



## CHARITIES SECTOR

### 2015 CALL FOR APPLICATIONS GUIDELINE FOR APPLICANTS

The 2015 Charities call for applications consists of the following documents (pack):

- FORM 2010/1 (for applications greater than R500 000.00)
- FORM 2010/2 (for applications below R500 000.00)
- 2015 Guidelines
- Project Business Plan Template for medium and large grants (Annexure A)
- Project Business Plan Template for small grants (Annexure A1)
- Supplementary Form in support of agent/representative/conduit application (Annexure B1)
- Budget Template (Annexure C)
- Capacity Building Plan Template for Assisting Organisations

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.

#### A. APPLICATIONS

1. All applications must be completed on the specified **prescribed** application form as follows:

Grant Category	Value of grants to be applied for:	Opening date:	Deadline dates for submission	Prescribed application form to be used
Medium	R500 000 – R5 million	12 July 2015	03 September 2015	FORM 2010/1
Small	Not more than R500 000	01 October 2015	12 November 2015	FORM 2010/2

Clearly identify the **SECTOR** which you are applying to, in the list provided at the top of the Application Form. Only applications to the **Charities** sector will be considered.

**All 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 fail to comply with this requirement will be regarded as non-compliant and will therefore be declined.

The application form must be signed by any one of the 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/re-type the format of FORM 2010/1 and FORM 2010/2 as they are legal documents that have been gazetted.
3. An organisation that uses the same/one registration certificate (as an NPO, NPC or Trust) for all its projects, offices and programmes, must submit one application for all its projects, offices and programmes. **This does not apply to conduits**. Details for conduits are outlined below.
4. An organisation that applies for more than one project must submit a detailed budget of the amount requested, with motivation for each line item, both for themselves and for each project/programme/office (see Annexure C). One **consolidated budget must be submitted** for **ALL** the projects/programmes/offices.
5. An organisation **may not** submit an application for **more than five programmes/projects or offices**.

The total amount requested for all programmes/projects/offices must be in **in line with the amounts and categories reflected in Section A of the Guidelines**. Should this requirement not be adhered to, the Charities Distributing Agency (CDA) reserves the right to apply its discretion during adjudication.

6. The registered name of the organisation must be the same on the application form and all supporting documents. This means that the name on **ALL** the documents listed below must be exactly the same:
  - a) Prescribed application form (FORM 2010/1 or FORM 2010/2, as applicable);
  - b) Proof of Registration as NPO, NPC, Public Benefit Trust (Family Trusts are not eligible for NLDTF funding);
  - c) Founding documents (Constitution, Trust Deed or Memorandum and Articles of Association);
  - d) The name of the **bank** account;
  - e) **Annual Financial Statements** 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 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 with the application.

## **7. REQUIREMENTS FOR DIFFERENT CATEGORIES OF GRANTS**

### **7.1 SMALL GRANTS: UP TO R500 000**

This category is for smaller **individual organisations** that have not previously received NLDTF grants; and emerging organisations.

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

- a) **PROOF OF REGISTRATION of the organisation** as a Non Profit Company (formerly Section 21 Company), NPO, or Public Benefit Trust;
- b) Complete signed and dated **CONSTITUTION/ ARTICLES AND MEMORANDUM OF ASSOCIATION/INCORPORATION, OR TRUST DEED or any other relevant founding document** if the organisation has not been previously funded by the National Lottery Distribution Trust Fund (NLDTF) or if the organisation's objectives have changed;
- c) **PROOF OF REGISTRATION** as a Place of Care, Children's Home or Home for the Aged, Early Childhood Development Centre (ECD) or any other service that requires such registration in terms of any law, where applicable.

*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.*

- d) **DETAILED PROJECT BUSINESS PLAN (Annexure A1)**
- e) **DETAILED PROJECT BUDGET AND MOTIVATION (Annexure C)**
- f) **FINANCIAL RECORDS** for a minimum period of 3 months made up of the following:
  - Statement of Assets (Land, Building, Vehicles, Cash, etc.) and Liabilities (Loans, Bank overdraft, Creditors, etc.)
  - Statement of Income and Expenditure (Income Statement)
  - Original Bank statements for the recent 3 months
- g) **MANDATORY REQUIREMENTS FOR A CONDUIT / AGENT / REPRESENTATIVE** in the case of such applying on behalf of organisations as indicated in **SECTION B** below.

**NOTE:** Organisations that have been previously funded and who want to apply in this category must be fully compliant with the terms of the grant agreement, including progress reports. Multi-year funding will not be considered for this category of funding. Applications for infrastructure will not be considered in this call for applications, except for renovations.

**PLEASE NOTE:**

- **Submission of applications in the Small Grants category is strictly between 1 October to 12 November;**
- **Applications from organisations that fall outside the identified criteria will not be considered.**
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## **7.2 MEDIUM GRANTS: R500 001 - R5 MILLION**

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

- a) **PROOF OF REGISTRATION** of the organisation as an NPC, NPO, or Public Benefit Trust;
- b) Complete signed and dated **CONSTITUTION/ ARTICLES AND MEMORANDUM OF ASSOCIATION/INCORPORATION, OR TRUST DEED** or any other relevant **founding document** if the organisation has not been previously funded by the National Lottery Distribution Trust Fund (NLDTF) or if the organisation's objectives have changed;
- c) **PROOF OF REGISTRATION** as a Place of Care, Children's Home or Home for the Aged, Early Childhood Development Centre (ECD), or any other service that requires such registration in terms of any law, where applicable.

*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.*

- d) **DETAILED PROJECT BUSINESS PLAN (Annexure A)**
- e) **DETAILED PROJECT BUDGET AND MOTIVATION (Annexure C)**
- f) **The most recent SIGNED AND DATED FINANCIAL STATEMENTS**
  - For one year for organisations that have previously received funding from the NLDTF
  - For two consecutive 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.
- g) **SIGNED AUDITOR OR ACCOUNTING OFFICER'S REPORT**

Organisations may apply for multi-year funding for a period of up to three years. Such applications if successful will be subject to the availability of funds. This amount may not exceed the maximum amount for the category in which the organisation is applying.

Applications in this category may apply for infrastructure Development.

**PLEASE NOTE:**

- **Submission of applications for this Medium Grants category is strictly only between the 12 July 2015 and the 03 September 2015.**

## **8. ANNUAL FINANCIAL STATEMENTS**

8.1 Annual Financial Statements must be submitted as follows:

- Organisations that have received funding from the National Lottery Distribution Trust Fund (NLDTF) must attach **one complete set of the most recent year's ANNUAL FINANCIAL STATEMENTS, with comparative figures.**
- Organisations that have never been funded by the NLDTF must attach **complete sets of the two most recent ANNUAL FINANCIAL STATEMENTS. These financial statements must be for consecutive years** (e.g. 2013/2014 and 2014/2015) with comparative figures.

Two sets of consecutive annual financial statements means separate sets of annual financial statements for two financial years, following each other successively and without interruption.

Furthermore, the Annual Financial Statements **MUST** be signed and dated by a **registered, independent Accounting Officer or Auditor** in line with his/her professional qualifications.

**PLEASE NOTE:**

Financial Statements must be complete. This means that they **MUST** include the following:

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

Applications with incomplete annual financial statements will not be considered.

8.2. The Annual Financial Statements **must not** be submitted as part of an **Annual Report**. **Annual Reports** are not required, and if submitted are ignored. Please assist by **only** submitting the required financial statements.

8.3. The Accounting Officer/Auditor **must be registered** and in **good standing** with one of the accounting or auditing bodies identified below.

- Organisations **must** request proof of registration with these bodies from their Accounting Officers/Auditors before they appoint the accounting officer/auditor to prepare their annual financial statements.

8.4. Financial statements compiled by a student accounting officer will **not** be accepted.

#### 8.5. 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 be aware 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/Auditor has prepared the financial statements** submitted.

8.6. The NLDTF notes with concern that fraudulent annual financial statements have been submitted by some applicant organisations in the past and will take stringent measures against the applicant and Accounting Officer/ Auditor should this be discovered.

8.7. Where annual financial statements are mandatory, please note that the following will not be accepted, as they would not have been approved and/or adopted:

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

#### 9. BUDGET

9.1. 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;

9.2. 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.

9.3. Other sources of funding for the same project that the organisation is applying for must be clearly reflected as Income on the Budget template;

9.4. 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 render your application null and void;

9.5. 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).

10. Please note that the names and positions of no less than **3 bank signatories, who are office bearers or officials who must not be related**, must be given in the prescribed form (Section C2 of FORM 2010/1 or FORM 2010/2).
11. 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 religious leader, an official of a government department e.g., a social worker or a development practitioner.

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.

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

12. The National Lotteries Commission may receive and consider applications for funding from an organisation/s that apply through an agent/representative/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.
13. 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.
14. The agent/representative/conduit must outline the nature of assistance it will provide to the organisations/communities.
15. A conduit may not apply for more than two (2) organisations/communities under this Call.
16. The agent/representative/conduit must be a registered NPO/NPC and previously funded.
17. Both the agent/representative/conduit and assisted organisations/communities should be located within the same province and/or a radius of 400 kilometres to ensure that the former is able to render the required support to the assisted entity. Exceptions will be considered where there are insufficient registered and established organisations in a province or due to geographic factors.
18. The agent/representative/conduit must be from the same sector as the organisation or community they are applying for.
19. Assisted organisations/communities may only apply through one partner under this Call.

20. The total amount for a conduit application must not exceed R500, 000.00 (five hundred thousand rand). This amount will be inclusive of not more than 5% for the administrative cost of the agent/representative/ conduit, for each project. The budget must be inclusive of the administrative cost

The administration fee included in the application must be accompanied by a budget breakdown, inclusive of the mentoring & coaching element, monitoring of project implementation, travel as well as the compilation of progress reports.

***NB: Services and payments mentioned in this section do not refer to people and/or organisations who assist beneficiaries to complete application forms during a call for applications.***

21. A conduit must have the knowledge, competence and skills to assist applicant organisations or communities.
22. Skills transfer, mentoring and capacity building will form the basis for considering an application from an agent/representative/conduit application.
23. With the application, an agent/representative/conduit must submit a plan, setting out how the necessary skills and capacity of the assisted organisation or community will be strengthened. This plan must be attached to the Business Plan.
24. The agent/representative/conduit and the organisations should be in the same geographical area or province.
25. The agent/representative/conduit may apply separately for their own programmes and operations. This separate application must include the mandatory documents and other required templates relevant to their category, and must be posted separately.

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

26. Applications for a new **building**, extensions or renovations to existing buildings **MUST** include the following:
  - a) **PROOF OF OWNERSHIP** of land and/or buildings e.g. **Permission to Occupy (PTO)**, issued in the name of the organisation (NOT AN INDIVIDUAL). The attached template may be used.

If there is a lease arrangement, details thereof must be provided, including the period of occupation.
  - b) **BUILDING PLANS**
  - c) **QUOTATIONS** (two quotations for material must be submitted from credible suppliers. Two separate quotations must also be submitted for labour costs).
  - c) **PROOF OF REGISTRATION OF THE BUILDER** with the relevant body (e.g. CIBD, NHBRC, etc.).
27. **OFFER TO PURCHASE**, if the organisation applies for funding to purchase an existing property.



28. Applications that include requests for a **vehicle** or other **capital equipment** must include at least two **QUOTATIONS** from credible local suppliers. **Please note that the NLDTF does not fund second hand vehicles.** Brochures are not accepted as quotations.
29. **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 from the required documents.
30. **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.**

**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 Act, 2013 (Act No. 32 of 2013), the regulations for the act 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.**

**Should you need any further clarification on the application form and related documents, please contact the Information Call Centre on 08600 65383 or the provincial office nearest to you (see attached list of provincial offices)**

## DOCUMENTS CHECKLIST

### SMALL GRANTS CHECKLIST

• FORM 2010/2	
• Proof of Registration as NPO, Non Profit Company (formerly Section 21 Company), Public Benefit Trust.	
• Founding documents [Constitution, Trust Deed, Memorandum & Articles of Association]	
• Budget & Motivation	
• Project Motivation	
• Project Business Plan	
• Certified copies of the 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 AND LARGE GRANTS CHECK LIST

• FORM 2010/1	
• Proof of Registration as NPO, Non Profit Company (formerly Section 21 Company), Public Benefit Trust.	
• Founding documents [Constitution, Trust Deed, Memorandum & Articles of Association]	
• Project Budget	
• Project Motivation	
• Project Business Plan	
• Certified copies of the 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	

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<ul style="list-style-type: none"> <li>• <b>FOR CONDUITS/AGENTS:</b></li> </ul>	
<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>• All 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>	