

(14 April 2015 – to date)

## LOTTERIES ACT 57 OF 1997

*Government Notice 1514 in Government Gazette 18427, dated 14 November 1997. Commencement date:  
See Act for various commencement dates.*

### REGULATIONS RELATING TO ALLOCATION OF MONEY IN NATIONAL LOTTERY DISTRIBUTION TRUST FUND

*Government Notice R645 in Government Gazette 33398, dated 20 July 2010. Commencement date: 30 July  
2010.*

#### As amended by:

*Government Notice R311 in Government Gazette 38687 dated 14 April 2015. Commencement date:  
14 April 2015.*

In terms of section 60 of the Lotteries Act, 1997 (Act No. 57 of 1997), I, Dr Rob Davies, Minister of Trade and Industry, hereby publish the regulations and the Form for application of grants in terms of Section 28(5), 29(5), 30(5) and 31(6) of the Act. The following regulations will be repealed with effect from 30 July 2010 -

Regulation No. 3446 published in the Government Gazette No. 21619 of 29 September 2000;  
Regulation No. 6908 published in the Government Gazette No. 21696 of 27 October 2000;  
Regulation No. 1468 published in the Government Gazette No. 27118 of 15 December 2004;  
Regulation No. 1863 published in the Government Gazette No. 28130 of 13 October 2005;

**Dr Rob Davies, MP**  
**Minister of Trade and Industry**

### REGULATIONS RELATING TO ALLOCATION OF MONEY IN NATIONAL LOTTERY DISTRIBUTION TRUST FUND

#### 1. Definitions

1.1 In these regulations, unless the context otherwise indicates-

"the Act" means the Lotteries Act, 1997 (Act No. 57 of 1997)

#### 2. Percentages in respect of allocation of funds (see 26(1))

2.1 The balance in the fund as contemplated in section 26(3) of the Act, shall be allocated as follows:

Prepared by:



In partnership with:



2.1.1 ....

*(Regulation 2.1.1 deleted by regulation 2(a) of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

2.1.1 for charitable expenditure, not more than forty seven percent (47%);

*(Regulation 2.1.1 substituted by regulation 2(b) of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

2.1.2 for expenditure on or connected with the development of sport and recreation, not more than twenty eight percent (28%);

*(Regulation 2.1.2 substituted by regulation 2(b) of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

2.1.3 for expenditure on or connected with the arts, culture and the national historical, natural, cultural and architectural heritage not more than twenty three percent (23%); and

*(Regulation 2.1.3 substituted by regulation 2(b) of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

2.1.4 for expenditure in respect of miscellaneous category not more than two percent (2%).

*(Regulation 2.1.4 substituted by regulation 2(b) of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

*(Remainder of sub-regulation 2.1 renumbered by regulation 2(b) of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

### **3. Requirements for the allocation of funds for charities (see 28)**

3.1 A juristic person applying for a grant in terms of section 28 of the Act shall:

3.1.1 be an organization or institution established for charitable, benevolent or philanthropic purposes, including friendly societies, welfare organizations and conduit organizations or trusts in respect of any such organization or institution;

3.1.2 state that its income and property are not distributable to its members, employees or managers, except as reasonable compensation for services rendered;

3.1.3 indicate that changes in the composition of its membership or management will not substantially affect its continued existence;

3.1.4 establish that it aims to improve quality of life of people and communities who are disadvantaged by poverty or social exclusion;

3.1.5 establish that it:

- (a) funds or intends to fund projects which enable people to become involved in activities which improve the quality of life of the community as a whole;
- (b) funds or intends to fund projects which assist those at greatest disadvantage or excluded from the community, especially projects pertaining to elderly people, the disabled and children or;
- (c) provides or intends to provide facilities for the under privileged;

3.1.6 indicate that the projects undertaken or to be undertaken shall be for the public good and that there is a clear demand thereof;

3.1.7 indicate that the intended project produces or will produce significant improvements or new developments which would not have otherwise taken place;

3.1.8 establish that the project or intended project is financially viable and capable of being implemented;

3.1.9 establish that it has adequate measures and procedures for the proper application of sound economic and effective management;

3.1.10 ensure that proper accounting records are kept;

3.1.11 furnish a written report pertaining to its financial state of affairs and activities; and

3.1.12 indicate the procedure for changing its constitution in respect of its aims.

#### **4. Requirements for the allocation of funds for sport and recreation (see 29 d))**

4.1 A juristic person applying for a grant in terms of section 29 of the Act shall:

- (1) be a body established for sport or recreational purposes;
- (2) state that its income and property are not distributable to its members, employees or managers except as reasonable compensation for services rendered;
- (3) indicate that changes in the composition of its membership or management will not substantially affect its continued existence;

- (4) establish that it:
  - (a) funds or intends to fund projects which enable people to become involved in activities which contribute to the development of sports and recreation;
  - (b) funds or intends to fund projects which assists disadvantaged communities to become involved in sporting or recreational activities;
  - (c) provides or intends to provide sporting or recreational facilities which are accessible to communities, including children and the disabled;
  - (d) will reasonably maintain such facilities
- (5) indicate that the projects undertaken or to be undertaken shall be for the public good and that there is a clear demand therefore;
- (6) indicate that the project or intended project produces or will produce significant improvements or new development in sport or recreation which would not otherwise have taken place;
- (7) ensure that the project or intended project is financially viable and capable of being implemented;
- (8) ensure that it has adequate measures and procedures for the proper application of sound, economic, efficient and effective management;
- (9) ensure that proper accounting records are kept;
- (10) furnish a written report pertaining to its financial state of affairs and activities; and
- (11) indicate the procedure for changing its constitution in respect of its aims.

## **5. Requirements for the allocation of funds for arts, culture and national heritage (see 30(1))**

### **5.1 A juristic person applying for a grant in terms of section 30 of the Act shall:**

- (1) be a body established to promote the arts, culture or the national historical, natural, cultural or architectural heritage;
- (2) state that its income and property are not distributable to its members, employees or managers, except as reasonable compensation for services rendered;

- (3) indicate the changes in the composition of its membership or management will not substantially affect its continued existence;
- (4) ensure that it aims:
  - (a) to enable people throughout the Republic to enjoy a range of art activities both as audience and participants;
  - (b) to make the arts accessible to more people;
  - (c) to help remove barriers to enjoyment of the arts which may be caused by inadequate facilities; or
  - (d) to promote consciousness of, or to preserve, culture or national historical, natural or architectural heritage;
- (5) ensure that it:
  - (a) funds or intends to fund projects:
    - (aa) which address the under-provision of facilities outside the principal centres of population;
    - (bb) to improve or refurbish existing venues;
    - (cc) within art forms which are inadequately provided for;
    - (dd) which extend access to the arts; or
    - (ee) which promote consciousness and aim to preserve culture or the national historical, natural, cultural or architectural heritage;
  - (b) enables people to become involved in activities which contribute to the development of the arts, culture or the National historical, natural, cultural or architectural heritage;
  - (c) funds or intends to fund projects which assist disadvantaged communities to become involved in the arts, culture or the national historical, natural or architectural heritage;
  - (d) provides or intend to provide facilities in respect of the arts, culture or national historical, natural or architectural heritage which are accessible to communities;

- (e) indicate that the projects undertaken or to be undertaken shall be for the public good and that there is a clear demand therefore;
- (f) indicate that the project undertaken or to be undertaken shall safeguard and enhance the natural, cultural or architectural heritage of South Africa;
- (g) indicate that the project or intended project will produce historical, natural, cultural or architectural heritage which would not otherwise have taken place;
- (h) establish that the project or intended project is financially viable and capable of being implemented;
- (i) establish that it has adequate measures and procedures for the proper application of sound, economic, efficient and effective management;
- (j) keeps proper accounting records;
- (k) furnishes a written report pertaining to its financial state of affairs and activities; and
- (l) indicates the procedure for changing its constitution in respect of its aims.

## **6. Requirements for the allocation of funds for miscellaneous purposes (Sec 31)**

6.1 A juristic person applying for a grant in terms of section 31 of the Act, in respect of any matter approved by the Minister as contemplated in section 26(3)(e) of the Act, shall:

- (a) state that its income and property are not distributable to its members, employees or managers, except as reasonable compensation for services rendered;
- (b) indicate that changes in the composition of its membership or management will not substantially affect its continued existence;
- (c) ensure that it aims to improve the quality of life of people and communities who are disadvantaged by poverty or social exclusion;
- (d) indicate that the projects undertaken or to be undertaken shall be for the public good and that there is a clear demand therefore;
- (e) indicate that the project undertaken or to be undertaken shall promote social inclusion and encourage community involvement;

- (f) indicate that the project or intended project produces or will produce significant improvements or new development which would not otherwise have taken place;
- (g) ensure that the project or intended project is financially viable and capable of being implemented;
- (h) ensure that it has adequate measures and procedures for the proper application of sound, economic, efficient and effective management;
- (i) ensure that proper accounting records are kept;
- (j) furnish a written report pertaining to its financial state of affairs and activities; and
- (k) indicate the procedure for changing its constitution in respect of its aims.

## **7. Application Forms for grant (see s 28(5), 29(5), 30(5) and 31(6))**

7.1 Any application for a grant in terms of section 28(5), 29(5), 30(5) and 31(6) of the Act shall be made to the distributing agency on the Form 2010/1 in the Annexure.

### **Categories of Grants**

(8) The National Lotteries Commission must categorise the grant funding as follows:

- (a) small grants for application of funding not exceeding five hundred thousand rand (R500, 000.00);
- (b) medium grants for application of funding for more than five hundred thousand rand (R500, 000.00) but does not exceed five million rand (R5, 000, 000.00); and
- (c) large grants for application of funding in excess of five million rand (R5, 000, 000.00).

*(Regulation 8 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

(9) Irrespective of the amount applied for, the Distribution Agency shall in its discretion determine the amount to be made to each approved applicant, after duly considering the monies available for distribution, the number of applications received and government priorities.

*(Regulation 9 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

(10) An applicant to whom a small grant is made must, at such period as may have been imposed at the time when a grant is made submit to the National Lotteries Commission a report detailing how the

grant funds were used, together with all supporting invoices and any other relevant documents for the purposes of financial accounting.

*(Regulation 10 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

- (11) An applicant to whom a medium grant is made must, at such period as may have been imposed at the time when a grant is made, submit to the National Lotteries Commission an independently reviewed financial statement.

*(Regulation 11 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

- (12) An applicant to whom a large grant is made must, at such period as may have been imposed at the time when a grant is made, submit to the National Lotteries Commission an audited financial statement in respect of the grant so awarded, provided that an applicant who has been awarded a grant amounting to not more than ten million rand (R10 000 000-00) is, subject to Regulation 13, only required to submit an independently reviewed financial statement.

*(Regulation 12 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

- (13) Irrespective of the amount of grant made to an applicant, if that applicant is already required to submit an audited financial statement in terms of any other law, the said applicant must submit to the National Lotteries Commission an audited financial statement.

*(Regulation 13 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

- (14) No applicant to whom a grant was made by the National Lotteries Commission shall be eligible to apply for another grant within a period of twelve (12) months from the date of receipt of that grant, irrespective of whether the project is different from the one previously applied for.

*(Regulation 14 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

- (15) Where an organisation submits an application for multi-year funding, the National Lotteries Commission in consultation with the Minister may, prior to approval of funds for a maximum period of three (3) years, consider the availability of funds and government priorities, subject to these Regulations.

*(Regulation 15 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

- (16) Notwithstanding the provisions of these Regulations the National Lotteries Commission may at any time conduct a site visit in order to verify any information and operations of the organisation which has applied for or received a grant from the National Lotteries Commission.



*(Regulation 16 inserted by regulation 3 of Government Notice R311 in Government Gazette 38687 dated 14 April 2015)*

## **General**

These regulations shall be called Regulations Relating to Allocation of Money in National Lottery Distribution Trust Fund and will come into operation on 30th of July 2010.

**APPLICATION FOR A GRANT IN TERMS OF THE LOTTERIES ACT (ACT NO.57 OF 1995)****INSTRUCTIONS**

- 1 Please indicate (with a cross in the relevant box) if your application for a grant is in terms of:
- ☐ Charities (Section 28 of the Act)
  - ☐ Sport and Recreation (Section 29 of the Act)
  - ☐ Arts, Culture and National Heritage (Section 30 of the Act)
  - ☐ Miscellaneous Purposes (*any purpose other than the three categories above*)(Section 31 of the Act)
- 2 This application form is in five parts:
- In section A: Details of the organization.
  - In section B: Explanation on the funding required.
  - In section C: Information of organization finances.
  - In section D: Details of at least two contactable Referees.
  - In section E: Mandatory documents to be submitted with the application form.

**NB: If there is not enough space on this form for your answer, please use and attach further sheets of paper**

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**SECTION A**  
**DETAILS OF YOUR ORGANIZATION**

- A1** Name of organization .....
- A2** Postal address: .....  
Postal Code: .....
- A3** Street address: .....  
.....  
Province: .....
- A4** Telephone number: ..... **A5** Fax number: .....
- A5** E-mail address: .....
- A6** When was your organization formed: .....

Prepared by:



In partnership with:



**A7** What kind of registered organization are you? (E.g. Non-Profit Organization, Section 21 Company, Public Benefit Trust): .....

**A8** When was your organization registered? .....

**A9** Registration number: ..... (Please attach a copy of your registration certificate)

**A10** Details of the main contact person with executive powers (e.g. Manage/Programme Director)

Name: ..... Position: .....

South African I.D. Number: ..... (Attach Certified Copy of ID)

Address: ..... Tel: .....

**A11** Details of a second contact person (e.g. Chairperson):

Name: ..... Position: .....

South African I.D. Number: ..... (Attach Certified Copy of ID)

Address: ..... Tel: .....

**A12** Names and positions of the Members of the Management Committee: (Members are required to attach certified copy of ID):

1 Name: ..... Position: .....

I.D. Name: ..... Tel: .....

2 Name: ..... Position: .....

I.D. Name: ..... Tel: .....

3 Name: ..... Position: .....

I.D. Name: ..... Tel: .....

4 Name: ..... Position: .....

I.D. Name: ..... Tel: .....

5 Name: ..... Position: .....

I.D. Name: ..... Tel: .....

**A13** Are you affiliated to any organizations? ..... If Yes, name them: .....

.....

**A14** Are you an umbrella body? ..... If Yes, what organization are you affiliated to:

..... (Attach a list if necessary)

**A15** Describe the main purpose of your organization: .....

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.....

**A16** Describe the nature of services and/or products that your organization provides AND the people who will benefit from the services and/or products:

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**A17** In which province/s do you operate? (Tick next to the province/s that apply to you)

Eastern Cape ..... Free State ..... Gauteng .....

KwaZulu Natal ..... Limpopo ..... Mpumalanga .....

Northern Cape ..... North West ..... Western Cape.....

**A18** Please fill in the information below on your staff composition

NO OF PAID STAFF		NO OF VOLUNTEERS	
No. of full-time staff	No. of part-time staff	No. of full-time volunteers	No. of part-time volunteers

**A19** Please provide current employment equity status/equity plan for your organization

## SECTION B

### THE FUNDS YOU ARE APPLYING FOR, AND HOW YOU WILL USE THEM IF GRANTED.

**B1** Are you applying for: (Tick the relevant box?)

- ☐ A grant in support of your overall operations? OR
- ☐ Funding for specific projects? If Yes, they are:
- ☐ Already in existence?
- ☐ An expansion?
- ☐ New?

**B2** What amount of money are you requesting? .....

**B3** For what period? (EG. 1 year, 2 years, multi year etc.) .....

**B4** Please attach a detailed budget with a motivation on the utilization of grant. For capital expenditure attach supporting documents such as quotations, architectural and proof of ownership.

**B5** Indicate which groups of people will benefit from the funding, if granted and how many? [Give members]

Children:	.....	Women:	.....
Children with disabilities:	.....	Adults with disabilities:	.....
Youths:	.....	The elderly:	.....
People living with HIV/AIDS:	.....	The chronically ill:	.....
Drug Abusers:	.....	Criminal Offenders:	.....
The Unemployed:	.....	The homeless:	.....
Other (specify): .....			

**B6** Indicate the specific areas where the people who will benefit from the funds reside:

.....

.....

.....

.....

**B7** Have you benefited from the fund before? If Yes fill in the box

Project Number	Year	Amount received and what for?	Have you submitted all the progress reports?

**B8** If you applied but were not funded, please give reasons

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## SECTION C

### INFORMATION ON YOUR ORGANIZATION'S FINANCIAL DETAILS

**C1** Bank details

Name in which the account is held: .....

Name of Bank: .....

Prepared by:

In partnership with:

Type of account: ..... Account number: .....  
 Branch: ..... Branch Code: .....

**C2** List 3 people who are authorized to sign cheques on your account/s:

Name: .....	Position in Organization:.....
Name: .....	Position in Organization:.....
Name: .....	Position in Organization:.....

## SECTION D REFEREES

Please give the details of three credible referees from the community in support of your application e.g. police commissioner, religious leader, local councilor, etc. Referees must be independent and may NOT be employees, Committee members or volunteers)

1. Name: ..... Position: .....  
 Tel: .....
2. Name: ..... Position: .....  
 Tel: .....
3. Name: ..... Position: .....  
 Tel: .....

## SECTION E MANDATORY DOCUMENTS

**The following documents should be attached to this form as applicable**

- ☐ Organizational founding documents (this requirements is applicable to organizations that have not previously been funded by the NLDTF or if the objectives of the organization have since changed)
  - *Constitution/Articles and Memorandum of Association/Trust deed*
  - *Institutions established by an Act of Parliament must only cite the enabling Act*
  - *Proof of registration for non-profit organizations, section 21 companies, Public Benefit Trusts and schools registered with the d Department of Education (except private schools)*
  - *(Municipalities and Tertiary Institutions are excluded from this requirement but they must cite the enabling Act).*
- ☐ Detailed project business plan
- ☐ Detailed Project Budget (specific line items with unit cost, quantities, total cost per item)
- ☐ Project motivation
- ☐ Most recent annual financial statements of the organizations:-

- *for a year for organizations that have previously received funding from NLDTF*
- *for two consecutive years signed and dated by a registered and independent Accounting Officer or an Auditor in the case of organizations that have not been previously funded by the NLDTF*

- ☐ Signed Auditors report or Accounting Officer
- ☐ Applications for declared heritage site development/renovations must be accompanied by approval from relevant provincial or national authority.

#### DECLARATION

I ..... confirm, on behalf of: ..... (Name of organization) that I am authorized to sign this declaration, and that to the best of my knowledge all answers to the questions on this form are accurate. If this application is successful, this organization will use the grant only for the purposes confirm that the organization has the power to accept the grant subject to conditions and repay the grant if the grant conditions are not met.

Name: .....

South African Identity number: .....

Position in organization: .....

Date: .....

Signature: .....