

SPORT & RECREATION SECTOR

2019-20 OPEN CALL FOR APPLICATIONS

APPLICATION GUIDELINES

The Sport and Recreation Sector's Call for Applications consists of the following documents that make up the Application Pack:

- FORM 2010/2 - Small Grants - Up to R500,000.00
- FORM 2010/1 - Medium Grants - R500,001.00 to R5 million
- Application Guidelines
- Project Business Plan and Budget Template (Annexure A)
- Supplementary Form in support of Agent / Representative / Conduit (Annexure B1)
- Capacity Building Template for Agent / Representative / Conduit assisting another Organisation

Please familiarise yourself with all the documents as they will help you to complete the application.

Please read the Guidelines carefully before you complete the Application Form and the required templates.

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

PLEASE NOTE:

Applications without all mandatory documents will not be accepted. However, applicants may submit applications once they meet all mandatory requirements.

A. APPLICATIONS

1. All applications must be completed on the identified prescribed Application Forms as follows:

Category of Grant	Amount	Application Form
Small Grants	Up to R500,000.00	Use FORM 2010/2
Medium Grants	R500,001.00 - R5 million	Use FORM 2010/1

Clearly identify the **SECTOR** you are applying to, in the list provided at the top of the Application Form - **Sport & Recreation**.

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 not be accepted.

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.

2. **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.

3. The **total amount requested** for projects must be 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.

4. The **Registered Name** of the Organisation **must be the same** on the Application Form and all the following supporting documents:
 - a) **Prescribed Application Form** (FORM 2010/1 or FORM 2010/2), as applicable;
 - b) **Proof of Registration** as NPO, NPC (formerly Section-21 Company), Public Benefit Trust, Letter of Affiliation from the relevant Sports Body.
 - c) **Founding documents** - Constitution, Trust Deed or Memorandum and Articles of Association / Memorandum of Incorporation;
 - d) The name of the **Bank Account**;
 - e) **Annual Financial Statements** and Financial Records of the Organisation (where applicable).

Please Note: If the names on any of the above mandatory documents differ, it could have a negative impact on the adjudication of the 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 prescribed Application Form, **FORM 2010/2**:

- a) The applicant Organisation's **Founding Documents** (signed and dated):
- 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 (formerly Section 21 Company) and Public Benefit Trusts

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.

- 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 and motivation)
- d) The Financial Records comprising of the following:
- **Most recent bank statement in the name of the organisation (i.e. not older than three months)**
- e) Mandatory requirements for a Conduit/ Agents/ Representative in the case of such applying on behalf of organisations as indicated in Section B below;

Organisations that have been previously funded and are applying in this category must be fully compliant with the terms of the Grant Agreement, including Progress Reports.

Please note:

Applications without all mandatory documents will not be accepted. However, applicants may submit applications once they meet all mandatory requirements.

5.2. **Medium Grants: R500, 001.00 to R5 million**

The following **MANDATORY** Documents **must be submitted** together with the fully completed Application Form, **FORM 2010/1**.

- a) Organisational Founding Documents:
- **Founding Document** – Constitution/Memorandum and Articles of Association/ Memorandum of Incorporation / Trust Deed. These must be signed and dated,

- Institutions established by an Act of Parliament must only cite the enabling Act
 - **Proof of registration** for Non-Profit Organisations, Non-Profit Company (formerly Section-21 Company) and Public Benefit Trust.
- b) A **Letter of Affiliation** from the relevant Sports Body.
- c) Detailed **Project Business Plan and Budget** (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 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 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, on the firm's letterhead.

6. IMPORTANT INFORMATION REGARDING ANNUAL FINANCIAL STATEMENT 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 two (2) complete sets of the most recent years' Annual Financial Statements.
- Organisations that have never been funded by the NLC must attach the **two most recent complete sets of Annual Financial Statements**. These annual financial statements must be for **two consecutive years** (e.g. 2016/2017 and 2017/2018) for two financial years, following each other and without interruption.
 - Annual Financial Statements must include **comparatives figures** for the previous financial year.

- **Please note:** Annual Financial Statements must be approved **within six months of the financial year end**, as identified in the founding document/ constitution.
- The financial year end on the Financial Statements must **be aligned with the period stated in the founding documents**.
- Furthermore, the Annual Financial Statements **must be signed** and dated by a **registered, independent Accounting Officer or Auditor** on the firm's letterhead and prepared in line with the requirements of his/her professional body. Please refer to the recognised Professional Accounting and Auditing bodies below.

PLEASE NOTE:

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

- A detailed income and expenditure (profit and loss) statement;
- A balance sheet (statement of financial position)
- Notes on the financial statements
- Comparative figures for the previous financial year
- A signed and dated Auditor or Accounting Officer's report on the firm's letterhead;
- A signed and dated Board Members'/ Directors report
- Incomplete Annual Financial Statements will render the application non-compliant and therefore not eligible for consideration.

- 6.3 Financial Statements submitted as part of an **Annual Report** will not be accepted.
- 6.4 The Accounting Officer / Auditor **must be registered and in good standing for the applicable financial year(s) with** one of the Accounting or Auditing Bodies below.
- 6.5 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.

6.6 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.

6.7 **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)

Please note: Only an Auditor, registered with Independent Regulators Board for Auditors (IRBA), can give an opinion in Annual Financial Statements.

6.8 Please submit proof of registration of your Accounting Officer / Auditor as well as a letter from the Accounting Officer / Auditor, confirming that he / she signed the Annual Financial Statements submitted with application.

The NLC 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 prepared the Financial Statements submitted.

- 6.9 The NLC has noted with concern that fraudulent and fabricated statements have been submitted in the past. The NLC will take measures against the applicant and Accounting Officer / Auditor should this be the case with your application.
- 6.10 Please note that the following will not be accepted:
- Draft Annual Financial Statements;
 - Unsigned and Undated Annual Financial Statements or statements signed 'on behalf of' the auditor / accounting officer;
 - Management Account;
 - A Compilation Report.
7. Please note that the names and positions of no less than **three (3) bank signatories, who** are Office bearers or Officials **who are not related**, must be provided on the prescribed Application 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, and a Sport related Official of a Government Department.

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

- Employees of the Organisation;
- Members of the Board and Management Committee or their family members, relatives or friends;
- Volunteers involved with the Organisation;
- Any person who provides / supplies services to the Organisation.

B. BUDGET

- 9.1 The Sport & Recreation Distributing Agency reserves the right to decide on the amount

and the portion of the operations and / or project costs to be funded. Furthermore, the capping principle will also be used to ensure fair and equitable distribution.

- 9.2 Please use the format in the attached template. **Do not** submit a Project Business Plan in any another format because it will delay the adjudication of your application.
- 9.3 Please complete **all** the Sections of the Budget Template. Separate Budgets must be submitted for the project / programme / office applied for, together with a Consolidated Budget.
- 9.4 **Other sources of funding** for the same project must be clearly reflected as Income on the Budget Template.
- 9.5 The **amount requested** from the NLDTF as per the itemised list must include a clear **motivation** for the items requested. Do not use any other format and please motivate line items rather than the whole project / programme / office.
Failure to submit a motivation with the Application Form will result in your application not being accepted for consideration.
- 9.6 The total amount requested in the **Business Plan** must be equal to the amount reflected on **B2** of the prescribed Application Form (FORM 2010/1 or FORM 2010/2).

C. AGENT/ REPRESENTATIVE/ CONDUIT APPLICATIONS

10. The National Lotteries Commission shall consider applications for funding from Organisations that apply through an Agent / Representative / Conduit if:
 - The Organisation has been in **existence for less than six (6) months** on the date of submission of the application; or
 - There is a clear need for the project in a community and that community is not sufficiently established as a recognised legal entity.

11. 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 the Agent / Representative / Conduit.
 12. The Agent / Representative / Conduit must outline the **nature of assistance** it will provide to the Organisations / Communities.
 13. The **administration fee** for services rendered by the Agent / Representative / Conduit to the beneficiary may not exceed **five percent (5%)** of the total amount of the Grant, provided that the maximum amount shall not exceed one hundred and fifty thousand rand (R150 000.00).
 14. The administration fee included in the application must be accompanied by a Budget Breakdown, inclusive of:
 - mentoring & coaching;
 - monitoring of project implementation;
 - travel;
 - bank charges; and
 - preparing of progress reports.
- Please note:** The administration fees in this section does not refer to fees charged by consultants and / or Organisations that assist beneficiaries to complete Application Forms during Call for Applications.
15. An Agent / Representative / Conduit must have the knowledge, **competence and skills** to assist applicant Organisations or Communities.
 16. **Skills transfer, mentoring and capacity building** will form the basis for considering an application from an Agent / Representative / Conduit Application.
 17. 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.

18. 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 is determined in the terms and conditions of the Grant.
 19. Both the Agent / Representative / Conduit and assisted Organisation or Community should be located within the **same Province** and / or **geographical area** within a radius of 400 km to ensure that the former is able to render the required support to the latter. Exceptions may be considered where there is insufficient capacity in a Province or due to geographical challenges.
 20. Agents / Representatives / Conduits **may apply separately** for their own project and operations. This separate application must include all the Mandatory Documents and other required templates relevant to their category.
 21. Agents / Representatives / Conduits must be registered Non-Profit Organisations, Non-Profit Companies (formerly Section 21 Companies) or Public Benefit Trusts that have been previously funded by the NLC.
 22. The **Assisted Organisation** must have a valid **Founding Document** - Constitution, Trust Deed, Memorandum of Incorporation, Articles of Association - a properly constituted **Management Committee**, and own **Bank Account**, as detailed above. This is not applicable to communities applying through Agents / Representatives / Conduits.
 23. The **Objectives** of the Agent / Representative / Conduit and Assisted Organisation or Community **should be similar** and / or in the same NLDTF Sector that is being applied to.
 24. A conduit may **ONLY** apply for one (1) organisation/ community.
 25. **Assisted Organisations** or Communities **may only apply with one** Agent/ Representative / Conduit at any given time.
- D. IN ADDITION TO ALL THE ABOVE REQUIREMENTS, APPLICANTS ARE ALSO REQUIRED TO SUBMIT THE FOLLOWING DOCUMENTATION / INFORMATION:**
26. Applications that include requests for **capital equipment** must include at least **three (3) quotations** from credible local suppliers. Brochures are not accepted as quotations.
 27. Certified copies of the **Identity Documents** of the two (2) Contact Persons and all Members of the Management Committee listed on page 2 of FORM 2010/1 and FORM 2010/2 must be submitted.

Please note that the **NLC will only liaise with the two (2) identified Contact Persons** provided in the Application Form.

E. EXCEPTIONS

28. Applications that will not be accepted:

- Organisations that have previously received NLDTF funding and **have not submitted all outstanding Progress and Final Reports** (both narrative and Financial) in accordance with the Grant Agreement will not be considered.
- Applications from Organisations whose previous projects were declined, cancelled or **withdrawn, due to fraud, corruption and other maladministration** will not be considered.
- Incomplete applications, where all **Mandatory Documents are not submitted**.
- Applications not on the prescribed FORM 2010/1 for Organisations applying for above R500, 000.00.
- Applications not on the prescribed FORM 2010/2 for Organisations applying for up to R500, 000.00.
- Faxed or emailed applications.
- Applications on Compact Disc (CD) or USB Flash Drive.
- The following clause in the new Regulations will 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.”

This means that no applicant that was awarded a Grant by the NLC is eligible to apply for another Grant within a period of twelve (12) months from the date of receipt

of payment of that Grant, irrespective of whether the project is different from the one previously funded.

The twelve (12) month “Cooling-off” period will be counted from the date of the initial payment to the applicant by the NLC. Please refer to Clause 11 of the Grant Agreement signed with NLC.

F. GENERAL GUIDELINES

29. 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.
30. When submitting Budgets, applicants should clearly detail their Budget items to the finest details and motivate for each line item.
Budget items such as Administration / Contingency Fee, will not be considered if not detailed and itemised.
31. Requests for vehicles will not be considered in this Call for Applications.
32. 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.
33. **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.
34. The National Lotteries Commission **does not sell** Application Forms, Guidelines and any

other applications documentation. Applicants should not pay for these documents from any person or organisation.

35. 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.
36. **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.

Please note:

These Guidelines provide the key criteria that will serve as a basis for the adjudication of all applications. Non-compliance in terms of the Lotteries Act, 2013 (No. 32 of 2013, as amended), the Regulations and these Guidelines will render the application non-compliant. The Distributing Agency reserves the right not to make Grants, or to determine the amount to be allocated to successful applicants.

Should you need any further clarification on the Application Form and related documents, please visit the NLC Provincial Offices or contact the **Information Call Centre on 08600 65383**

Postal Address	Eastern Cape Office
Grant Funding Office	Phase 4A, Waverly Office Park Phillip
Private Bag X101	Frame Road, Chislehurst
Brooklyn Square 0075	East London 5200
Tel: 08600 65383	Tel: 08600 65383

<p>Free State Office 282 Stateway Welkom 9459 Tel: 08600 65383</p>	<p>Gauteng Office: Block D, Hatfield Gardens 333 Grosvenor Street Hatfield 0083 Tel: 08600 65383</p>
<p>KwaZulu Natal Office Office 22, Smartxchange Building 5 Walnut Road Durban 4001 Tel: 08600 65383</p>	<p>Limpopo Office 5 Landross Mare Street Polokwane 0699 Tel: 08600 65383</p>
<p>Mpumalanga Office 25 Rood Street Sonheuwel Dorp Nelspruit 1200 Tel: 08600 65383</p>	<p>Northern Cape Office 9 Roper Street, Suite D Kimberly 8300 Tel: 08600 65383</p>
<p>North West Office 16 Aerodrome Crescent Industrial Side Mahikeng 2745 Tel: 08600 65383</p>	<p>Western Cape Office Manhattan Place 130 Bree Street Cape Town 8000 Tel: 08600 65383</p>

DOCUMENTS CHECKLIST

Small Grants Checklist

• Were you funded by the NLC during the last Call for applications?	YES	NO
• Have you submitted all your outstanding Progress Reports?	YES	NO
• FORM 2010/2	YES	NO
• Proof of Registration as NPO, Non-Profit Company (formerly Section-21 Company), Public Benefit Trust, Letter of Affiliation	YES	NO
• Founding documents - Constitution, Trust Deed, Memorandum and Articles of Association - signed and dated.	YES	NO
• Project Business Plan and Budget	YES	NO
• 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	YES	NO
• Financial Records: Most recent bank statement in the Organisation's name	YES	NO
Where applicable		
• Proof of registration for services that requires registration in terms of any law, where applicable.	YES	NO
• Quotations for all goods and services	YES	NO

Medium Grants Check List

• Have you submitted all your outstanding Progress Reports?	YES	NO
• FORM 2010/1	YES	NO
• Proof of Registration as NPO, Non-Profit Company (formerly Section-21 Company), Public Benefit Trust, Letter of Affiliation	YES	NO
• Founding documents - Constitution, Trust Deed, Memorandum & Articles of Association - signed and dated.	YES	NO
• Project Business Plan, Budget and Motivation	YES	NO
• 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	YES	NO
Financial Records: ✓ Annual Financial Statements ✓ One Set if you have been funded before ✓ Two Sets if you have not been funded before	YES	NO
• Signed Auditor or Accounting Officer's report, on the letterhead of the firm.	YES	NO
• Signed Board Members report.	YES	NO
• Letter of proof of registration of Accounting Officer or Auditor	YES	NO
• Letter from Accounting Officer or Auditor confirming signing the Annual Financial Statements submitted.	YES	NO
Where applicable		
• Proof of registration for services that requires registration in terms of any law, where applicable	YES	NO
• Quotations for all goods and services	YES	NO
• Proof of Land/Building Ownership	YES	NO
• Building Plan	YES	NO
• Proof of Registration of grading of Builder/Contractor	YES	NO
• Proof of Permission to Occupy (PTO)	YES	NO
• Proof of Offer to Purchase Land/Building	YES	NO

• Relevant mandatory documents as indicated above	YES	NO
• Include two (2) letters from Accounting Officer/Auditor.	YES	NO

For Conduits applications:		
• FORM 2010/1 or FORM 2010/2 for main organisation (assisting organisation)	YES	NO
• FORM 2010/1 or FORM 2010/2 for each organisation/community that will be assisted	YES	NO
• Skills Transfer and Capacity Building Plan	YES	NO
• All Relevant mandatory documents as per the prescribed application forms	YES	NO
• Statement by the applicant providing reasons why it requires assistance	YES	NO
• Statement by the agent / representative / conduit on the nature of assistance it will provide to the applicant	YES	NO
• Supplementary Form for agent / representative / conduit applying on behalf of beneficiary organisation / community	YES	NO