

CHARITIES SECTOR
2021 / 2022 CALL FOR APPLICATIONS
GUIDELINES FOR APPLICANTS

The application pack consists of the following documents:

- FORM 2010/1 (for applications greater than R500 000.00)
- FORM 2010/2 (for applications less than R500 000.00)
- Funding Guidelines
- Project Business Plan, Budget and Project Motivation (Annexure A)
- Supplementary Form in support of agent / representative / conduit application (Annexure B)
- Capacity Building Plan Template for Assisting Organisations (Annexure C)
- Grant Application Disclosure Form (Annexure D)
- Grant Funding Agents Form (Annexure E), applicable to applications assisted by accredited agents.
- Consent form in terms the Protection of Personal Information Act (POPIA) (Annexure F)

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 your application.

PLEASE NOTE:

- The National Lotteries Commission **does not sell** application forms, guidelines and / or any other application related documentation. Applicants should not pay for these documents from any other person or organisation.
- Applicants are advised **not to pay** for assistance in completing application forms. Payment for such services from the allocated grant will constitute a breach of the grant agreement. The NLC does not appoint agents to assist applicants. Assistance from NLC employees is offered at no cost to the applicant.
- Applications from for-profit organisations, political parties or organs of state (excluding education and welfare institutions) will not be accepted
- **The NLC encourages organisations to ensure that project/programme/activities applied for are in line with Covid-19 restrictions in terms of the Disaster Management Act and its Regulation.**

*Applications that do not meet the **MANDATORY** requirements will not be accepted*

APPLICATION

1 Mandatory Documents

All mandatory documents must be in the name of the applicant

| Small Grant < R 500 000 | Medium Grant R 500 001 – R 5 000 000 | Large Grant R 5 000 001 – R 10 000 000 | Previously funded by NLC |
|--|---|---|---|
| | | | Must be fully compliant with the terms of the grant agreement, including final progress reports and <u>independently reviewed or audited financial statements</u> |
| Prescribed application form 2010/2 | Prescribed application form 2010/1 | Prescribed application form 2010/1 | Prescribed application form (FORM 2010/1 or FORM 2010/2, as applicable); |
| Proof of Registration as Non-Profit Organisation (NPO) and Constitution Proof of Registration as Non-Profit Company (NPC) and Memorandum of Incorporation (MOI) Trust Deed (Public Benefit Trust) and Letter of Authority Proof of registration as a Public School | Proof of Registration as Non-Profit Organisation (NPO) and Constitution Proof of Registration as Non-Profit Company (NPC) and Memorandum of Incorporation (MOI) Trust Deed (Public Benefit Trust) and Letter of Authority Proof of registration as a Public School | Proof of Registration as Non-Profit Organisation (NPO) and Constitution Proof of Registration as Non-Profit Company (NPC) and Memorandum of Incorporation (MOI) Trust Deed (Public Benefit Trust) and Letter of Authority Proof of registration as a Public School | Proof of Registration as Non-Profit Organisation (NPO) and Constitution Proof of Registration as Non-Profit Company (NPC) and Memorandum of Incorporation (MOI) Trust Deed (Public Benefit Trust) and Letter of Authority Proof of registration as a Public School |
| Detailed project business plan, budget and motivation | Detailed project business plan, budget and motivation | Detailed project business plan, budget and motivation | Detailed project business plan, budget and motivation |
| Recent bank statement or a bank confirmation letter in the name of the organisation, with a bank stamp | Annual financial statements (most recent, for two consecutive years) signed and dated by a registered and independent Accounting Officer or an Auditor | Annual financial statements (most recent, for two consecutive years) signed and dated by a registered independent Accounting Officer or an Auditor | Annual financial statements (most recent, for one year) signed and dated by a registered independent Accounting Officer or an Auditor |
| | Signed auditors or accounting officers report | Signed auditors or accounting officers report | Signed auditors or accounting officers report |
| <i>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. The twelve (12) months "cooling-off" period will be counted from the date of first payment to the applicant by the NLC.</i> | | | |

2 Application Form

- 2.1 Do not make any alterations changes / re-type the format of FORM 2010/1 and FORM 2010/2 as they are legal documents that have been gazetted.
- 2.2 An organisation can only make one application to one sector.
- 2.3 Clearly identify the SECTOR to which you are applying in the list provided at the top of the Application Form.
- 2.4 All 5 pages of the prescribed application form must be fully completed and the declaration on the last page must be signed and dated.
- 2.5 The application form must be signed by any one of the 2 main contact persons indicated in the application form. The contact persons must be either (i) in the full time employ of the organisation OR (ii) a duly authorised member of the organisation's governance structure e.g. Board, Management Committee etc. Signatories to the application form must hold a valid South African Identity Document

3 Business plan, Budget and Motivation

- 3.1 Applicants must submit a detailed business plan, budget and motivation using the provided templates
- 3.2 Please complete **all relevant** sections of the budget and business template which is aligned to the project plan. (Note that not **all** budget line items need to be requested, the project budget template is **ONLY** a guideline on the possible line items that can be considered for funding).
- 3.3 Please provide a motivation for the project / programme applied for on the template provided. Failure to explicitly motivate for a budget item in the detailed budget breakdown might result in the item not being considered.
- 3.4 The total amount requested in the business plan / budget must be equal to the amount reflected on B2 of the prescribed application form (FORM 2010/1 or FORM 2010/2).

4 Annual Financial Statements

- 4.1 Organisations that have received funding from the NLC must attach one complete set of the most recent year's Annual Financial Statements (AFS) with comparative figures. **These must be independently reviewed or audited financial statements.**
- 4.2 Organisations that have never been funded by the NLC must attach the two most recent complete sets of Annual Financial Statements. These AFS must be for two consecutive financial years i.e. following each other and without interruption (e.g. FY 2019/2020 and FY 2020/2021)
- 4.3 Annual Financial Statements must include comparative figures for the previous financial year.
- 4.4 Annual Financial Statements must be approved within six months of the financial year end, as identified in the founding document / constitution
- 4.5 The financial year end on the Financial Statements must be aligned with the period stated in the founding documents.
- 4.6 Furthermore, the Annual Financial Statements must be signed and dated by a registered, independent Accounting Officer or Auditor on a letterhead and prepared in line with the requirements of the professional body. Please refer to the list of recognised Professional Accounting and Auditing bodies below.
- 4.7 The Accounting Officer / Auditor must be registered and in good standing with one of the Accounting or Auditing Bodies listed.
- 4.8 Organisations must request proof of such registration with these Bodies from their Accounting Officer / Auditor before they appoint the Accounting Officer / Auditor to prepare their Annual Financial Statements.
- 4.9 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.

- 4.10 The NLC will, as part of the adjudication process, verify the registration of the Accountant Officer / Auditor with the Professional Bodies listed. In addition, the NLC will verify that an Accounting Officer has prepared the Financial Statements submitted.
- 4.11 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.
- 4.12 The following will not be accepted:
- Draft Annual Financial Statements;
 - Unsigned and undated Accounting Officer/Auditors Report
 - Management Accounts; and
 - A Compilation Report.

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

- a) Detailed income and expenditure (profit and loss) statement;*
- b) Balance sheet (statement of financial position)*
- c) Notes on the financial statements*
- d) Comparative figures for the previous financial year*
- e) A signed and dated Auditor or Accounting Officer's report on a letterhead;*
- f) A signed and dated Board Members' / Directors report*

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

Recognised Professional Bodies:

- South African Institute of Chartered Accountants (SAICA)
- South African Institute of Professional Accountants (SAIPA)
- The South African Institute of Business Accountants (SAIBA)

- Institute of Accounting & Commerce (IAC)
- Chartered Institute of Management Accountants (CIMA)
- Association of Chartered Certified Accountants (ACCA)
- Chartered Institute of Business Management (CIBM)
- The South African Institute of Government Auditors (SAIGA)
- Chartered Secretaries of Southern Africa (CSSA)

Audited Annual Financial Statements

- Auditors registered with the Independent Regulators Board for Auditors (IRBA)

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

5 Agent / Representative / Conduit Applications

- 5.1 The NLC may accept and consider applications for funding from organisations that apply through an agent / representative / conduit (conduit), if:
- 5.1
- 5.1.1 **The organisation has been in existence for less than six (6) months at the time of submission of the application; or**
- 5.1.2 **There is a clear need for a project in a community and that community is not sufficiently registered as a recognised legal entity.**
- 5.2 The application must be submitted by a conduit and must include a statement by the assisted organisation providing reasons why it requires assistance from such conduit.
- 5.3 The conduit must outline the nature of assistance it will provide to the organisation / community.
- 5.4 A conduit may **ONLY** apply for one (1) organisation / community.
- 5.5 The conduit must be a registered NPO / NPC and fully compliant with all mandatory requirements.

- 5.6 Both the assisting (conduit) and assisted organisation / community should be located within the same province and / or within a radius of 400 kilometres to ensure that the conduit is able to provide the necessary 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.
- 5.7 The total amount that may be charged by the conduit for services rendered may not exceed five percent (5%) of the amount of the grant, up to a maximum amount of one hundred and fifty thousand rand (R150 000).
- 5.8 The administration fee must be broken down and be inclusive of the mentoring & coaching, monitoring of project implementation and travel costs, as well as the compilation of progress reports.
- 5.9 A conduit must have the knowledge, competence and skills to assist the applicant organisation / community.
- 5.10 Skills transfer, mentoring and capacity building will form the basis for considering an application from a conduit application.
- 5.11 With the application, the conduit must submit a plan, setting out how the necessary skills and capacity building of the assisted organisation / community will be strengthened (Annexure C). This plan must be attached to the Business Plan.
- 5.12 The conduit may apply separately for their own programmes and operations. This separate application must include all the relevant mandatory documents and other requirements.
- 5.13

Grant Funding Agents.

The NLC has accredited Grant Funding Agency to be available to applicants who need assistance and support in compiling Application documents. Annexure E must be completed by both the Agent and the Applicant Organisation. An agreement will be entered into between the two parties to outline the terms and condition of the engagement.

6 Applications for infrastructure projects

- 6.1 Applications for a new building, extensions or renovations to existing buildings must include the following:
 - 6.1.1 Proof of Ownership of land and / or buildings e.g., Permission to Occupy (PTO) issued in the name of the applicant.
 - 6.1.2 Quotations for professional fees, labour and materials (For material it must be directly from a service provider and not a third - party supplier).
 - 6.1.3 Approved Building Plans where applicable.

7 Additional information required

- 7.1 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. The Contact Persons must be from the Management or Board of the organisation.
- 7.2 Applications that include requests for equipment must include quotations from credible local suppliers.

8 Charities sector specific requirements

8.1 *Service Registration and Certification for NPOs*

Applications to **the Charities Sector** must submit Proof of Registration as an NPO (NPO certificate) and a Service Registration Certificate in relation to services provided by the organisation as required by law, where applicable.

In provinces where Service Registration Certificates for certain services are not yet issued at the time of submitting the application, a Letter of Support from the relevant Department / Authority signed by the Senior Official must be submitted (**see details in 8.2 below**).

| PROGRAMS | Service Registration / Certification Requirements |
|---|--|
| <p>SERVICES TO CHILDREN (including children with disabilities), Early Childhood Development Centres, Children’s Homes, Child & Youth Care Centre and Drop in Centres</p> | <ul style="list-style-type: none"> • NPO Certificate • Place of Care / Partial Care Registration (Regulation 15 Section 82 of the Children’s Act no. 38 of 2005) / Service Certificate from DSD i.e. After Care Services Certificate or Drop in Centre Certificate / A letter of support (see 2 below for guidance) |
| <p>VICTIM EMPOWERMENT - Gender Based Violence, Safe houses</p> | <ul style="list-style-type: none"> • NPO Registration Certificate • Service Certificate from DSD / A letter of support (see 2 below for guidance) |
| <p>SERVICES TO OLDER PERSONS - Old Age Homes, Luncheon Clubs and Community Based Centres</p> | <ul style="list-style-type: none"> • NPO Registration Certificate • For residential facilities – Registration as a Residential Facility in terms of the Older Person’s Act, 2006. (Act no. 13 of 2006) • Community Based Care and Support Service in terms of the Older Person’s Act • Service Certificate from DSD / A letter of support (see 2 below for guidance) • If dispensing medication – Department of Health Licence to dispense medication must be submitted |
| <p>ANTI-SUBSTANCE ABUSE</p> | <ul style="list-style-type: none"> • NPO Registration Certificate • For residential facilities – Registration as a Residential Facility • Prevention of / and Treatment for Substance Abuse Act, 2008 (Act no. 70 of 2008) • Registration certificate for a Community Based Service (Regulation 15) • Service Certificate from DSD / A letter of support (see 2 below for guidance) • If dispensing medication – Department of Health Licence to dispense medication must be submitted |
| <p>SERVICES TO PERSONS WITH DISABILITIES - Homes for the Disabled, Protective Workshops</p> | <ul style="list-style-type: none"> • NPO Registration Certificate • For residential facilities – Registration as a Residential Facility • Service Certificate from DSD / A letter of support (see 2 below for guidance) • Mental Health Certificate if caring for mentally disabled / A letter |

| | |
|---|---|
| | <p>of support from Department of Health (see 2 below for guidance)</p> <ul style="list-style-type: none"> • If dispensing medication – Department of Health Licence to dispense medication must be submitted |
| CHRONIC ILLNESS MANAGEMENT SERVICES - HOSPICES | <ul style="list-style-type: none"> • NPO/ NPC Registration Certificate • For HOSPICES – Affiliation with Hospice Palliative Care Association of South Africa (HPCA) • For residential facilities – Registration as a Residential Facility • Service Certificate from DSD / A letter of support (see 2 below for guidance) • If dispensing medication – Department of Health Licence to dispense medication must be submitted |
| HIV and AIDS, COMMUNITY HOME BASED CARE | <ul style="list-style-type: none"> • NPO/ NPC Registration Certificate • For residential facilities – Registration as a Residential Facility • Service Certificate from DSD / A letter of support (see 2 below for guidance) <p>If dispensing medication – Department of Health Licence to dispense medication must be submitted</p> |
| SOCIAL CRIME PREVENTION SERVICES | <ul style="list-style-type: none"> • NPO/ NPC Registration Certificate • Accreditation Certificate for Diversion service providers and Programmes – from the Department of Social Development or Correctional Services / A letter of support from either Correctional Services or SAPS (see 2 below for guidance) • For residential facilities – Registration as a Residential Facility • Service Certificate from DSD <p>If dispensing medication – Department of Health Licence to dispense medication must be submitted</p> |
| ANIMAL WELFARE | NPO/ NPC Registration Certificate |

8.2 Letter of support / confirmation

The content of the Letter should:

- Confirm existence of the organisation including area of operation

- Confirm services rendered by the organisation
- Confirm if programmes or items are funded by the DSD / DOH
- Be signed by a Senior Official e.g. Chief Social Worker
- Indicate the expected duration of processing and issuing the relevant certificate

Charities Sector Call for Applications 2021-22

Definitions of vulnerability

A detailed description of the vulnerable groups to be considered for funding

| | Category | Included | Excluded |
|---|---------------------------------|--|---|
| 1 | Children | Orphans and Vulnerable Children (OVCs) and Child-headed households. This refers to children who have lost their parents. This further include street and homeless children who have been left destitute, abandoned, abused and without any stable accommodation | Children that have not been orphaned or vulnerable. |
| 2 | Youth | This refers to young people attending registered Drop-In Centre programmes; as well as young people who are conflicted with the law (or ex-offenders) attending registered diversion programmes. It also includes young people requiring assistance with substance abuse | Young people embarking on stand-alone skills development / capacity building programmes. |
| 3 | Families | Families who require assistance and intervention through a structured programme with the assistance of a registered Social Worker | Families that have not approached a registered organisation to assist with an intervention. |
| 4 | Older persons | People of pensionable age in a residential facility or day-care programme / luncheon club; home-based care programme; or chronic illness facility / programme | Older persons not of pensionable age and not participating in any of the programmes / projects for older persons. |
| 5 | People with disabilities | People with different disabilities in residential facilities, day-care programmes, stimulation programmes or work placement and support programmes; also inclusive of, self-help centres or protective workshops | Individual people living with disabilities but not part of an organisation. |
| 6 | Homeless | People who live on the street, are destitute, abused, abandoned and without any stable accommodation | Individual homeless people not part of an organisation. |

The following programmes will be considered:

Programmes that focus on: Drug and substance abuse; HIV and AIDS; chronic illness management; diversion programmes; drop-in centres, therapeutic and stimulation projects, psycho-social and counselling.

Integrated programmes comprising two or more elements of: care and psycho-social support, prevention, policy advocacy and capacity building.

9 Further Assistance

Should you require any further clarification on the application form and related documents, please contact the NLC Contact Centre on 08600 65383 or the **Provincial Office nearest to you (see list below).**

| | |
|---|---|
| <p>Postal Address Grant Funding Office, Private Bag X101 Brooklyn Square 0075 Tel: 08600 65383</p> | <p>Eastern Cape Office 7 Rochester Street, Vincent East London 5200 Tel: 08600 65383</p> |
| <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 Landros 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 11 A Schmidtsdrift Road Kimberley, 8301 Tel: 08600 65383</p> |



| | |
|--|--|
| <p>North-West Office 12 Visser Street, Golf View Mahikeng, 2745</p> <p>Tel: 08600 65383</p> | <p>Western Cape Office Manhattan Place, 130 Bree Street, Cape Town 8000</p> <p><i>From 01 November 2021:</i> 24 Middle Street, Kemperville, Bellville, Cape Town 7530</p> <p>Tel: 08600 65383</p> |
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DOCUMENTS CHECKLIST

| | | |
|--|-----|----|
| Have you submitted all your outstanding Progress Reports? | YES | NO |
| Grant Application Disclosure Form | YES | NO |
| FORM 2010/1 or 2010/2 (Small grant) | YES | NO |
| Proof of Registration <ul style="list-style-type: none"> • NPO and Constitution or • Non-Profit Company and Memorandum of Incorporation or • Public Benefit Trust and Trust Deed | YES | NO |
| Business Plan and Budget, Motivation | YES | NO |
| Certified copies of the Identity Documents of the 2 Contact persons and the Members of the Management Committee listed on page 2 of application form | YES | NO |
| Small Grants Recent bank statement or bank confirmation letter in the name of the applicant, stamped by the bank | YES | NO |
| Medium and Large Grants <ul style="list-style-type: none"> • Two sets of annual Financial Statements • One set of annual Financial Statement if previously funded | YES | NO |
| Previously funded Independently reviewed or Audited financial statements | | |
| Where applicable | | |
| Grant Funding Agent Form | YES | NO |
| Quotations for all goods and services | YES | NO |
| Proof of Land / Building Ownership / Permission to Occupy (PTO) | YES | NO |
| Approved Building Plans | YES | NO |

| Conduit Applications | | |
|---|-----|----|
| Form 2010/1 or Form 2010/2 for main applicant (assisting organisation) | YES | NO |
| Form 2010/1 or Form 2010/2 for the assisted organisation / community | YES | NO |
| Supplementary Form (annexure B1 for agent / representative / conduit applying on behalf of beneficiary organisation/community | YES | NO |
| Skills Transfer and Capacity Building Plan | YES | NO |
| Relevant mandatory documents as indicated above | YES | NO |