

## SPORT & RECREATION SECTOR 2015 GUIDELINES

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The 2015 Sport & Recreation call for applications consists of the following portfolio of documents:

- FORM 2010/1 – Medium Grants - More than R500 000.00, but not exceeding R5m
- FORM 2010/2 – Small grants - Up to R500 000.00
- 2015 Guidelines
- Project Business Plan, Budget & Project Motivation Template for Medium Grants (Annexure A)
- Project Business Plan, Budget & Project Motivation Template for Small Grants (Annexure A 1)
- Supplementary Form in support of agent/representative/conduit (Annexure B1)
- Capacity Building Template for agent/representative/ conduit assisting another organisation

Please read these Guidelines and the required templates carefully before you complete the application form as they will help you complete the application pack.

Refer to the Documents Checklist at the end of these Guidelines for the list of Mandatory Documents that must be submitted with the application.

## A. CALL FOR APPLICATION DATES

Category of Grant	Amount	Opening Date	Closing Date	Application Form
1. Small Grants	Up to R500 000	11 October 2015	23 November 2015	<b>FORM 2010/2</b>
2. Medium Grants	R500 001 - R5 000 000	25 October 2015	30 November 2015	<b>FORM 2010/1</b>

## B. APPLICATIONS

- All applications must be completed on the identified **prescribed** application forms as follows:
  - Clearly identify the **SECTOR** which you are applying to, in the list provided at the top of the Application Form. Only applications for the **Sport & Recreation** sector will be considered.
  - All** five (5) pages of the prescribed application form (as applicable for the category you are applying for) must be **fully** completed and the **Declaration** on the last page **MUST** have the **full name of the person submitting the application** on behalf of the organisation.
  - The **name of the applicant organisation MUST** be clearly indicated and the form must be **signed and dated**. Applications that do not comply with this requirement will be declined.
  - The application form must be signed by any one of the two (2) main contact persons indicated in the application form.
  - Signatories to the application form must hold a valid South African identity document.
- Do not** change or re-type the format of FORM 2010/1 and FORM 2010/2 as they are **legal documents** that have been gazetted.
- The total amount requested for projects must be in **in line with the amounts and categories reflected in Section A of the Guidelines**, and within the additional limits set for the different sports bodies in the call for applications.
- The registered name of the organisation must be the same on the application form and all the following supporting documents:
  - Prescribed application form (FORM 2010/1 or FORM 2010/2, as applicable);
  - Proof of Registration as NPO, NPC (formerly Section-21 Company), Public Benefit Trust, Letter of Affiliation from the relevant Sports Body.
  - Founding documents (Constitution, Trust Deed or Memorandum and Articles of Association / Memorandum of Incorporation);
  - The name of the bank account;
  - Annual Financial Statements and Financial Records of the organisation (as applicable).

### PLEASE NOTE:

- If the names on any of the above mandatory documents differ, it could have a negative impact on the adjudication of your application.
- Where there has been a **change of name, proof in the form of** a signed and approved copy of the Special Resolution, amended constitution or Minutes of the Meeting or a Change of Name certificate detailing the name change must be submitted.

## 5. REQUIREMENTS FOR DIFFERENT CATEGORIES OF GRANTS

### 5.1 SMALL GRANTS: Up to R500 000.00

The following **MANDATORY** documents **must be submitted** together with the fully completed application form, **FORM 2010/2**:

- a) The applicant organisation's **founding documents** (this requirement is applicable to organisations that have not previously been funded by the NLDTF or if the objectives of the organization have since changed.)
  - Constitution / Trust Deed / Memorandum and Articles of Association / Memorandum of Incorporation
  - Institutions established by an Act of Parliament must only cite the enabling Act
  - Proof of registration for non-profit organisations, non-profit company and public benefit trusts
  - Universities are excluded from this requirement but they must cite the enabling Act
- b) A Letter of Affiliation from the relevant Sports Body, where applicable
- c) Detailed Project Business Plan, Budget and Project Motivation. (Specific line items with unit cost, quantities, total cost per item)
- d) Mandatory requirements for a Conduit/Agents/Representative in the case of such applying on behalf of organisations as indicated in Section B below;
- e) The Financial Records comprising of the following:
  - Statement of Assets (Land, Buildings, Vehicles, Cash, etc.) & Liabilities (Loans, Bank Overdraft, Creditors, etc.) for minimum of 3 months ;
  - Statement of Income & Expenses for minimum of 3 months ;and
  - Bank Statements for the most recent 3 months.

**PLEASE NOTE:**

- **Applications that do not meet mandatory requirements will be declined.**

### 5.2. MEDIUM GRANTS: More than R500 000.00, but not exceeding R5m

The following **MANDATORY** documents **must be submitted** together with the fully completed application form, **FORM 2010/1**.

- a) Organisational founding documents (this requirement is applicable to organisations that have not previously been funded by the NLDTF or if the objectives of the organisation have since changed.)
  - Constitution / Memorandum and Articles of Association / Memorandum of Incorporation / Trust Deed
  - Institutions established by an Act of Parliament must only cite the enabling Act
  - Proof of registration for non-profit organisations (formerly Section-21 companies), public benefit trusts
  - Universities are excluded from this requirement but they must cite the enabling Act

- b) A Letter of Affiliation from the relevant Sports Body
- c) Detailed Project Business Plan, Budget and Project Motivation Template (Specific line items with unit cost, quantities, total cost per item).
- d) Most recent annual financial statements of the organisation: -
  - For the most recent financial year, signed and dated by a registered and independent Accounting Officer or an Auditor, in the case for organisations that have previously received funding from the NLDTF,
  - For the two most recent consecutive financial years, signed and dated by a registered and independent Accounting Officer or an Auditor, in the case of organisations that have not been previously funded by the NLDTF.
- e) Signed and dated Auditor's or Accounting Officer's Report

**PLEASE NOTE:**

**Applications that do not meet the mandatory requirements will not be considered.**

## **6. IMPORTANT ANNUAL FINANCIAL STATEMENT INFORMATION FOR MEDIUM GRANTS**

- 6.1. Organisations that have received funding from the NLDTF must attach **one complete set of the most recent year's ANNUAL FINANCIAL STATEMENTS with comparative figures.**
  - 6.2. Organisations that have never been funded by the NLDTF must attach **complete sets of the two most recent ANNUAL FINANCIAL STATEMENTS.**
    - **The annual financial statements must be for two consecutive years** (e.g. 2013/2014 and 2014/2015). In other words, financial statements for two financial years, following each other without interruption.
    - Furthermore, the Annual Financial Statements **MUST** be signed and dated by a **registered, independent Accounting Officer or Auditor** in line with the requirements of the professional body with which he/she is registered. **Please see list of the recognised Professional Accounting and Auditing bodies below.**
- a) **New applicants** are required to submit:
    - 2014/2015 and 2013/2014 annual financial statements, if your financial year end is before 28 February 2015, or
    - 2013/2014 and 2012/2013 annual financial statements, if your financial year end is after 28 February 2015
  - b) **Previously funded applicants** are required to submit:
    - 2014/2015 **audited or independently reviewed annual financial statements** if your financial year end is before 28 February 2015, or
    - 2013/2014 **audited or independently reviewed annual financial statements** if your financial year end is after 28 February 2015.

**PLEASE NOTE:**

Annual Financial Statements must be complete and **MUST** include the following:

- a detailed income and expenditure statement;
- a balance sheet;
- notes to the annual financial statement; and
- a **signed** and dated report from the accounting officer/auditor on a letterhead.

**Incomplete Financial Statements will render the application non-compliant and therefore not eligible for consideration.**

- 6.3. The Annual Financial Statements **must not** be submitted as part of an **Annual Report**. Annual Reports are not required, and if submitted, will not be considered. Please make it a point that you submit **only** the required annual financial statements.
- 6.4. The Accounting Officer/Auditor **must be registered, and in good standing**, with one of the Accounting or Auditing bodies below.
- 6.5. The Accounting Officer/Auditor must be independent and cannot be a member or an employee of the organisation.
- 6.6. Organisations **must** request proof of such registration with these bodies from their Accounting Officers/Auditors before they appoint the accounting officer/auditor to prepare their annual financial statements.
- 6.7. Annual Financial statements compiled by a student accounting officer, as well as employees of accounting firms not authorised to compile and sign financial statements will **not** be considered.

**6.8. Recognised Professional Bodies:**

- South African Institute of Chartered Accountants (SAICA)
  - Auditors registered with the Independent Regulators Board for Auditors (IRBA)
  - Chartered Secretaries of Southern Africa (CSSA)
  - Chartered Institute of Management Accountants (CIMA)
  - South African Institute of Professional Accountants (SAIPA)
  - Institute of Accounting & Commerce (IAC)
  - Association of Chartered Certified Accountants (ACCA)
  - Chartered Institute of Business Management (CIBM)
  - The South African Institute of Business Accountants (SAIBA)
  - The South African Institute of Government Auditors (SAIGA)
- 6.9. Please note that the NLDTF will, as part of the adjudication process, verify the registration of the Accountant Officer/Auditor with the professional bodies listed above. In addition, the NLDTF will verify that an Accounting Officer has actually prepared the financial statements submitted.
- 6.10. The NLDTF has noted with concern that fraudulent and fabricated statements have been submitted in the past and will take measures against the applicant and Accounting Officer/ Auditor should this be the case with your application.

6.11. Please note that the following will not be accepted:

- a) Draft annual financial statements;
- b) Unsigned and undated Annual Financial Statements.
- c) Management Accounts

7. Please note that the names and positions of no less than **3 bank signatories**, who are office bearers or officials and **who are not related**, must be given in the prescribed form (Section C2 of FORM 2010/1 or FORM 2010/2).
8. **The referees identified in Section D of FORM 2010/1 or FORM 2010/2 must be independent** of the organisation and may be a municipal councillor, a traditional leader, a Minister of any Church, an official of a sports related government department.

Referees must **NOT** be any of the following:

- a) Employees of the organisation;
- b) Members of the Board and management committee or their family members, relatives or friends;
- c) Volunteers involved with the organisation;
- d) Any person who provides/supplies services to the organisation.

### **C. CONDUIT/AGENT REPRESENTATIVE APPLICATIONS**

9. The National Lotteries Commission shall consider applications for funding from organisations that apply through an agent, representative or conduit if:
- a) The organisation has been in **existence for less than six (6) months** on the date of submission of the application; or
  - b) There is a clear need for a project in a community and that community is not organised through a recognised legal entity.
10. The application must be submitted by an agent/representative/conduit and must be accompanied by a **statement by the organisation**, providing reasons why it requires assistance from such agent/representative/conduit.
11. The agent/representative/conduit must outline the **nature of assistance** it will provide to the organisations/communities.
12. The total amount that may be charged by the agent/representative/ conduit for services rendered by it to the beneficiary may not exceed five percent (5%) of the amount of the grant, provided that the maximum amount charged shall not exceed one hundred and fifty thousand rand (R150 000.00).
13. The administration fee included in the application must be accompanied by a budget breakdown, inclusive of:
- a) the mentoring & coaching element,

- b) monitoring of project implementation,
- c) travel,
- d) bank charges,
- e) as well as the compilation of progress reports.

**Note:** The amount to be charged for services rendered mentioned in this section does not refer to people and/or organisations (consultants) that assist beneficiaries to complete application forms during call for applications.

14. An agent/representative/conduit must have the knowledge, **competence and skills** to assist applicant organisations or communities.
15. **Skills transfer, mentoring and capacity building** will form the basis for considering an application from an agent/representative/conduit application.
16. An agent/representative/conduit must **submit a detailed plan**, setting out how it will transfer the requisite skills to build the capacity of the assisted organisation or community.
17. An agent/representative/conduit **must furnish a report to the NLC** on the actual execution of the plan referred to above, within six (6) months of the first tranche payment or such periods as has been determined in the terms and conditions of the grant.
18. Both the agent, representative or conduit and assisted organisation or Community should be **located within the same province** and/ or **geographical area** within a radius of 400km to ensure that the former is able to render the required support to the latter. Deviations may be considered where there are insufficient registered organisations in a province or due to geographic challenges.
19. Agents/representatives/conduits **may apply separately** for their own project and operations. This separate application must include the mandatory documents and other required templates relevant to their category.
20. The agents/representatives/conduits must be a registered NPO/NPC and previously funded. **Please note:** Cooperatives and for-profit organisations cannot act as an agent/representative/conduit.
21. The **assisted organisation** must have a valid **constitution** or other form of **founding documentation** (i.e. Trust deed, memorandum of incorporation, articles of association), a properly constituted **management committee**, and own **bank account**. This is not applicable to Communities applying through agents/representatives/conduits.
22. **Objectives** of the agent, representative or conduit and assisted organisation or Community **should be similar** and/ or under the same NLDTF sector.
23. The **maximum** number of organisations or Communities to be assisted by an agent, representative or conduit at any one time is **two (2)**;
24. **Assisted organisations** or Communities **may only apply with one agent**, representative or conduit at any given time

**D. IN ADDITION TO THE AFOREMENTIONED, APPLICANTS ARE ALSO REQUIRED TO SUBMIT THE FOLLOWING DOCUMENTATION/INFORMATION:**

25. Applications that include requests for **capital equipment** must include at least three QUOTATIONS from credible local suppliers. Brochures are not accepted as quotations.

26. **Do not include any other documents** that are not requested in the prescribed application form and these Guidelines. Adjudication is based **only** on the information contained in the required documents.
27. **Organisations that have received funding previously and have not submitted all outstanding Progress and Final Reports (both narrative and Financial) in accordance with the Grant Agreement will NOT be considered.**
28. Certified copies of the Identity Documents of the 2 Contact persons and all Members of the Management Committee listed on page 2 of application FORM 2010/1 and FORM 2010/2 must be submitted. **Please note that the NLC will only liaise with the two identified contact persons.**

## **E. EXCEPTIONS**

### **29. APPLICATIONS THAT WILL NOT BE CONSIDERED**

- Late applications.
- Incomplete applications, where **ALL** mandatory documents are not submitted.
- Applications not on the prescribed FORM 2010/1 for organisations applying for above R500 000.
- Applications not on the prescribed FORM 2010/2 for organisations applying for up to R500 000.
- Faxed or emailed applications.
- Applications on Compact Disc (CD).
- Applicants that have not submitted all the required Progress Reports and complied with the provisions of the Grant Agreement on any previous NLDTF funding.
- Applications from organisations whose previous projects were declined, cancelled or withdrawn due to fraud, corruption and other maladministration will not be considered.

## **F. GENERAL GUIDELINES**

30. Every organisation that receives a grant from the National Lotteries Commission shall, in procuring goods and services paid for by the grant, follow a transparent and competitive process as set out in the Treasury Regulations.
31. When submitting budgets, applicants should clearly unpack their budget items to the finest details. Budget items such as Administration/Contingency Fee, will not be considered if not unpacked and itemised.
32. Requests for vehicles will not be considered in this call for applications.
33. Multi-Year Applications will not be considered in this call for applications.
34. Only one application per organisation will be accepted. Organisations whose application comprises of multiple projects must ensure that only **ONE** application is submitted clearly identifying all the different projects.



35. **PROOF OF REGISTRATION** for services that require registration in terms of any law, where applicable, must be submitted. *Where such registration is not available at the time of submitting the application a letter of support from the relevant department/authority must be provided.*
36. Founding Documents (constitution/articles and memorandum of association/incorporation/trust deed) must be signed and dated.
37. The National Lotteries Commission **does not sell** Application Forms, Guidelines and any other applications documentation. Applicants should not pay for these documents from any other person or organisation.
38. Applicants are advised **not to pay** for assistance in completing applications forms. Payment for such services from the allocated grant will constitute a breach of grant agreement.
39. The following clause of the new regulations will not be applicable in this call for applications; *“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.”*

**PLEASE NOTE:**

**THESE GUIDELINES PROVIDE THE KEY CRITERIA WHICH WILL SERVE AS A BASIS FOR THE ADJUDICATION OF APPLICATIONS. NON-COMPLIANCE IN TERMS OF THE LOTTERIES AMENDMENT ACT, 2013 (ACT NO. 32 OF 2013), THE REGULATIONS FOR THE ACT AND THESE GUIDELINES WILL RENDER THE APPLICATION NON-COMPLIANT.**

**THE NLC RESERVES THE RIGHT NOT TO MAKE GRANTS, OR TO DETERMINE THE AMOUNT TO BE ALLOCATED.**

Should you need any further clarification on the application form and related documents please contact the Information Call Centre on 08600 65383 or any one of the NLC regional offices.

## **DOCUMENTS CHECKLIST**

### **SMALL GRANTS CHECKLIST**

• FORM 2010/2	
• Proof of Registration as NPO, Non Profit Company (formerly Section-21 Company), Public Benefit Trust, Letter of Affiliation	
• Founding documents [Constitution, Trust Deed, Memorandum & Articles of Association]	
• Project Business Plan, Budget & Project Motivation	
• Certified copies of the South African IDs of the 2 Contact persons and the Members of the Management Committee listed on page 2 of application FORM 2010/2	
• Financial Records	
<b>Where applicable</b>	
• Proof of registration for services that requires registration in terms of any law, where applicable.	
• Quotations for all goods and services	

### **MEDIUM GRANTS CHECK LIST**

• FORM 2010/1	
• Proof of Registration as NPO, Non Profit Company (formerly Section 21 Company), Public Benefit Trust, Letter of Affiliation	
• Founding documents [Constitution, Trust Deed, Memorandum & Articles of Association]	
• Project Business Plan, Budget & Project Motivation	
• Certified copies of the South African IDs of the 2 Contact persons and the Members of the Management Committee listed on page 2 of application FORM 2010/1	
• Annual Financial Statements	
• Signed Auditors report or Accounting Officer	
<b>Where applicable</b>	
• Proof of registration for services that requires registration in terms of any law, where applicable	
• Quotations for all goods and services	

**FOR CONDUITS/AGENTS:**

<ul style="list-style-type: none"><li>• Form 2010/1 or Form 2010/2 for each organisation/community that will be assisted.</li></ul>	
<ul style="list-style-type: none"><li>• Skills Transfer and Capacity Building Plan</li></ul>	
<ul style="list-style-type: none"><li>• Relevant mandatory documents as indicated above</li></ul>	
<ul style="list-style-type: none"><li>• Statement by the applicant providing reasons why it requires assistance</li></ul>	
<ul style="list-style-type: none"><li>• Statement by the agent, representative or conduit on the nature of assistance it will provide to the applicant</li></ul>	
<b>Other Conduit Documents:</b>	
<ul style="list-style-type: none"><li>• Supplementary Form for agent/ representative/conduit applying on behalf of beneficiary organisation/community</li></ul>	