: none"> • Environmental awareness and education strategies • Facilitation and development of greening programmes.
National Development Agency (NDA)	<ul style="list-style-type: none"> • Building institutional capacity of the civil society sector.

KEY PROGRAMMES

In executing the NLC’s grant funding mandate, the Operations division ensures that efficiency and effectiveness in critical programmes are achieved to create value for citizens and maximise impact for beneficiaries. The figure below depicts the essential programmes for the division.



The programmes are briefly explained:

- Grant-funding, ‘Funding for Impact’: This is the strategic approach to ensure that our funding uplifts the communities from abject poverty and improves living conditions.
- Provincial offices are the nucleus of the Operations division. Their proximity to the communities is vital to widen access to NLC’s services insofar as regulatory and grant funding functions are concerned.
- Applicants and grant-holders alike represent the development sector and form an integral component of the overall objective ‘Fund for Impact’. We can realise the maximum economic and social impact through the developmental sector’s programmes.
- Distributing Agencies serve as the mechanism through which grant applications are adjudicated. They are mainly responsible for distributing the allocated sum fairly and equitably amongst all the applicants who meet the prescribed requirements.
- Stakeholder relations are crucial in establishing and maintaining meaningful connections with external stakeholders that add value to our efforts to enhance the regulatory and grant funding mandates.
- Positioning the NLC as a regulator is part of the ongoing efforts to enhance the public’s understanding of the primary regulatory mandate and its significance in maximising the potential to increase revenue for good causes. Furthermore, it is vital to avoid public confusion between the regulator and the operator of the national lotteries.
- The marketing and communication department focuses on raising awareness about the NLC’s dual mandate, raising awareness on programmes and services, communicating key organisational developments, and promoting the profile and reputation of the NLC.

3. ICT Division

Technology has kept the NLC's business running smoothly during the year under review. Although an increase in global cyber-attacks were reported, inclusive of South Africa, the NLC's security controls resulted with no breaches and with no impact on the business operations. The business has initiated additional processes that will lead to new projects that are meant to improve the early detection and prevention of anomalies within the value chain in response to all reported fraudulent matters that allegedly occurred within the NLC.

As part of business improvement and addressing new requirements, strategic partnerships with other state entities have commenced, particularly in relation to the development of interfaces between entities to advance and improve among others, instant validation, and verification of NLC stakeholders (grant applicants, suppliers, and staff).

A digital transformation strategy and plan was initiated during the year under review to address the future business operational environment following communication of new business requirements and with the maturity of the organisation in mind, not only to benefit the NLC staff but external stakeholders as well.

This will ensure that a repurposed NLC will comprise of a future fit human capital, technology and enterprise that is fit for business purpose. To safeguard the technological investment that has been made for the NLC business, an informed transitional and phased approach into a new operational model will be considered.

The ICT community has in recent times indicated that the recruitment of resources is currently skewed towards those that are product certified as opposed to academic graduates. As such, recruiting certificated and professional resources remained a challenge particularly on the ERP enterprise platform that has been deployed by the NLC.

As a mitigation to the observed challenge, the division continued to empower the current ICT staff compliment by supporting their certification training programme relating to the deployed applications at the NLC.

Ongoing load shedding in South Africa remains a challenge particularly in keeping the NLC's provincial offices operational at all required times. The NLC has put together a plan to capacitate all offices with alternate energy to minimise business disruption and protect the investment of all deployed technologies. ICT continues to provide



technical support on a hybrid model (onsite and working from home) for all staff. The divisional investment, strategic and operational values have been monitored and reported in to the ICT Steering Committee.

As part of the transitional and improvement plan, the division will be advancing its strategic intent in the following areas: -

- Appointment of resources that are fit for business.
- Continuous adherence to ICT Governance and related legislative frameworks.
- Protection of information within the NLC.
- Continuous improvement of cybersecurity measures for both internal and external environments.
- Protection and of NLC investment
- Adherence to environmental requirements relating to how technology assets are disposed.
- Application of fraud prevention measures, infrastructure, and enterprise.
- Maintain and adhere to disaster recovery principles.
- Respond from a technology and enterprise viewpoint to the outcome of the Digital Transformation Strategy and associated plan.

PART G

GRANT PAYMENTS 2022/23



Eastern Cape

PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M39696	Masivuzane Community Based Projects Forum	335 000,00
M46082	Ebubeleni Festival Projects Npc	995 000,00
M45418	Uitenhage Development Projects	182 000,00
M45791	Eyabantu Cultural Group	295 000,00
M46175	Transkei Youth Foundation	287 000,00
M46290	Umzilakantu Family Foundation T/A Kiddzpas	250 000,00
M47250	Amathole Jazz Foundation	393 700,00
M47051	SID Fourie Trust	485 000,00
M47087	Zima Phikomade foundation	358 000,00
CHARITIES		
M22239	Kwezana Day Care Centre	100 000,00
M23289	Sizamile Educare Centre	50 000,00
M23361	Ubunye Foundation Trust	55 402,00
M24678	Open Hands support Centre	69 000,00
M24680	Eastern Cape Braille Print Institute	100 000,00
M24954	Nonesi Day Care Centre	35 500,00
M25336	Siyazama Day Care Centre	77 683,00
M27555	Sifunda Sidlala Day Care Centre	69 454,00
M28838	Coping Centre For People Living With HIV/AIDS	151 316,00
M32762	Qaga Centre for the Aged	100 000,00
M46687	Vusizwe Sika Menziwa Development Foundation	2 500 000,00
M46690	Ubuntu Transformation Foundation	2 500 000,00
M46695	Betterworld Foundation Npc	2 500 000,00
M34138	Never-Give-Up Support Centre	99 200,00
M34834	Kulani Day Care Centre	100 000,00
M34925	Ihlumelo Foundation	100 000,00
M22595	Siyakhula Service Centre for the aged	100 000,00
M25363	Mpundu Old Age and Disabled Centre	162 529,00
M26489	Nothenga Day Care Centre	137 121,00
M27713	Qhaph'Ggi Day Care Centre	50 000,00
M31994	Nyameko Day Care Centre	56 500,00
M34133	Good Heavenly Creche	100 000,00
M34502	EL Roi Foundation	135 463,00
M34564	Sinolwazi Kids Academy	100 000,00
M35265	Ilitha Lethu Educare Centre	100 000,00
M35296	Ekhaya Day Care And After Care	100 000,00
M33007	Sifund'ububele Service Centre For The Aged	100 000,00
M34080	Noxolo Day Care Centre	100 000,00
M35090	Hogsback Educare Centre	100 000,00
M25685	Masincedisane Centre	32 000,00
M27623	Siyazama Pre-School	143 250,00
M22144	Hopefield Day Care Centre	90 000,00
M24959	Zukhanye Day Care Centre	100 000,00
M26108	New Beginning Day Care Centre	100 000,00
M31533	Lerato Day Care Centre	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M33325	Isipho Sa Mahlubi Disability Empowerment Centre	100 000,00
M34848	Masakhane Pre -School	100 000,00
M45131	Zanokuhle Pre-School	308 906,00
M45141	Kukulunga Day Care Centre	390 521,00
M45187	Mhuku Day Care Centre Npo	158 634,00
M45414	Zimlindle Early Childhood Development Centre	278 552,00
M45430	Upper Colosa Early Childhood Development Centre	186 000,00
M45434	T.S Matsiliza Early Childhood Development Centre Npo	249 000,00
M45447	Kulozulu Day Care Centre	112 000,00
M45454	Lukhanyo Early Childhood Development Centre Signatories	330 500,00
M45464	Qaqamba Pre-School	166 500,00
M45588	Dayimane Early Childhood Development Centre	83 300,00
M45151	Masihlume Early Childhood Development Centre	176 118,00
M45910	Makukhanye Pre-School	67 500,00
M45956	Ngcingwane Pre-School	68 000,00
M45834	Life Changing Place	185 000,00
M45873	Isibane Pre School	120 000,00
M45913	Zizamele Early Childhood Development Centre	10 600,00
M46115	Zukhanye Old Age Centre	345 600,00
M25706	Ilinglethu Day Care Centre	103 220,00
M26299	Siyaphambili Orphan Village	85 991,00
M34890	Lwazi Educare Centre	100 000,00
M45228	Siseko Early Childhood Development Centre	494 582,00
M46104	CMR Eastern Cape	437 500,00
M46166	Christelik - Maatskaplike Raad Van Die Ring Van Sondagsrivier	716 102,00
M46336	Hospice Association of Transkei (HAT)	1 041 241,00
M35367	Tyutyu Day Care Centre	100 000,00
M45817	Sakhingomso Day Care Centre 29297	114 500,00
M45895	Nomadolo DCC	45 000,00
M35089	Dr Ambrose Cato George Skills Development Centre	100 000,00
M45157	Khanyisa Victim Empowerment Centre	712 957,00
M45778	Sibanye Day Care Centre	96 500,00
M45795	Upper Malepe-lepe Pre School	76 000,00
M45883	Zwelivumile Day Care Centre	57 500,00
M46098	Dimbaza Victim Empowerment and Information Centre	336 834,00
M46271	St mary's development and care centre	535 000,00
M46564	Christelike-Maatskaplike Raad Van Burgersdorp	426 000,00
M45423	Isiqalo Early Childhood Development Centre	140 000,00
M45451	Lukhanyiso Early Childhood Development Centre	98 000,00
M45748	Nofezile Special Care centre	771 000,00
M46438	Phaphamani Day Care Centre 29563	41 500,00
M46956	Christelik-Maatskaplike Raad vir die Ring van Humansdorp	1 225 600,00
M22136	Melani Day Care Centre	100 000,00
M34004	Noluthando Day Care Centre	100 000,00
M34134	Sivuyile day care centre	100 000,00
M46376	Primrose Pre School	87 000,00
M46397	Christelik Maatskaplike Raad van die Drakensberg	281 739,00
M46696	Silulutho Community Projects	169 358,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M36338	Amandla Pre School	94 000,00
M36340	Sisenza Day Care Centre	100 000,00
M45962	Phumelela Early Child Development	59 500,00
M45964	Khulisani ECDC	238 332,00
M45977	Ngxakaxha Early Childhood Development Centre	193 000,00
M46279	Bonani Pre School	77 000,00
M46449	Jadezweni Early Childhood Development Centre	157 000,00
M46673	Khanya Day Care Centre	234 000,00
M46683	Balungise Day Care Center	493 108,00
M47085	Huis Tarkastad Home	514 911,00
M47093	Ntshasiphiwesethu Foundation	393 858,00
M47209	Qolwane Care Giver and Older Persons Programme	192 000,00
M47781	Ukhanyo Edu-Care Centre	475 346,00
M47550	Khulangelwazi Pre-School	479 013,00
M48224	Vukani Community Volunteers	1 600 000,00
M47283	Child Welfare South Africa Somerset East	842 075,00
M47705	Rocklands Day Centre	1 003 000,00
M48242	360 Rural Outreach	492 200,00
M47226	Zihlehleni Early Childhood Development Centre	139 000,00
M47578	Emmanuel Child and Youth Care Centre	447 667,00
M49329	Umbono Service Centre For The Aged	579 600,00
M49334	Philani Male Circumcision Centre	457 760,00
M48808	Mustered Seed Day Care Centre	499 484,00
M38503	Eluthandweni Children's Centre	200 000,00
M47212	Gqeyane Day Care Centre	324 698,00
M47241	Nenemba Early Childhood Development	39 600,00
M47439	Ziphunzana Pre-school	89 000,00
M47782	Khulisani Day Care Centre	477 740,00
M48195	Uitenhage mental health homes	140 000,00
M49105	Thetha Nathi Counselling Services	291 100,00
M49275	Lisakhanya ECDC	143 000,00
M49299	Taleni ECDC	204 000,00
M49303	Lazamakhakha ECDC	151 000,00
M50748	Nkosinathi Foundation of and for Blind and Partially sighted people	1 398 000,00
M52663	Cradock Family Resource Centre	499 120,00
M52189	Ikhwezi Women Support Centre	1 500 000,00
MISCELLANEOUS SECTOR		
M45749	Gubevu Primary School	750 000,00
SPORTS AND RECREATION SECTOR		
M38727	Royal Bucks Football Club	85 000,00
M38804	Eastern Rugby Football Club	130 000,00
M39093	Eastern Cape Academy of Sport	65 000,00
M22853	Indalo Yethu Foundation Npc	38 750,00
M38819	Yakhanani Sports Foundation	65 000,00
M40177	Klipplaat Netball Club	75 000,00
M40218	City Pirates FC	105 000,00
M40573	Ibhayi Darts Association	75 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M40592	Thembani Lower/ Primary School	195 000,00
M40766	Qunu Stars Football Club	75 000,00
M41023	Mehloloaneng Primary School	30 000,00
M41030	Likhetlane Primary School	30 000,00
M41248	Ndzondweni JPS	30 000,00
M41249	Lihasang Primary School	30 000,00
M41260	St Andrews Junior Secondary School	30 000,00
M41349	Ikaheng Primary School	30 000,00
M42947	Sarah Baartman Netball Association	250 000,00
M24556	Sizonqoba Drug,Alcohol,Crime And Women Abuse Nppo	100 000,00
M45280	World All Kyokushin Karate Union Club	65 000,00
M45314	Dilizintaba S.S.S	100 000,00
M45754	Jb Magongo Foundation Npc	65 000,00
M46161	Star Of Adelaide Rugby Football Club	80 000,00
M45783	Longmore F C	80 000,00
M45826	Alaska Football Club	95 000,00
M47100	Nokhala Youth Boxing Academy	115 000,00
M47104	Ellesse United Football Club	90 000,00
M47115	Cabinet Football Club	100 000,00
M45792	Young Ideas F C	85 000,00
M46371	Jungle Lion Sports Club	145 000,00
M47553	Gamrose Cricket Club	105 000,00
M47581	Nelson Mandela Bay Association of Draughts	80 000,00
M47598	Newell High School	65 000,00
M47971	Black Eagles Rugby Football Club	115 000,00
M48206	Gemineyez Basketball Club	85 000,00
M48341	Black Hawkers Rugby Club	105 000,00
M48852	Black Eagles Rugby Football Club 21450	120 000,00
M49493	Ncera Aces Football Club	95 000,00
M49524	Roaring Tigers Football Club	140 000,00
M52566	Eastern Cape Sports Confederation	750 000,00
M47423	Klein Skool Spurs Soccer Club	90 000,00
M48302	BIMSA Football Club	85 000,00
M45879	Newtown Wolves Sport Club	75 000,00
M45942	Wildboys Sport Club	90 000,00
M48320	United Brothers Rugby Football Club	85 000,00
M48900	Westlake Sports Club	140 000,00
M48909	Booyesen Prides Football Club	115 000,00
M49075	Umlilo Ovuthayo Football Club	80 000,00
M49132	Amathube Sports Development Trust	65 000,00
M49269	Dangerous Lions Rugby Football Club	140 000,00
M49544	Mandela Jolly Brothers Football Club	80 000,00
M49667	Young Brazillians Football Club	80 000,00
M50092	Machibini Young Stars FC	105 000,00
M50287	Mabatshe Nkosi Zam Phokoza Football Club	95 000,00
M50300	Fire Mountain Rugby Club	95 000,00
M48869	Adelaide Gymnasium	65 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M49854	Home Giants FC	120 750,00
M50045	Real Young Stars Football Club	105 000,00
M50056	Blue Jacaranda Sport Club	105 000,00
M49167	P.E. Queens Soccer Stars	75 000,00
M49363	Mfuneko Ngam and Partners Cricket Schools of Excellence NPC	65 000,00
M49487	Happy People United Football Club	85 000,00
M49593	Arsenal F.C	84 000,00
M49634	OR Tambo Amature Boxing Organisation	90 000,00
M49981	Moonlight Complex Sport Club	85 000,00
M50501	Relatives Football Club	140 000,00
M50642	Kariega Karate Club	80 000,00
M50792	Yanga Kevin Kameni Rural Multi-Sport Foundation	65 000,00
M50842	Tembu United Rugby F C	270 000,00
M50894	Future Boys United Football Club	80 000,00
M49986	Braelyn Brothers Football Club	80 000,00
M50639	Wells Bluebirds Football Club	85 000,00
M50650	Balekani Athletic Letter	90 000,00
M50828	Port Alfred Masters	90 000,00
M50833	Willows Cricket Club	225 000,00
M50964	Leeds United Football Club	85 000,00
M50967	Shiloh Hotspurs Football Club	85 000,00
M50978	Manchester Football Club	105 000,00
M46747	Strikers United Football Club	140 000,00
M50841	Young Cosmos Football Club	95 000,00
M51108	Mdantsane Hotspurs Football Club	105 000,00
M51321	Dr Beyers Naude Natural Bodybuilding	95 000,00
M46718	Black Danger Rugby Football Club	170 000,00
M46742	Mighty Bucks Football Club	150 000,00
M49995	Saints FC	78 750,00
M50342	WG Olivier Primary School	65 000,00
M50785	Steytlerville Barbarians Rugby Club	170 000,00
M50786	Klipplaat Cricket Club	105 000,00
M51129	Phoenix Hc Npc	95 000,00
M51137	East London Surf Lifesaving Club	95 000,00
M51322	Amadamara Football Club	160 000,00
M51324	Windhill Cricket Club	170 000,00
M51344	Eleven Attackers Soccer Football Club	160 000,00
M51681	Enon United Ruigby F C	95 000,00
M51698	Zwide Celtics F C	180 000,00
M51767	Fort Beaufort Cosmos Football Club	130 000,00
M51776	Black Brothers United Football Club	95 000,00
M51779	Young Ideas Football Club 32406	110 000,00
M51780	Goal Hunters Football Club	170 000,00
M49845	Try Again Eleven FC	95 000,00
M50086	Cacadu United FC	78 750,00
M50973	Wolves Rugby Club (East London)	80 000,00
M51136	Blues Rugby F C	330 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M51777	Blue Lover'e FC	170 000,00
M52237	Cambridge Aces Football Club	85 000,00
M52242	Cambridge Football Club	95 000,00
M52277	African Stars Academy	90 000,00
M52279	Fynbos Attackers Football Club	105 000,00
M52289	Friends Football Club	90 000,00
M49348	Young Ideas Football Club	140 000,00
M49977	Athletics Football Club	95 000,00
M51135	Cookhouse United	140 000,00
M51140	Joubertina United	80 000,00
M51343	Junior Sundowns Fc	130 000,00
M49137	Valgas F C	78 750,00
M49709	Camdeboo Football Development Academy	78 750,00
M49727	Eastern Cape Deaf Sports Federation	160 000,00
M50065	Mighty Sweet Mover F C	78 750,00
M50971	Queen Spurk F C	78 750,00
M51325	Young Chiefs Football Club 28624	105 000,00
M51330	Young Stars F C 0655380044	85 000,00
M51346	Morocco Kids F C	180 000,00
M51347	Kouga Rugby Sub-Union	170 000,00
M51704	Barcelona F C 0713525201	115 000,00
M52012	Rubberhides Sports Club	80 000,00
M52129	Real City FC	110 000,00
M52150	Mountain Eagles Cricket Club	145 000,00
M52162	FC Motherwell	105 000,00
M29533	Pumba Pirates Football Club	175 000,00

Free State

PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M23660	Free State CRL Community Council	50 000,00
M26725	Tiisetsang Community Centre	40 000,00
M26976	Tshi -Community Development Hub	50 000,00
M45063	Botshelo Ke Mpho Development	443 230,00
M45190	Sipho Mutsi Community TV	322 600,00
M45278	Zandisile Community Empowerment NPC	232 714,00
M45294	Tshepang Community development	225 507,00
M45297	Ponelopele Empowerment	334 400,00
M45384	Rust To Gold Societal	306 000,00
M45437	Kutlwanong's Youth Empire	379 457,00
M45253	Forever Green Projects	251 000,00
M45392	The Read Sower	272 787,00
M45592	Ethical Community Development	226 630,00
M45553	Kutlwanong Youth Skill Centre Npc	294 348,00
M45666	Rekaofela Tirong Community Development Npo	257 555,00
M45587	Isizwe Sa Ma-Africa Performing Artist	292 946,00
M45699	Matjhabeng Team Clap And Tap Music NPC	291 500,00
M45981	Monganeng Theatre And Dance Movement	316 500,00
M25943	Tshepo Ya Xoli	50 000,00
M45861	Bomme Kalaneng Entertainment	128 000,00
M46035	Bottle Ba Setso	178 000,00
M45350	Meisie Arts Development South Africa	388 000,00
M45766	ST Marys Spiritual Choir	154 500,00
M46189	GBK Threads NPC	278 000,00
M46479	Hope for Women Empowerment	282 124,00
M46667	Modumo Creative Productions NPC	183 000,00
M46191	Lavender Empowerment NPC	198 000,00
M46815	Phehellang Tiholo	208 000,00
M23806	Boithuto Worx Npo	50 000,00
M46762	Monganeng Vibes Npo	157 000,00
M46829	Majestic Theathre Production	234 074,00
M46834	United Theatre Practitioners Npo	254 696,00
M47023	Living Strength Development Network Npo	149 522,00
M45864	Monate Wa Kalaneng Entertainment	185 000,00
M48103	Lesedi Ke Bophelo Community Empowerment	243 000,00
M48178	Sedibeng Writers Organization	326 816,00
M47734	Ntokozo Arts Development Projects	200 000,00
M45425	Global Village Museum	467 268,00
M48534	Khotsong Community Development	240 600,00
M49464	Hlwekisa Bophelo	181 388,00
CHARITIES SECTOR		
M26450	Sadikwadikwe Luncheon Club	96 819,00
M32818	Emang Maqheku Luncheon Club	100 000,00
M23822	Siyamthanda Community Based Care and Support Services	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M27172	Good Hope Hospice	100 000,00
M27876	Dr Nkosazana Dlamini Zuma Creche/ Drop in Centre	100 000,00
M32192	Tshepong Day Care Centre	142 000,00
M33092	Oregolele Day Care Centre	100 000,00
M33358	ST Mary Ubuntu Creche	100 000,00
M34454	Enjabulweni Educare Centre	100 000,00
M26738	Maakeng Medical Centre and Pick up Point NPC	100 000,00
M32840	Retshepile Day Care	100 000,00
M34445	Rarolohang Day Care Center	100 000,00
M32148	Bokamoso Day Care Centre	100 000,00
M33969	Hare Ithuteng Pre-School	100 000,00
M34602	Setsofso Senior Citizen Home	100 000,00
M33831	Oatlehole Community Project	100 000,00
M45544	Letlotlo Community Development Npc	232 900,00
M33967	Boiteko Creche	100 000,00
M45198	Thuto Ke Senotlolo Pre- School	156 700,00
M45550	Disakhanya Community Development	201 900,00
M45551	Lesedi Day Care Creche	369 104,00
M45578	Siphosihle Creche	267 000,00
M27867	Qala-ka-Botjha	100 000,00
M33880	Katleho Child Care Centre	100 000,00
M33882	Mpho Creche	100 000,00
M34446	Kgodisong Day Care	100 000,00
M45700	Families South Africa- Bloemfontein , Southern Free State	452 615,00
M34059	Mamello Day Care	100 000,00
M45704	Auksano	1 355 601,00
M45840	Khanya Creche	435 000,00
M45946	Qhakazile Day Care Centre	399 604,00
M45980	Jabulani Day Care	418 000,00
M46092	Mosamaria AIDS Ministry	431 440,00
M46122	Kgatholowa Moya Waka Early Learning And Community Development Centre	213 500,00
M34092	N.E Makhetha Day Care centre	100 000,00
M45953	Matshidisong Day Care Centre	355 200,00
M46099	Tumelo Creche	361 500,00
M46297	Jemina Letsie Creche	498 872,00
M46435	Itumeleng Creche	234 700,00
M46453	Katlehong Educare	492 939,00
M34060	Bookelong Pre-Primary School	100 000,00
M34438	Masakhane Child Care Centre	100 000,00
M34516	Kamohau in Need Child Care	100 000,00
M34637	Bonokuhle Day Care Centre	100 000,00
M34742	Khubetswana Day Care Centre	100 000,00
M35121	Early Bird Day Care And After Care	100 000,00
M46595	Ikgopotseng Community Projects Npo	405 276,00
M46750	Tswelang Pele Educare	327 500,00
M34790	Holy Grace Day Care Centre	100 000,00
M35028	Khanyisile Pre School	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M35706	Ka Lerato Creche	100 000,00
M46978	L.G.M Leratong Day Care & Pre-School	354 000,00
M46979	Lechabile Special Needs Care Centre	354 659,00
M47070	Kopanang Community Based Care	345 653,00
M46604	Atamelang Creche	637 434,00
M46745	Ratanang Luncheon Club	420 400,00
M46855	Re Matla Organisation	169 000,00
M46943	Tshepong Day Care	405 950,00
M47153	Thutong Day Care Centre	327 481,00
M47185	Ntsoaki Monday to Monday and After Care Centre	328 000,00
M47306	Mafumane Creche	318 400,00
M47313	Child Welfare, Welkom	636 900,00
M47340	Itlotliseng Day Care	253 758,00
M47002	Leka Bophelo Day Care	316 350,00
M47460	Lesedi Arts & Crafts Day Care Centre	733 146,00
M47501	Tswelang Educare	286 817,00
M47505	Thembaletu Bodding Creche	299 300,00
M47526	Imameleng Creche	342 000,00
M47585	Reatlehle Day Care Centre	363 800,00
M47378	Beisang Mabewana Health and Support Care	329 700,00
M48665	Emfundisweni Educare Centre	404 000,00
M47673	Phethugong Day Care Centre	351 000,00
M47995	Boithabiosong Educare Centre	476 115,00
M48216	Amohelang Lesedi	405 000,00
M47688	Reathusa After Care Centre	283 000,00
M47988	J&R Training and Rehab for the Blind	926 918,00
M48527	ST Helena Educare	373 800,00
M48603	Lesedi La Poloko Educare Centre	436 400,00
M49096	Northern Free State Caregivers	995 000,00
SPORTS AND RECREATION SECTOR		
M41230	Maoto Mpepe Ke Tswa Hole Hiking Club	65 000,00
M42353	Lolo All Stars	65 000,00
M45438	Bloemfontein Lazio FC	75 000,00
M45480	Football Club Cardinals	75 000,00
M45482	Super Falcons Football Club	65 000,00
M45485	Football Club Maholosiane	75 000,00
M45349	Mamafubedu Sports Development South Africa	65 000,00
M45974	Giant Killers Football Club	65 000,00
M46727	Thabong Boxing Club	80 000,00
M46899	13TH Ward Male Netball	65 000,00
M47401	ID Community Projects	65 000,00
M47732	Mighty Bucs F.C	85 000,00
M46176	Semphurwaneng F.C	65 000,00
M48345	Mogale City F.C	75 000,00
M47276	Youth in Action	65 000,00
M48765	Bataung Village Diamond Athletics Club	65 000,00
M48993	Naudeville P/S	65 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M49649	Mafike Eleven Football Club	80 000,00
M49792	Boshof C/S	68 250,00
M48156	Donga Football Club	75 000,00
M48656	Bubchu Football Club	78 750,00
M49820	Kearabetswe P/S	65 000,00
M49177	Meloding Boxing Club Npo	65 000,00
M50102	Lejweleputswa District Boxing Organisation Npo	95 000,00
M50124	Thembinkosi Fitness and Wellness Centre	65 000,00
M50593	Junior Aces Football Club	85 000,00
M50603	Fc Kerlis	65 000,00
M50665	Impumelelo Primary School	65 000,00
M46486	Ditshebeletso Community Projects	325 000,00
M50611	Lenyora Primary School	65 000,00
M51568	Playing Station Netball Club	85 000,00
M51943	United Brothers Football Club	75 000,00
M51987	Zola Sera Foundation	80 000,00
M51993	Real Richies Football Club	50 000,00
M50610	Bodikela Junior Secondary School	65 000,00
M51536	Dewetsdorp Cycling Club	95 000,00
M51947	Mutual Friends	75 000,00
M51761	Mangaung Rugby Academy	75 000,00
M51982	Revelations Fitness & Sports Academy	75 000,00

Gauteng

PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M32778	Tshila Ke Khumo	233 000,00
M14582	Premier National Choir Festival	100 000,00
M14763	Sello Maake Kancube Foundation	183 000,00
M22078	Themba Legacy Projects	38 800,00
M32019	The Blazer Arts Academy Npo	63 000,00
M32740	L17 Skills Development Hub	100 000,00
M36347	Indabuko Art Projects	120 000,00
M45031	Siyavuka Lateral Improvement Foundation	1 000 000,00
M45075	Mvelo Theatre Group	221 000,00
M22469	Arts At The Village	30 000,00
M34908	Big Fish Arts	7 500 000,00
M45072	Sibonelo Arts Production	133 000,00
M45078	Bokamoso Ba Lethabo	138 000,00
M45097	Zendatrix NPC	270 500,00
M45230	Mazibuye Emasisweni Recreation And Arts Projects NPC	411 000,00
M45013	Mzwakhe Ngubeni Legacy	227 414,00
M45030	Thokoza Film Festival	349 140,00
M45076	Intuthuko Arts Group	254 000,00
M45159	Uthingo ,Arts Heritage & Recreation	248 000,00
M45199	Masakhane Performing Arts And Culture	212 500,00
M45270	Exquisite Community Project	447 000,00
M45313	The Calling Production	193 000,00
M45354	Zartz Performing Artits	120 000,00
M45455	Bo Botse Ba Setso Npo	334 991,00
M45477	C'Nky Siwela Flute Institute Npo	323 875,00
M45020	Philarsande Foundation Npc	298 000,00
M45138	Reakgona Projects	227 000,00
M45688	Mmupi Literature Youth Development South Africa	574 000,00
M45111	Triple Tombo Arts Foundation	298 000,00
M45183	Proverbs Art And Development Projects	255 000,00
M45233	New-Face Youth Development	202 000,00
M45503	Reaching The Young Mind	183 000,00
M45516	On Point Arts	178 500,00
M45602	Crewza	250 500,00
M45678	Mmatema Moremi Foundation	255 639,00
M45716	Kuns Van Suikerbosrand	278 000,00
M45452	Eersterus Arts and Culture School	858 000,00
M45236	Qhawekazi Lethu	100 000,00
M45829	Eminent Video Music Awards	258 000,00
M45908	Ubuhle Bendalo support group	228 000,00
M46116	TE Radebe Theatre Foundation	288 000,00
M13543	Sivusisizwe Community Development	70 000,00
M14007	All nations community development	46 000,00
M45679	Izimbokodo Women Art Forum	273 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45907	His Grace Support Group	243 000,00
M44992	Senzokuhle Art Projects	393 390,00
M45174	Invention Productions	214 000,00
M45240	Scorching Arts Productions	142 000,00
M45838	Socio Civic Economic Empowerment And Business Development of Africa	438 000,00
M46045	Motloun Institute of Performing Arts	172 800,00
M46047	Ekurhuleni Performing Arts Chamber (EPAC)	222 200,00
M46093	The Jazz Foundation of SA	1 694 230,00
M46141	Suikerbosrand Kuns Lewendig	488 000,00
M46263	God's Glory Community Skill Development Centre	153 000,00
M46411	Gold music records	300 800,00
M46481	Midrand Arts ,Culture And Heritage Forum	558 000,00
M46484	Radebe Development Trust NPC - 5357	178 000,00
M46551	Cities Of The World	193 000,00
M46050	Zikode arts development organisation	197 000,00
M46065	Generation Brass Band Academy	231 200,00
M46163	Indigenous Celebrations South Africa	338 000,00
M46455	Izibusiso-Joy Foundation	218 000,00
M46596	Kuhle Youth Developers	150 000,00
M45617	The Seed Thru Arts	900 000,00
M45903	Ubusisekile	109 000,00
M46064	Mokone Productions	438 000,00
M46339	Phinda-Mzala Entertainment Project	508 000,00
M47629	Kgosiore Foundation	248 000,00
M47962	Kunika Community Developer	178 000,00
M48605	Rammadimetja Community Project	248 000,00
M45839	God Knows Community Organisation	302 000,00
M46085	Setho Heritage Project	738 000,00
M46450	Siyakhula Support Group	308 000,00
M46538	Rea Iketsetsa Arts Project	268 000,00
M47010	Woman In Performing Arts Development Organisation "WIPADO"	172 000,00
M46552	Future Mbokodo Productions and Projects	178 000,00
M47003	Publik Kreativitey Drama Krew	288 000,00
M46430	Mother Nature Enchantress Centre	177 000,00
M46521	Nobuhle Bethu	164 491,00
M47016	Ikageleng Cultural Performers	218 000,00
M23310	Endangered Wildlife Trust	50 000,00
M45929	Kreative Artists Theatre Organization	478 000,00
M46838	The Buskaid Trust	800 000,00
M47610	The Million Colours of African	278 000,00
M47942	Uthando Community Development Centre	162 000,00
M48210	Kuzondlula Motivational Tour	290 298,00
M45031	Siyavuka Lateral Improvement Foundation	239 000,00
CHARITIES SECTOR		
M45021	Peu Ya Afrika Day Care	500 000,00
106180	Matieni Community Centre	155 968,20
M15629	Zenzeleni Community Care Centre	600,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M21804	Lu Youth Empowerment	40 500,00
M22219	Phinayesha Projects	30 000,00
M24803	Realeboha Day & After Care Centre	52 661,50
M25436	Amukelani Nyiko Day Care Centre	100 000,00
M33441	Siyathuthuka Educare Centre	100 000,00
M38298	Sifikile Nkosi Support Group	120 000,00
81496	Jabulile Pre -School and Creche	1 488 940,17
M13874	Jewish National Fund, Walter Sisulu Enironmental Centre, Mamelodi	50 000,00
M25356	Zamani Day Care Centre	100 000,00
M32136	Daffodils Educare Organisation NPO	73 299,00
M33260	Bokamoso Learning Centre	100 000,00
M34331	Glowing Angels Day Care Centre	156 300,00
M39740	We Are One	65 000,00
M34513	Spiritual Restoration Centre	100 000,00
104919	Zibsilor NPC	155 968,20
M33647	Angels and Us Day Care Centre	100 000,00
M42342	Mamelodi FM Community Radio NPC-NAB	1 500 000,00
106180	Matieni Community Centre	203 000,00
106180	Matieni Community Centre	203 000,00
M31759	Jabulani Day Care Centre	100 000,00
M34326	Rise And Shine Day Care Centre	100 000,00
M34336	Ladybug Day Care	100 000,00
M32561	Tin House Day Care Centre Npo	100 000,00
M33793	Dimpho Day Care Centre	137 327,00
M34320	Tsepisos Kiddies World	100 000,00
M35392	Bumpies Nursey & Pre-School	100 000,00
M38349	Marimba Creche	100 000,00
M45139	Abba Specialist Adoption & Social Services	1 805 986,00
M33349	Abc Day Care & Pre School	160 000,00
M45265	Boitumelong Day Care li	100 000,00
M45457	Rhandzu Day Care Centre	471 000,00
M45558	Tiny Tots Day & After Care Centre	314 000,00
M45632	Reamohetswe Day Care Centre and Preschool	330 700,00
M45269	Nnana's Day Care Centre	194 000,00
M45120	Lulupopps Nursery School	1 002 832,00
M45241	Isandla Esihle Charity and Development Projects	891 162,00
M45243	Gongota Creations Foundation	203 000,00
M45444	Emuseni Day Care Centre	351 000,00
M45665	Usizo Thuso Community Centre	500 000,00
M45695	Seitebogo Peta Cleft Palate Foundation	331 334,00
M45843	Boitumelo Pre-School & Creche	489 000,00
M45540	Gugulethu Day Care Centre - 27339	216 400,00
M54450	The Life Changing Projects	500 000,00
M34243	Precious Day Care	100 000,00
M34327	Happy Angels Early Learning Centre	100 000,00
M45667	Thuso Skills Development and Training Centre	400 000,00
M45758	Child Welfare South Africa, Vanderbijlpark	1 812 176,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45760	Malamulele Onward NPC	2 600 000,00
M45776	Inkutana helping hand	362 000,00
M34350	Thato's day care centre	61 602,00
M34950	Boitumelo Day Care Centre 1	80 000,00
M35097	Good Hope Nursery And Pre-School	100 000,00
M34018	Lillies Cristian Day Care Pre-School Centre	100 000,00
M45272	Lesedi La Tsebo Pre-School	553 200,00
M45756	Ditebogo Day Care Centre	535 000,00
M45757	Mmatshapo Day Care Centre	499 500,00
M46044	Adored Lillies Educare	480 802,00
M46051	God Blessings Day Care Centre	521 500,00
M46067	Eersterust Care and Training Centre	1 753 905,00
M34025	Emmanuel Bewaar-Cum-Preprimereskool	100 000,00
M34028	Little Stars Day Care Centre	100 000,00
M45508	Rainbow Day Care	149 000,00
M45872	Dipho Tsarona Early Childhood Development	169 200,00
M45919	Katleho Home for the Disabled	1 307 300,00
M46301	Lesedi Pre-School	517 046,00
M46483	Mmalerato Day Care Centre	313 389,00
M45178	Kgodisong Creche and Pre-School	639 500,00
M46267	Asha Hanna Jaff Preschool	406 906,00
M46294	Refiloe Place of Care	242 500,00
M46561	Sweet Mbambino Day Care and Pre-School	358 800,00
M46589	Toddlers Day Care	218 500,00
M22407	Borolelo Community Organisation Npo	50 000,00
M45816	Mintiro ya Bulabula Day Care Centre	329 000,00
M45955	Raising Angels Day Care	136 000,00
M46083	The Little Spanish Guitars Early Learning Center	561 253,00
M46091	Sithandi' Zingane Day and Aftercare	199 000,00
M46372	Winky Wanky Two Early Childhood Development	313 800,00
M46578	Sinenhlanhla day care	238 500,00
M46587	Dithoriso Day Care Centre	258 800,00
M46597	Sibongile Day Care	375 500,00
M46709	Boipatong Place of Care	368 500,00
M46073	Mamelodi Association For People With Disabilities	531 750,00
M46080	Boiteko Day Care Centre	452 349,00
M46276	Global Institute Of Emotional And Mental Wellness Sa	297 055,00
M46572	Mamas Baby Day Care Centre	248 000,00
M46583	Rainbow Day Care Centre	301 000,00
M46833	Tinkerbell Day And Aftercare Centre	234 000,00
M46173	Gomotsegang Day Care Centre	429 900,00
M46275	Motjholoko Early Childhood Development Centre	458 500,00
M46285	Tshepo Day Care Centre 151-226	330 300,00
M46488	Mme Dimpho Hani child care centre	315 000,00
M46491	Lethusizo Day-Care Centre	248 400,00
M46679	River Seas Care Centre	281 600,00
M46768	Kiddies Emanuel Day Care Centre	301 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M46801	Ladybug Pre school	678 500,00
M46877	Hope 2 Day Care Centre	369 000,00
M46911	Oratile day care	349 000,00
M46914	Inkulisa Day Care	135 900,00
M47507	The Compassionate Hands	195 000,00
M35316	Ke Neo Day Care Centre	200 000,00
M35652	Modisabana Day Care Centre	100 000,00
M41516	Care- Ngaru Day Care Centre	100 000,00
M46269	Asha Monaphansi Preschool	205 800,00
M46661	Bohlale Day &After Care Centre	254 000,00
M46723	Turtle Tots creche	297 300,00
M46878	Takalane Sesame Creche	316 500,00
M46078	Impilo Bophelo Day Care Centre & Pre-School	245 500,00
M46758	Kliptown Community Pre School	235 900,00
M46763	Apex Multi Purpose Centre	256 800,00
M47026	Ebukhosini Bezingane Day Care	496 200,00
M47056	Mosawathuto Centre for People Living with Disabilities	759 000,00
M47256	Thekganang Support Group	924 400,00
M47356	Brain Life	688 000,00
M35394	Mamoketsi Day Care Centre	100 000,00
M45144	Awareness For Child Trafficking Africa (ACT Africa)	670 090,00
M46600	Happy Kidz Day Care	125 400,00
M46909	The Johannesburg Parent and Child Counselling Centre	411 136,00
M47117	Restorative Justice Centre	460 000,00
M34057	Emmaunel Fokazi Creche	100 000,00
M34331	Glowing Angels Day Care	100 000,00
M34920	Poloko Day Care	100 000,00
M47871	NG Welfare Vanderbijlpark	402 600,00
M32046	Baby Boom Nursery School	100 000,00
M54450	The Changing Life Organisation	500 000,00
M23138	Home of Angels Day Care	54 000,00
M35711	Ikageng Creche and Pre-School	100 000,00
M46180	Happy kids day care centre	86 090,00
M46489	Ndimase Development Centre	356 400,00
M55779	Atteridgeville Heritage and History Foundation	401 000,00
MISCELLANEOUS SECTOR		
M44580	Hippo Roller Foundation	498 234,00
M29060	Park Ridge Primary School	200 000,00
M45164	Ubuntu Youth Development Centre	487 400,00
M48120	Lesedi Community Knowledge Centre	238 000,00
M43615	Bokamoso Ke Barona	231 000,00
M47921	South African Innovation And Development	1 453 000,00
M47763	The South African Active Civil Society Organisation	157 000,00
M48540	Inside Education Foundation	591 000,00
M51197	Memeza Shout Crime Prevention	1 147 000,00
SPORTS AND RECREATION SECTOR		
M38652	Poelano Sports Academy	65 000,00
M38686	In Touch Support Group	71 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M38706	Scorpion Academy Football Club	95 000,00
M38854	Rampya Chiefs Football Club	65 000,00
M39097	City Football Club	75 000,00
M39710	Ivy Sports Promotion Academy Npo	65 000,00
M41035	Mechachaneng Jss	30 000,00
M20804	Zola Sports Academy	145 000,00
M38440	Romario Football Club	85 000,00
M38695	Setsha Sa Di Bini	65 000,00
M39326	New Beginning Aerobics Club Npo	65 000,00
M39368	Real Vulture Netball Club	85 000,00
M39533	Champions Inn Boxing Academy	65 000,00
M39992	East Athletic Club Npc	75 000,00
M40626	International Community Unifiers	65 000,00
M45373	Dream Team United Npc	65 000,00
M45735	Odi Stars Football Club	75 000,00
M46056	Bakwena Football Club	65 000,00
M45473	Masokolara Legends Fc	65 000,00
M38665	Emdeni Juventus F.C Npo	65 000,00
M45507	Barney Sports Foundation	65 000,00
M45862	Maisha Molepo Foundation	65 000,00
M45933	Black Child it's Possible	65 000,00
M45954	Mabelo Development Programs Npc	65 000,00
M46527	Blessed Youth Foundation NPC	65 000,00
M46609	Molapo Masters Football Club	65 000,00
M46662	Chego 17	65 000,00
M46767	Rainbow Ladies Football Club	75 000,00
M46890	Moletsane Aerobics Club	65 000,00
M47090	Good Example Fitness Solutions	65 000,00
M45466	University Sport South Africa	1 850 000,00
M46627	Elite Cycling Club	65 000,00
M46631	Shakers Cycling Club	65 000,00
M47096	Stars Ladies Netball Club	80 000,00
M47190	Thuthuzela Service Centre	65 000,00
M47592	Central Gauteng Athletics	620 000,00
M47607	Pretoria United Volleyball	75 000,00
M48414	Klipspruit Community Sport Promotion Academy	65 000,00
M45099	Bright Nation Academy	65 000,00
M46629	Basha Football Club	65 000,00
M47039	Atteridgeville youth cycles	65 000,00
M47348	Climbing High Cycling	65 000,00
M45147	Ntshuxeko Nation Ndlovu foundation	65 000,00
M45188	Gauteng Deaf Sport Federation	115 000,00
M45538	Lioneses Netball Club	65 000,00
M45539	Wild-Cats Football Academy	55 000,00
M45952	Mayhem Sports Foundation	65 000,00
M46638	Motheo wa Tsebo Sport Development Foundation	50 000,00
M46883	Leeto la kago	65 000,00
M46885	Bonnie and Kabelo Foundation	65 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M47188	Zola Mighty Blues Football Club	65 000,00
M47384	Zola Sharp Stars Football Club	100 000,00
M47430	Tennis South Africa	700 000,00
M47512	Diski Nine9 Africa NPC	65 000,00
M47963	Central Gauteng Gymnastics Association	440 000,00
M47987	Lucky Mzizi Foundation	65 000,00
M48227	Success soweto football Club	65 000,00
M48231	BRM Fitness Gym	65 000,00
M48237	Eyethu fitness club	65 000,00
M48347	Bophelong Sports Promotion Academy	75 000,00
M48446	Ingonyama Yesizwe Arts and Development Projects	65 000,00
M48488	Itireleng Hall of Sports	65 000,00
M48491	Emndeni Sports Promotion Academy	65 000,00
M48566	Jump Sports Promotion Centre	65 000,00
M48604	Zola Fighters Sports Promotion Centre	65 000,00
M48675	Amaviyo Viyo Football Club	65 000,00
M48677	Napoli Football Club	65 000,00
M48681	Pro's Cycling Club	65 000,00
M48685	Elite Stars Chess Club	65 000,00
M48689	Shoes Cycling Club	65 000,00
M48766	Bangwato Community Sports Centre	65 000,00
M48867	Mzansi Skills Development Academy	65 000,00
M48976	Kaalfontein United Football Club	65 000,00
M49054	MLJ Sports Foundation	65 000,00
M49377	Ndofaya stars	65 000,00
M49452	South Africa Sports Promotion Club	65 000,00
M49521	JJ Karate Academy	65 000,00
M49916	Colossus Aerobic Athletic Club	85 000,00
M50920	Ithande Fitness Club	65 000,00
M50956	South African Sport Association For The Physically Disabled	880 000,00
M45083	Truth and Hope Foundation	65 000,00
M45368	Phuti Lekoloane Foundation	65 000,00
M45595	Movers and Shakers United	65 000,00
M47665	Lesibe Soccer Academy NPC	65 000,00
M48086	Destroyers Netball Club	75 000,00
M48248	Tsebanang Sports Promotion Academy	65 000,00
M48335	Tshepiso Mosola Foundation	65 000,00
M48454	Zukimxoli Rideuplift	65 000,00
M48481	Seagasa Future Stars Sport Promotion	65 000,00
M49039	Komap Communications	65 000,00
M49633	Stallion Football Academy	65 000,00
M49726	Jabulani Masters Football Club	65 000,00
M50347	Triathlon South Africa	1 300 000,00
M48221	Vuka Darkhy sports development	65 000,00
M48412	South Africa Messi Sports Academy	65 000,00
M48738	Lenasia Tennis Association	80 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M49133	Continuous Prosperity	65 000,00
M49210	Jabavu youth development	65 000,00
M49424	Happy Hands Sports Academy	65 000,00
M49502	Real Jabulani Football Club	65 000,00
M49865	Mohlakeng Athletic Club	85 000,00
M47577	Reabetswe primary school	65 000,00
M47797	Nandi Primary School	65 000,00
M48618	Quality Life Sport Community Foundation	65 000,00
M49221	Mapetla Youth United football Club	80 000,00
M49232	Bekezelani sports, arts and culture	65 000,00
M49507	Genesis Sports NPC	65 000,00
M50330	Ithemba Elekhulayo	65 000,00
M50381	Darrenwood Spots Club	330 000,00
M47975	Forever rising foundation	68 250,00
M48851	Victorious Thomas United Football Club	65 000,00
M49218	Jabulani Arsenal F.C	75 000,00
M49436	Randfontein Local Football Association	83 000,00
M49486	Killers Football Club	65 000,00
M49516	Rayoni Sports Promotion Centre	65 000,00
M50088	Star Town Youth Development	65 000,00
M50959	South Road Sport Promotion Academy	65 000,00
M48614	Diepkloof Sport Promotion Academy	65 000,00
M50907	Mile & Zwein Sport Development	65 000,00
M50912	Vee Tee Health & Fitness	65 000,00
M50916	Eco-Green Football Club	65 000,00
M51037	Zola Football Development	65 000,00
M45417	Kindred Foundation International	65 000,00
M48968	Allandale Young Ones Football Club	85 000,00
M50263	Thuvuanda	65 000,00
M50925	Flamingo Football Club 4266	80 000,00
M46436	Softball South Africa Masters Division	75 000,00
M49680	Kathorus Deaf Football Club	80 000,00
M50699	Jabavu Masters Football Club	65 000,00
M50707	Professor Cycling Club	75 000,00
M50724	K20224084129 (South Africa)	65 000,00
M51083	Leadsa Sports Promotion Centre	65 000,00
M53254	South African Sports Confederation and Olympic Committee	22 000 000,00
M47715	Amazayoni City Football Club	75 000,00
M49060	Amigos Football Club	65 000,00
M50095	Mighty Eagles Sports Promotion Academy	65 000,00
M50435	Actonville Spurs Cricket Club	65 000,00
M50898	Kyokushinkani Karate K1	85 000,00
M50922	River Young Football Club	65 000,00
M50941	Dornkop Masters Sport Promotion Academy	65 000,00
M51032	Made By Me Soweto Gym	65 000,00
M51048	Mabe Sports Games	65 000,00
M53779	Are Thabeng Primary School	65 000,00

KwaZulu-Natal

PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M22755	Abaqulusi Community Empowerment	50 000,00
M23404	Gqamisikhono Youth Services	20 000,00
M31675	Mpande Rural Development	95 500,00
M36313	Ama2279	120 000,00
M31507	African Spirit	224 000,00
M45022	Asinezele Youth Development	301 000,00
M45118	Simukelulwazi Community Sewing	265 000,00
M23262	Amahle Community Project	49 676,00
M45027	Isibusiso Youth Development	308 800,00
M45156	Amaswazi Organisation	273 000,00
M45103	Qenqe	224 500,00
M45134	Worldvision House Foundation	344 000,00
M45175	Ziningi Community Development	303 000,00
M45197	Early Bird Development Project	287 000,00
M45497	Philazesande NPC	259 000,00
M21530	K2K Talent Development Projects NPC	37 500,00
M45128	Sisonke Organisation	212 000,00
M45358	Sinqobile Community Development	187 000,00
M45363	Ukusa Kwelanga Projects	278 000,00
M45429	Ubukhulu Organisation	261 500,00
M45052	Imbokodo Arts Company	398 000,00
M45216	Siyangokuphumelela Organisation	218 000,00
M45227	Sphamandla Hlatshwayo Foundation	298 950,00
M45523	Funulwazi Foundation	372 979,00
M45533	Mgiliji Arts Developmant Foundation	316 000,00
M45610	Kusakhanya Development	203 000,00
M45117	Imizamo Youth Development	377 000,00
M45206	Ezomnotho Youth Developers	355 500,00
M45223	Losetha NPO	153 000,00
M45229	Fanelle Foundation NPC	254 500,00
M45379	Zaminhlaha Organisation	211 754,00
M45556	Phezukomkhono	276 650,00
M45589	Igeba Organisation NPC	150 500,00
M45597	Ziyathela Organisation	208 000,00
M45388	Shining Star Community Project	141 000,00
M45119	Mzansi Arts Development Ensemble	300 000,00
M45590	Elukhanyisweni Community Project	320 200,00
M45661	Bambanani Organisation	226 155,00
M45668	Bambanani Community Project	186 900,00
M45670	Young Ministers Movement	240 680,00
M45671	Umsindo Ka-Zulu Arts & Culture Organisation	183 000,00
M45348	Bonani Community Project	199 800,00
M45639	Inhlakanipho Women's Empowerment	238 000,00
M45664	K2022407976(South Africa)	265 403,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45263	Bathokozile Development Services	374 894,00
M45557	Emihle Care Centre	257 858,00
M45935	Ndlwanenhle Cultural Development Project NPC	228 000,00
M46746	M46746-Ayandamandla Organisation	247 600,00
M45000	M45000-Siyasebenza Youth Development	360 000,00
M45527	Thubalethu Organisation NPC	246 752,00
M45683	Umshwathi Performing Arts Access Projects	319 756,00
M45733	Melokuhle Empowerment Projects	255 500,00
M45851	Indlalifa Organisation	352 452,00
M45881	Sonsikazi Community Initiatives	373 000,00
M46109	Ihlo Lomphakathi	172 000,00
M46641	Asihlehli Organisation	197 200,00
M46749	Ensimini Community Development	197 600,00
M45657	Ubumbano Community Development Project	123 360,00
M45112	Singaye Organisation	288 000,00
M45609	Beatrice Community Development Foundation	315 600,00
M45940	Art Vantage	201 800,00
M46530	Qedukuncola Recycling NPC	98 000,00
M46616	Sanelisane Foundation	159 177,00
M46816	Sakhisizwe Youth Development	207 600,00
M46884	Mizani Foundation	141 000,00
M46886	Funvinj Oraganisation	236 500,00
M46895	Eniwe Arts Developers	155 000,00
M46905	Dokime Community Organization	190 000,00
M46054	Attractive Hope Arts Projects	148 000,00
M46106	Rejuvenated Arts Development	206 000,00
M46159	Umqhele Wosuth	178 000,00
M46160	Habitat Ecological Projects	254 000,00
M46284	Ezile Empowerment NPC	181 000,00
M22895	Makhasitela Development	46 000,00
M46872	Kuyanda Foundation	185 000,00
M46875	Slow But Surely Striving for Success	178 000,00
M47248	Gabz Youth Development NPC	268 000,00
M46265	Isigqi Somama Organisation	226 700,00
M46196	Speech And Drama Association Of South africa	218 000,00
M46963	Ubumbano Theatre Projects	218 000,00
M47289	Senzelwe Inceba Community Projects	225 100,00
M47446	Ladysmith Development Projects	268 000,00
M47580	Nosje Foundation	228 000,00
M48084	Dedicated Artists Cultural Arts Organiation	297 100,00
M47669	Lositha	208 000,00
M48818	Izikhuthali Foundation	274 692,00
M53419	Note Motion Arts NPC	177 201,00
M53420	Sandiphiwe 0921 Arts Development	159 000,00
M53579	Empisini Project NPC	283 000,00
M53596	Umvuzo Rural Arts Organisation	194 750,00
M54119	Injobenhle Organisation	148 514,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M54477	Yoleez Arts	228 000,00
M55277	Indonsa Youth Culture and Development Projects	243 000,00
CHARITIES SECTOR		
M22454	Sun Risa Day Care Centre	165 490,00
M26197	Silindokuhle Creche	100 000,00
M33895	Mawozini Creche	100 000,00
M33897	Saron Creche	100 000,00
M34106	Othandweni Creche	100 000,00
M34813	Thembaletu Creche	100 000,00
108985	Inakhukukhanya Community Creche	53 970,00
M14407	QuadPara Association of South Africa	125 200,00
M23732	Siyavuna Abalimi Development Centre	50 000,00
M32875	Top Focus Community Project	100 000,00
M32878	Sunshine Community Development & Training Centre	176 056,00
M32881	Zivuseni Community Project	126 825,00
M33695	Together Community Development Project	100 000,00
M33790	Ncwadini Creche	100 000,00
M33902	Mashunka Flagship Creche	100 000,00
M37748	Umndeni Creche And Pre-School	161 000,00
M45819	Ink Foundation	2 000 000,00
M45821	Proud Fathers South Africa	4 000 000,00
M45823	African Global Networks Npc	2 000 000,00
M45830	Eyethu Training&Development Centre	3 000 000,00
M45833	Sizadudu Hiv/Aids Orphans Ecd Abet&Youth Development Organisation	2 000 000,00
M45835	Nurses At A Go	3 000 000,00
M45837	Acfs Community Education And Feeding Scheme	4 000 000,00
M26868	Get Inspired	38 500,00
M33447	Home of Love	100 000,00
M33540	Mzithini Creche	100 000,00
M34466	Bonokuhle Creche	100 000,00
M34828	Qalakahle Creche 22939	100 000,00
M33295	Qophumlando Creche	195 500,00
M33799	Lethulwazi Creche	100 000,00
M34288	Siphusizo Creche	100 000,00
M34911	Zamani Creche 22992	60 000,00
M34956	Isabelo Samangwane Creche	100 000,00
M25361	Zibambele Senior Citizens Association	42 000,00
M26480	Icebo Likajehova Creche	43 889,00
M31919	Ilenge Douglas Disability Skills Centre	100 000,00
M32605	Phehlitshe Creche	100 000,00
M32668	Vulindlela Creche 21780	100 000,00
M32820	Isabelo Community Development Foundation	142 768,00
M33890	Syanqoba Crech	100 000,00
M34283	Qhubeka Creche and Pre-School	100 000,00
M34901	Abakusasa Day Care Centre & Pre-School	100 000,00
M33886	Ikusasa Eliqhakazile Creche NPO	100 000,00
M34477	Rainbow Creche	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M25054	Vulamehlo Creche and Pre-School	118 670,00
M34031	Thembaletu Creche	100 000,00
M45361	Siyanoqoba Day Care Center	431 900,00
M45370	Othandweni Creche 221-337	234 900,00
M44994	Bhekinkomo Creche	250 000,00
M45106	Ithemba Lakusasa Community Based Organisation	171 000,00
M45402	Nsukangihlale Creche	234 000,00
M45612	Siyanakekela Joko Mabuza Creche	107 900,00
M45613	Simunye Creche 116-407	107 800,00
M45618	Babusise Creche	107 900,00
M25010	Siyaphambili Creche	178 500,00
M32830	Nkululeko Creche 21875	100 000,00
M34507	Empileni Creche	100 000,00
M34758	Qhubekani Creche	100 000,00
M34966	Siyaphambili Creche	100 000,00
M35481	Mbhongampisi Creche	100 000,00
M44997	Thathulwazi Creche	259 932,00
M44999	Nkawini Creche	259 932,00
M45055	Joyland Christian Pre-School	187 932,00
M45067	Sibhayi Creche	250 000,00
M45080	Vezulwazi Creche	259 932,00
M45081	Vulamehlo Creche	200 000,00
M45088	Star of The Sea Creche	259 932,00
M45095	Ekuthuleni Creche	468 614,00
M45600	Fundokuhle Creche	117 900,00
M45813	Qondukuphila Creche	207 000,00
M45189	Isihlangusempi Creche	259 932,00
M45318	Little Elephant Training Center For Early Education-LETCEE	330 000,00
M45356	Thandanani Creche	354 700,00
M45629	Sizakancane	460 308,00
M45746	Lulama Creche	150 000,00
M45854	Siyavuka Creche	328 946,00
M46250	Wasps Football Club 29495	75 000,00
M35414	Sibongiseni Community Organisation	100 000,00
M44996	Lethokuhle Creche 28926	250 000,00
M45003	1000 Hills Community Helpers	905 000,00
M45054	Makhosana Creche	298 933,00
M45059	Phindokuhle Creche	289 933,00
M45061	Makabongwe Creche	273 154,00
M45073	Sinenhlanhla Creche	250 000,00
M45085	Imizamo Day Care Centre	275 932,00
M45098	Slindokuhle Creche 115-377	480 000,00
M45108	Makhane Creche	219 932,00
M45149	Siyaqala Creche	191 715,00
M45177	Qalakahle Creche 10598	259 933,00
M45185	Child Welfare South Africa-Margate	1 607 564,00
M45211	Isikhalasethu Creche and Pre-School	132 560,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45277	Siyathuthuka Creche 20000	154 000,00
M45295	Masulumane Creche	256 000,00
M45340	The Othandweni Creche and Pre-School	319 300,00
M45408	Umzimhlophe Creche	364 000,00
M45421	Manyundwane Creche	121 000,00
M45500	Sibuyile Creche	220 500,00
M45542	Siphesihle Pre - School	142 499,00
M45649	Ziphathe Kahle Creche	135 000,00
M45680	Kwasmolo Creche	221 700,00
M45723	Umphetho Creche	238 000,00
M45728	Phaphamani Creche- 13899	149 500,00
M45786	Siyazama Creche	297 000,00
M45800	Sifisamandla Day Care Centre	297 765,00
M45812	Koloni Creche	240 600,00
M45814	Isibonelo Creche	167 500,00
M45815	Asakhe Creche	272 933,00
M45822	Bazaneni Creche	65 051,00
M34866	Still A Time	100 000,00
M34968	Ncinci Creche	300 000,00
M45860	Sizanobuhle Creche	439 999,00
M45892	Sakhisizwe Creche 152-181	317 000,00
M34982	Enthuthukweni Creche & Pre-School	110 000,00
M33950	Siyangoba Multi Arts	100 000,00
M35495	Yamkela Creche	100 000,00
M45070	Thandukukhanya Creche	276 933,00
M45110	Samke Creche	433 087,00
M45212	Sakhokuhle Creche	259 000,00
M45722	Nqubeko Creche	337 930,00
M45743	Othulini Creche	117 000,00
M34041	Sinethemba Creche	100 000,00
M34871	Tholubuhle Creche and Pre-School	100 000,00
M34881	African Children's Project	88 144,00
M34891	Asifunde Creche	100 000,00
M45271	Sekusile Creche KZN	176 000,00
M25385	Funulwazi Creche	100 000,00
M33244	Siyangoba Creche	100 000,00
M35152	Prince Inganekwane Creche	100 000,00
M45102	Welcome Creche	225 600,00
M45109	Zobongwa Creche	346 311,00
M45266	Khungwayo Creche	236 000,00
M45725	Thuthukani Creche	250 000,00
M45789	Makazi Creche	210 000,00
M21441	Siyaphambili Creche 14145	100 000,00
M24750	Ewela Creche	68 000,00
M26264	Siphumelele Creche	171 000,00
M46462	Hlanganani Women Association	247 288,00
M33784	Zokulinda Creche and Pre-School	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M34301	Ekuthuleni Creche 22646	100 000,00
M34429	Sizabantu Creche and Care Centre	100 000,00
M34443	Phaphamani Creche 22732	100 000,00
M35002	Thembalihle Creche and Pre-School	100 000,00
M45820	Esihle Educare Centre	177 000,00
M33428	Ekukhanyeni Creche 22191	100 000,00
M33742	Celani Creche	100 000,00
M34947	Imbokodo Creche	100 000,00
M35349	Makeza Creche	72 000,00
M46165	Sizanani Charity Club	234 800,00
M46331	Imfudumalo Non-Profit Organisation	234 000,00
M46366	Usizolwethu Development Programme	199 780,00
M46412	Qalimpilo Community Project	204 380,00
M46434	Eagle Training & Development	171 000,00
M46632	Verulam Child and Family Welfare Society	430 000,00
M46797	Sibusisiwe Clermont Child & Family Society	414 400,00
M46866	Open Arms Community Project	304 399,00
M46896	Mzamo Child Guidance and Training Initiative of KwaZulu-Natal	1 033 243,00
M47450	St. Monica's Children's Home	407 000,00
M47523	Impilo Yesizwe Care Community Project	265 500,00
M47109	Mayibuyi Youth Orginsiation	538 000,00
M47350	Durban Child and Youth Care Centre	331 790,00
M49384	Vuka Africa	167 630,00
M34887	Silindokuhle Creche	100 000,00
M35022	Abaholi Bakusasa Creche	100 000,00
M35665	Thokoza Blue Bank Creche	100 000,00
M44994	Bhekinkomo Creche	191 235,00
M45081	Vulamehlo Creche 28958	160 510,00
M45106	Ithemba Lakusasa Community Based Organisation	100 000,00
M46608	Inkazimulo Care Centre	269 000,00
M47266	Multipurpose Youth Centre	191 430,00
M47335	Rise & Shine Substance Abuse Youth Programme	277 000,00
M47597	Phathakahle Community Development	493 000,00
M47707	Umdeni Womans Development Project	367 517,00
M47947	Gawu Community Welfare	445 000,00
M48458	Philani Community Project	161 000,00
M48494	Israel Lunch on Club	300 200,00
M48932	Thandile Home-Based Care	282 100,00
M49179	The Goodmen Foundation	485 000,00
M49321	Themba Club	866 000,00
M49362	Mshukangubo Association	343 000,00
M49426	Sifisihlanhla Community Development	219 000,00
M49639	South Africa National Council on Alcoholism	147 000,00
M50258	Sinika Uthando-Love rom the Father Heart NPC	760 000,00
M47771	The Child And Family Welfare Society Pietermaritsburg	604 000,00
M48941	Kwazulu-Natal Deaf Association	643 500,00
M47790	Act Of Grace 23	712 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
MISCELLANEOUS SECTOR		
M42273	Schola Amoris School	285 000,00
M45506	Agri Vintage	491 000,00
M45276	HP Praise Maritime Awareness	1 715 000,00
M51077	King Misuzulu Foundation	304 000,00
M45777	Heroes Footprint	341 100,00
M33630	Sisizisizwe Creche	100 000,00
M52107	Magazi's Learners and driving for the Disabled	460 500,00
SPORTS AND RECREATION SECTOR		
M34386	Maras United Football Club	129 000,00
M36741	Peace Love Football Club	85 000,00
M39325	Pirates Lifesaving NPC	180 000,00
M39642	Edakeni Football Club	75 000,00
M39748	Happy Stars Football Club 11258	75 000,00
M39952	Milan Football Club	115 000,00
M40010	Red Sox Football Club	90 000,00
M40243	Mlalazini Primary School	60 000,00
M36229	Siphalaza Primary School	60 000,00
M38786	Ethekwini Coastal Development	75 000,00
M39293	Ntikili Primary School	60 000,00
M39674	Lindelani United Football Club	85 000,00
M39733	Langalesizwe Primary School	250 000,00
M39750	Villarreal Football Club	75 000,00
M39946	Idikwe Football Club	90 000,00
M39980	Wizard Football Club	75 000,00
M36534	Hlanguza Combined School	60 000,00
M40059	Siyaphambili High School	60 000,00
M40224	Hill 70 Primary School	60 000,00
M33451	Emthungweni High School	200 000,00
M35082	Umlazi Baker Kyokushinkai Kan Karate Academy	65 000,00
M45565	Skimming Football Club	75 000,00
M45376	Future Stars Academy	75 000,00
M45593	Massengers Football Club	95 000,00
M45689	Ekuvukeni Community Development Program	65 000,00
M37717	Sakhesethu Primary School	60 000,00
M45346	Grasshopper Football Club	75 000,00
M45347	All Stars Football Club	75 000,00
M45620	Movers Netball Club	75 000,00
M45727	Umlazi Q Development Projects	65 000,00
M45741	Maize Football Club	65 000,00
M45763	Happy Swallows Football Club	75 000,00
M45004	Kwazulu-Natal Deaf Sports Federation	200 000,00
M45619	Young Sharks Netball Club	65 000,00
M45317	Young Black Swallows Football Club	80 000,00
M45493	Beamers Football Club 0768522668	80 000,00
M45577	Spring Boys Football Club	80 000,00
M45755	Lion Football Club	85 000,00
M45824	Nazareth Hot Spurs FC	80 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45887	Zidedele Football Club	80 000,00
M45896	Thuthuka Football Club	85 000,00
M45897	Durban Punishers FC	75 000,00
M45922	Sabbe Football Club	75 000,00
M45936	KwaMbuli Football Club	75 000,00
M45963	Amapayipi Ladies FC	80 000,00
M45218	Imbalenhle Community Development	65 000,00
M45708	Lamula Football Club	75 000,00
M45911	Roman Football Club	80 000,00
M45965	Hotspurs Football Club	80 000,00
M46143	Strikers Football Club	80 000,00
M46520	Sikhonyane Football Club	75 000,00
M46535	Lion Football Club	80 000,00
M46548	Golden Touch FC	85 000,00
M46563	Zwanani Football Club	75 000,00
M46610	Lindelani United FC	85 000,00
M46666	Makilong FC	90 000,00
M46689	Dangerous Darkies FC- KZN	85 000,00
M46789	Grasshoppers Football Club	90 000,00
M46790	Tigers FC	90 000,00
M46794	Islanders Football Club	90 000,00
M46827	Masokaneni Football Club	90 000,00
M46854	Black Mamba FC	90 000,00
M46935	Entembeni Football Club	75 000,00
M47018	Walkers Football Club	95 000,00
M47122	Imbalenhle Football Club	85 000,00
M47148	City Pirates Netball Club	75 000,00
M47704	Bhambatha Football Club	75 000,00
M47789	Junior Lads Football Club	65 000,00
M47806	Red Birds Football Club	90 000,00
M46105	Mathanjeni Football Club	75 000,00
M46253	Stimela Football Club	75 000,00
M46513	Emahozini Football Club	80 000,00
M46804	Luwamba Football Club	75 000,00
M46938	Njinji Football Club	65 000,00
M47106	Mabhompana Netball Team	90 000,00
M47136	Mboza Primary School	65 000,00
M47194	Dream Team Football Club	75 000,00
M47208	Sail Africa Youth Development Foundation NPC	140 000,00
M47318	Mboma Sports Foundation	100 000,00
M45320	Rebels FC	80 000,00
M45915	Ingoneni Football Club	65 000,00
M45918	City Stars Legend Football Club	80 000,00
M45944	Sanqoba Football Club	90 000,00
M46113	Uzwazwatho Football Club	75 000,00
M46867	Thandanani C.P. School	65 000,00
M46968	Isibiba Football Club	75 000,00
M47061	Manaba Primary School	65 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M47195	Happy Citizens Football Club	75 000,00
M47411	Bhekithemba Masters Football Club	75 000,00
M47455	Sisonke Football Club	100 000,00
M47467	Thembisa Young Boys Football Club	75 000,00
M47552	Candolo Football Club	75 000,00
M47567	Mfingose Primary School	65 000,00
M47638	Amabhakede Football Club	85 000,00
M47648	New United Football Club	90 000,00
M47649	Black Heroe's Football Club	100 000,00
M47653	Mlotheni football club	75 000,00
M47662	Ntsunami Football Club	80 000,00
M47678	Chess 4 Football Club	75 000,00
M47787	Barcelona United Football Club	85 000,00
M47872	Two-Touch Football Club	75 000,00
M48038	Level Bumpus Football Club	80 000,00
M48150	Ikhwezi Football Club	75 000,00
M45636	The Seed Netball Club	80 000,00
M45772	Mdungandlovu Football Club	80 000,00
M45855	Vundlas Connection Football Club	75 000,00
M45856	Ncengani FC	75 000,00
M45858	Man City FC	80 000,00
M45906	Mashona Football Club 0067332	75 000,00
M46155	Izingwazi Football Club	75 000,00
M46207	Stars Football Club	85 000,00
M46213	Mabuya Football Club	85 000,00
M46246	Golden Knights Football Club	85 000,00
M46249	Baso Warriors Football Club	75 000,00
M46259	Blue Motion Football Club	85 000,00
M46277	Mahlabathini Stars Football Club	85 000,00
M46330	Maqongqo Rangers Football Club	85 000,00
M46341	HIwathika Primary School	65 000,00
M46478	Future Stars Development Academy	75 000,00
M46480	Crocodile Football Club	85 000,00
M46580	Thembisa Football Club	80 000,00
M46660	Enseleni Football Club	95 000,00
M46823	Kusa - kusa Football Club	90 000,00
M46825	Real Rovers FC	75 000,00
M46848	Inqaba Fc	75 000,00
M46849	Mbombela FC	85 000,00
M46934	Nkanyezeni Football Club	85 000,00
M46950	Thinasonke Football Club	70 000,00
M46980	Hlokohloko Primary School	65 000,00
M47022	Kwaphaweni Primary School	65 000,00
M47030	Kwamangqwashu Primary School	65 000,00
M47032	Manguzi Primary School	65 000,00
M47076	Mzinyeni Primary School	65 000,00
M47144	Hlazane Primary School	65 000,00
M47154	Legends Netball Club	85 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M47160	Hlokoloza Football Club	75 000,00
M47177	Tshongwe Primary School	65 000,00
M47182	Mshanguzana Senior Secondary School	65 000,00
M47186	Madonela Full Service Primary School	65 000,00
M47322	Phambili Football Club	100 000,00
M47420	What FC	95 000,00
M47487	Genoa Boyz Football Club	80 000,00
M47621	White City Football Club	75 000,00
M47623	Junior Hooters Football Club	90 000,00
M47625	Abenguni Football Club	75 000,00
M47650	Abafana beDiski Football Club	75 000,00
M47664	Ncombo Netball Club	80 000,00
M47690	Thuthukani Youth Foundation	65 000,00
M47731	Zebra's Football Club	80 000,00
M47867	Sithola Ulwazi Project	65 000,00
M47905	Happy Citezen Club	75 000,00
M47932	Ocean Swallos Football Club	85 000,00
M48001	Indoni Primary School	65 000,00
M48036	Brave Lions Football Club	105 000,00
M48040	Stone Breakers Football Club	100 000,00
M48100	Our City Football Club	80 000,00
M48147	Wiseman Football Club	75 000,00
M48326	UmpHEME Young Boys Football Club	75 000,00
M48400	Ikhethelo Football Club	85 000,00
M48415	New Age Football Club	80 000,00
M48427	Eleven 11 Stars Football Club	80 000,00
M48435	Isicelo Skills Sport Development NPC	75 000,00
M48577	LMNTRIX Football Club	80 000,00
M48839	Tsaman Academy Football Club	95 000,00
M48868	Malundi Football Club	85 000,00
M48886	All winners Football Club 06405177	85 000,00
M48961	Eluphepheni C.P.	65 000,00
M45316	Shooting Stars F.C	65 000,00
M46842	Sangoyane Football Club	90 000,00
M47545	Syaphakama Community Group	75 000,00
M47748	Super Stars F.C	85 000,00
M47749	KZN Goalkeepers Academy NPC	65 000,00
M48044	Mncwabe Football Club	95 000,00
M48101	Nomageje Primary School	65 000,00
M48273	Sisonke Football Club	85 000,00
M48299	Supreme Stars Football Club	80 000,00
M48372	Eleven Strikers Young Boys Football Club	80 000,00
M48404	Amajitha Football Club	75 000,00
M48515	Mjindi Football Club	80 000,00
M48788	Emafusini Senior Primary School	65 000,00
M48864	Watersmeet United Football Club	80 000,00
M48891	Sawela Football Club	90 000,00
M48948	Zinkukhu Football Club	80 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M49320	Ocleva Soccer Team	80 000,00
M47020	Kwashukela Primary School	65 000,00
M47645	Mtiki United Football Club	100 000,00
M47757	Ulushalomzansi Sports Development	65 000,00
M47935	Ingutshana Primary School	65 000,00
M48167	Ubuntu Support Group	95 000,00
M48218	Bhekabantu Seven Stars Football Club	85 000,00
M48439	Jagures Football Club	75 000,00
M48505	Barcelona Football Club	80 000,00
M48522	Adams Champions Football Club	80 000,00
M48730	Maxasibe Professional Boys Football Club	85 000,00
M48748	Ncwabakazi L.P. School	65 000,00
M48934	Gunners Junior Football Club	90 000,00
M48942	Fafathi Football Club	100 000,00
M48978	Indizani Football Club	95 000,00
M48981	Bernica Football Club	85 000,00
M49019	Reserves Football Club	90 000,00
M49026	Hamba Kicks F.C.	95 000,00
M49055	Yobo FC	85 000,00
M49182	Bonisani Fc	75 000,00
M49208	Bhekameva High School	65 000,00
M49255	Ntinini Netball Club	75 000,00
M49324	Izingalabutho Football Club	75 000,00
M49402	Zomusa Football Club	95 000,00
M49432	Freshers Football Club	80 000,00
M49540	Sunrise Football Club	90 000,00
M49549	Marlinos Football Club	85 000,00
M49587	Durban United Football Club	110 000,00
M47261	Ezibukweni Secondary School	65 000,00
M47357	Ukukhanya Kwesizwe Community Project	65 000,00
M47575	Siyavuna Community Project	65 000,00
M47624	Young Strikers Football Club 082667	95 000,00
M48342	Hlomula Football Club	80 000,00
M48767	Super Eagle Football Club	80 000,00
M48850	Batlokoa Football Club	80 000,00
M48866	Estcourt Heroes Football Club	75 000,00
M48893	Black Rovers Football Club	95 000,00
M49053	Pathfinders Football Club	85 000,00
M49523	Imfihlo Primary School	65 000,00
M49553	Russia Football Club	80 000,00
M49620	Zibambeleni High School	65 000,00
M49626	Fast Strikers FC	100 000,00
M49647	Phakamani Football Club	115 000,00
M49774	Mbumbulu Stars Football Club	95 000,00
M49777	Trufor Joy Football Club	85 000,00
M49807	Junior Rovers Football Club 06308468	85 000,00
M49836	Wela FC	95 000,00
M49849	Marlin City Football Club	95 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M50352	Mineiro Football Club	85 000,00
M50508	Royal Spurs Football Club	85 000,00
M50525	Avengers Football Club	80 000,00
M50575	Lazio Football Club	85 000,00
M50604	Sizwesihle Football Club	85 000,00
M50689	Bantams Football Club 0663426991	85 000,00
M46860	United Eagles Football Club	75 000,00
M46915	Mseni Football Club	75 000,00
M46919	Mpenjani Football Club	75 000,00
M47006	Nondabuya Primary School	65 000,00
M47170	Agentina Football Club	75 000,00
M47287	Lukhwazi Football Club	85 000,00
M47481	Monde Fc	90 000,00
M47626	Mduku Stars Football Club	90 000,00
M47661	Seven Stars Football Club	95 000,00
M47951	Emafa Primary School	65 000,00
M48053	Oxolweni Primary School	65 000,00
M48114	K2020642070 NPC	65 000,00
M48116	Dubandlela High School	65 000,00
M48135	Blessing Stars Football Club	85 000,00
M48148	Vambane Football Club	80 000,00
M48496	Young Dribblers Football Club	85 000,00
M48507	Ezakheni Real Magic Football Club	90 000,00
M48606	Mseleni Stars Football Club	85 000,00
M48741	Majindi Primary School	65 000,00
M48744	Safari Primary School	65 000,00
M48956	Amashooters Football Club	75 000,00
M48972	Benfica Legends Football Club	75 000,00
M49024	Melokuhle Combined School	65 000,00
M49049	Amaphisi Football Club	80 000,00
M49110	Phushasosha Fitness Development	85 000,00
M49240	Makhanyezi Primary School	65 000,00
M49244	Hits City Football Club	75 000,00
M49249	Umbuba United Football Club	95 000,00
M49254	Sea Robbers Football Club	85 000,00
M49367	Welawela Netball Club	95 000,00
M49439	Scesli Football Club	80 000,00
M49510	Inkanyamba Football Club	110 000,00
M49534	Strikers Football Club 07346412	100 000,00
M49627	Real Stars Football Club 06450490	100 000,00
M49801	Sontshikazi Young Killers Football Club	95 000,00
M50367	Marlin Stars Football Club 07164751	95 000,00
M48035	Peace Football Club	85 000,00
M48416	Dangerous Dribblers FC	95 000,00
M48568	Khalipha Football Club	85 000,00
M48678	Benfica Football Club 0673214336	85 000,00
M48755	Sakhiksasa Foundation	65 000,00
M48980	Young Leaders Football Club	85 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M49082	Herbal Netball Club	85 000,00
M49183	Wasps Football Club	85 000,00
M49188	Soldier Boys Football Club	80 000,00
M49238	Real Mbuba Football Club	85 000,00
M49241	Paris United Football	85 000,00
M49248	2012 Crusaders Football Club	100 000,00
M49760	Movers Football Club	80 000,00
M49770	Quality Disks Football Club	95 000,00
M49796	Veronah Football Club 07285632	105 000,00
M49830	Young Stars Football Club 07194420	95 000,00
M49892	Thunder Strike Football Club	95 000,00
M49919	Malandela Football Club 07253441	90 000,00
M49941	Ibutho Football Club	90 000,00
M49956	Ocean Aces Football Club	95 000,00
M49988	Utrecht Girls Netball Club	85 000,00
M49989	Turnado Football Club	95 000,00
M50227	Zama Zama	65 000,00
M50337	Diggers Football Club 06326404	85 000,00
M50456	Umashiyane Football Club	85 000,00
M50466	Highlanders Football Club 071803109	85 000,00
M50632	Eslengeni Football Club	105 000,00
M50633	Nala Football Club	75 000,00
M50635	Amajuba Ladies Soccer Team	80 000,00
M50680	Locksmith Football Club	95 000,00
M50682	Vanandas Football Club	85 000,00
M50753	Lille Football Club	100 000,00
M50763	Sakhanya Football Club	100 000,00
M50798	Ocean Aces Football Club 068197680	100 000,00
M50879	Vukani Strikers FC	85 000,00
M50905	Planters Football Club	80 000,00
M50918	Seabird Football Club	75 000,00
M45287	Asisebenze United Football Club	80 000,00
M46786	Happy Boys Football Club	75 000,00
M47887	Young Winners Football Club	80 000,00
M47929	Junior Boys Football Club 30352	80 000,00
M48287	Swazi Royal Football Club 07648373	75 000,00
M47709	Sakhanya Foundation NPC	85 000,00
M48470	Young Jabhisa Football Club	85 000,00
M49449	Gucci Ladies Club	95 000,00
M49622	Pure Stars Football Club	90 000,00
M49718	Sibomileng Health & Wellness	65 000,00
M49912	KwaMsane Ladies Football Club	95 000,00
M49939	Hotliners Boys Football Club	85 000,00
M49942	Veza Onakho Sbone	95 000,00
M50484	Thulasizwe Football Club	85 000,00
M50515	Simunye Football Club	85 000,00
M50528	Jika Majika Stars Football Club	75 000,00
M50618	Landela Football Club	85 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M50638	Young Braggaz Football Club	100 000,00
M50647	Cherries Football Club	85 000,00
M50666	Nhlazatshe Football Club	85 000,00
M50814	Atalanta Football Club 060914732	90 000,00
M50909	Sporting Football Club	85 000,00
M51046	Continantals Football Club	100 000,00
M47005	Siripat Lions Rugby Club	80 000,00
M47281	Young Zebras Football Club	85 000,00
M47294	AC Roma Netball Club	75 000,00
M48034	New Action Football Club	75 000,00
M48309	Thulani Mbanjwa Sports Academy	75 000,00
M48915	Biva Combined School	65 000,00
M48943	Mpumaza Football Club	80 000,00
M49046	Niknaks Ladies Club	95 000,00
M49194	Royal Antwerp Football Club	80 000,00
M49224	Netstar Laddies Club	85 000,00
M49530	Phathizwe High School	65 000,00
M49617	VSOP Netball Club	115 000,00
M49621	Black Birds Football Club	85 000,00
M49781	Mbudu Netball Club	105 000,00
M49782	Nhlalohle Community Development NPC	65 000,00
M49783	Mighty Bulls Football Club	95 000,00
M49824	Welcome Primary School	65 000,00
M50182	Young Valtures Football Club	85 000,00
M50188	Khalazome Football Club	95 000,00
M50332	Bayern Football Club 07253453	85 000,00
M50339	Old Rebels Football Club 07314497	85 000,00
M50345	Bellies Football Club 07954330	95 000,00
M50415	Bathathe Football Club	85 000,00
M50424	Rise Up Soccer Team	65 000,00
M50477	Black Muntu Football Club	75 000,00
M50490	Zilweleni Sporting Club	75 000,00
M50627	Brown-Skin Girls Football Club	75 000,00
M50630	Flying Angels Soccer Team	75 000,00
M50660	Bernica Football Club 0665835708	85 000,00
M50671	Zolanizola Football Club	75 000,00
M50717	Zimisele Greens Football Club	95 000,00
M50869	Inhlokohloko FC	95 000,00
M50876	Kuyasa Football Club	90 000,00
M50888	Mpilonhle Football Club	100 000,00
M50902	Ama Lions FC	90 000,00
M50921	Thuthuka Football Club	85 000,00
M50934	This-Ability	65 000,00
M50989	Inkanyiso Football Club	95 000,00
M50990	Vuka Africa Football Club	95 000,00
M50995	Eyabasha Football Club	85 000,00
M51004	Eyamachube Football Club	105 000,00
M51031	Tigers Black Aces Football Club	140 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M51069	Green Boys FC	105 000,00
M51070	Siyaphambili Football Club	95 000,00
M51081	sibani Football Club	95 000,00
M51097	Sizimisele Football Club	80 000,00
M51147	Buhlebendalo Football Club	100 000,00
M51624	Boys Academy	65 000,00
M52231	Intakemazolo Combined School	60 000,00
M47373	Community Outreach Project	147 000,00
M52171	MPhakama Mabomvu 77	294 650,00

Limpopo

PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M21532	Lekgoledi Arts And Cultural Centre	77 906,00
M22171	Makgabeng Non Profit Organisation	53 000,00
M22260	MWS Waste Services	35 500,00
M37170	Vhatumbuki Vha Divhazwakale Cultural Group	397 000,00
M24675	Greening Foundation	50 000,00
M34262	Tshinakie Fabric Designs	334 800,00
M36339	Limpopo Federation of Community Art Centres	150 000,00
M45148	Ndimba Visual Arts Npc-6736	357 664,00
M45304	Moganyaka Youth Development Forum	308 000,00
M45303	Stars For Hope Youth Development	297 000,00
M45202	Motimedi Arts Ben Trends	246 000,00
M45331	Verloren Farm Part	218 000,00
M45334	Bothale Youth Foundation Agency	218 000,00
M45515	Jeffrey Youth Development Agency	248 000,00
M45173	Lehlogonolo Youth Development	208 000,00
M45753	Kalape Youth Empowerment Agency	269 000,00
M45333	Essi Foundation Agency	200 000,00
M45531	Kemisetso Foundation Agency	187 000,00
M45643	Jtr Arts Development	240 640,00
M45258	Boka Moso Foundation	198 000,00
M24459	Tafelkop Lesedi Arts Projects	50 000,00
M45166	Remoni Youth Dev Group	328 000,00
M45168	Moseteb NPC	177 000,00
M45537	Botlokwa Development Group	150 000,00
M45644	Kwa-hlathi Rural Arts Foundation	263 000,00
M45687	Zebediela Atrs Development	218 000,00
M45693	Youth For Change Arts Project	206 000,00
M45875	Itumeleng Youth Development	178 000,00
M45876	Harmonial Youth Development Agency	178 000,00
M46053	M46053-Kretos Youth Empowerment NPC	218 000,00
M46095	M46095-Mufulwi Adopt A River	248 000,00
M46201	M46201-Rotanganedziwa Beads and Shoe maker	123 000,00
M46492	M46492-Mbhezula Films and Projects	178 000,00
M46507	M46507-Mojano Dress Making Youth Empowerment	213 000,00
M46579	M46579-Magaeng Musical Arts and Culture Youth Development NPC	187 950,00
M48102	Legaphankomo Foundations	262 000,00
M24355	Agape Arms Skills Developent	50 000,00
M45161	Dikokotla Setjong Cultural Group	195 000,00
M46936	Manyalo Music Awards	228 700,00
M24209	Ultimate Foundation NPC	68 000,00
M45984	J.J Community Project	148 000,00
M45996	Vkm Productions	158 000,00
M46360	Future Diggers Foundation	418 000,00
M46668	Ditike Fabric and Crraft	226 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M46775	Mmino Community Projects	207 200,00
M46788	Tshifhire Development Initiative	120 000,00
M47408	Dolce Symphonies	278 000,00
M48031	Limpopo Academy of Creative Arts for Girl Children and Disabled NPC	638 000,00
M48032	Thatego Phakiso	160 000,00
M48885	Young Generations Youth Project	131 000,00
M46967	Swan Music Academy	393 000,00
M22747	Seetsa Ke Lesedi	50 000,00
M47422	Juno-Roma Dinaka Club	208 000,00
M47440	Okuhle For Talents	148 000,00
M48437	Hlokomela Environmental Project NPC	303 000,00
M48892	Beyond Disability Outreach NPC	935 395,00
M24490	Katri Foundation	50 000,00
M45532	Maitja Maswana Npc	240 000,00
M47808	Tsate Digital Gaming Academy	216 114,00
CHARITIES SECTOR		
M26153	Thanya Day Care Centre	100 000,00
M26821	Gingirikani Babangu Drop In Centre-11704	50 000,00
M33512	Qhuvékani Day Care Centre	100 000,00
M34170	Matsinoni Day Care Centre	112 119,00
M23731	Botee Drop In Centre	66 500,00
M23735	Bathokoa Creche and Pre School	88 247,00
M24194	Bana Ba Pulane Pre-School	100 000,00
M26159	Kwena Creche	147 657,00
M26697	Letsatsi Creche	198 818,00
M32357	Graceland Creche	100 000,00
M32426	Siliki Day Care	53 000,00
M33369	Lokologang Victim Empowerment Project	61 375,00
M33532	Ipopeng Bakone Old Age Project	100 000,00
M33629	Nyeleti Creche	92 751,00
M35539	Maamorare Day Care Centre	137 650,00
M25137	Tshepong Childrens Project	100 000,00
M25154	Mabine Creche	57 000,00
M25714	Ndaedzo Day Care Centre	100 000,00
M25732	Mpofu Community Creche	40 000,00
M25734	Mmphame Lebaleng Creche	100 000,00
M25764	Phedishang Moshate Drop In Centre	455 600,00
M26217	Tswelopele Creche & Pre-School	119 746,00
M32383	Nadi Drop In Centre	100 000,00
M32401	Makhuva Early Learning Centre	100 000,00
M32447	Xiluva Day Care Centre	100 000,00
M34157	Ngalavhani Commubity Creche	100 000,00
M35774	Repjana Creche	100 000,00
M44969	Nseketelo Drop In Centre Project	143 198,00
M23359	Letau Creche	100 000,00
M26162	Sunrise Day Care Centre-Duplicate	100 000,00
M26245	Mothapolo Creche	143 800,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M26247	Mabogale Creche	100 000,00
M31662	Mvelelo Day Care Centre	100 000,00
M32470	Equal Day care Centre	100 000,00
M32472	Maseke Creche	150 487,00
M33379	Legaseane Creche And Pre School	100 000,00
M33412	Moshudu Mmoto Pre School	119 400,00
M33582	Kulani Creche	100 000,00
M33587	Lunghile Day Care Centre	100 000,00
M33648	Shingwedzi Creche	100 000,00
M39401	Kentshitsuwe Creche	100 000,00
M32615	Hlayisekani Drop in Centre	100 000,00
M33493	Chivirikani Creche	200 000,00
M34164	Ebenezer Day Care Centre	100 000,00
M33569	Nhluvuko Early Learning Centre	100 000,00
M25158	Rathobela Creche	243 500,00
M25776	Tshisahulu Community Centre	137 000,00
M26354	Mathomo Mayo Day Care Centre	100 000,00
M31577	Nakambe Centre for Child and Family Care	166 689,00
M32224	Lebogang Creche 051-441	100 000,00
M32303	Unique Early Learning Centre	164 999,00
M32492	Masungulo Day Care Centre	100 000,00
M33274	Nkovani New Moon Light Disabled	100 000,00
M25955	Vaakeni Creche	100 000,00
M35642	Thuto Ke Bophelo Day Care and Pre-School	100 000,00
M32461	Phedisang Turkey Drop in Centre	100 000,00
M33634	Magona Creche	100 000,00
M34544	Thogani Community Creche	100 000,00
M35550	Tshibulebule Community Creche	300 000,00
M24989	Xihlovo Health Care Community Project	106 275,00
M25900	Boikhutso Creche And Pre School	58 409,00
M32256	Reatsotella We Care	100 000,00
M32342	Xiluva Educare Centre	100 000,00
M32402	Rivoningo Early Childhood and Learning Centre	100 000,00
M33522	Ba Mogale Creche	100 800,00
M33610	Kopano ke maatla creche	100 000,00
M34214	Sheshe Community Creche	179 000,00
M34538	Tshiombo Community Day Care Centre	100 000,00
M34754	Are Bahlokomeleng Old Age Centre	100 000,00
M45113	Maropeng Day Care Centre	173 900,00
M45130	EL ROI EDUCATIONAL CENTRE	200 000,00
M45247	Thako Pre School	210 000,00
M45364	Nhlayiso Drop In Centre	355 000,00
M45446	Nyavani Early Learning Centre	262 000,00
M45476	Shisasi Merwe B Day Care Centre	238 325,00
M13940	Nsovo Disability Multi Purpose Centre	100 000,00
M33279	Phedisang mankganyane Drop In Centre	421 516,00
M33678	Hlengani Day Care Centre	88 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45116	Hihlurile Disabled Community Project	344 498,00
M45145	Thato Disability Centre	300 000,00
M45209	Masewela Day Care Centre	154 900,00
M45580	Fumani Altein Drop in Centre	1 045 000,00
M45771	Runnymede Child Day Care Centre	314 000,00
M45801	Tiyiselani Day Care Centre	306 450,00
M46029	Hi hluvukile SDA Creche	364 734,00
M31775	Xivono Project For The Disabled	100 000,00
M33571	Bokamoso Christian Creche	100 000,00
M33616	Tanani Matiko Disabled Project	100 000,00
M33653	Ritlhavile Creche	100 000,00
M45107	Humelelani Day Care Centre	153 000,00
M45121	Rixongile Day Care	311 910,00
M45133	Retshepile Day Care Centre-Lp	200 000,00
M45135	Rihluke Drop In Centre	245 030,00
M45200	083 064 Leseding Tzaneen Day Care Centre	835 296,00
M45244	Khumo Early Learning Centre	1 395 106,00
M45472	St. Jude Children Centre	348 000,00
M45486	Bathetheya Day And Night Care	480 287,00
M45567	Malebethane Creche	326 800,00
M45709	Nhluvuko Day Care Centre-Lp	283 000,00
M45718	The Living Hope Community Creche	262 000,00
M45720	Pfuxanani Drop In Centre	299 394,00
M45780	Swisumbe Early Learning Centre	346 701,00
M48285	Rhulani Play Centre	491 147,00
M45250	Munghonghoma Disability Centre	446 572,00
M45692	Boikhutso Day Care Centre	245 000,00
M26357	Mamone Residents Association	44 000,00
M32448	Litshani Vhana Vha De Foundation	1 229 227,00
M33650	Shigalo Tsakani khanyi Creche	100 000,00
M34161	Pfumelani Vadyohari Old Age Project	100 000,00
M34335	Toora Creche	100 000,00
M34379	Madonsi Creche	100 000,00
M34393	Guwela Drop In Centre	100 000,00
M34512	Makhuva Victim Empowerment	100 000,00
M34527	Rinoko Early Learning Centre	100 000,00
M34531	Dzunani Early Learning Centre	100 000,00
M35545	Nkomo Drop In Centre	100 000,00
M35553	Livhuwani Mashudu Pre-School	100 000,00
M45167	Divine Day Care Centre	252 370,00
M45207	Magatle Victim Empowerment Centre	157 500,00
M45224	Nhlamulo Disability Centre	431 912,00
M45225	Mahlori Early Learning Centre	339 000,00
M45415	Hluvukani Jerome Day Care Centre	286 692,00
M45656	Qaza Drop in Centre	134 000,00
M45739	Waterberg Welfare Society	500 000,00
M45878	Hluke Disabled Projec	409 428,00
M45923	Makhupe Educare Centre	244 400,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45925	Dzimauli Pre-School	476 000,00
M45978	Westenburg Victim Empowerment	477 074,00
M46038	Ntokoto Primary Health Care Organisation	725 780,00
M46075	Vuchavelo Disability Project	346 500,00
M46079	Matsoge Creche	197 410,00
M46087	Hikatekile Blinkwater Day Care Centre	336 522,00
M45721	Vatsongwana Day Care Centre	373 000,00
M34163	Wally Manyama Early Childhood Learning Centre	100 000,00
M35993	Lethabong Protective Workshop	100 000,00
M45208	Lerato Community Creche	351 866,00
M45440	Matsotsosela Kulani Early Learning Centre	293 800,00
M45759	Kgokane Creche	191 590,00
M46101	Nhlayiso Disability Home	408 000,00
M46219	Vuwani Day Care Centre	427 700,00
M46649	Tswaedi Creche	120 000,00
M23441	Phaahla Haven Center Of Autism	167 598,00
M25509	Zwavhudi Learning Centre	100 000,00
M26246	Kabelo Educare Centre	100 000,00
M33624	Wesleyan Day Care Centre	97 600,00
M33675	Kgabo Moloto Creche & Pre School	100 000,00
M45329	Ntokoto Day Care Centre	403 000,00
M45330	Ntwanano Drop In Centre-7051	555 000,00
M45395	Nhlayiseko early Learning Centre	355 000,00
M45431	Ritshidze Mutlipurpose Centre	198 000,00
M45502	Sweethome Day Care Centre	571 500,00
M45694	Leratorato Day Care Centre	227 000,00
M45765	Ntsae Day Care	469 267,00
M45775	Mahlafolane Day Care Centre	332 600,00
M45785	Ikgopoleng Drop In Centre	78 600,00
M45932	Salani Calvary Creche	233 000,00
M46158	Mavambe Ikhaya Old Age Home	454 494,00
M46210	Khomisani Old Age And Disability Home	126 000,00
M46359	Thandululo Counselling Organisation	416 700,00
M46361	The Greater Hoedspruit Victim Empowerment	382 000,00
M46648	Refugee Creche	349 000,00
M46774	Tihlayiseni Drop In Centre	333 918,00
M31777	Hisekani Creche	100 000,00
M33499	Seopa Creche	94 980,00
M33589	Mpudulle Community Creche	43 000,00
M34005	Xikukwana Masana Day Care Centre	100 000,00
M34185	Kamogelo Daycare Centre	100 000,00
M34186	Little Teddy Day Care	100 000,00
M34207	Tshandzhe Community Creche	100 000,00
M34209	Mmamphokhu Pre-School And Creche	100 000,00
M34222	Golden Future Creche & Pre School-10871	100 000,00
M34238	Pogoti Day Care	74 800,00
M34239	Mbahe Drop in Centre	100 000,00
M34281	Masemadi Creche and Pre-school	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M35172	Mankgoadi Day Care-10874	100 000,00
M35174	Tsia-Mutsha Homebased Care And Drop In Centre	92 285,00
M35639	Mara Victim Empowerment Programme	100 000,00
M44969	Nseketelo Drop In Centre Project	100 000,00
M45495	Muchipisi Early Learning Centre	163 100,00
M45745	Maraka Early Learners Centre	330 877,00
M46048	Tlharihani Nsavulani Drop In Centre	527 000,00
M46226	Nhlangano Drop In Centre	356 950,00
M46293	Rehoboth Senior Citizens Centre	203 600,00
M46496	Mavalani Victim Empowerment Programme	437 500,00
M46647	Mokopu Creche	340 082,00
M34343	Mphapantshi Early Learning Centre	100 000,00
M34543	tshuxekani Makhushane Drop In Centre	100 000,00
M34549	Rothodzani Community Creche	100 000,00
M34551	Mushiyani Drop in Centre	100 000,00
M34555	Mohloding Creche	100 000,00
M34557	Mapatle Day Care Centre	100 000,00
M34743	Rixile Greenfarm Creche	100 000,00
M34750	Mahonisi Creche	100 000,00
M35119	Raliphaswa Faranani Community Project	100 000,00
M35188	Ntlaletse Creche	100 000,00
M35190	Hlaneki Drop In Centre	196 175,00
M35329	Malekutu Children's Home	100 000,00
M35338	Lesang Bana Creche	100 000,00
M35766	Londanani Care Centre	100 000,00
M35186	Rotterdam Day Care Centre	100 000,00
M45152	Vutlharhi Preparation Centre	424 000,00
M45366	Maite Pre-School and Creche	346 000,00
M45371	Xikutsu Creche	411 000,00
M45413	Mhingaville Orphans And Vulnerable Children Drop In Centre	290 500,00
M45424	Hand of Blessing Day Care	457 198,00
M45442	Hanyanyani Ndhandi Early Learning Centre	369 745,00
M46011	Mbaula House of Hope	278 900,00
M46295	Makhasa Day Care Centre	540 000,00
M46501	Thuto Lesedi Foundation	460 000,00
M46652	Ximausa Hlayisekani Vaduhari Old Age Home Project	274 493,00
M23064	Molokane Creche	179 547,00
M26266	Dumazi Disability Centre NPO	100 000,00
M35668	Moyakgayakga Pre School	100 000,00
M46103	Ahi Dzumbeni Vatsoniwa Community Project	379 000,00
M46332	Ebenezer Multipurpose Intergrated Social Service Centre	490 966,00
M34747	Dumela Creche	100 000,00
M45686	Lekang Day Care Centre	273 200,00
M45790	Sweet Mama Day Care Centre	267 000,00
M45877	Ditlotswane Crech	491 000,00
M45880	ST Peter's Play Centre	386 952,00
M46222	Saam Staam Senior Citizens	334 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M46395	Vep Matlala	151 000,00
M46975	Gingirikani-Nkovani Vamakhengu Old Age	493 000,00
M48048	Makotse Drop in Centre	373 720,00
M34542	Mmapula Day Care Centre	100 000,00
M34755	Sefene Creche	100 000,00
M35187	Tshiendeulu Community Creche	200 000,00
M35759	Ithuteng Pre-School	62 921,00
M35771	Matsindise Child Care	100 000,00
M45529	Mpopane Day Care Centre	197 000,00
M45547	Maseke Kulani Day Care Centre	288 000,00
M45650	Homu 14A Drop-In-Care Centre	413 000,00
M45744	Matlhaba Creche	457 000,00
M45994	Putane Project	426 500,00
M45999	Xikukwani Development Organisat	176 000,00
M46001	Tswelopele Drop in Centre	284 000,00
M46239	Xisirhelelo Development Organisation	391 400,00
M47114	Ntwariso Phalaubeni Youth Development	286 000,00
M47447	Belrex Charity Organization	86 000,00
MISCELLANEOUS SECTOR		
M4796	Polokwane Choral Society	498 407,00
M46783	Selfless Lives NPC	116 563,00
SPORTS AND RECREATION SECTOR		
M38325	Machele Primary School	60 000,00
M38889	Mmetla Shapo La Tlala Foundation	65 000,00
M39481	The View	65 000,00
M39840	Paxana Primary School	250 000,00
M40155	Masea Primary School	250 000,00
M40566	Magakantshe Primary School	60 000,00
M34366	Ntepane Primary School	250 000,00
M36635	Nkelethu Basketball Club	159 180,00
M39649	Rangers Football Club-072	85 000,00
M39848	Nkuri Primary School	60 000,00
M45191	Tinhenha Football Club	65 000,00
M45365	Killers Ix Fc	75 000,00
M40159	Domboni Primary School	60 000,00
M45068	Moshikaro Sports Development	75 000,00
M47496	Most Wanted F.C	75 000,00
M46204	Golden City F.C	75 000,00
M46224	Ramakgaphola united football club	75 000,00
M47419	Thamaga Football Club	85 000,00
M47876	Polokwane Rhinos Wheelchair Basketball	65 000,00
M45140	Cool Cats Fc	75 000,00
M45256	Izabelozethu	65 000,00
M45585	Benfica C Football Club	75 000,00
M46584	Machikiri Primary School	65 000,00
M46940	Progressive In Action Foundation	65 000,00
M46941	Good life for All	65 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M46966	Olympus united Football club	75 000,00
M47083	Faranani Nesengani Disabilities Foundation	65 000,00
M47138	Sekhukhune Land International Cricket Academy	65 000,00
M47417	Bidco Football Club	80 000,00
M47425	Bunga Football Club	75 000,00
M47473	Vlakfontein Sporting Football Club	75 000,00
M47478	Tlou Molekwane Football Academy	85 000,00
M47484	Leokama Football and Netball Club	75 000,00
M47494	Phalaubeni City Stars	65 000,00
M47499	Star Signs Football Club	75 000,00
M47822	Future Stars F.C-30297	75 000,00
M48820	Young Dreams Fc-30805	80 000,00
M49901	Limpopo Netball Association	350 000,00
M49933	Matime 2 Secondary School	65 000,00
M49948	The Winners Football Club	85 000,00
M45335	Mapalies Foundation NPO	65 000,00
M48029	Monala Green Foundation	65 000,00
M48268	City Boys Sports Academy	65 000,00
M48575	Lebowakgomo Flying Bees FC	115 000,00
M48592	Lemetja Secondary School	65 000,00
M48937	Makgopa Football Club	65 000,00
M49852	Sweet Boys United FC	75 000,00
M50178	Rampururu Real Hearts Football Club	105 000,00
M45928	Makhubele Hotspurs F.C	75 000,00
M47414	Shiluvana Center	65 000,00
M48140	Mongwe Ladies Football Club	75 000,00
M48188	Bandari Football Club	85 000,00
M48583	Peace Makers FC 30690	80 000,00
M49301	Hot Beans Development football Club	80 000,00
M49353	Mike Football Club	95 000,00
M49360	Dithaka tsa Mahowa F.C	75 000,00
M49802	Dream Paradise Football Club	100 000,00
M50305	Black Beats Football Club	80 000,00
M50443	Young Stars FC 31653	85 000,00
M50727	Kurulen Primary School	65 000,00
M50787	Burgersdorp Rovers Football Club	85 000,00
M50824	Set Her To Win Women empowerment Projects	65 000,00
M46772	Tirhani Football Club	75 000,00
M47502	Gavaza Flying Stars F.C	75 000,00
M47870	Peter Hermans Primary	65 000,00
M48351	Segaeng Secondary School	65 000,00
M48424	Alwandel	65 000,00
M48952	Malakeng Serotele Primary School	65 000,00
M30146	Hosia Aphane Sports Academy	75 000,00
M34234	Kapeng Day Care & Pre-School	100 000,00
M47694	Masenwe Primary School	65 000,00
M48233	Maafeefee Holdings	65 000,00
M48401	Staigor Stars FC	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M49197	Ba-Phalaborwa Local Football Association	85 000,00
M49806	Motubatse Young Stars FC	75 000,00
M50037	Setumu Football Club Academy	80 000,00
M50042	Mookgophong T.S Academy Agency	65 000,00
M50168	Makhasa Real Aces	105 000,00
M47722	Mathatho Vultures Footbal Club	75 000,00
M48088	Malapong Unity Football Club	80 000,00
M48954	Jabula Football Club	75 000,00
M49794	Young Tigers FC	100 000,00
M50747	NNg Sports	65 000,00
M50851	Sputla Young Bucks Football Club	75 000,00
M51180	Namakgale Saints FC	75 000,00
M51369	Ntshakgomo Football Club	95 000,00
M45751	Sekgophokgophong P School	65 000,00
M47444	TGM Hope	200 000,00
M48096	Kanatla Ladies Football Club	75 000,00
M49754	Phaphamani Primary School	68 250,00
M50029	Fighters Football Club	85 000,00
M50031	Dikgeu Primary School	65 000,00
M50288	Mmasehlong Again Football Club	75 000,00
M50483	Sekuruwe Aces Football Club	75 000,00
M50492	Isability Sports Club	85 000,00
M50860	Mahlatshe Sports Development	75 000,00
M50878	Mandebetele 19 football Association	90 000,00
M51168	Bogopa Sports Development and Academy	85 000,00
M51459	Junior Stars	75 000,00
M46536	Magatle Primary School	65 000,00
M49375	Mashopeng United F.C	75 000,00
M49799	Lonsdale Man United Football Club	105 000,00
M49800	Schalke 04 FC-9650	115 000,00
M50120	Muiladi Primary School	65 000,00
M50140	Royal AMR Football Club	75 000,00
M50293	Nkovani United Football Club	85 000,00
M50397	Selepe Primary School	65 000,00
M50487	Blaauwboschkuil Primary School	65 000,00
M50512	Junior United Football Club	80 000,00
M50561	FC Inter	85 000,00
M50872	Rangata Sports Development	75 000,00
M51387	Tshilwavhusiku Community Sport Club	65 000,00
M51448	Limpopo Sports School of Excellence	65 000,00
M51460	Ngwanamago F.C	75 000,00
M48815	Dzire's Dance 4 Fitness	65 000,00
M50857	Phenyadingwe Football Club	80 000,00
M51178	Tatanic FC	75 000,00
M51380	Mampotjane Secondary School	65 000,00
M53126	Malesa Juventus FC	125 000,00
M46349	Thavhanacle Ultra-Physio Sport Federation	65 000,00
M46624	Dinoko Royal United	75 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M49369	Xigalo Soccer Development	75 000,00
M49879	Tshakhuma Blue Birds Football	115 000,00
M50302	Xaswita Eleven Football Club	75 000,00
M50388	Skosi Development Project	65 000,00
M51452	Ramoshoane Football Club	75 000,00

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PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M36889	Khoza Fine Art Foundation	223 000,00
M39208	Thee Khosikhadzi Initiative	427 000,00
M23664	Bhekelihle Community Development Organization	38 000,00
M24278	Tharollo Traditional Dance NPC	20 000,00
M33020	Simunye Farmers Association Project	239 483,00
M38829	TVN Matsikitsane Queens	150 000,00
M33353	Thuthukani Developments	155 500,00
M34235	Thomaminehle Arts Projects	210 000,00
M34802	Mami Projects	362 999,00
M32033	The Forgotten Angle Theatre Collaboration	288 105,00
M22826	Sibambene simunye	50 000,00
M38052	A Place Of The Rising Sun	289 600,00
M45137	Kamva-Elihle Foundation	296 300,00
M45283	Mzilikazi Pearlpen Community Project	188 000,00
M45322	Mams Agri Projects	184 000,00
M23741	Arts and Culture Youth Development Project	50 000,00
M45162	Mazaza	304 000,00
M45302	NPT Education and Development Institute	300 000,00
M45658	Siza Imfundo Foundation	260 000,00
M35829	Selmash Agricultural Projects	241 533,00
M45016	K2022319162	296 750,00
M45091	Hlavutelo Community Projects	232 500,00
M46541	Naphtabatho NPC	193 750,00
M21871	Mhola creative cultural group	42 500,00
M36949	Ratanang Environmental Club	305 384,00
M46193	Yandeya Youth Environmental Awareness	345 000,00
M46258	Revolution Design School	192 000,00
M48093	Gigindza Projects	273 500,00
M48894	Xivonelo Skills And Development Projects	178 000,00
CHARITIES SECTOR		
M24673	Mogau Day Care	120 800,00
M25302	Judah Royal Drop In Centre	114 500,00
M25472	Point of Grace Creche	105 000,00
M26228	Khulani Home Based Care	167 886,00
M13701	Hina Twela Vusiwana	30 000,00
M32496	Funda Nathi Day Care	200 000,00
M34315	Remmogo Day Care And Pre-School	153 000,00
104919	Zibsilor NPC	203 000,00
M33070	Vuwiselo Victim Empowerment Programme	435 345,00
M17029	Hlayisani Centre of Hope	1 964 201,00
M26496	Shelekwane Creche	202 114,00
M26993	Nokubonga Day Care Centre	79 200,00
M27051	Dwarsloop Pre-School	100 000,00
M27531	Lebogang Educare Centre	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M31729	Ripfumelo Creche	196 700,00
M31846	Sizabantu Home Based Care	100 000,00
M34453	Wisani Day Care	100 000,00
M34855	Sehlakabje High School	250 000,00
M25813	Christelik - Maatskaplike Raad Van Barberton	100 000,00
M26869	Tsakelani Burlington Community Creche	100 000,00
M33812	Vulindlela Aged Group	100 000,00
106180	Matieni Community Centre	171 649,85
106180	Matieni Community Centre	203 000,00
M33206	New Perspective Clinic for Alcohol and Drug Abuse	200 000,00
M23638	Siphumulile Educare Centre	100 000,00
M34573	Tidzondzeni Creche	100 000,00
M34792	Ndzalama Pre School	100 000,00
M24965	Joyride Kids Centre	141 100,00
M33232	Kamohau Early Chidhood Development	221 490,00
M33272	Nomalizo Day Care	100 000,00
M34205	Thokozane Pre-School	100 000,00
M35896	O B Mokoena	100 000,00
M34702	Joel Mnisi Pre-School	100 000,00
M24629	Xikombiso Creche	40 000,00
M26676	Maphatha Disability Organisation NPO	116 367,00
M28380	Sibonginkosi Home Base Care	200 000,00
M32998	Ebenezer Day Care Center	100 000,00
M33876	Nkala Pre-School	100 000,00
M33900	Malijesi Day And After Care Centre	100 000,00
M34024	Injabulo Nokuthula Gender Based Violence	100 000,00
M34213	Marongwane Creche	200 000,00
M35457	Shepherd Drop In Centre	100 000,00
M35491	Sizimisele Disabled People of South Africa	89 499,00
M35895	Bervely Hills Creche	100 000,00
M45312	Ringetani Bushbuckridge Pensioner Association	413 540,00
M45803	Child Light Day Care	410 000,00
M35738	Rozola Pre-School	100 000,00
M33756	Bethel Creche & Pre School	100 000,00
M34204	Buyelani Pre School	100 000,00
M45794	Dyondzo Creche	367 000,00
M45947	Mbewulana Old Age Centre	317 144,00
M45948	Obrigado Foundation	229 500,00
M47133	Hlayisekas Foundation	152 000,00
M34426	Tholulwazi Day Care Center	100 000,00
M23946	Tsebotse Day Care	100 000,00
M45463	Lorraine Khoza Foundation	2 000 000,00
M31545	Swaxonga Day Care Centre	131 800,00
M34033	Pfukani Rixile Crech and Pre-school	100 000,00
M45798	Masisitane Pre-School	375 000,00
M46556	Christelik-Maatskaplike Raad	1 070 695,00
M46769	Gugulethu Day Care Centre	473 900,00
M45802	Moshieng Day Care Centre	302 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M46409	Isiphosethu Early Child Development Centre	280 120,00
M46947	Thobelanang Day Care	275 201,00
M33179	Early Bird Child Day Care Centre	154 892,00
M34008	Lindimfundo Pre-Creche	100 000,00
M34118	Vuthlarhi Drop in Centre	100 000,00
M35264	Tokologo Creche	100 000,00
M46272	Goitsemang Edu-Care Centre	407 400,00
M34337	Masungulo Creche	100 000,00
M46118	Child Welfare South Africa Nelspruit	1 543 000,00
M46368	Dyondzani Ku Pfunana Community Development Centre	237 500,00
M46703	Sungulani Creche Pre School	335 500,00
M46755	Mish Monhlahli Day Care Centre	799 352,00
M46859	Zimasa Foundation	112 300,00
M47037	Dinoko Day Care Centre	363 021,00
M47167	Pfunekani Mathlahihansi Pre-School	408 791,00
M47246	Makungu Old Age Centre	346 000,00
M47292	Mesekgaka Drop Inn Organisation	287 514,00
M47352	Umsobomvu Women's Development ECD	216 350,00
M47366	Kamogelo Day Care Centre	287 000,00
M47635	Xongani Disabled Project	383 000,00
M47833	Emmanuel Drop In Centre	929 000,00
M47835	Philasande Non-Governmental Organisation	223 700,00
M47847	Langutelani Day Care Centre	541 785,00
M49062	Kgomotso Day Care Centre 096-793	225 000,00
M49822	Cunningmore Pre School	763 000,00
M47691	Eagle Anointing DIC	384 000,00
M48186	Savf-Loius Hilderbrandt Kinderhuis	1 986 244,00
MISCELLANEOUS SECTOR		
M23778	Mathethe Primary School	100 000,00
SPORTS AND RECREATION SECTOR		
M38817	Mzinti Primary School	250 000,00
M35303	Casteel Primary School	250 000,00
M35520	Kgwaditiba Primary School	250 000,00
M36675	Mbombela Golf Development	75 000,00
M38300	Phakani Primary School	60 000,00
M38552	Ntsoelemolodi Primary School	250 000,00
M38849	Net So Fitness Movement	65 000,00
M34694	Khula-Mlambo Primary School	60 000,00
M40012	Vuyelani Primary School	250 000,00
M40019	Joseph Matsebula Secondary School	60 000,00
M40185	Ben Matloshe HighSchool	60 000,00
M40199	Njeyeza Secondary School	250 000,00
M40314	Madiba Secondary School	250 000,00
M45026	Nkangala Academy Of Performing Arts	5 000 000,00
M39539	Mthatha Peace Makers FC	85 000,00
M34687	Happiness Development Project	65 000,00
M34969	Mohlatseng Primary School	60 000,00
M45638	Mpumalanga Sports Awards NPC	500 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M47354	Edustini Youth Group	65 000,00
M47725	Mpumalanga Rugby Union	620 000,00
M46913	Mbombela Sporting Schools Trust	65 000,00
M47201	Emalahleni Chess Academy	65 000,00
M47908	Liphong Happy Boy FC	65 000,00
M49315	Mbuzini Highlanders F.C	80 000,00
M49518	Newington Chiefs Football Club	100 000,00
M34371	Sithenjisiwe Secondary School	250 000,00
M46136	Harry Mnisi Foundation	65 000,00
M49141	F.C Barcelona	100 000,00
M50132	Makhosana Manzini Secondary School	65 000,00
M48827	City Of Mbombela Marathon Club	80 000,00
M49101	Real Leopards Football Club	75 000,00
M49195	TK Stars Football Club	105 000,00

Northern Cape

PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M24283	Ruvimbo Youth Development	34 600,00
M45264	African Child Creative Institution	389 000,00
M45513	Umthi Projects	248 000,00
M45806	Thutego Arts and Craft - 29292	253 000,00
M46039	Jackson Cassidy Cultural Exchange Development - 9713	183 000,00
M46592	Northern Cape Awards	198 000,00
M47258	Southern African San Development Organisation	1 400 000,00
M47275	Hands On ! - 5976	438 000,00
M47277	ZTK Music Entertainment - 6729	538 000,00
M46813	Letsatsi La Afrika Arts Organisation-10314	342 000,00
M46971	Kietso Development Programs	274 000,00
M47937	ARTKA	452 160,00
M48307	Thabang Happiness Development	328 000,00
M23066	Itireleng Community Food Garden	58 000,00
M47355	Selware Arts - 30041	322 000,00
M47666	Mselane Tswetso Training	315 445,00
M47817	Women 4 Krotoa Arts Heritage Foundation	298 000,00
M48157	Shamda Community Projects	568 000,00
M49023	Motlatsi Cultural Arts & Heritage Program	294 374,00
M47554	Destiny Youth Movement	289 000,00
M47654	Lorena Arts	247 000,00
M47865	Hope Community Outreach and Women Empowerment Centre	285 900,00
M48284	Ukhamba Development Project	228 000,00
M47898	3 Angels Restoration Centre	396 400,00
M50044	KDP Arts & Music Festival	335 500,00
M53060	The Orange Dream House	220 500,00
M51919	The Mark My words competition	393 000,00
M53216	Garage Dance Ensemble	424 100,00
M53842	Atlang Arts Development	400 000,00
M54516	Nomzwakasi Community Development	473 000,00
M52121	Arch Art	283 000,00
M52556	Amandla Danca Teatro	428 800,00
CHARITIES SECTOR		
M28254	Lerato Feeding Scheme	59 240,00
M28665	Mpumelelo Youth Movement - 19163	50 000,00
M34391	Leseding Early Childhood Development - 22698	78 327,00
M36765	Tirisano Mogo Projects	100 000,00
M13756	Intambo Soup Kitchen	100 000,00
M10869	Thusa Bagodi Community Project	133 500,00
M35040	Second Chance Group	130 434,00
M39147	Protiro Care Givers - 9813	100 000,00
M45321	Isago Soup Kitchen - 29080	309 500,00
M45832	D Caring Services - 20361	356 000,00
M45852	South Africans At Heart Drop In Centre	213 794,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45255	Children in Need Foundation	173 000,00
M45518	Tshwaraganang Old Age Centre	1 039 680,00
M45232	Kokerboom-Oord - 29026	1 150 000,00
M45377	Tsogang Garden Project - 5239	462 000,00
M38239	Animal Welfare Society Upington	100 000,00
M46573	Kitlano Dropping Centre - 27193	460 078,00
M46303	Prieska Utiliteitsmaatskappy	2 056 547,00
M47019	Diamantvelde Utiliteitsmaatskappy vir Behuising	2 500 000,00
M47227	Motlhabeng Community Food Security	300 000,00
M47324	Ikhwezi Pre- School	454 000,00
M47695	Serurubele Early Learning Centre	1 355 520,00
M47919	Mothibi Foundation - 30348	277 000,00
M47939	Happiness Children Centre	252 920,00
M48190	Tshwaragano Community Skills Development	311 900,00
M48304	Emthanjeni Social Enterprise	162 750,00
M48419	Gasengwana Creche and Pre - School	850 500,00
M48609	Sizane - 30701	469 569,00
M48641	Sinekhaya Heaven Project - 30718	1 100 000,00
M48659	Boiketlo Early Learning Centre	354 000,00
M48957	Riverton Feeding Scheme	277 000,00
M49559	Lebone La Lefika Soup Kitchen - 11464	462 000,00
M48192	Thusa Kimbali	383 000,00
M48944	Maths Wonder After School Care	220 500,00
M51609	Donald Duck Creche	372 660,00
M52321	Tsholofelo Day care Centre	396 000,00
M53602	Busy Bee Day Care Centre	219 300,00
M48539	Lorinda Soup Kitchen	215 000,00
M50663	Dockda	807 000,00
M51211	Itekeng Edu Care Centre	217 800,00
M53228	St Boniface Pre-school	443 208,00
M53544	Tihalefang Day care Centre	463 453,00
M53564	Rathabile Pre School	389 000,00
M53693	Susanna Wesley Day care Centre	396 788,00
M53832	Mmabana ELC	372 000,00
M54614	Women to Women	1 353 000,00
M54690	Kekkelbekkies Dagsorg	279 000,00
M55045	Ya Rona Child Day Care	314 000,00
M55194	DS Bosman	426 000,00
M48388	Thabang Community Development Centre	935 000,00
M48810	FAMSA Upington	2 000 000,00
M49072	Northern Cape Alcohol and Drug Office	990 120,00
M47900	From Toddlers to Leaders	129 600,00
M48336	Batlnokomedi Development Centre	246 625,00
M49080	Ipetlontle Pre School	391 370,00
M52308	Ikhaya'Iethu Home for HIV & Abandoned Orphans	1 265 680,00
M53389	Humpty Dumpty Creche	339 360,00
M53626	Ipolokeng Pre School	237 310,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M48971	Thusang Child Welfare	433 000,00
M51847	Vusisizwe	114 000,00
M52690	Skeyfontein Soup Kitchen	308 837,00
M53061	Arthrudes Kleuterskool	333 193,00
M54802	Kopanang Soup Kitchen	818 977,00
MISCELLANEOUS SECTOR		
M53576	Thato Ya Golola	435 800,00
M51522	Dinamo Education & Training Empowerment	486 370,00
SPORTS AND RECREATION SECTOR		
M40405	Naughty Boys FC	115 000,00
M40540	Warrenton Bowls Club	85 000,00
M41796	New Smauswane Primary School - 5771	19 017,37
M42037	Bothithong High School - 27154	350 000,00
M39758	South African Taekwondo Federation	490 000,00
M39795	Black Eagles F Club	85 000,00
M39805	Nkuke's Football Club	85 000,00
M39935	Young Destroyers FC	85 000,00
M41613	Okiep Cricket Club - 5375	85 000,00
M42064	Itekeleng Primary School	350 000,00
M42414	Gadiboe Intermediate School	350 000,00
M42438	Madibeng Primary School - 27417	350 000,00
M43181	Matshaneng Intermediate School	350 000,00
M43371	Rovers Netball Club	80 000,00
M41435	Blue Birds FC	95 000,00
M39758	South African Taekwondo Federation	30 000,00
M45124	Mighty Birds Sports and Youth Development Academy	65 000,00
M45300	Kimberley City Ladies F C	75 000,00
M45416	Ritchie Masters Athletic & Social Club	65 000,00
M46981	Ladies Liverpool Football	95 000,00
M46545	Tiger Boys Football Club.	85 000,00
M46063	Junior-Chiefs FC	115 000,00
M46698	Thistles Soccer and Netball Club	75 000,00
M48191	De Aar Poolplayers Association - 7356	65 000,00
M48005	Tour De Vaal	65 000,00
M48193	Makabelo Foundation	65 000,00
M48739	Barcelona Tiger Football Club - 30759	85 000,00
M48109	Ajax Colesberg Sports Club	80 000,00
M49012	Dalton Brothers FC	300 000,00
M49453	Denonyana Football Club	115 000,00
M48973	Frances Baard Open Boxing Organisation - 30878	170 000,00
M49343	Ticeka Boree A NPC	65 000,00
M49417	Northern Cape Boccia	170 000,00
M51282	FC Barcelona	95 000,00
M50233	Lus De Santos Football/Netball Club - 31543	65 000,00
M49900	JTG Cricket Association	66 000,00
M49844	Young Tigers	100 000,00
M50493	Kareebille Spurs F.C (De Aar)	105 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M50204	Computer Cosmos Football Club - 31527	160 000,00
M50545	Mighty Moovers F.C	95 000,00
M51012	Northern cape Skateboarding Federation	80 000,00
M51296	Pearl United Soccer Football Club	110 000,00
M51526	Royal Eagles FC	80 000,00
M51629	Prieska Bowling Club - 32308	140 000,00
M52327	Freedom Boxing Club	105 000,00
M52806	Future Stars Football C	95 000,00

North West

PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M23906	Mahikeng Writing and Research Academy	29 000,00
M21768	Lejwe la Thaba Cultural Coterie	50 000,00
M44995	Kganetso Morosi Arts Foundation	416 000,00
M45193	Theo South Africa-7020	708 100,00
M45383	Lebotloane Environmental	248 000,00
M45184	Thabo Motaung Foundation	178 000,00
M45458	Photo Ya Sechaba	178 000,00
M45474	Malasi Development Program	133 000,00
M45082	Tsogang Basadi Community Arts Project-25779	252 090,00
M45871	The Art House	323 496,00
M46043	Agisanang Foundation-24712	222 000,00
M46062	Naledi Ya Bophirima Performing Art-11856	267 400,00
M46568	Moribo Arts Projects - 9573	288 000,00
M45634	Tumelo Ya Bath Development	238 000,00
M47474	South African Artist With Disability-19012	187 100,00
M47119	TTT Foundation NPC-7719	800 000,00
M46891	Le Arts Alive-15529	738 000,00
M46945	Peu Art Foundation	228 000,00
M47043	Roba Info-Entertainment-6891	433 000,00
M47092	Ipeleng Community Project	348 602,00
M45390	Dreams to Fame Foundation	119 500,00
M47210	Bathong 1st Program	206 000,00
M47230	Boipelo Boys To Men-14931	480 000,00
M47542	Training and Thusanang Community Development Centre NPC	348 000,00
M47714	Glean Crew	215 500,00
M47799	Bothaka Dirang NPC-19183	748 000,00
M48751	Baratuwa Foundation	359 230,00
M48771	Kulcha Networks	278 000,00
M49225	Re Ya Pele Bakgaga	369 991,00
M45706	Excellence Craft Services	298 000,00
M48121	Rendani Foundation	426 000,00
M47524	Itemogeng community centre-14932	800 000,00
M47850	Create Art Foundation	296 000,00
M49990	Matubane NPC	225 500,00
CHARITIES SECTOR		
M45023	Headway Community Development NPC	2 500 000,00
M45025	New Horizons Rural Development Foundation	5 000 000,00
M35727	Boitumelo Service Club-23459	100 000,00
M39335	Baikemedi Home Based Care	334 200,00
M39096	Mphela Bana ELC	108 928,00
M34130	Feel At Home Disability Centre-22657	100 000,00
M44993	Rustenburg Child And Family Welfare	1 535 000,00
M45126	Abraham Kriel Children's Home Potchefstroom	4 179 113,00
M37270	Bagodi Tsibogang Service Club-13278	100 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M45462	Omolemo Non Profit Organisation	218 786,00
M39052	Itshidileng Bagodi Organisation-7212	100 000,00
M45682	Tsholofelo Bokamoso Development Centre-26386	429 398,00
M35636	Rediramogo Older Persons Service Club-13076	100 000,00
M38401	Lerethabetse Victim Empowerment	420 000,00
M38543	Kopano Old Age Service Club	100 000,00
M45730	Youth Against Substance Abuse	301 728,00
M32475	Wise Guys ECD-21666	100 000,00
M46221	Pepeletso Early Learnig Centre	490 920,00
M46296	Tsetse Early Learning Centre	344 600,00
M38352	Lesedi La Botshelo Service Club-24911	100 000,00
M39099	Kopano Day Care Centre-25287	100 000,00
M45916	Restoring Youth Dignity	507 006,00
M46178	Chuchumakgala Support Group - 5497	518 020,00
M27291	The Genesis Centre For Person With Disabilities	200 000,00
M45548	Lerato La Botlhe Community Centre	265 300,00
M29868	Total Control Of Epidemic-20098	51 048,00
M45930	Boitsholo Community Care Centre and Early Learning Centre	295 000,00
M47038	Maboloka HIV/Aids Awareness Organisation	1 500 000,00
M27049	Zenzele Youth Development-17984	69 000,00
M50203	Setlhabaneng ELC	204 480,00
M51630	Lesedi II Creche	334 632,00
M54254	Ipelegeng Day Cae Centre	472 920,00
M54325	Home of Hope Against Women Abuse	730 500,00
MISCELLANEOUS SECTOR		
M45511	Bakwena Multi-Purpose Skills Center	500 000,00
SPORTS AND RECREATION SECTOR		
M39059	Khunotswane Primary School-17861	350 000,00
M40847	Makgobi Primary School-9275	350 000,00
M39057	Tshenolo Primary School - 4643	360 000,00
M39953	Realtown Football Club-25772	75 000,00
M39787	Khoza Sport and Games NPC	65 000,00
M46725	Soul Mmethi Saccor Academy	65 000,00
M45809	Dolly Youth Development	65 000,00
M45961	Otsile Youth Development	65 000,00
M45810	Ketsow Sporting Development	65 000,00
M48253	Royal Elephant Football Club	75 000,00
M48349	Mogopela Wonderous Football Club	65 000,00
M48921	Welgeval Rolling Stars FC	75 000,00
M47521	Metshameko Sport and Recreation	65 000,00
M48545	Dafita Rovers	65 000,00
M47041	Choseng Big 5 Sport Tournament NPC	65 000,00
M50556	Potchefstroom Dorp Cricket Club	140 000,00
M49406	Sportucate	65 000,00
M49729	Project 1 ON 1	65 000,00
M48862	Slam Dunk Academy	65 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M49311	Tinyiko Shivuri Foundation NPC	65 000,00
M49339	Future Masters Football Club	85 000,00
M49342	K2021873404	65 000,00
M50232	GSG Sports NPC	65 000,00
M49434	Mafikeng Football Academy	95 000,00
M45488	Team Victorious Foundation	65 000,00
M49740	Ride in Pink Organisation-14090	75 000,00
M51419	Maleta Motse Masters	68 250,00

Western Cape

PROJECT NO	RECIPIENT NAME	AMOUNT
ARTS, CULTURE AND HERITAGE		
M21636	National Youth Music Foundation Trust	45 000,00
M23084	E'Bosch Heritage Project	45 500,00
M23847	Inclusive Arts Collective	38 000,00
M40042	Masi Entertainment Production NPC	209 500,00
M35117	College of Magic	201 000,00
M45572	Deen Louw Foundation	244 000,00
M22095	Sustainable Livelihoods Foundation NPC	50 000,00
M22858	Railton Foundation Swellendam	26 000,00
M31784	Project 90 by 2030	160 000,00
M35105	Nuwejaars River Nature Reserve Npc	250 000,00
M45549	Greening Ikasi	320 000,00
M45764	Overberg Lowlands Conservation Trust	390 000,00
M45301	Makhaza Arts Centre	295 000,00
M45505	Malichume Community Projects	193 000,00
M47143	Lunchbox Theatre	398 000,00
M45909	Bridgetown Theatre Company	1 518 000,00
M45970	Orange Art Project	253 200,00
M45979	Roseyletter	477 800,00
M46117	Soil for Life	718 000,00
M46248	K2022443268 (South Africa)	320 000,00
M46800	Amazing Ants Arts and Culture Academy	208 000,00
M45165	Riverside Roses Sing Koor	868 000,00
M46190	Uyilo Arts Academy	178 000,00
M46334	Visionaries Watch	163 000,00
M46920	Kuyakhiwa Community Services	213 000,00
M46926	Masala Amahle Projects	228 000,00
M47389	Nkwenkwezi Community Projects	178 000,00
M49204	Dutywa Soccer Icons	65 000,00
M47191	Kronendal Music Academy of Hout Bay	569 000,00
M47720	Aphrodite Belly Dance Studio	615 600,00
M23480	Mpilo Yococeko	30 000,00
M47699	Elethu Ilifa NPC	215 593,00
M48294	Qolothani Makhosikazi Social and Cultural Services	300 000,00
M47918	Intsika NPO	334 000,00
M48118	Cape Leopard Trust	917 000,00
M49033	Ad Libitum Academy of Music	665 000,00
M47288	The Cape Town Opera Company	1 575 000,00
M48014	Ezakwantu Youth 4 Change	274 500,00
M48357	Ikasi Creative NPC	427 000,00
M48076	Amathunzi arts and Development centre	292 080,00
M48143	Jungle Theatre Company	443 000,00
M49537	Jazz Art Dance Theatre	1 200 715,00
M50363	Butterfly Art Project	164 500,00
M48291	Southern Roots International	719 915,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M48220	Tshisa Talent	538 000,00
M48639	Rudnet	818 000,00
CHARITIES SECTOR		
M45696	Towdah Ministries	1 500 000,00
M33822	Hangeberg Dreams Npc	100 000,00
M34063	Lerato Educare	100 000,00
M35154	Mzamo Educare Centre	100 000,00
M48607	Asla Foundation	1 100 000,00
M27481	Pioneer Printers	100 000,00
M32105	Masakhane Educare Centre 041-691	100 000,00
M36466	Khanyolwethu Educare Centre	100 000,00
M37316	Lukhanyo Home Care and After Care Centre	100 000,00
M35567	Women Lead Movement	100 000,00
M36246	Masikhule Pre-School	100 000,00
M34002	Jo's School	100 000,00
M37023	The Society for the Prevention of Cruelty to Animals	202 000,00
M45125	Wynberg Society for the Aged	1 244 500,00
M45172	Ilitha Labantu	3 070 294,00
M45642	The Equinox Trust	643 180,00
M45662	The St Josephs Home for Chronic Invalid Children	2 330 900,00
M45726	Siyabonga Huis van Dankseging	1 492 819,00
M34093		100 000,00
M46107	Happy Minds Educare Centre	262 000,00
M45736	Tuiniqua Care Centre	1 565 000,00
M45982	The Mudita Foundation	223 450,00
M45900	Mosaic Women's Training Service and Healing Centre NPC	753 000,00
M46356	Zandvliet Care Facility	1 200 000,00
M46697	Emfuleni Wothando Soup Kitchen	234 994,00
M37315	Gouda Dienssentrum	100 000,00
M46795	Makukhanye Educare Centre (NFL-28069)	179 044,00
M35784	Fishers Of Men Day Care And After Care Centre	100 000,00
M46157	Imizamo Yethu Creche	601 300,00
M46974	South African Bone Marrow Registry	2 781 000,00
M47223	The Homestead	808 829,00
M47999	ACVV Oudtshoorn	1 035 000,00
M35783	Lithalethu Educare Centre	100 000,00
M46657	Badisa	1 431 739,00
M47124	Woodside Special Care Centre	1 514 000,00
M47329	Boost Africa Foundation	400 000,00
M47616	Bethel Day Care Centre	412 691,00
M47866	The Pebbles Project Trust	359 200,00
M48182	Hope House Counselling Centre	443 750,00
M48194	Molo Songololo	952 000,00
M37023	Society for the prevention of cruelty to animals	100 000,00
M46917	Jireh Community Projects	357 000,00
M47346	FAMSA-WC	1 223 691,00
M47381	Mtiki and Ngada Institute	361 078,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M48026	The Alcardo Andrews Foundation	454 400,00
M48172	Umthombo Wempilo	139 000,00
M48519	Siyakhula Educare Centre	319 020,00
M50177	Siyakhuthaza Aftercare and Educare	564 700,00
M34475	Ithembelitsha Development Agency NPC	100 000,00
M45360	Carel do Toit Trust	1 739 500,00
M48461	Bongolethu Home Educare	310 000,00
M48537	Beth Raph	476 176,00
M48648	Yolanda Educare Centre	203 900,00
M49482	Pniel Educare and Aftercare	162 700,00
M53499	Baby Steps Educare Centre	124 000,00
M54625	Nokwezi Creche	204 000,00
M55218	Lisakhanya Educare Centre	229 480,00
M48888	Masikhululeke Educare Centre	270 000,00
M49011	Sunrise Educare	142 700,00
M49382	Sophumelela Educare Centre	313 985,00
M51272	Immanuel Centre	371 000,00
M52826	Lolly Pop Educare	323 700,00
MISCELLANEOUS SECTOR		
M27238	Natural Justice	70 000,00
M28664	Support Centre For Land Change (Sclc) Trust	100 000,00
M35458	Violence Prevention Agency	65 000,00
M43169	Institute for African Alternatives	80 000,00
M53663	Hope HQ	390 000,00
SPORTS AND RECREATION SECTOR		
M40055	Hillcrest United Rugby Club	110 000,00
M35779	Mitchell's Plain Cricket Club	155 000,00
M45931	Eden Cycling Association	85 000,00
M46164	Goodwood Rugby and Football Club	80 000,00
M45341	United Brothers _ 0781987561	75 000,00
M45470	Image of Sport and Arts Academy	65 000,00
M46139	Brutal Stars Fc & Netball Club	75 000,00
M46546	The Chaeli Sports and Recreation Club	90 000,00
M46928	Chelsea Athletic Football Club	100 000,00
M46948	Eden Judo Association	80 000,00
M47233	Abazobi Football Club	85 000,00
M47279	Stellenbosch City Football Club	75 000,00
M44989	Napier Bowls Club	85 000,00
M46845	The Young Stars RugbyKlub	75 000,00
M46114	Only The Brave FC	75 000,00
M47000	Codesa Football Club	85 000,00
M47178	Young Stars Football Club: Vredendal	100 000,00
M47543	Mbekweni Stars Youth Development	90 000,00
M48068	Lion City Football Club	75 000,00
M47774	Grabouw Stars FC	75 000,00
M47365	Cycling South Africa	780 000,00
M47841	Shinning Stars FC	95 000,00

PROJECT NO	RECIPIENT NAME	AMOUNT
M48916	Young Good Hope Rfc	65 000,00
M47426	Weltevrede Netball Club	105 000,00
M48377	Uzo Community Projects	65 000,00
M47278	Hazendal United A.F.C	115 000,00
M48254	Young Diggers	65 000,00
M48510	Thunderbolts Academy	65 000,00
M49330	La-Liga Football Club	140 000,00
M49030	Khayelitsha Township Football Club	75 000,00
M49206	Western Province Bowls Association	350 000,00
M50256	Western Cape Aquatics	1 600 000,00
M49451	Young Proteas Rugby Football Club	105 000,00
M49495	AC Cape Town FC	95 000,00
M50455	Mighty Spurs FC	105 000,00
M48025	Good Hopes Rugby Football Club	380 000,00
M49063	Standards United Football Club	105 000,00
M49866	Black Cats FC	180 000,00
M49959	Langebaan Football Club	310 000,00
M50619	Ikhaya Community Development Sport and Recreation	65 000,00
M50348	Teengers Football Club	80 000,00
M50439	Cape Citizen Football Club	115 000,00
M46543	Mighty Royal Football Club NPC	65 000,00
M50669	Lion Paw Football Club	95 000,00
M50769	Standards Football Club	105 000,00
M50952	Majantja Football Club	95 000,00
M51156	Soetendal United Rugby Voetbal Klub	105 000,00
M55054	Attackers Netball Club	95 000,00
M50795	Grassroots Sport and Culture Organisation	65 000,00
M48662	Future United NC	85 000,00
M50261	Young Super Stars RFC	95 000,00
M50767	Citrusdal Rugby Football Club	280 000,00
M50946	Robertson Blues Netball Club	115 000,00
M51039	Golden Eagles Netball Club	115 000,00
M51126	Black Empires Netball Club	95 000,00
M51152	Seaside Spurs Football Club	85 000,00
M52114	United Brothers FC 275-831	85 000,00

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