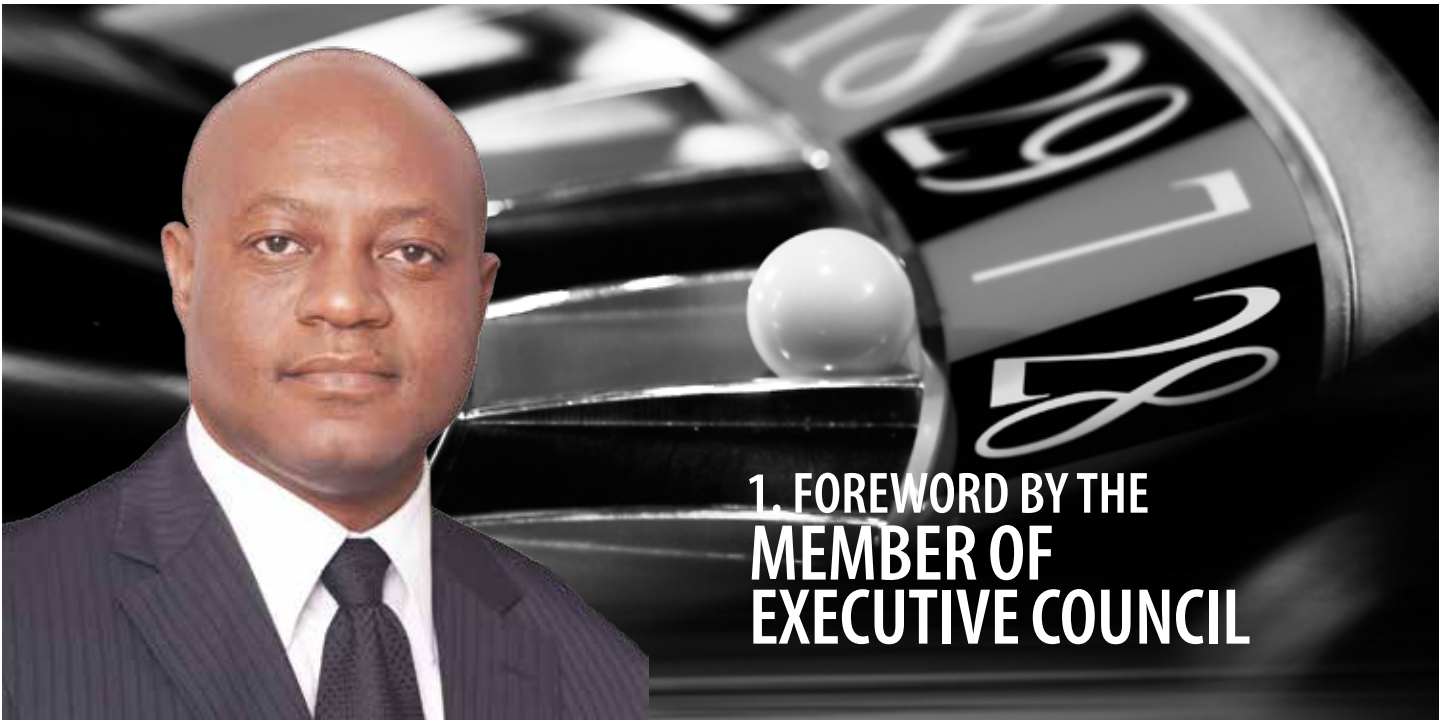




Contents

Part A: General Information	2
Foreword by the MEC	2
General Information	3
List of Abbreviations/Acronyms	4
Foreword by the Chairperson	5
Chief Executive Officer's Overview	6
Statement of Responsibility for the Performance Information	8
Strategic Overview	9
Board of Directors	10
Legislative and Other Mandates	11
Senior Management	13
Organisational Structure	14
Part B: Performance Information	15
Auditor's Report: Predetermined Objectives	16
Situational Analysis	17
Performance Information by Programme	19
Compliance Statistics	21
Part C: Governance	29
Introduction	30
Portfolio Committees	30
Executive Authority	30
The Board	31
Risk Management	34
Internal Control Unit	36
Fraud and Corruption	38
Minimising Conflict of Interest	39
Code of Conduct	39
Health, Safety and Environmental Issues	39
Audit Committee Report	39
Part D: Human Resource Management	41
Part E: Financial Information	44



1. FOREWORD BY THE MEMBER OF EXECUTIVE COUNCIL

It is with a sense of pride that I present the Annual Report of the Limpopo Gambling Board for the 2014/15 Financial Year to the honourable members of the Limpopo Legislature as well as to all other stakeholders.

While the Board experienced many challenges as a result of serious budgetary constraints, they nevertheless managed to achieve the targets they set for themselves together with the Department.

Besides the many gambling operations that have been licensed in the Province, the opening of the new Thaba Moshate Hotel Casino and Convention Centre in Tubatse has been a very welcome achievement as over one hundred and eighty sustainable jobs have been created. Furthermore, their acquisition of goods and services will further serve to promote the small, medium and micro enterprises in the region thereby creating further job opportunities for the local people.

In conclusion, I seize this opportunity to thank the Board, the Chief Executive and staff on a job well done.

Honourable Seaparo C. Sekoati

MEC for Economic Development, Environment and Tourism



2. GENERAL INFORMATION

Registered Name	Limpopo Gambling Board
Physical Address	8 Hans van Rensburg Street, Polokwane, 0699
Postal Address	Private Bag x 9520, Polokwane, 0700
Telephone Numbers	(015) 230 2300
Email Address	ceo@lgb.co.za
Website Address	www.lgb.org.za
External Auditors	Auditor-General of South Africa
Bankers	Standard Bank

3. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor General of South Africa
MEC	Member of Executive Council
BBBEE	Broad Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
SMME	Small Medium and Micro Enterprises
SCM	Supply Chain Management
RFA	Request for Application
LPM	Limited Payout Machines
LEDET	Limpopo Department of Economic Development Environment and Tourism
BIG	Business Innovation Group
IA	Internal Audit



4. FOREWORD BY THE CHAIRPERSON

Specifically and from the beginning, I wish to express our thanks to all our stakeholders for the support they continued to give us during the course of the year.

As the Board, we made enormous progress in terms of licensing, Bookmakers, Totalizator sites and Limited Payout Machines sites throughout the Province. Of the 1500 limited payout machines that were to be rolled out in the first phase, well over 1054 machines were licensed throughout the Province thereby creating more jobs for people of our province. In addition, the construction of the third and last casino and hotel in the Tubatse Municipality has been a very welcome step in terms of the over four hundred job opportunities that the project created. Upon the opening of Thaba Moshate in April, 330 employees will be appointed.

One area which continues to give the Board sleepless nights is the proliferation of illegal gambling in the Province. Our Law Enforcement Unit together with the South African Police Service are doing the best they can to deal effectively with this menace and we are hopeful that with the support of our communities, we will eradicate this scourge from our Province. Furthermore, we are indeed pleased to report that our campaign to educate the public about responsible gambling has been successful as evidenced by the negligible percentage of problem gamblers in our Province. We will continue to engage ourselves in such campaigns in order to drive the message home that gambling should be seen as an entertainment and leisure activity and not one that will enrich people.

In conclusion, we wish to express our sincere thanks to the MEC, Honourable C. Sekoati, the Honourable Premier and all Honourable Members of the Provincial Executive Council and Honourable Members of the Legislature for the supportive role they all played without exception to ensure that we succeed in our mission.

Credit also goes to the Chief Executive Officer of the Board, his management team and all staff for a job well done. We wish to thank all Board Members for their role and participation in the running of all Board activities.

As the Board we also wish to congratulate our Chief Executive Officer on his recent election as the Chairman of Council of University of Venda.

Mashile Mokono
Chairperson



5. CHIEF EXECUTIVE OFFICER'S OVERVIEW

It is indeed my greatest pleasure to submit the Annual Report of our public entity for the information of all our stakeholders as well as for consideration by our Provincial Legislature.

As the mandate of the Board is derived from the Limpopo Gambling Act, the entity continued to ensure through its Monitoring and Compliance Business Unit that the gambling operators licensed in the Province continued to adhere to the prescripts of the Act, Regulations and Rules. Furthermore the Board continued through its Law Enforcement Business Unit, to address much more vigorously, the question of illegal gambling in the province. To this end, illegal operators of Fafee/Mochina and online gambling were arrested and charged accordingly throughout the Province. Furthermore we engaged ourselves in campaigns to persuade the communities to desist from supporting the illegal gambling operators. Pamphlets were distributed in targeted areas of the Province to discourage people from gambling illegally as well as to educate those gambling at the licensed sites to gamble in a responsible manner.

GENERAL FINANCIAL REVIEW OF THE PUBLIC ENTITY

The budget for the 2014/15 year was R45 675 000, 00. Due to the Instruction Note No 2 of 2013, the Entity had to surrender own revenue collected on a monthly basis to the Provincial Treasury. The Board was given an additional grant amounting to R1 000 000,00.

SPENDING TRENDS OF THE PUBLIC ENTITY

The Board revenue is made up of grants only. Goods and Services were overspent by 22% due to the non-cash items made by deferred operating lease rental from equalisation of operating lease and depreciation. Due to staff vacancies, employee costs were under spent by 3 %.

HUMAN RESOURCE CONSTRAINTS AND CHALLENGES FACING THE ENTITY

As a result of budgetary constraints, the Entity does not have sufficient personnel to meet its requirements. For example, the Finance Unit is manned by four officials that report to the Senior Manager. This poses a challenge as the Unit cannot comply to the segregation of duties as enshrined in the Public Finance Management Act (PFMA). The Board has one official in the Risk Management



component which has to align to the Risk Management Framework. With the licensing of additional gambling operations, more posts need to be created to improve on the monitoring, inspection and auditing of these additional operations. As a result of the staff shortages, the Board is unable to do the compliance audits on a quarterly basis and therefore alternates the quarters in order to cover the whole Province.

With regard to Law Enforcement, the Unit is faced with serious challenges emanating from the mushrooming of illegal online gambling sites which require sophisticated IT skills to investigate and ultimately bring the perpetrators to book. However, with the help of the South African Police Service, much progress was achieved in dealing with this scourge.

There were no discontinued activities notwithstanding the staff shortages. However the Board intends embarking on a review of the Organisational Structure to increase its staff and to align to the five year strategic plan. In order to meet the above challenges, the Board will continue to engage the Department of Economic Development, Environmental and Tourism to seriously consider increasing the budget for the 2015/2016 financial year due to staff shortages, escalating rentals, furniture and other essential commodities. This will enable the Board to fully comply with Treasury Regulations especially with regard to financial issues.

“We thank most sincerely, the Department of Economic Development, Environmental and Tourism as well as the MEC, Honourable C. Sekoati, for the role he played to ensure that we carry out our mandate despite the financial constraints.”

During the financial year under review, both the National and Provincial Treasuries issued far reaching cost containment measures to which, as the Board, every attempt was made to comply with. Deviations were reported to the Accounting Authority for approvals. For invoices that were paid after the 30 day period, cogent reasons for not complying were also reported to the board for ratification. There were no unsolicited bid proposals for the year.

Supply Chain Management processes and systems were reviewed and ratified by the Board. However, the Supply Chain Management Policy has not been finalized due to the fact that it has to be aligned to the Provincial Treasury as well as the Provincial Transversal Policies. While the Board continues to do the requisitions and orders manually, it intends acquiring the supply chain module in the new financial year.

Matters emanating from the Audit Report of the previous year were addressed and rectified. For instance, in 2013/14 financial year 15 targets were planned but only 14 were achieved, in 2014/15 financial year, 15 targets were planned and 14 were achieved. This represents 93% of the total targets achieved.

With regard to plans for the future, the Board will continue to ensure that it complies with all Treasury Regulations and directives. However, with the budgetary constraints resulting in the main from the directive to surrender own revenue, not much may be achieved unless the grant to the institution is increased. The increased rental of the offices of the Board is also cause for concern as this is not taken into consideration when grants to entities are considered. There were no events worth reporting after the reporting date.

In conclusion, we wish to express our profound gratitude to the Members of the Board for the unwavering support they gave us during the course of the year. Furthermore we thank most sincerely, the Department of Economic Development, Environmental and Tourism as well as the MEC, Honourable C. Sekoati, for the role he played to ensure that we carry out our mandate despite the financial constraints.

A word of gratitude also goes to Members of the Portfolio Committee, the Standing Committee on Public Accounts and all other stakeholders, for without their support, we would not have realised our objectives.

Serobi Maja
Chief Executive Officer

6. STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2015

The Chief Executive Officer is responsible for the preparation of the Public Entity's performance information and for the judgments made in this information.

The Chief Executive Officer is responsible for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the actual achievements against planned objectives, indicators and targets as per the Strategic and Annual Performance Plan of the Public Entity for the financial year, ended 31 March 2015.

The Limpopo Gambling Board's performance information for the year ended 31 March 2015 has been examined by the external auditors and their report is presented on page XX.

The performance information of the entity set out on page xx to page xx were approved by the Board.



Ms Y.S.M. Mathabatha
Chief Financial Officer



Mr Serobi Maja
Chief Executive Officer



Mr M.T. Mokono
Chairperson



7. STRATEGIC OVERVIEW

7.1 VISION

Limpopo Gambling Board envisages a credible, viable and regulated gambling industry in the Province, which provides exciting leisure opportunities that contribute to economic development.

7.2 MISSION

Limpopo Gambling Board is committed to the promotion of the gambling industry for the benefit of the people of the Province, by ensuring:

- Compliance with the law;
- Provision of appropriate leisure facilities; and
- Sustainable Local Economic Development.

7.3 VALUES

- To operate in accordance with the highest moral and ethical standards.
- To accept responsibility towards our most important resources, our employees and to maximise the development and utilisation thereof.
- To strive towards a healthy relationship with our stakeholders.



Mr. M.T. Mokono
Chairperson



Mr. Serobi Maja
Chief Executive Officer



Ms. J. Mogale
Deputy Chairperson



Mr. K.J. Sithole
Board Member



Ms. B.L. Montjane
Board Member



Mr. K. S. Maboea
Board Member



Khosi T.N. Makumbane
Board Member



Mr. A. Mashele
Board Member



BOARD OF DIRECTORS



8. LEGISLATIVE AND OTHER MANDATES

In terms of PFMA Limpopo Gambling Board falls under schedule 3C.

The mandate of the Board is to regulate, control and monitor gambling activities in the Province in line with the Limpopo Gambling Act, Act No 3 of 2013.

The pursuit of the vision and the mission above will be regulated and guided by the following broad legislative mandates

8.1 CONSTITUTIONAL MANDATES

The Constitution of the Republic of South Africa, 1996, (Act No. of 108 of 1996), establishes that the casinos, racing, gambling and wagering are matters of concurrent national and provincial legislative competence.

8.2 LEGISLATIVE MANDATES

Limpopo Gambling Act, No. 3 of 2013

The Act empowers the MEC to establish and appoint the Board to manage the affairs of the entity on behalf of the Department of Economic Development, Environment and Tourism.

The objectives of the Board are to license, regulate and monitor gambling activities in the province.

The Limpopo Gambling Act, No. 3 of 2013 came into operation on 1 September 2014 and it consequently repealed the Limpopo Gambling Act, No. 4 of 1996.

National Gambling Act, Act No.7 of 2004 as amended

The Board must comply with national norms and standards during the licensing process.

The Act empowers the Minister to prescribe the maximum number of casino licenses that may be granted in the Republic and each province.

The Criminal Procedure Act, No 51 of 1977

The law enforcement inspectors of the Board were declared as Peace Officers in terms of section 334 of the abovementioned Act and are now conferred with the following powers:

- Powers conferred upon a Police Official In terms of Chapter 2 of the CPA;
- Powers to arrest a person without a warrant – section 40(1) of the CPA;
- Powers conferred upon a Peace Officer - section 41(1) of the CPA ;
- The execution of warrants of arrest - section 44 of the CPA;
- Powers to issue written notice - section 56 of the CPA; and
- Powers to issue written notice - section 341 of the CPA.

Relevant Legislation used to govern illegal gambling

- National Gambling Act, No. 7 of 2004
- National Lotteries Act, No. 57 of 1997
- Limpopo Gambling Act, No 3 of 2013
- Prevention of Organised Crime Act, No. 121 of 1998
- Prevention and Combating of Fraud and Corruption Act, No. 12 of 2004

8.3 POLICY MANDATES

The following policy mandates are key to the board in its endeavor to achieve its legislative mandates:

- **Responsible gambling**

The National Responsible Gambling Programme (NRGP) is a resource that integrates research and monitoring public education and awareness, training, treatment and counseling.

- **Broad Based Black Economic Empowerment**

To economically empower the previously marginalised black masses in the main stream economy.

- **Limpopo Gambling Regulations**

The Limpopo Gambling Regulations are in the process of being amended.

- **The Limpopo Betting and Racing Regulations are in the process of being promulgated**



Mr. Serobi Maja
Chief Executive Officer



Mr. L. Mathavhane
Senior Manager: Compliance



Adv. L. Ganess
Senior Manager: Legal Services



Ms. Y. Mathabatha
Chief Financial Officer



Mr. S. Maahlo
Senior Manager: Finance

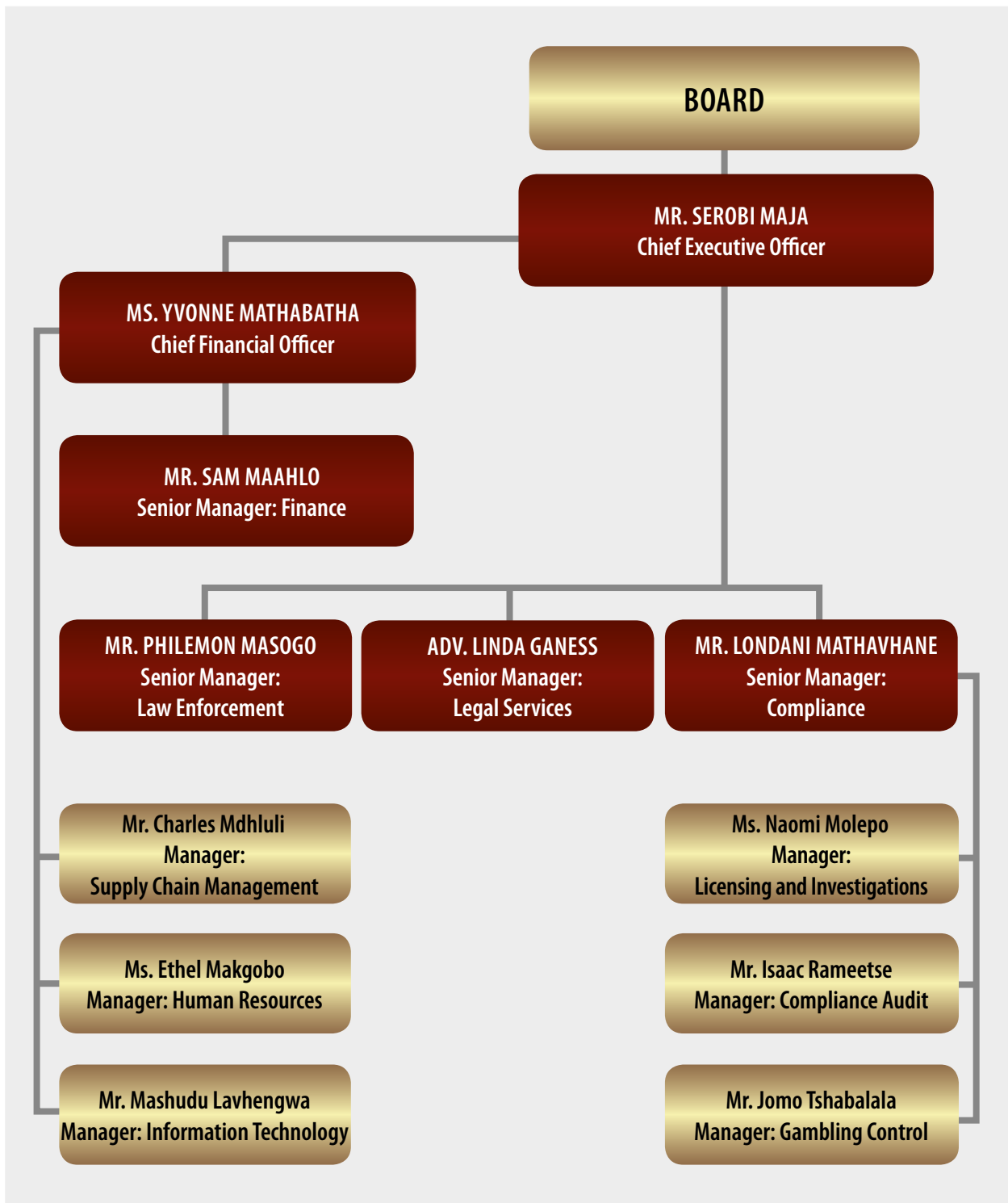


Mr. P. Masogo
Senior Manager: Law Enforcement



SENIOR MANAGEMENT

9. ORGANISATIONAL STRUCTURE





PART B PERFORMANCE INFORMATION



1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA/auditor currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the *Report on other legal and regulatory requirements* section of the auditor's report.

Refer to page 50 of the Report of the Auditors Report, published as Part E: Financial Information.



2. SITUATIONAL ANALYSIS

2.1 SERVICE DELIVERY ENVIRONMENT

COMPLIANCE

The construction of the Thaba Moshate Casino which commenced in September 2013 continued during the current financial year until completion in March 2015. The soft opening of the casino was scheduled for 01 April 2015 and the official opening was on 23 April 2015. There were 550 people employed during the development phase of the casino and 120 employees will be employed on the opening of the casino.

Ten Bookmaker Site licensees licensed during the 2013/14 financial year became operational during this financial year and this has resulted in increase in revenues and the number of employees in the Bookmaker industry in Limpopo Province. Further contribution to the revenues and employment was made by the licensing and opening of three Totalizator Site licensees.

The Limpopo Gambling Act, 2013 (Act no. 3 of 2013) became operational on 01 September 2014. In light of this the Board invited applications for seven Bingo Site licences to be located in Musina, Tzaneen, Phalaborwa, Lephalale, Bela Bela, Groblersdal and Bochum. The closing date for submission of applications for Bingo licences was on 30 June 2014.

LAW ENFORCEMENT

Law Enforcement Unit comprise of a Senior Manager as the head, seven (7) Inspectors and a Secretary.

Inspectors combat illegal gambling activities within the five (5) Districts of Limpopo Province.

Due to the range of Limpopo Province, Inspectors are required to cover huge travelling kilometers daily (financial implications).

Inspectors are working in teams of three-three (currently there are two groups servicing five Districts), except one Inspector who is working alone conducting workshops, presentations and crime awareness campaigns within the entire Province.

Inspectors have limited powers in terms of the Criminal Procedure Act, which requires them to be assisted by members of SAPS most of the times.

Due to current sophisticated criminal phenomenon of this century, of illegal online gambling activities (computer gambling) Inspectors needs relevant skills to match today's criminal patterns. e.g. Cyber and Forensic investigations.

2.2 ORGANISATIONAL ENVIRONMENT

The Board has a low vacancy rate. All Senior Managers positions are filled. The Board has four (4) business units namely Legal, Finance, Compliance and Law Enforcement. The Legal unit is under the CEO business unit. The Finance unit is headed by the CFO with one (1) Senior Manager and three (3) Managers. The Compliance business unit is headed by Senior Manager Compliance with three (3) Managers. Law Enforcement business unit is headed by Senior Manager Law Enforcement.

2.3 STRATEGIC OUTCOME ORIENTED GOALS

The strategic outcome oriented goal is to regulate and monitor gambling activities in the Province in-line with the Limpopo Gambling Act, Act No 3 of 2013..

To achieve this goal, the Board finalized 35 LPM Sites, 5 Totalizator Sites and 804 employee licence applications. Further the Board conducted inspections and Audits to ensure that the licensees comply with the Limpopo Gambling, the National Gambling Act, the Financial Intelligence Center Act, the Broad Based Economic Empowerment Act and other relevant legislations).

2.4 STRATEGIC OBJECTIVES OF THE BOARD

- To develop, plan monitor and report on the strategic plan of the Board;
- To ensure that the operations of the LGB are conducted in compliance with all relevant legislation;
- To ensure that the licensees comply with all relevant legislation;
- To ensure that licensees comply with the bid commitments and conditions of license;
- To ensure a fairly regulated gambling industry;
- To promote and ensure awareness of responsible gambling;
- To ensure eradication of illegal gambling in the Province;
- To ensure implementation of risk management and improve internal controls; and
- To implement the PFMA and Treasury Regulations.



3. PERFORMANCE INFORMATION BY PROGRAMME

PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2013/2014	PLANNED TARGET 2014/2015	ACTUAL ACHIEVEMENT 2014/2015	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2014/2015	COMMENT ON DEVIATIONS
LGB					
Number of plans submitted to LEDET as per SLA	1 annual performance plan submitted to LEDET as per SLA	1 annual performance plan submitted to LEDET as per SLA	1 annual performance plan submitted to LEDET as per SLA	None	
Number of quarterly and annual monitoring reports by the Board	4 quarterly report	4 quarterly report	4 quarterly report	None	
Number of annual reports submitted to LEDET and Treasury as per PFMA and SLA	1 Annual report submitted to LEDET and Treasury as per SLA and PFMA	1 Annual report submitted to LEDET and Treasury as per SLA and PFMA	1 Annual report submitted to LEDET and Treasury as per SLA and PFMA	None	
Number of Compliance audits	2 Compliance audits per licensee	22 Compliance audits : 4 Casinos 4 LPM- Sites 4 LPM- Route Operators 8 Bookmakers 2 Totalizators	22 Compliance Audits: 4 Casinos 4 LPM- Sites 4 LPM- Route Operators 8 Bookmakers 2 Totalizators	None	
Number of Monitoring audit reports	2 Casino monitoring audit reports	2 Casino monitoring audit reports	2 Casino monitoring audit reports	None	
Number of Monitoring report on Thaba Moshate Casino	Not done	4 Monitoring Reports	4 Monitoring Report	None	
Number of applications for LPM and Totalizators finalised	Processed all applications received. Issued 70 LPM Licences.	40 LPM-Site applications finalized	35 LPM-Site applications finalized	5	We could not finalize all the LPMs applications due to incomplete applications. The applicants did not submit the outstanding documents that are approvals for Section 41 and Section 42 from the Liquor Board.
		2 Totalizator Site Applications finalized	5 Totalizator applications was finalized	3 more than anticipated	We have received more Totalizator applications than anticipated.
Number of Responsible Gambling campaigns	16 Quarterly Responsible Gambling campaigns	12 Quarterly Responsible Gambling campaigns	12 Quarterly Responsible Gambling campaigns	None	

PERFORMANCE INDICATOR	ACTUAL ACHIEVEMENT 2013/2014	PLANNED TARGET 2014/2015	ACTUAL ACHIEVEMENT 2014/2015	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT 2014/2015	COMMENT ON DEVIATIONS
LGB (continued)					
Number of illegal gambling campaigns	308 Awareness campaigns	132 illegal gambling awareness campaigns	151 illegal gambling awareness campaigns	19 more than anticipated	Exceeded target due to mushrooming of illegal gambling activities within the Province.
Number of investigations on illegal gambling activities	488 Arrests per annum	360 investigations of illegal gambling activities	372 investigations on illegal gambling activities	12 more than anticipated	Exceeded target due to mushrooming of illegal gambling activities within the Province.
Number of risk reports submitted to the Audit Committee	4 Risk reports and 1 Risk Register	4 Risk reports and 1 Risk Register	4 Risk reports and 1 Risk Register	None	
Number of internal audit reports and plans submitted to the Audit Committee	7 internal audit reports and 1 internal audit coverage plan submitted to the Audit Committee	4 internal audit reports and 1 internal audit coverage plan submitted to the Audit Committee	8 internal audit reports and 1 internal audit coverage plan submitted to the Audit Committee	4 More audits were done based on the risk assessment performed.	The target was based on the number of audit committee held hence in the next financial year the KPI will be only based on the number of audit reports produced.
Submission of financial statements two months (2) after the financial year to AG	Submit the financial statement to the AG 2 months after the financial year	Submit the financial statement to the AG 2 months after the financial year	Submitted the financial statement to the AG 2 months after the financial year	None	
Number of management Account submitted to Treasury	12 Monthly submission of Management Accounts to Treasury as per PFMA	12 Monthly submission of Management Accounts to Treasury as per PFMA	12 Monthly submission of Management Accounts to Treasury as per PFMA	None	
Number of assurance certificates	4 Assurance certificates issued	4 Assurance certificates	4 Assurance certificates	None	

LGB	BUDGET 2014/2015 R'000	ACTUAL 2014/15 R'000	VARIANCE 2014/2015 R'000	BUDGET 2013/2014 R'000	ACTUAL 2013/2014 R'000	VARIANCE 2013/2014 R'000
Capital Budget	45	4	41	733	1 949	(1 215)
Personnel Budget	26 647	25 986	701	24 856	23 833	1 023
Operational Budget	19983	24 456	(4 473)	20 983	24 877	(3 894)



4. COMPLIANCE STATISTICS

Table 1 – Number of Gambling Machines

CASINO	TOTAL
Meropa Casino	414
Khoroni Casino	150
Total	564

Table 2 – Gambling Tables

CASINO	AMERICAN ROULETTE	BLACKJACK	POKER	TOUCH BET ROULETTE	TOTAL
Meropa Casino	10	3	1	1	15
Khoroni Casino	4	3	0	0	7
Total	14	6	1	1	22

Table 3 – Number of LPMS and LPM Sites

MUNICIPAL DISTRICT	TOTAL NUMBER OF LPMS	TOTAL NUMBER OF LPM SITES	VUKANI LPMS	VUKANI SITES	GOLDRUSH LPMS	GOLDRUSH SITES
Capricorn	236	49	166	35	70	14
Waterberg	162	34	109	23	53	11
Mopani	268	57	138	28	130	29
Sekhukhune	220	47	172	35	48	12
Vhembe	168	36	97	20	71	16
Total	1054	223	682	141	372	82

Table 4 – Casino Gambling Machines Testing

CASINO	MONTHLY COMPLIANCE INSPECTIONS
Meropa Casino	108
Khoroni Casino	112
Total	220

Table 5 – LPM Site Inspections

	CAPRICORN	WATERBERG	MOPANI	SEKHUKHUNE	VHEMBE	TOTAL
Vukani Gaming	30	28	22	44	22	146
Goldrush Gaming	12	10	35	10	13	80
TOTAL	42	38	57	54	35	226

Table 6 – Gambling Machines Distribution

IN THE PROVINCE	OUT OF THE PROVINCE	WITHIN THE PROVINCE	THROUGH THE PROVINCE	TOTAL
592	268	413	99	1372

Table 7 – LOC Approvals

	SOFTWARE	HARDWARE	TOTAL
Approval type	436	19	455

Table 8 – Licensing

CASINOS, LPM ROUTES AND LPM SITES	MEROPA CASINO	KHORONI CASINO	VUKANI GAMING LIMPOPO- LPM ROUTE OPERATOR	VUKANI - LPM SITES	GOLDRUSH GAMING LIMPOPO- LPM ROUTE OPERATOR	GOLDRUSH - LPM SITES	TOTAL PER CATEGORY
New Licences: Key Employees	3	2	2	31	1	36	75
New Licences: Other Employees	27	24	1	88	2	85	227
Renewals: Key Employees	30	12	2	51	1	19	115
Renewals: Other Employees	78	26	1	53	1	25	184
Total per Licensee	138	64	6	223	5	165	601



Table 8 – Licensing (continued)

BOOKMAKERS AND TOTALIZATORS	HOLLY WOOD – BOOKMAKER	BETSA – BOOKMAKER	BETTING WORLD – BOOKMAKER	PHUMELELA – TOTALIZATOR	BETTA GAMING – BOOKMAKER	OCTOBER WIND	IDADA TRADING	FORTWOOD	PORTAPA	TOTAL PER CATEGORY
New Licences: Key Employees	72	1	29	6	5	41	15	1	0	170
Renewals: Key Employees	12	9	2	0	0	0	0	0	0	23
Total per Licensee	84	10	31	6	5	41	15	1	0	193

Table 9 – Number of employees

	KHORONI CASINO	MEROPA CASINO	THABA MOSHATE	VUKANI – LPM ROUTE OPERATOR	VUKANI – LPM SITES	GOLDRUSH GAMING LIMPOPO – LPM ROUTE OPERATOR	GOLDRUSH – LPM SITES	PHUMELELA GAMING AND LEISURE	HOLLY WOOD – BOOKMAKER	BETSA – BOOKMAKER	BETTING WORLD- BOOKMAKE
Total employees	195	184	330	17	535	16	320	94	273	26	116
PDI	189	177	330	16	420	15	305	91	240	26	115
Non - PDI	6	7	0	1	115	1	15	3	33	0	1

	BETTA GAMING – BOOKMAKER	OCTOBER WIND	IDADA TRADING	FORTWOOD	PORTAPA
Total employees	91	90	44	7	31
PDI	91	83	44	7	29
Non - PDI	0	7	0	0	2

PDI = Previously Disadvantaged Individuals

GAMBLING PERFORMANCE

1. PATRONAGE - CASINOS

The estimated number of patrons, who visited the two casino licensees, during the 2013/14 and 2014/15 financial years, amounted to, R1,322,931.00 and R1,145,074.00 respectively. On a quarterly basis the numbers of estimated visitors were as follows at the casino licensees.

QUARTER ENDED	JUNE	SE PTE MBE R	DE CE MBE R	MA RCH	TOTA L
2013/14	349 034	340 346	319 58	313 970	1 322 931
2014/15	303 577	296 599	287 638	257 260	1 145 074
Variance	-45 457	-43 747	-31 943	-56 710	-177 857
Variance %	-13.02%	-12.85%	-10.00%	-18.06%	-13.44%

2. PATRONAGE SPEND PER VISIT - CASINOS

Punters' average spend per quarter and per day during the 2013/14 and 2014/15 financial years were as follows:

	JUNE	SE PTE MBE R	DE CE MBE R	MA RCH
2014/15	5 287.99	3 700.12	5 122.59	5 646.28
Variance	917.57	-442.26	-839.87	-91.50
Variance %	0.21	-0.11	-0.14	-0.02
Punters	303 577.00	296 599.00	287 638.00	257 260.00
Turnover	1 605 310 715.24	1 097 452 352.72	1 473 450 771.93	1 452 560 903.72

Average spend per Punter per Day

QUARTER ENDED	JUNE	SE PTE MBE R	DE CE MBE R	MA RCH
2013/14	48.03	45.21	64.81	63.75
2014/15	58.11	40.66	55.68	62.74
Variance	10.08	-4.55	-9.13	-1.01
Variance %	20.99%	-10.06%	-14.09%	-1.59%



3. TOTAL MONEY WAGERED - CASINOS

The total money wagered at the Licensees during the 2013/14 and 2014/2015 financial year was as follows:

Average spend per Punter per Quarter

QUARTER ENDED	JUNE	SE PTE MBE R	DE CE MBE R	MA RCH
2013/14	1 525 425 043	1 409 841 846	1 905 488 457	1 801 490 023
2014/15	1 605 310 715	1 097 452 352	1 473 450 771	1 452 560 903
Variance	79 885 671	-312 389 493	-432 037 685	-348 929 120
Variance %	5%	-22%	-23%	-19%

4. GROSS GAMING REVENUE (GGR)

a) Casinos

The GGR generated by the Casino Licensees during the 2013/14 and 2014/2015 financial years amounted to R351,457,706.75 and R346,483,570.75 respectively. The monthly GGR generated by the licensees was as follows:

MONTH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
2013/14	7%	9%	7%	9%	7%	7%	9%	7%	8%	10%	8%	10%
2014/15	12%	8%	10%	8%	10%	8%	8%	10%	1%	8%	7%	11%

b) LPMs

The GGR generated by the LPM licensees during the 2013/14 and 2014/15 financial years amounted to R145,361,467.88 and R176,251,568.0 respectively. The monthly GGR generated by the licensees was as follows:

MONTH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
2013/14	7%	9%	7%	10%	8%	8%	8%	10%	9%	9%	8%	8%
2014/15	9%	7%	9%	8%	10%	7%	8%	10%	8%	7%	7%	10%

5. RETURN TO PLAYER PERCENTAGE (RTP**)

The Casino Licensees Return to Player (RTP) percentage, for the 2013/14 and 2014/15 financial year was as follows:

MONTH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
2013/14	94.38	94.13	94.54	93.90	94.61	94.55	96.36	94.62	95.64	94.88	95.11	94.31
2014/15	94.20	93.83	94.45	94.23	94.27	94.62	94.47	93.04	93.86	94.42	94.60	93.82

Casinos Average RTP %: 2013/14 = 94.31 % (2014/15 = 94.15 %).

The prescribed RTP for casinos is 80%.

The LPM Route Operator Return to Player (RTP) percentage, for the 2013/14 and 2014/15 financial years was as follows:

MONTH	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
2013/14	90.49	90.48	90.61	90.61	90.73	90.76	90.36	90.40	90.52	90.50	90.37	90.60
2014/15	92.56	90.75	90.73	90.93	90.86	91.03	90.86	90.99	91.05	91.01	91.17	91.00

LPMs Average RTP %: 2013/14 = 90.60 % (2014/15 = 91.08%)

The prescribed RTP for LPMs is 75 %

**RTP = 100 % less (Gross Gaming Revenue ÷ money wagered)

6. LEVIES COLLECTED PER MONTH FROM LICENSEES

Total levies by generated by the licensed Casinos and LPM Route Operators during the 2013/14 and 2014/2015 financial years were as follows:

	CASINO LEVIES 2013/14 R	CASINO LEVIES 2014/15 R	VARIANCE R	VARIANCE (%)	LPMS LEVIES 2013/14 R	LPMS LEVIES 2014/15 (R)	VARIANCE R	VARIANCE (%)
April	2 054 865	3 381 988	1 327 122	65%	758 182	1 507 317	749 134	99%
May	2 707 126	2 377 412	-329 714	-12%	994 316	1 254 891	260 575	26%
June	2 075 785	2 982 403	906 617	44%	825 272	1 658 279	833 007	101%
July	2 678 262	2 308 336	-369 925	-14%	1 147 668	1 360 149	212 480	19%
August	2 062 481	2 969 169	906 687	44%	876 929	1 721 343	844 414	96%
September	2 022 294	2 313 186	290 892	14%	881 988	1 307 948	425 959	48%
October	2 720 076	1 360 008	-1 360 068	-50%	1 145 568	1 352 823	207 255	18%
November	2 045 549	3 084 941	1 039 391	51%	897 829	1 731 615	833 786	93%
December	2 322 961	2 607 197	284 236	12%	1 075 274	1 462 540	387 265	36%
January	2 926 665	1 343 093	-1 583 572	-54%	1 100 832	1 281 714	180 882	16%
February	2 210 833	2 613 415	402 582	18%	946 907	1 279 845	332 937	35%
March	2 290 513	2 963 401	672 888	29%	978 146	1 706 688	728 541	74%
TOTAL	28 117 416	30 304 554	2 187 137	8%	11 628 917	17 625 156	5 996 239	52%

N.B: The increase in casino levies can partly be attributed to the increase in the levy rate on the casinos; whereas, the increase in LPM levies can mainly be attributed to the increase in the levy rate and in the number of operational licensed LPM sites and LPMs.



Total levies generated by the licensed Totalizators and Bookmakers during the 2013/14 and 2014/2015 financial year were as follows:

	TOTALIZATOR 2013/14 R	TOTALIZATOR 2014/15 R	VARIANCE R	VARIANCE (%)	TOTALIZATOR 2013/14 R	TOTALIZATOR 2014/15 (R)	VARIANCE R	VARIANCE (%)
April	300 577	320 255	19 678	7%	167 521	678 258	510 736	305%
May	362 720	293 279	-69 440	-19%	311 866	702 521	390 655	125%
June	275 748	279 581	3 832	1%	237 928	615 541	377 612	159%
July	364 901	374 143	9 241	3%	477 037	826 097	349 059	73%
August	286 473	297 903	11 429	4%	304 692	1 009 497	704 805	231%
September	311 030	315 061	4 031	1%	286 180	799 177	512 996	179%
October	397 718	401 329	3 610	1%	439 907	1 103 737	663 829	151%
November	293 259	309 898	16 639	6%	434 409	744 664	310 255	71%
December	351 058	444 362	93 303	27%	402 649	1 201 302	798 652	198%
January	398 147	300 170	-97 976	-25%	369 442	555 385	185 942	50%
February	313 535	328 730	15 194	5%	457 914	1 027 825	569 910	124%
March	298 053	370 510	72 457	24%	467 462	708 315	240 853	52%
TOTAL	3 953 225	4 035 226	82 000	2%	4 357 012	9 972 323	5 615 310	129%

N.B: The increase in bookmaker levies can mainly be attributable to the increase in the number of operational licensed bookmaker sites and punters; whereas, the increase in Totalizator levies can mainly be attributed to an increase in the levy on Totalizators.

7. UNCLAIMED DIVIDEND

Unclaimed dividend levy for 2013/14 and 2014/15 were R301,847.71 and R392,610.11 respectively. The levy increased by R90,762.40 (23%) compared to the previous financial year.

	UNCLAIMED DIVIDEND LEVY 2013/14 R	UNCLAIMED DIVIDEND LEVY 2014/15 R	VARIANCE R	VARIANCE (%)
April	18 981	35 055	16 074	85%
May	25 259	31 526	6 266	25%
June	18 800	25 814	7 014	37%
July	25 311	26 888	1 576	6%
August	23 308	35 922	12 614	54%
September	29 906	26 166	-3 739	-13%
October	27 906	34 568	6 662	19%
November	23 999	33 541	9 542	28%
December	27 346	47 675	20 328	43%
January	32 953	29 449	-3 503	-12%
February	27 752	33 681	5 928	18%
March	20 322	32 318	11 996	37%
TOTAL	301 847	392 610	90 762	23%

All levies are paid over to the Limpopo Provincial Treasury.

The levies do not include unclaimed dividends, license fees for slot machines, tables, employees and other fees payable on an annual basis.

The split of Gross Gambling Revenue and Levies between gambling slot machines, gambling tables and Limited Payout Machines was as follows:

	GAMBLING MACHINES	GAMBLING TABLES	LPMS	TOTAL
GGR 2013/14	309 156 715	42 310 990	145 361 468	496 829 175
GGR 2014/15	317 669 062	38 855 105	176 251 568	532 775 736
Variance	8 512 346	-3 455 885	30 890 099	35 946 560
% Variance	3%	-8%	21%	7%

The total levies paid by Licensees for the financial year 2014/15 are as follows:

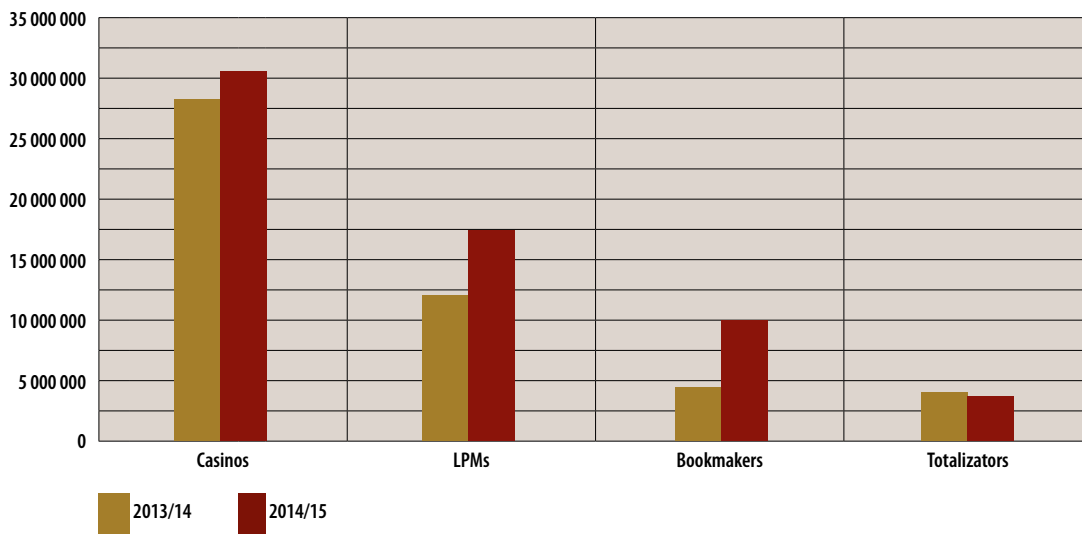
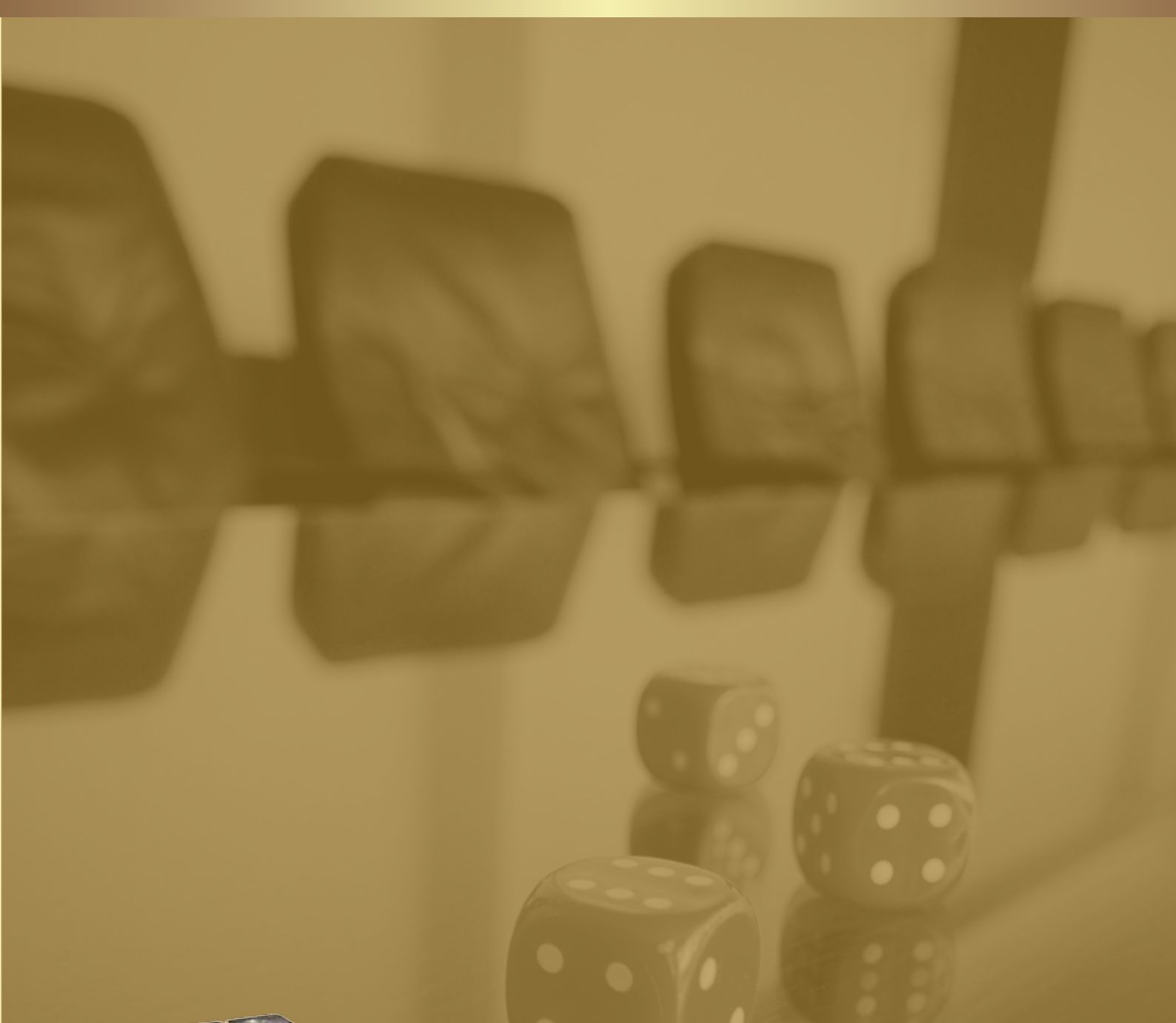


Figure 1: Total levies paid



PART C GOVERNANCE

1. INTRODUCTION

The Board is mandated by LEDET to regulate and monitor gambling activities in the Province and in particular to ensure the eradication of unlawful gambling activities, promoting responsible gambling and to collect gambling revenue from gambling establishments.

Annually the Board enters into a Performance Agreement with the MEC of LEDET. The Performance Agreement out-lines that the Board's mandate shall:-

Take full responsibility in the preparation, finalisation and drawing of Business Plans of the Board.

- Ensure that such Business Plans are aligned with the overall objectives of LEDET.
- Ensure that such Business Plans have been submitted to the MEC for approval prior to the implementation of these plans in line with the PFMA requirements.
- The Board undertakes to schedule and hold regular quarterly meetings with the MEC to ensure the MEC is kept informed of developments within the Board.

The Parties agree to conduct their relationship on the principles of transparency, mutual respect, bona fides, integrity and trust.

Where the MEC issues the Board with directives that have not been approved in the Board Business Plans, the MEC shall provide the Board with sufficient information and additional resources to carry out such directives within thirty (30) days of receipt of such directives.

The Board received funding from LEDET to the amount of R46,6 million.

The Board must submit to LEDET the actual collection schedule of levies collected from operators monthly by the 7th of each month.

The Board shall submit written reports on the projects and the status of funds to LEDET quarterly on stipulated dates.

2. PORTFOLIO COMMITTEES

The Board had presentations to the Portfolio Committee on the following dates:

- 16 May 2014 – Briefing session on Quarterly Performance Reports for the 3rd and 4th quarters for the financial year 2012/13.
- 19 June 2014 – Briefing session on the APP of 2014/15.
- 11 November 2014 -The Annual Report for 2013/14 was presented.

3. EXECUTIVE AUTHORITY

The Board submitted following reports to the Executive Authority monthly and quarterly. The acting General Manager came to the Board quarterly to discuss the reports submitted to the department. The Revenue Unit of LEDET came monthly to reconcile the levies transferred to the department with against the audited information done by the Compliance Unit. Management made presentations of their reviewed reports to the MEC.

SCHEDULE AND SECTION/REG	REPORT	NO OF REPORTS PER ANNUM	NO OF REPORTS SUBMITTED	DATE	DATE SUBMITTED
Instruction Note 1	Austerity Measures	12	12	10 of each month	10 of each month
2,3/s54(1)	Public Entity	12	12	10 of each month	10 of each month. There were certain months which the Board could not meet the target due to system failure.



Challenges from Finance

NO	SECTION: SLA	REPORT OR DOCUMENT	SUBMISSION DATE	DATE SUBMITTED
1	4.8	Procurement Plan	5 days of signing	5 days of signing
2	4A.1	Levies	7 th of each month	7 th of each month(There were challenges
3	8.1	Progress report of the projects and status of funds		
		First quarter	10 July 2014	10 July 2014
		Second quarter	10 October 2014	10 October 2014
		Third quarter	15 January 2015	22 January 2015
		Fourth quarter	10 April 2015	29 April 2015

4. THE BOARD

4.1 Introduction

The Limpopo Gambling Board was established in terms of section 2 of the Limpopo Gambling Act, Act No. 4 of 1996, as amended (hereinafter referred to as "The Act").

Section 3 of the Act governs the powers and functions of the Board and it states as follows:

1. *The Board shall:*
 - (a) *exercise such powers and perform such functions-*
 - (i) *assigned to it in terms of this Act;*
 - (ii) *assigned to it in terms of any other Act;*
 - (b) *advise the responsible Member or furnish a report or recommendations to the responsible Member on any matter referred to the Board by the responsible member for consideration or arising from the application of this Act relating to the control over gambling and racing in the Province.*
2. *The Board may, with the approval of the responsible Member and if an Act of any other province provide therefore, exercise such powers and perform such functions and duties in terms of such Act in respect of persons and matters in the said province as the Board may in terms of this Act exercise and perform in this Province.*
3. *The Board may, notwithstanding anything to the contrary in another Act contained; pay a reward to any person who has furnished information relating to an alleged contravention of a provision of this Act.*
4. *Notwithstanding anything to the contrary contained in this Act, the responsible Member may, in the absence of a Board, exercise and perform the powers and functions of the Board, excluding the granting and revocation of licences.*

In addition to this section, the Board must take cognisance of section 49(2) of the Public Finance Management Act, Act 29 of 1999 (PFMA), which states that:

"If the public entity-

- (a) *has a board or other controlling body, that board or controlling body is the accounting authority for that entity."*

The role of the Board is as follows:

- To promote a culture of responsible gambling in the province. To ensure the eradication of all forms of illegal gambling in the province.
- To ensure a creation of an organization capable of recruiting, retaining, continuously developing its workforce, and aiming at enhancing its effectiveness and employee well-being.
- To ensure the availability of real time information using technology in support of decision making processes.
- To ensure that the Board has and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost effective.
- To ensure that the Board establishes, implements, and maintains good principles of corporate governance, accounting practices, and sound systems of internal control.
- To ensure that the Board plans and utilizes limited resources economically, efficiently and effectively.

Composition of the Board

NAME	DESIGNATION	DATE APPOINTED	DATE OF EXPIRY OF TERM	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIPS	OTHER COMMITTEES	NO. OF MEETINGS ATTENDED 2014-15
Mr. M.T. Mokono	Chairperson of the Board	11.03.2013	10.03.2016	B.Proc	Law Business	LGB Board		8
Ms. J. Mogale	Deputy Chairperson of the Board	11.03.2013	10.03.2016	MBA BSc Hon Status Postgraduate Diploma in Health Management	Business Financial Management Strategic Leadership	LGB Board Marubini Holdings Metso Minerals & Mining Ubebele Capital ThyssenKrupp Industrial Solutions South Africa Cynimart Investments Tirisano Trust David Brown NINAFOR Oudtshoorn Ostrich and Game Klein Karoo Leather Training Center JTL Properties Tokheim South Africa Klein Karoo Akademie	HR & Remuneration Monitoring Committee	6
Mr. J.K. Sithole	Member	09.12.2008 Re-appointed 11.03.2013	10.03.2016	CA (SA) B Com Honours B Compt	Accountancy	LGB Board	LGB Audit Committee Audit committee of Mpumalanga Tourism Authority Audit Committee of Mpumalanga Gaming Board Chairman of Audit Committee of Financial & Fiscal Commission Member of Audit Committee of Dept. of Public Enterprises	5
Khosi T.N. Makumbane	Member	11.03.2013	10.03.2016	Executive Leadership Development Programme	Tribal Authority	LGB Board	LGB HR & Remuneration Committee	6



Composition of the Board (continued)

NAME	DESIGNATION	DATE APPOINTED	DATE OF EXPIRY OF TERM	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIPS	OTHER COMMITTEES	NO. OF MEETINGS ATTENDED 2014-15
Ms. B.L. Montjane	Member	11.03.2013	10.03.2016	B.JURIS Certificate in Debt Councillng	Law Debt Councillng Legal Costs & Mediation	LGB Board Lucetta Legal Consultancy	HR & Remuneration Monitoring Committee	8
Mr. A.V.K. Mashele	Departmental Representative (Treasury)	11.03.2013	10.03.2016	Masters of Business Administration Finance Bachelor of Accounting Science (awaiting certificate)	Finances SCM	LGB Board	Audit Committee	7
Mr. K. S. Maboea	Departmental Representative (LEDET)	17.12.2013	10.03.2016	B.UIRIS LLB LLM Admitted Attorney of the High Court of S.A.	Administration Law	LGB Board	Monitoring Committee	7

Audit Committee

NAME OF MEMBERS	DESIGNATION	NO OF MEETINGS ATTENDED	TERM ENDED	DATE APPOINTED
Mr. A. Mashele	Chairperson	4	-	10 February 2014 as Chairperson of the Committee
Mr. J.K. Sithole	Member	4	-	11 March 2013
Mr. E.M. Makwela	Member (External)	4	-	11 March 2013

Human Resource Committee

NAME OF MEMBERS	DESIGNATION	NO OF MEETINGS ATTENDED	TERM ENDED	DATE APPOINTED
Khosi T.N. Makumbane	Chairperson	4	-	11 March 2013
Ms. J. Mogale	Member	4	-	10 February 2014
Ms. B.L. Montjane	Member	4	-	10 February 2014

Compliance & Monitoring Committee

NAME OF MEMBERS	DESIGNATION	NO OF MEETINGS ATTENDED	TERM ENDED	DATE APPOINTED
Ms. B.L. Montjane	Chairperson	3	-	10 February 2014 as Chairperson of the Committee
Ms. J. Mogale	Member	3	-	11 March 2013
Mr. K. Maboea	Member	3	-	10 February 2014

Remuneration of Board Members

NAME	ALLOWANCE	TRAVELLING	TOLL FEES OTHER ALLOWANCE	OVERSEAS SUBSISTENCE	TOTAL
Mr. M.T. Mokono	444 671.04	4 200.85	236.50	10 648.80	459 757.19
Ms. J. Mogale	444 671.04	17 673.86	775.00	10 856.73	473 976.63
Mr. J. Sithole	89 720.04	21 691.07	594.50	0.00	112 005.61
Khosi T.N. Makumbane	89 720.04	22 895.46	752.00	0.00	113 367.50
Ms. B.L. Montjane	89 720.04	22799.10	2 315.50	10 910.10	125 745.45
Mr. K. Maboeba	0.00	6115.55	559.50	0.00	6 675.05
Mr. A.V.K. Mashele	0.00	0.00	0.00	0.00	0.00
TOTAL	1 158 502.20	95 375.89	5 233.00	32 416.34	1 291 527.43

5. RISK MANAGEMENT

5.1 Nature of Risk Management

The Accounting Officer has set the tone at the top by supporting Enterprise Risk Management and allocating human and financial resources towards the implementation thereof.

The Risk Management function of the Limpopo Gambling Board which is within finance business unit, it has in place the risk management strategy, policy and charter that ensures adherence to the PFMA section 38(1) (a)(i).

The Risk Management Committee meets quarterly during the year to monitor the progress on the implementation of the mitigation strategies.

The Limpopo Gambling board has a continued to cultivate a culture of risk management throughout the entity by ensuring:

- Compliance to section 38 of the Public Finance Management Act;
- Compliance to section 27.2 of the Treasury Regulations;
- To promote and entrench risk management as value creation;
- To improve the LGB's risk maturity from a defensive risk management position to a responsive risk management position; and
- To embed risk management into LGB's business operations to support decision making and thereby increasing the likelihood of achieving the LGB's strategic objectives.

5.2 Risk Management Process

The approach that was adopted in the execution of the entity-wide LGB risk assessment process is presented below:

Limpopo Gambling Board has a Risk Profile which is updated on an annual basis, following a process whereby Risk Management Officer discussed the previous year's risk profile with the risk owners at their risk committee meeting by identifying emerging risks and reassessing the previous risk register. The profile was then consolidated and reported to an independent Risk facilitator from BIG (Business Innovations Group) consultant whereby he then facilitated the final Risk Workshop with all business units, for consolidation of the final risk assessment profile for the Limpopo Gambling Board. The report has mitigation measures that were compiled by management and are monitored on a quarterly basis by the risk management committee and further verified by the risk management officer. The risk committee has met six times during the year as per the activity plan of which two were special meetings, and has submitted quarterly monitoring reports to the Chief Executive Officer who further recommends them for submission to the audit committee.



As LGB operates in a varied and changing environment, its exposure to related risks is significantly increased. LGB's management thus ensures accountability and responsibility in relation to an effective risk management structure and principles are established and maintained.

5.3 Risk Assessment Participants and Quality of Results

The following LGB business units participated in the Strategic and Operational Risk Assessment workshops held during the period 19 November to 20 November 2014:

TASK DESCRIPTION	UNIT DETAILS
Strategic Risks	<ul style="list-style-type: none"> Strategic and Operational Support (Senior & Middle Managers) Risk Management Officer
Operational Risks	<ol style="list-style-type: none"> Finance Unit Compliance Services Unit Law Enforcement Unit Legal Services Unit Risk Management Unit Human Resource Unit Supply Chain Management Unit Information Technology Unit

The aforementioned risk assessment resulted in the achievement of the following objectives:

- Identification of strategic and operational risks, and the linkage of identified risks to relevant objectives;
- Consideration and evaluation of risk impact and likelihood ratings per risk identified;
- The identification of risk mitigation strategies to reduce risk exposure;
- Consideration of any additional risks where necessary;
- The update of risk profiles.

5.4 Progress made in addressing risks identified

Two of the top eleven prioritized risks for the 2014-15 financial year have been mitigated to acceptable levels. Internal audit provided reasonable assurance that our controls are satisfactory and that inherent risks are appropriately managed and that the business objectives will be attained. The board has therefore enhanced controls that will assist in mitigating the remaining nine (9) prioritized risks to acceptable levels.

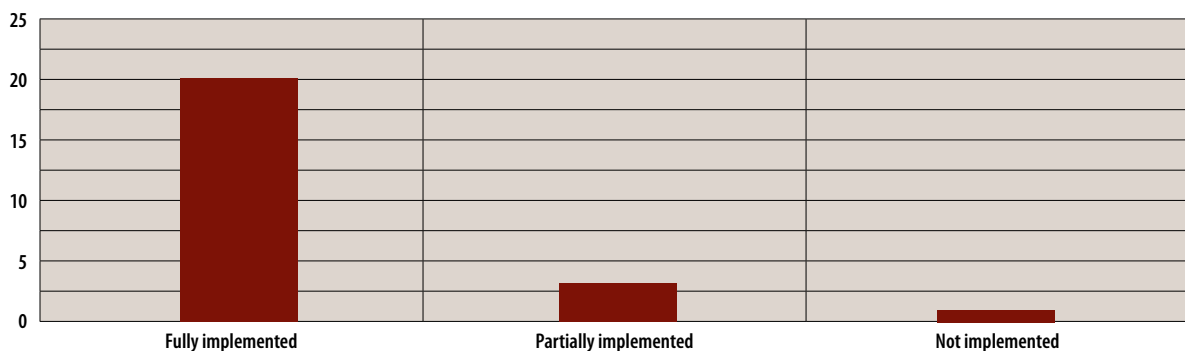


Figure 2: Strategic Risks Mitigation Plan Status

6. INTERNAL CONTROL UNIT

LGB has no internal control unit in place; hence the CFO's unit ensures there are processes in place. Upon the receipt of the Auditor General 2014 Final Report, the Limpopo Gambling Board Management developed action plans on the template recommended by Treasury to ensure that the findings do not recur in future. The template was submitted to Treasury on a quarterly basis to indicate the progress of the action plans. The internal audit has then provided assurance regarding the status core of the action plans report. Most business units of the board has internal processes in place.

Internal Audit and Audit Committees

Objective and Role of Internal Audit

The internal audit of the Board is outsourced to Business Innovation Group (BIG). Internal Audit (IA) is an independent, objective assurance and consulting activity designed to add value and improve LGB's operations. The objective of the IA function is to assist LGB to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

The Internal Audit function reviews the following:

- The reliability and integrity of financial and operational information;
- Compliance with laws, regulations, policies and contracts;
- Safeguarding of assets;
- The economical and efficient use of resources;
- Establishment of operational goals and objectives; and
- Appropriateness of processes for the achievement of objectives.

The primary role of the IA function is to assist the Board, Audit Committee, and Executive Management in the effective discharge of their duties and responsibilities.

The IA through engagement with the internal stake holders formulated a three year rolling plan incorporating an annual plan which was approved by the Audit Committee. The IA head reports at each Audit Committee.

A) Progress Report for the Year

1) 1ST QUARTER PROGRESS

No intervention for the 1st quarter

2) 2ND QUARTER PROGRESS

PLANNED ACTIVITY	PLANNED EXECUTION DATE	ACTUAL RESULTS
Follow Up (Internal Audit Work)	July 2014	Report Finalized
Human Resources	August 2014	Report Finalized



3) 3RD QUARTER PROGRESS

PLANNED ACTIVITY	PLANNED EXECUTION DATE	ACTUAL RESULTS
Supply Chain Management	October 2014	Report Finalized
Finance	October 2014	Report Finalized
Follow-Up AG	December 2014	Report Finalized
Information Technology	December 2014	Report Finalized
Risk Assessment Report	December 2014	Report Finalized

4) 4TH QUARTER PROGRESS

PLANNED ACTIVITY	PLANNED EXECUTION DATE	ACTUAL RESULTS
IA Coverage Plan (2014/2015)	February 2015	Done
Audit of Predetermined Objectives (AOPO)	March 2015	Report finalized
Compliance Unit	February 2015	Report Finalized

Key activities and objectives of the Audit Committee

The Limpopo Gambling Board has established the Audit Committee ("Committee") as a sub-committee of its controlling body ("Board") to assist the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards. The Committee shall not perform any management functions or assume any management responsibilities. It provides a forum for discussing business risk and control issues for developing relevant recommendations for consideration by the Board, the Committee shall mainly make recommendations to the Board for its approval or final decision. The membership, resources, responsibilities and authorities (composition, functions and operation) of the Committee to perform its role effectively, is stipulated in these terms of reference, which may be amended by the Board from time to time. The Committee is constituted in terms of the requirements of sound corporate governance practices and operates within that framework.

NAME	QUALIFICATIONS	INTERNAL OR EXTERNAL	IF INTERNAL, POSITION IN THE PUBLIC ENTITY	DATE APPOINTED	NO. OF MEETINGS ATTENDED
Mr J Sithole	CA(SA)	Board member	N/A	11 March 2013 as Chairperson	3
Mr M Makwela	B.IRUS, LLB, LL.M	External Member	N/A	11 March 2013	4
Mr A Mashele	Masters of Business Administration Finance, Bachelor of Accounting Science	Board member	Representing Provincial Treasury	10 February 2014	4

7. FRAUD AND CORRUPTION

The Limpopo Gambling Board has a risk & fraud and corruption prevention committee in place. The Limpopo Gambling Board has a zero tolerance stance on Fraud and Corruption. The annual Fraud Risk Assessment was done in December 2014. LGB further ensures the mitigation of identified fraud risks is implemented throughout the organisation.

The Limpopo Gambling Board fraud and corruption prevention plan comprises of two areas namely education and communication.

Creating Awareness

- **Employee awareness**

Formal awareness presentations were conducted for employees of Limpopo Gambling Board during the fraud risk assessment annual workshop. The ongoing creating awareness amongst all employees is however the responsibility of all managers.

- **Communication**

The objective of communication is further to create awareness amongst employees, the public and other stakeholders of the plan in order to facilitate a culture where all stakeholders strive to contribute towards making it a success.

- **Progress Made (Education and Communication)**

During the 2014-15 Financial Year Limpopo Gambling Board conducted an awareness fraud and corruption prevention workshop to all staff.

- **Third Party screening**

Third party screening is done through the National Treasury link.

- **Internal audit plan**

A robust Internal Audit plan, which focuses on the prevalent high Fraud and Corruption risks, serves as an effective preventative measure. The audit plan was executed as planned.

- **Disclosure of interests**

All staff members of the Limpopo Gambling Board were required to disclose their specific personal assets and business interests on an annual basis. This register will be kept with the Chief Executive Officer.

- **Progress Made**

Disclosure of interest was made and it's facilitated by Human resources in the form of circulars to remind staff.

- **Mechanisms in place to report fraud and corruption and how these operate e.g: Whistle blowing - The need for officials to make confidential disclosure about suspect fraud and corruption.**

The Limpopo Gambling Board has a Whistle Blowing Policy in place which is aligned to the protected disclosure Act. No 26 of 2000.

- **How these cases are reported and what action is taken**

No cases were reported with regard to fraud and corruption during 2014/15 Financial Year.



8. MINIMISING CONFLICT OF INTEREST

- All staff members of the Limpopo Gambling Board are required to disclose their specific personal assets and business interests on appointment.
- Every year the Human Resources unit issue circular reminding officials to disclose a new business interests.
- The Senior Managers completes financial disclosure forms which are submitted to the Executive Authority annually.
- Suppliers are required to complete an SBD4 for declaration of interest purposes prior engagement of business activities with LGB.

9. CODE OF CONDUCT

The growth and success of the gambling industry in the Limpopo Province is dependent on public confidence and trust that is conducted honestly.

The Board considers it desirable to provide further guidance to its members and employees to assist them in gaining a clear picture of the behavior expected in the execution of their various functions. These standards apply to all members and employees of the Board as well and consultants engaged by the Board under sections 10, 18 and 19 of the Limpopo Gambling Board Act.

All newly appointed employees are made aware of the Board's Code of Conduct during induction. During the 2014/15 Financial Year the Code of Conduct was circulated to all employees.

If a member or employee becomes aware of the anticipates, or suspects, corrupt conduct on the part of an organization, a member of the public or another Board member or employee he or she must report this matter to the Chairperson or the CEO without delay.

10. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Board is having the OHS Committee. The Board is having the Health and Safety Policy which is geared towards providing and maintaining a safe and healthy workplace for employees of the Board. The OHS Committee did inspection and advised management accordingly.

11. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2015. The Limpopo Gambling Board has an Audit Committee which operates in terms of the Board's approved Audit Committee Charter.

The Audit Committee consists of the members listed hereunder and meets at least two (2) times per annum as per Audit Committee Charter. During the year three (3) scheduled and two (2) special audit committee meetings were held governance practices and operate within that framework.

Membership and Attendance

NAME OF MEMBERS	DESIGNATION	NO. OF MEETINGS ATTENDED	DATE APPOINTED
Mr A. Mashele	Chairperson	4	10 February 2014 as Chairperson
Mr J.K. Sithole	Member	4	11 March 2013
Mr E.M. Makwela	Member (External)	4	11 March 2013

Audit Committee Responsibilities

We report that we have complied with our responsibilities arising from Section 51(1)(a)(i)-(iv) of the Public Finance Management Act and Treasury Regulation 3.1.13. We also report that we have adopted appropriate formal terms of reference as incorporated in our Audit Committee charter. The Audit Committee charter has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

We are of the opinion, based on the information and explanations given by management, the internal audit, and discussions with the external auditors (AGSA) on the results of its audits, that the internal accounting controls are operating to ensure that the financial records may be relied upon for preparing the annual financial statements, and accountability for assets and liabilities is maintained. From the various reports from the Internal Auditors, the audit report on the Annual Financial Statements as the management letter of the Auditor-General, it was noted that no significant or material non-compliance with prescribed policies and procedures have been reported. We can report that the system of internal control for the period under review was effective although it requires improvements.

Our review of the findings of the internal audit work, which was based on the risk assessments conducted revealed certain weaknesses, which were then raised with the Board.

The Internal control weaknesses identified and reported by external auditors were not adequately addressed. The review processes will have to be intensified from audit committee down to internal audit and management.

In Year Management and Monthly /Quarterly Report

LGB has submitted quarterly reports to Department Of Economic Development, Environment & Tourism.

Evaluation of Financial Statements

We have reviewed the Financial Statements for the year ended 31 March 2015 and we are satisfied that the matters have been adequately resolved.

We concur and accept the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited financial statements must be accepted and read together with the report of the auditor.

Mr. A Mashele

Chairperson of the Audit Committee
Limpopo Gambling Board



PART D
HUMAN RESOURCE
MANAGEMENT



1. INTRODUCTION

The Human Resources Unit aims to assist and support other business units with any matters pertaining to the daily running of the business affecting its employees.

Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce. The success of the Limpopo Gambling Board in delivering its operational and developmental goals depends primarily on the efficiency and effectiveness where employees carry out their duties. Managing performance is therefore a key human resources management tool.

The Limpopo Gambling Board ensures that employees are engaged in wellness programmes every year through the EAP.

Policy development

- **Highlight achievements**
 - We had 3% staff turnover.
- **Organisational review**
 - The aim is to review the structure of the Board to promote efficiency and to ensure that the objectives of the Board are met.
 - There is shortage of personnel.
- **Policy review**
 - To ensure that policies are reviewed so as to keep abreast with updates and changes in various laws and Acts.
- **Staff development**
 - Providing training for staff to ensure that our staff are furnished and equipped with the necessary skills to enable them to perform their jobs which will enhance productivity.
- **Challenges**
 - We are finding it difficult to train employees as per training plan due to budget constraints.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

The public entity must provide the following key information on human resources. All the financial amounts must agree to the amounts disclosed in the annual financial statements. Where considered appropriate provide reasons for variances.

Personnel Cost by programme

PROGRAMME	TOTAL EXPENDITURE FOR THE ENTITY (R'000)	PERSONNEL EXPENDITURE (R'000)	PERSONNEL EXP. AS A % OF TOTAL EXP. (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
CEO	5040	3836	8%	5	767
Finance	5040	4432	9%	7	633
Supply Chain	5040	2139	4%	5	427
Human Resource	5040	2255	4%	9	250
Compliance	5040	8862	18%	19	466
Law Enforcement	5040	3380	7%	9	376
IT	5040	1093	2%	2	547



Training Costs

DIRECTORATE/ BUSINESS UNIT	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST.	NO. OF EMPLOYEES TRAINED	AVERAGE TRAINING COST PER EMPLOYEE
CEO	3836	0	0%	0	0
Finance	4432	15	0.0033%	1	15
Supply Chain	2139	0	0%	1	0
Human Resource	2255	1	0.0004%	1	1
Compliance	8862	50	0.0056%	15	3
Law Enforcement	3380	4	0.0011%	8	0
IT	1093	0	0%	1	0

Employment and Vacancies

PROGRAMME	2013/14 NO. OF EMPLOYEES	2014/15 APPROVED POSTS	2014/15 NO. OF EMPLOYEES	2014/15 VACANCIES	% OF VACANCIES
CEO	3	5	5	0	0
Finance	7	8	7	1	13
Supply Chain	5	5	5	0	0
Human Resource	8	9	9	0	0
Compliance	18	19	18	1	5
Law Enforcement	8	9	9	0	0
IT	2	2	2	0	0

PROGRAMME	2013/14 NO. OF EMPLOYEES	2014/15 APPROVED POSTS	2014/15 NO. OF EMPLOYEES	2014/15 VACANCIES	% OF VACANCIES
Top Management	2	2	2	0	0
Senior Management	4	4	4	0	0
Professional qualified	6	6	6	0	0
Skilled	23	23	21	2	9
Semi-skilled	14	17	17	0	0
Unskilled	4	5	5	0	0
TOTAL	53	57	55	2	4

Employment changes

PROGRAMME	EMPLOYMENT AT BEGINNING OF PERIOD	APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT END OF THE PERIOD
Top Management	2	0	0	2
Senior Management	4	0	0	4
Professional qualified	6	0	0	6
Skilled	19	2	4	21
Semi-skilled	13	4	0	17
Unskilled	5	0	0	5
TOTAL	49	6	4	55

Reasons for staff leaving

REASON	NUMBER	% OF TOTAL NO. OF STAFF LEAVING
Death	0	0
Resignation	4	100%
Dismissal	0	0
Retirement	0	0
Ill health	0	0
Expiry of contract	0	0
Other	0	0
Total	4	100%

Most staff leaves organisation mainly for growth.

Labour Relations: Misconduct and disciplinary action

Verbal Warning	0
Written Warning	3
Final Written warning	0
Dismissal	0

Equity Target and Employment Equity Status

LEVELS	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	1	0	0	0	0	0	0
Senior Management	3	3	0	0	0	0	0	0
Professional qualified	4	3	0	0	0	0	0	0
Skilled	10	10	1	1	0	0	1	1
Semi-skilled	7	7	0	0	1	0	1	1
Unskilled	2	2	0	0	0	0	0	0
TOTAL	27	26	1	1	1	0	2	2

LEVELS	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	0	0	1	0	0	0	0
Senior Management	0	0	0	0	1	1	0	0
Professional qualified	2	3	0	0	0	0	0	0
Skilled	7	10	0	0	0	0	2	1
Semi-skilled	5	6	0	1	1	0	2	3
Unskilled	2	2	0	0	0	0	1	1
TOTAL	17	21	0	2	2	1	5	4



Equity Target and Employment Equity Status

LEVELS	DISABLED STAFF			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	1	1	0	0
Unskilled	0	0	0	0
TOTAL	1	1	0	0



PART E

FINANCIAL INFORMATION

General Information	47
Statement of Responsibility	48
Report of the Board	49
Report of the Auditor-General	50
Statement of Financial Position	54
Statement of Financial Performance	55
Statement of Changes in Net Assets	56
Cash Flow Statement	57
Statement of Comparison of Budget and Actual Amounts	58
Accounting Policies	59
Notes to the Annual Financial Statements	67



GENERAL INFORMATION

Country of Incorporation and domicile	South Africa
Legal form of entity	Public Entity
Nature of business and principal activities	Regulating, controlling and monitoring gambling activities in the Limpopo Province.
Directors	Mr. M.T. Mokono (Chairperson) Ms. M. J. Mogale (Deputy Chairperson) Khosi T.N. Makumbane Ms. B.L. Montjane Mr. K.J. Sithole Mr. A.V.K. Mashele Mr. K.S. Maboeba Mr.Serobi Maja (<i>ex-officio</i>)
Registered office	8 Hans van Rensburg Street Polokwane 0699
Postal address	Private Bag x 9520 Polokwane 0700
Auditors	Auditor General of South Africa

STATEMENT OF RESPONSIBILITY

Statement of Responsibility for the Annual Financial Statements for the year ended 31 March 2015

The Board is responsible for the preparation of the Limpopo Gambling Board Annual Financial Statements and for the judgements made in this information.

The Board is responsible for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the Annual Financial Statements.

In our opinion, the financial statements fairly reflect the operations of the Board for the financial year ended 31 March 2015.

The Auditor General is engaged to express an independent opinion on the annual financial statements of the Board.

The Limpopo Gambling Board Annual Financial Statements for the year ended 31 March 2015 have been audited by the Auditor General and their report is presented on page 50 to page 53.

The Annual Financial Statements of the Board set out on page 54 to page 79 have been approved.



Serobi Maja

Chief Executive Officer



M.T. Mokono

Chairperson of the Board



REPORT OF THE BOARD

1. REVIEW OF ACTIVITIES

Main business and operations

The mandate of Board is to regulate, control and monitor gambling activities in the province in line with the Limpopo Province Gambling Act, Act 4 of 1996 as amended.

The operating results and state of affairs of the entity are fully set out in the attached Annual Financial Statements.

2. GOING CONCERN

The Annual Financial Statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The entity is wholly depended on the Limpopo Department of Economic Development, Environment and Tourism for continued finding of operations.

3. EVENTS AFTER REPORTING DATES

The Board is not aware of any matter or circumstance arising after the reporting date.

4. NON-CURRENT ASSETS

No major changes in the nature of the non-current assets of the entity occurred during the year, as well as the policies relating to their use.

5. BOARD

The members of the entity during the year and to the date of this report are as follows:

Mr. M.T. Mokono (Chairperson)	Appointed 11 March 2013
Ms. M. J. Mogale (Deputy Chairperson)	Appointed 11 March 2013
Khosi T.N. Makumbane	Appointed 11 March 2013
Ms. B.L. Montjane	Appointed 11 March 2013
Mr. A.V.K. Mashele	Appointed 11 March 2013
Mr. J.K. Sithole	Appointed 11 March 2013
Mr. K.S. Maboea	Appointed 17 December 2013
Mr. Serobi Maja (CEO)	

6. BANKERS

Standard Bank

REPORT OF THE AUDITOR-GENERAL

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Limpopo Gambling Board set out on pages 54 to 79, which comprise the statement of financial position as at 31 March 2015, the statement of financial performance, statement of changes in net assets, and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Limpopo Gambling Board as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with the SA Standards of GRAP and the requirements of the PFMA.



Emphasis of matters

7. I draw attention to these matters below. My opinion is not modified in respect of these matters.

Irregular expenditure

8. As disclosed in note 23.1 to the financial statements, irregular expenditure to the amount of R2 742 545 was incurred during the year due to the contravention of supply chain management regulations.

Fruitless and Wasteful expenditure

9. As disclosed in note 23.2 to the financial statements, fruitless and wasteful expenditure to the amount of R225 183 was incurred during the year due to the contravention of the PFMA.

Additional matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

11. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Report on other legal and regulatory requirements

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, non-compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

13. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected objectives presented in the annual performance report of the entity for the year ended 31 March 2015:
- Develop, plan, monitor and report on the strategic plan of the Board on pages XX to XX.
 - To ensure that the operations of the Limpopo Gambling Board are conducted in compliance with all relevant legislation on pages XX to XX.

-
- c) To ensure that licensees comply with all relevant legislation on pages XX to XX.
 - d) To ensure that licensees comply with the bid commitments and conditions of license on pages XX to XX.
 - e) To ensure a fairly regulated gambling industry on pages XX to XX.
 - f) Promotion and ensuring awareness on responsible gambling on pages XX to XX.
 - g) To ensure the eradication of all forms of illegal gambling in the province on pages XX to XX.
 - h) To ensure implementation of risk management and improve internal controls on pages XX to XX.
 - i) Implement the PFMA and Treasury Regulations on pages XX to XX
14. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
 15. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPPI).
 16. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
 17. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected objectives:

Additional matter

18. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected objectives, I draw attention to the following matter:

Adjustment of material misstatements

19. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information of the eradication of all forms of illegal gambling in the province, Promotion and ensuring awareness on responsible and to ensure a fairly regulated gambling industry objectives. As management subsequently corrected the misstatements. I did not raise any material findings on the usefulness and reliability of the reported performance information.

Compliance with legislation

20. I performed procedures to obtain evidence that the public entity had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Financial statements, performance and annual reports

21. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1) (b) of the Public Finance Management Act.

Material misstatements of disclosure items identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.



Expenditure management

22. The accounting authority did not take effective steps to prevent fruitless and wasteful expenditure, as required by section 51(1) (b)(ii) of the Public Finance Management Act.

Internal control

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on non-compliance with legislation included in this report.

Leadership

24. The accounting authority did not exercise adequate responsibility over financial and performance reporting and compliance as well as related internal controls.

Financial and performance management

25. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored.

Auditor-General

Polokwane

31 July 2015



**AUDITOR-GENERAL
SOUTH AFRICA**

Auditing to build public confidence

Statement of FINANCIAL POSITION

as at 31 March 2015

	NOTE(S)	2015 R	2014 R
ASSETS			
Current Assets		16 516 696	9 095 441
Receivables from exchange transactions	3	1 619 655	570 429
Cash and cash equivalent	4	14 897 041	8 525 012
Non - Current Assets		6 052 089	7 244 688
Property,Plant and Equipment	2	6 052 089	7 223 587
Deposit		-	21 101
Total Assets		22 568 785	16 340 129
LIABILITIES			
Current Liabilities		6 439 940	6 429 666
Trade and Other Payables	5	2 154 645	3 136 248
Deferred Income		4 084 505	3 142 835
Finance lease obligation	13	200 790	150 583
Non-current Liabilities		8 125 374	4 872 788
Finance lease obligation	13	147 412	348 202
Operationg Lease		7 977 962	4 524 586
TOTAL LIABILITIES		14 565 314	11 302 454
Net Assets		8 003 471	5 037 675
Accumulated Surplus		8 003 471	5 037 675



Statement of FINANCIAL PERFORMANCE

for the year ended 31 March 2015

	NOTE(S)	2015 R	2014 R
REVENUE			
Revenue from exchange transactions			
Interest Received	6.1	283 808	779 158
Revenue from non-exchange revenue			
Government grant	11.3	46 675 000	46 571 629
Other operating revenue	6	47 303 491	6 590 609
TOTAL REVENUE		94 262 299	53 941 396
TOTAL EXPENSES			
Operating Expenses	7	20 325 909	20 545 954
Depreciation and Amortisation	2	1 171 755	1 141 784
Board Members' Expenses	8	2 826 159	2 996 246
Finance Costs	10	129 186	148 188
Loss on sale of asset		2 323	39 785
Employee Costs	9	25 986 858	23 832 823
SURPLUS FOR THE YEAR		43 820 108	5 236 616

Statement of CHANGES IN NET ASSETS

for the year ended 31 March 2015

NOTE(S)	ACCUMULATED SURPLUS R	TOTAL NET ASSETS R
Balance at 01 April 2013	26 947 970	26 947 970
Changes in Net Assets		
Surplus for the Period	5 236 616	5 236 616
Funds Deferred	382 303	382 303
Funds to be surrendered	(12 808 787)	(12 808 787)
Rollover of Funds	(6 228 629)	(6 228 629)
Own Revenue Surrendered	(7 571 138)	(7 571 138)
Funds to be Surrendered	(920 660)	(920 660)
Total Changes	(21 910 295)	(21 910 295)
Balance as at 31 March 2014	5 037 675	5 037 675
Balance as previously stated at 01 April 2014	5 037 675	5 037 675
Funds Surrendered	(3 175 975)	(3 175 975)
Deferred Income Surrendered	(479 547)	(479 547)
Own Revenue Surrendered	(37 198 790)	(37 198 790)
Surplus for the Period	43 820 108	43 820 108
Balance as at 31 March 2015	8 003 471	8 003 471



CASHFLOW STATEMENT

for the year ended 31 March 2015

	NOTE(S)	2015 R	2014 R
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Grants and Other Operating Income		93 978 491	53 162 238
Other Receipts- (Changes in Receivables)		(1 049 226)	(392 620)
		92 929 264	52 769 618
Payments			
Employee costs		(25 986 858)	(23 832 823)
Operating expenses		(16 872 533)	(16 433 369)
Funds rolled over		-	(6 228 629)
Cash surrendered to Government		(40 374 765)	(20 379 925)
Deferred Income Surrendered		(479 547)	40 653
Board Expenses		(2 826 159)	(2 996 246)
Other payments (Changes in Payables)		(39 933)	(2 166 036)
		(86 579 795)	(71 996 375)
Cashflow from operating activities	20	6 349 469	(19 226 757)
Interest received		283 808	779 158
Finance Costs		(129 186)	(148 188)
Net cash flows from operating activities		6 504 091	(18 595 787)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES			
Acquisition of property,plant and equipment	2	(4 330)	(1 835 689)
Proceeds on disposal of property,plant and equipment		1 750	268 591
Net cash outflows from financing activities		(129 482)	(82 674)
Repayment of finance liability		(150 583)	(82 674)
Deposit realised as debtor		21 101	-
Net increase/(decrease) in cash and cash equivalents		6 372 029	(20 245 559)
Cash and cash equivalents at the beginning of the year		8 525 012	28 770 570
Cash and cash equivalents at the end of the year	4	14 897 041	8 525 012

Statement of

COMPARISON BETWEEN BUDGET AND ACTUAL AMOUNT

for the year ended 31 March 2015

2015	NOTE(S)	INITIAL BUDGET R	ADJUSTMENTS R	BUDGET R	ACTUAL R	VARIANCE R
TOTAL REVENUE		45 675 000	1 000 000	46 675 000	94 262 299	(47 587 299)
Government Grant		45 675 000	1 000 000	46 675 000	46 675 000	-
Other operating revenue		-	-	-	47 303 491	(47 303 491)
Interest Received		-	-	-	283 808	(283 808)
TOTAL EXPENSES		45 675 000	955 000	46 630 000	50 442 190	(3 812 190)
Operating Expenses	7	15 194 337	2 129 730	17 324 067	20 325 909	(3 001 842)
Depreciation and Amortisation	2	-	-	-	1 171 755	(1 171 755)
Board Members' Expenses	8	2 277 355	381 205	2 658 560	2 826 159	(167 599)
Employee Costs	9	28 203 308	(1 555 935)	26 647 373	25 986 858	660 515
Finance Cost		-	-	-	129 186	(129 186)
Loss on sale of asset		-	-	-	2 323	(2 323)
SURPLUS FOR THE YEAR		-	45 000	45 000	43 820 108	43 775 108
Capital Expenditure	2	-	45 000	45 000	4 330	40 670

2014	NOTE(S)	INITIAL BUDGET R	ADJUSTMENTS R	BUDGET R	ACTUAL R	VARIANCE R
TOTAL REVENUE		47 899 331	(1 327 702)	46 576 476	53 941 396	(7 364 920)
Government Grant		35 543 000	11 028 629	46 576 476	46 571 629	(4 847)
Other operating Revenue		11 156 331	(11 156 331)	-	6 590 609	6 590 609
Interest received		1 200 000	(1 200 000)	-	779 158	779 158
TOTAL EXPENSES		47 436 322	(1 597 702)	45 838 619	48 704 780	(2 866 161)
Operating Expenses	7	18 533 126	(1 392 073)	17 141 053	20 545 954	(3 404 901)
Depreciation and Amortisation	2	845 593	-	845 593	1 141 784	(296 191)
Board Members' Expenses	8	1 908 253	1 087 222	2 995 475	2 996 246	(771)
Employee Costs	9	26 149 350	(1 292 851)	24 856 498	23 832 823	1 023 675
Finance Cost		-	-	-	148 188	(148 188)
Loss on sale of asset		-	-	-	39 785	(39 785)
SURPLUS FOR THE YEAR		463 009	270 000	737 857	5 236 616	4 498 759
Capital Expenditure	2	463 009	270 000	733 005	1 948 958	(1 215 953)



ACCOUNTING POLICIES

for the year ended 31 March 2015

1. ACCOUNTING POLICIES

Significant Accounting Judgements and Estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include: provision for leave pay, bonus provision, leave pay, useful lives and depreciation methods. Notes relating to the subjects are included under the affected areas of financial statements.

1.1 Basis of Presentation

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless specified otherwise. All the GRAP standards applicable to public entities have been complied with.

1.1.1 New standards and interpretations

Standards and interpretations effective and adopted in the current year.

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard / Interpretation	Effective date: years beginning on or after
GRAP 1: Presentation of Financial Statements	1 April 2014
GRAP 5: Borrowing Costs	1 April 2014
GRAP 100: Discontinued Operations	1 April 2014

The above standards did not have any material impact on the financial statements of the Board.

Standards and interpretations issued, but not yet effective.

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 1 April 2015 or later periods:

Standard / Interpretation	Effective date: Years beginning on or after
GRAP 105: Transfers of Functions between Entities Under Common Control	1 April 2015
GRAP 106: Transfers of Functions between Entities not Under Common Control	1 April 2015
GRAP 107: Mergers	1 April 2015
GRAP 1: Presentation of Financial Statements	1 April 2015
GRAP 2: Cash Flow Statements	1 April 2015
GRAP 3: Accounting Policies, Changes in Accounting Estimates and Errors	1 April 2015
GRAP 4: The Effects of Changes in Foreign Exchange Rates	1 April 2015
GRAP 9: Revenue from Exchange Transactions	1 April 2015
GRAP12: Inventories	1 April 2015
GRAP13: Leases	1 April 2015

ACCOUNTING POLICIES

for the year ended 31 March 2015 (continued)

Standard / Interpretation (continued)	Effective date: Years beginning on or after
GRAP 14: Events After the Reporting Date	1 April 2015
GRAP 17: Property, Plant and Equipment	1 April 2015
GRAP19: Provisions, Contingent Liabilities and Contingent Assets	1 April 2015
GRAP 21: Impairment of Non-cash-generating Assets	1 April 2015
GRAP23: Revenue from Non-exchange Transactions (Taxes and Transfers)	1 April 2015
GRAP24: Presentation of Budget Information in Financial Statements	1 April 2015
GRAP25: Employee Benefits	1 April 2015
GRAP26: Impairment of Cash-generating Assets	1 April 2015
GRAP31: Intangible Assets	1 April 2015

1.2 Presentation of currency

These annual financial statements are presented in South African rand which is the functional currency of the entity.

1.3 Going concern

These annual financial statements have been prepared on the assumption that the entity will continue to operate as a going concern for the next foreseeable future.

1.4 Comparative Figures

Where necessary comparative figures have been reclassified to conform to changes in presentation in the current year.

1.5 Property, Plant and Equipment

The cost of an item of Property, Plant and Equipment is recognised as an asset when: - it is probable that future economic benefits associated with the item will flow to the Board; and -the cost of the item can be measured reliably.

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is calculated to write off the cost of an asset on a straight line basis to its residual value over its useful life as follows:

Item	Useful Life
Fittings	10 years
Furniture	15 years
Office equipment	15 years
Computer equipment	3 years
Motor vehicles	5 years
Computer software	1 year
Sundry Assets	5 years

The useful life, depreciation method and residual value are reviewed at each reporting date and if expectations differ from previous estimates the changes are accounted for as change in accounting estimates in accordance with GRAP 3 "Accounting Policies, Changes in Accounting Estimates and Errors." The carrying amount of an item of Property, Plant and Equipment shall be derecognised on disposal or when no future economic benefits or service potential are expected from its use or disposal and gains or losses shall be dealt with in the statement of financial performance.



1.6 Inventory

The Board does not operate an inventory system for consumables that are bought in bulk as the stock levels are always immaterial at reporting dates. These transactions are charged to the statement of financial performance on monthly basis to various divisional accounts. The consumables at hand on the reporting date are counted to determine if they are material for disclosure in the financial statements.

1.7 Financial Instruments

Initial recognition

The Board classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability, or equity instrument in accordance with the substance of the contractual arrangement. Financial assets and financial liabilities are recognised in the statement of financial position when the Board becomes party to the contractual provisions of the instrument.

The entity does not offset a financial asset and a financial liability unless a legally enforceable right to set off the recognised amounts currently exists; and the entity intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Initial measurement

Financial instruments carried on the statement of financial position include cash and cash equivalents, trade and other receivables and trade and other payables. These instruments are initially measured at fair value plus in the case of financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Where the effect of any extended payment terms is not material no adjustments are made.

Fair value methods and assumptions

The fair values of financial instruments are determined as follows: If the market for a financial asset is not active the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Amortised Cost

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectability.

ACCOUNTING POLICIES

for the year ended 31 March 2015 (continued)

Loans and receivables

Loans and receivables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Where the effect on fair value at initial recognition of any extended payment terms is not material no adjustments are made.

Loans and receivables are subsequently measured at amortised cost using the effective interest rate methods less any impairment loss. Interest income is recognised in the Statement of Financial Performance by applying the effective interest rate.

Trade and other receivables and cash and cash equivalents that have fixed or determinable payments that are not quoted in active market are classified as loans and receivables.

Financial liabilities held at amortised cost

Trade and other payables and finance lease liabilities are included in financial liabilities held at amortised cost. Items classified within trade and other payables are not usually re-measured, as obligations are usually known with a high degree of certainty due to their short term maturity, therefore the carrying amount would approximate the fair value. Where the effect on fair value at initial recognition of any extended payment terms is not material no adjustments are made.

Cash and Cash Equivalents

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at balance sheet date. Cash and cash equivalents includes cash on hand, deposits held at call with banks and other highly liquid investments with original maturities of three months or less. For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand net of bank overdrafts, all of which are available for use by the Board unless otherwise stated. The cash flow statement is prepared on the basis of the direct method.

1.8. Leases

1.8.1. Finance Leases - Lessee

A finance lease is a lease that transfers substantially all the risks and rewards incident ownership to the lessee. If at inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset it will be classified as a finance lease.

Finance leases are recognised as assets and liabilities in the Statement of Financial Position at amounts equal to the fair value of leased assets or if lower the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation. The discount rate used in the calculation of the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

1.8.2. Operating Leases - Lessee

An operating lease is a lease agreement that does not transfer all the risks and rewards incident to ownership to the lessee at inception.



Operating leases are recognised as an expense in the financial statements on a straight line method over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.9. Employee Benefits

1.9.1 Short Term Employee Benefits

The cost of all short term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employee render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of surplus sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.9.2 Defined Contribution Plans

Payments to defined contribution retirement benefits plans are charged as an expense to the Statement of Financial Performance as they fall due. There are no post employment benefits which have been arranged by the Board.

1.10. Provisions and Contingencies

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

1.10.1. Provisions are recognised when:

- the Board has a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

1.10.2. Contingent Liabilities are regarded as:

- possible obligations that arises from past events.
- whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events; and/or
- the amount of the obligation cannot be measured with sufficient reliability.

1.11 Government Grant

The Board receives a grant from Government for each financial year. The grant is recognised when there is assurance that:

- the Board will comply with the conditions attached to the grant; and
- the grant will be received.

ACCOUNTING POLICIES

for the year ended 31 March 2015 (continued)

1.12 Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

The Board is mandated by the Limpopo Department of Economic Development, Environmental and Tourism to regulate, control and monitor gambling activities in the Province.

Related parties include:

- Individuals owning directly and indirectly an interest in the entity.
- Key management personnel and their families.

1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the Board receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

1.13.1 Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.13.2 Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date.

The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.



When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion to the transaction at the reporting date.

Transfers are inflows of future economic benefits or services potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognizes an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognizes revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognize a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

Apart from services in kind, which are not recognised, the entity recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

1.15. Accumulated Surplus

In terms of section 53(3) of Public Finance Management Act a public entity which must submit a budget in terms of subsection (1) may not budget for a deficit and may not accumulate surpluses unless the prior written approval has been obtained from the National Treasury. Pursuant to this provision surpluses at each reporting date are surrendered unless retention has been authorised. Funds generated by the Board are surrendered as per Instruction Note 2 of 2013.

1.16. Budget Information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorizations (or equivalent), which is given effect through authorizing legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

ACCOUNTING POLICIES

for the year ended 31 March 2015 (continued)

Budget information in accordance with GRAP 1 and 24 has been provided as a Statement of Comparison of Budget and Actual Expenditure with effect from the current financial year.

A reconciliation of budget and surplus / deficit with cash generated from operating investing and financing activities is also provided as part of the financial statements.

1.17 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

In the eventuality of fruitless and wasteful expenditure appropriate disciplinary action is taken against the culprit and appropriate steps are also taken to recover the loss.

The Accounting Officer will accordingly be informed in line with prescripts of the PFMA. The loss so incurred will be disclosed in financial statement in the period to which it relates.

1.18. Irregular Expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorized expenditure, incurred in contravention if or that is not in accordance with a requirement of any applicable legislation.

In the event such expenditure occurs appropriate disciplinary action will be taken against the perpetrator and appropriate steps will also be taken to recover the loss.

The Accounting Officer will accordingly be informed in line with the prescripts of the PFMA. The loss so incurred will be disclosed in the financial statements in the period to which it relates.



Notes to the ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015

2. PROPERTY PLANT AND EQUIPMENT

2015	FITTINGS R	FURNITURE R	OFFICE EQUIPMENT R	COMPUTER EQUIPMENT R	MOTOR VEHICLES R	LEASED ASSETS R	SUNDRY ASSETS R	TOTAL R
Opening Balances								
Cost	3 244 919	1 275 445	405 060	1 264 745	3 591 248	550 210	24 459	10 356 086
Accumulated Depreciation	(352 894)	(507 442)	(132 115)	(735 483)	(1 303 688)	(76 418)	(24 459)	(3 132 499)
Carrying Amount	2 892 025	768 003	272 945	529 262	2 287 560	473 792	-	7 223 587
Movement during the Year								
Additions	-	399		3 931	-	-	-	4 330
Disposals (Cost)	(444)	(2 904)	(5 460)	(65 808)	-	-	(6 180)	(80 796)
Disposals (Acc Dep)	444	923	3 369	65 808			6 180	76 723
Depreciation	(324 448)	(71 480)	(26 861)	(248 658)	(316 905)	(183 403)	-	(1 171 755)
	2 567 577	694 941	243 992	284 535	1 970 655	290 389	(6 180)	6 052 089
Cost	3 244 475	1 272 940	399 600	1 202 868	3 591 248	550 210	18 279	10 279 620
Accumulated Depreciation	(676 898)	(577 999)	(155 608)	(918 333)	(1 620 593)	(259 821)	(18 279)	(4 227 531)
Carrying Amount	2 567 577	694 941	243 992	284 535	1 970 655	290 389	-	6 052 089

2014	FITTINGS R	FURNITURE R	OFFICE EQUIPMENT R	COMPUTER EQUIPMENT R	MOTOR VEHICLES R	LEASED ASSETS R	SUNDRY ASSETS R	TOTAL R
Opening Balances								
Cost	3 341 965	854 132	520 965	1 327 560	3 711 215	295 712	24 460	10 076 009
Accumulated Depreciation	(125 492)	(487 195)	(230 942)	(1 044 487)	(1 084 897)	(271 069)	(24 460)	(3 268 542)
Carrying Amount	3 216 473	366 937	290 023	283 073	2 626 318	24 643	-	6 807 467
Movement during the Year								
Additions	-	472 286	43 677	494 476	275 038	550 210	-	1 835 687
Disposals	-	(21 587)	(35 027)	-	(221 169)	-	-	(277 783)
Depreciation	(324 448)	(49 633)	(25 728)	(248 287)	(392 627)	(101 061)	-	(1 141 784)
	2 892 025	768 003	272 945	529 262	2 287 560	473 792	-	7 223 587
Cost	3 244 919	1 275 445	405 060	1 264 745	3 591 248	550 210	24 459	10 356 086
Accumulated Depreciation	(352 894)	(507 442)	(132 115)	(735 483)	(1 303 688)	(76 418)	(24 459)	(3 132 499)
Carrying Amount	2 892 025	768 003	272 945	529 262	2 287 560	473 792	-	7 223 587

2.1 Intangible Assets

	2015 R	2014 R
Trademark - Cost	7 866	7 866
Amortisation	(7 866)	(7 866)
Carrying Amount	-	-

The useful and residual values were reassessed at year end for both tangible and intangible assets however, no material adjustments were considered necessary.

Notes to the
ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015 (continued)

3. ACCOUNTS RECEIVABLES- EXCHANGE TRANSACTIONS	NOTE(S)	2015 R	2014 R
Debtors' control		439 218	-
Sundry Debtors		1 028 841	361 228
Prepaid Expenses & Deposit		151 596	209 201
		1 619 655	570 429

4. CASH AND CASH EQUIVALENTS

Bank		14 895 041	8 523 012
Petty Cash		2 000	2 000
		14 897 041	8 525 012

5. TRADE AND OTHER PAYABLES

Sundry Creditors and funds to surrender		1 029 941	2 122 853
Pay as you earn		3 266	25 696
Provision -Leave and 13 th Cheque	17	1 040 463	854 629
Other Accruals		80 975	133 070
		2 154 645	3 136 248

6. NON-EXCHANGE REVENUE

Horseracing application fees		114 374	1 670
LPM application fees		44 293	1 010 040
LPM licence fees		263 916	319 185
Levies		36 512 468	-
Annual licence fees		3 142 835	2 719 700
Manufacturer licences		1 000	3 000
Manufacturer's Application		120 000	-
Investigation fees		1 016 415	526 893
Horse racing licence fees		104 288	187 325
Employee registration fees		4 038 217	1 197 271
Casino Licence Fees		1 171 088	-
Certificate of Suitability		8 798	-
Sundry income		765 799	625 525
		47 303 491	6 590 609
6.1 Exchange Revenue			
Interest received		283 808	779 158
		283 808	779 158



7. OPERATING EXPENSES	NOTE(S)	2015 R	2014 R
Audit Fees (Internal)		372 400	386 547
Audit Fees - Auditor General		1 147 094	993 852
Operating Lease Charges		11 357 959	11 357 958
Audit Committee Expense	12	59 825	118 380
Investigation Fees		60 027	41 555
Other Expenses	29	7 328 604	7 647 662
		20 325 909	20 545 954

8. BOARD MEMBERS' EXPENSES

Subsistence and Travelling		92 134	88 044
International Conferences and Seminars		1 229 645	1 416 366
Board Meetings		54 419	7 175
Accommodation		291 459	296 252
Monthly Allowance		1 158 502	1 188 409
		2 826 159	2 996 246

9. EMPLOYEE COST

Salaries		19 450 137	17 487 673
Housing Allowance		624 171	563 871
Leave Provision	17	1 434 311	1 652 640
Pension Fund		2 195 602	2 074 735
13th Cheques	17	1 345 992	1 337 314
Medical Aid		842 124	624 803
Unemployment Insurance Fund		94 521	91 787
		25 986 858	23 832 823

10. FINANCE COSTS

Finance Lease Charges		129 186	148 188
		129 186	148 188

Notes to the
ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015 (continued)

11. RELATED PARTY TRANSACTIONS

11.1 Relationships

Parent Department	Limpopo Department of Economic Development Environment and Tourism.	
Members of key Management	Mr Serobi Maja	CEO
	Ms Y S M Mathabatha	CFO
	Adv. L Ganess	Senior Manager Legal
	Mr L S Maahlo	Senior Manager Finance
	Mr L K Mathavhane	Senior Manager Compliance
	Mr M P Masogo	Senior Manager Law
Board Members	Mr MT Mokono	Chairperson
	Ms J Mogale	Deputy Chairperson
	Ms B L Montjane	
	Khosi T N Makumbane	
	Mr A Mashele	
	Mr K S Maboea	
	Mr J K Sithole	

11.2 Remuneration of Senior Management

2015	SALARY R	HOUSING ALLOWANCE R	TRAVEL ALLOWANCE R	MEDICAL AID R	PENSION FUND R	ANNUAL PACKAGE R	ANNUAL PACKAGE R
Serobi Maja (CEO)	1 564 937	11 600	111 180	74 387	165 197	1 927 301	1 807 520
Y.S.M. Mathabatha (CFO)	1 134 873	11 600	96 000	-	116 072	1 358 545	1 262 531
L. Ganess	898 162	11 600	66 758	-	91 224	1 067 744	992 182
S. Maahlo	827 598	11 600	114 000	26 805	91 551	1 071 554	994 964
L.K. Mathavhane	815 965	11 600	84 000	-	85 155	996 720	926 152
M P Masogo	781 007	11 600	78 000	35 899	84 685	991 191	919 944
	6 022 542	69 600	549 938	137 091	633 884	7 413 055	6 903 293

11.3 Grant Received

Department of Economic Development and Tourism

Non-Exchange Revenue

Unconditional Grant

Accumulated surplus approved to be utilized

	2015 R	2014 R
Unconditional Grant	46 675 000	40 343 000
Accumulated surplus approved to be utilized	-	6 228 629
	46 675 000	46 571 629



11. RELATED PARTY TRANSACTIONS (continued)

11.4 Remuneration of Board Members

	2015 R	2014 R
Sithole K.J.	112 006	124 148
Mogale J.	473 977	479 895
Montjane B.L.	125 745	124 639
Makumbane T. N.	113 367	124 664
Mokono M.T.	459 757	462 580
Mathabatha M.J.	-	33 725
Maboea K.S.	6 675	-
Mashele A. (Subsistence Allowance)	-	16 679
Total	1 291 527	1 366 330

12. AUDIT COMMITTEE EXPENSES

Meetings	59 825	108 234
----------	--------	---------

13. LEASES COMMITMENTS

13.1. Operating Leases

Payable within 1 year	8 695 041	7 904 583
Payable within 2 to 5 years	44 389 050	40 353 685
Payable within 6 to 10 years	44 811 041	57 541 451
	97 895 132	105 799 719

The Board rents offices in Polokwane at 8 Hans van Rensburg. Rental is payable monthly in advance and it escalates at the rate of 10% per annum. The tenant has the option to make an offer to purchase at any time during the currency of the lease agreement. The tenant is also precluded from using the building for other purposes other than that agreed upon in the lease agreement. The landlord can terminate the contract upon expiry of the termination date. There is no contingent rent in the Statement of Financial Performance. The lease expires on the 28 February 2023.

13.2. Finance Leases

Reconciliation of minimum lease payments

Payable within 1 year (Short-term)	279 771	279 770
Payable within 2 to 5 years (Long-term)	163 198	442 559

Minimum Lease Payments

442 969 **722 329**

Less Future Finance Charges

(94 767) **(223 543)**

Payable within 1 year	(78 980)	(129 186)
Payable within 2 to 5 years	(15 787)	(94 357)

Present Value of Lease Liability

348 202 **498 785**

Payable within 1 year	200 790	150 583
Payable within 2 to 5 years	147 412	348 202

The Board entered into a finance lease agreement with Palesa Technologies with effect from 01 December 2013. The rental amount is R23 314.18 per month with no escalations. Contingent rent is charged to the Statement of Financial Performance and it is based on the number of copies made calculated monthly in arrears. The agreement is for rental in respect of the stipulated period and the option for purchase and renewal are not applicable.

Notes to the
ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015 (continued)

14. OTHER COMMITMENTS	NOTE(S)	2015 R	2014 R
Approved and Contracted for		1 157 169	950 526
Approved and not Contracted for		-	-
		1 157 169	950 526

The commitments relate to contracts in respect of insurance, security and the printing of the annual reports. The commitments are funded from existing funds.

15. LEVIES

Levies collected and paid over to Provincial Treasury	27 350 964	48 091 114
Levies collected and not paid over to Provincial Treasury	-	3 101
Total	27 350 964	48 094 215

According to the revised Limpopo Gambling Board Act No. of 2013 which came into operation on the 1 September 2014, the levies collected are recognised as the Board's own revenue in terms of Section 17(b). The Board has paid over to Provincial Treasury, all the levies collected from 1 April 2014 to 31 August 2014. All the levies collected as from 1 September 2014 are now being recognised as revenue.

16. OTHER FINANCIAL LIABILITIES

Fair values of financial liabilities (Creditors) were determined based on the cost of services rendered and / or goods acquired by the Board, for which payments were outstanding at year end.

17. RECONCILIATION OF EMPLOYEE PROVISIONS

Leave Pay			
Opening Balance		538 258	720 183
Accrued during the Year	9	1 434 311	1 652 640
Utilised during the Year		(1 276 402)	(1 834 565)
Closing Balance		696 167	538 258
13th Cheques and Savings (CEO and Management)			
Opening Balance		316 371	321 617
Accrued during the Year	9	1 345 992	1 226 890
Utilised during the Year		(1 318 067)	(1 232 136)
Closing Balance		344 296	316 371
TOTAL PERSONNEL ACCRUALS	5	1 040 463	854 629



18. INCOME TAX

2015
R

2014
R

The Limpopo Gambling Board is exempt from tax in terms of the provisions of Section 10(1)(cA)(i) of the Income Tax act.

19. DEFINED CONTRIBUTION PLAN

The employer contributes a percentage of an employee's salary to the Old Mutual Pension Fund which is subject to the Pension Fund Act, where it is vested on the employee's behalf. On retirement the employee will receive contributions plus returns on investment. The employer has no obligation other than to make the monthly payments and no further risk. The risk of market movements lies with the employee.

Senior Staff	633 884	605 238
Other Staff	1 561 718	1 469 497
Total Contributions	2 195 602	2 074 735

20. CASH FLOW FROM OPERATING ACTIVITIES

Surplus for the year	43 820 108	5 236 616
Prior period adjustment- prepayment	(479 547)	40 653
Surrendered funds (Own Revenue)	(40 374 765)	(20 379 925)
NON-CASH MOVEMENTS AND NON-OPERATING ITEMS	4 472 832	(1 565 445)
Depreciation	1 171 755	1 141 784
Funds rolled over	-	(6 228 629)
Operating Lease	3 453 376	4 112 586
Interest received	(283 808)	(779 158)
Finance Costs	129 186	148 188
Loss on disposal of assets	2 323	39 784
CHANGES IN WORKING CAPITAL	(1 089 159)	(2 558 656)
Decrease / (Increase) in Receivables	(1 049 226)	(392 620)
Decrease in income received in advance	941 670	835 428
Increase / (Decrease) in Payables	(981 603)	(3 001 464)
NET CASH FLOW FROM OPERATING ACTIVITIES	6 349 469	(19 226 757)

21. EXPENDITURE

21.1 Irregular Expenditures

Reconciliation of irregular expenditure

Opening balance	3 448 487	253 148
Add: Irregular expenditure-current year	-	3 448 487
Less: Irregular expenditure condoned	(3 448 487)	(253 148)
Transfer to receivables for recovery	-	-
	-	3 448 487

Notes to the
ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015 (continued)

21. EXPENDITURE (continued)

The above amounts are made up as follows:

Various instances of non-compliance with supply chain management prescripts
Conflict of Interest Mashego Attorneys
Non compliance with Cost Containment Measures

	2015 R	2014 R
	-	3 071 290
	-	372 195
	-	5 002
	-	3 448 487

21.2 Fruitless and Wasteful Expenditures

Opening balance
Add :Wasteful expenditure-current year
Less :Wasteful expenditure condoned
Transfer to receivables for recovery
Add: Reversed Expenditure previously condoned

	33 652	-
	225 183	112 319
	(25 772.00)	(85 078)
	(6 411)	-
	-	6 411
	226 652	33 652

The above amounts are made up as follows:

Cancellation of trips
SARS penalty on P.A.Y.E returns
Dishonoured cheque (SARS) due to one signature
Wasteful expenditure condoned
Transfer to receivables for recovery
Add: Reversed Expenditure previously condoned
Late payment of Telkom
Officials that exceeded cellphone limits

	32 183	29 855
	191 902	54 844
	27 241	27 241
	(25 772)	(85 078)
	(6 411)	-
		6 411
	-	379
	7 509	-
	226 652	33 652

The wasteful expenditure is currently under investigation to determine whether any employee can be held accountable. The Board on the 10 October 2014 resolved that the amount of R6 411 should be transferred to receivables for recovery.

SARS levied penalties amounting to R191 902 with the impression that P.A.Y.E returns were not submitted, yet the Board had manually submitted the returns. Management is currently engaging with SARS to reverse the penalty as the Board has proof of submission.

22. POST BALANCE SHEET EVENTS

The Board is unaware of any matter or event arising since the end of the financial year.



23. FINANCIAL RISK MANAGEMENT

2015
R

2014
R

The use of financial instruments exposes an organisation to a number of risks. Some of the main financial risks are considered below:

Treasury regulations require the entity to facilitate a risk assessment to determine the material risks to which the entity may be exposed to and to evaluate the strategy for managing these risks. A risk assessment exercise is therefore conducted for the whole organisation on an annual basis, with the help of the entity's internal auditors. These risk factors form the basis of the internal audit annual coverage plan.

Market risk

This is the risk that the fair value or future cash flows from a financial instrument will fluctuate as a result of the changes in market prices. Values in financial instruments may change, thus resulting in both potential gains and losses. The entity's activities do not expose it to significant market risks. The entity's activities expose it primarily to the risk of fluctuations in interest rate.

Interest rate risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Market risk exposures are measured using sensitivity analysis. A sensitivity analysis shows how surplus would have been affected by changes in the relevant risk variable that were reasonably possible at the reporting date.

Interest rate sensitivity Analysis

The Board's major source of revenue is government grant and to lesser extent, interest income depending on cash equivalents held. A major expense is on salaries which are fixed for a financial year. The basis points increases or decreases, as detailed in the table below, were determined by management and represent management's assessment of the reasonably possible change in interest rates. The sensitivity analysis below has been determined based on financial instruments exposure to interest rates at reporting date. As the entity does not have any instruments that affect net assets directly, the disclosure only indicates the effect of the change in interest rates on surplus.

A change in market interest rate at the reporting date would have increased / (decreased) the surplus for the year by amounts below:

Cash and equivalents (Upward change)		148 970	85 250
Cash and equivalents (Downward change)	1%	(148 970)	(85 250)

Credit Risk Management

Credit risk refers to the risk that counter party will default on its contractual obligations resulting in financial loss to the entity. To mitigate credit risks, the entity has adopted a policy of only dealing with creditworthy parties. Credit risk with respect to trade and other receivables is limited due to our policy of not granting credit to third parties and also due to the fact the Limpopo Gambling Board is not a trading entity or profit orientated. Management manages the credit risk relating to staff loans by deducting payments due by employees monthly from their salaries. Our main source of income is through grants received from the Department of Economic Development, Environment and Tourism.

Financial assets, that potentially subject the entity to credit risk, consist principally of cash and cash equivalents and short term deposits. The entity's cash and cash equivalents and short term deposits are placed with high credit quality financial institution.

Maximum Exposure to Credit risk

The entity's exposure to credit risk with regards to loans and receivables is limited due to the nature of the entity's operations, as explained above. Credit risk is fairly low in respect of staff loans as they are related to the entity.

There has been no significant change during the financial year, or since the end of the financial year, to the entity's exposure to credit risk, the approach of measurement or the objectives, policies and processes for managing this risk.

Notes to the
ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2015 (continued)

23. FINANCIAL RISK MANAGEMENT (continued)

Liquidity Risk Management

Liquidity risk is the risk that the organisation would not have sufficient funds available or may encounter difficulties in raising funds to meet its future commitments. This risk is regarded as low considering the Board's current funding structure and management of available cash resources.

The table below provides detail of the entity's remaining contractual maturity for its financial liabilities:

2015	CARRYING AMOUNT	TOTAL CASH FLOW	CONTRACTUAL CASH FLOW 1	CONTRACTUAL CASH FLOW 1-5
Other Financial Liabilities	7 977 962	7 977 962	8 695 041	53 084 091

2014	CARRYING AMOUNT	TOTAL CASH FLOW	CONTRACTUAL CASH FLOW 1	CONTRACTUAL CASH FLOW 1-5
Other Financial Liabilities	4 524 586	4 524 586	7 904 583	48 258 241

The table below shows the classification on the Board's principal instruments together with their carrying values:

FINANCIAL INSTRUMENTS	CLASSIFICATION	CARRYING AMOUNT 2015	CARRYING AMOUNT 2014
Cash & Cash Equivalents	Cash & Cash Equivalents	14 897 041	8 525 012
Trade and Receivables	Loans and Receivables	1 619 655	570 429
Trade and Other Payables	Financial Liabilities Held at Amortised Cost	2 154 645	3 136 248
Finance Leases	Financial Liabilities Held at Amortised Cost	200 790	150 583

Net gains and losses on financial instruments. The following table presents the total net gains of losses for each category of financial liabilities:

2015	RECEIVABLES	FINANCIAL LIABILITY	TOTAL
Interest Income	283 808	-	283 808
Finance Charges	-	(129 186)	(129 186)
Total Net Gains Recognised in the Statement of Financial Performance	283 808	(129 186)	154 622

2014	RECEIVABLES	FINANCIAL LIABILITY	TOTAL
Interest Income	779 158	-	779 158
Finance Charges	-	(148 188)	(148 188)
Total Net Gains Recognised in the Statement of Financial Performance	779 158	(148 188)	630 970



24. RECONCILIATION OF BUDGET AND SURPLUS / DEFICIT WITH THE CASH GENERATED FROM OPERATING, INVESTING AND FINANCING ACTIVITIES.

	OPERATING R	FINANCING R	INVESTING R	TOTAL R
Actual amount as presented in the budget statement	46 630 000	-	45 000	46 675 000
Basis difference	39 949 795	129 186	40 670	40 119 651
Actual amount in the cash flow statement	86 579 795	129 186	4 330	86 794 651

25. NOTES ON COMPARISON OF BUDGET AND ACTUAL EXPENSES

Other Operating Income and Interest

The material difference of R47 546 350 is caused by the Provincial Treasury Practice Note 2 of 2013 which requires public entities to surrender own revenue on a monthly basis to the Limpopo Economic Development Environment and Tourism (LEDET). The Limpopo Gambling Act, No. 3 of 2013, which became effective on 1 September 2014, classifies levies as own revenue which were previously surrendered to Provincial Treasury as the identified beneficiary.

Operating Expenses

The significant variance of R3 788 250 of total expenditure is mainly caused by the non-cashflow items which comprise of the smoothing of the operating lease amounting to R3 002 169 and depreciation of R1 178 223.

26. AMOUNT TO BE SURRENDERED TO PROVINCIAL TREASURY	NOTE(S)	2015 R
Surplus for the year		43 820 108
Add back: Depreciation	2	1 171 755
Operating lease equalisation		3 453 376
Total Amount		48 445 239
Less Already Surrendered to LEDET		(37 198 790)
Amount to be Surrendered		11 246 449

According to the interpretation of National Treasury, with reference to Section 22(1)(b) of the PFMA, Act 1 of 1999, all money received by the public entities should not be transferred to the Provincial Revenue Fund (PRF). In compliance with this section of the PFMA, the revenue collected by Limpopo Gambling Board has now been recognised as revenue despite that the funds were already transferred during the year. The transfers already made to Provincial Treasury amounts to R38 467 790, and have been transferred through the Statement of Changes in Net Assets.

27. CONTINGENT ASSET

As at 31 March 2015 the entity is in litigation in the Labour Court with prior employee in respect of unfair dismissal. The court has ruled in favour of the Board, however the amount is to be confirmed.

27.1 Contingent Liability

As at 31 March 2015 the entity is indispute with SARS regarding payments made since 2007. The amount payable cannot be determined as we are still awaiting the decision of the dispute lodged.

28. PRIOR YEAR ADJUSTMENTS

28.1 The following prior year adjustments were made:

- a) A prepayment of R59 886 was made in respect of the operating lease of the building, which had incorrectly understated the operating lease liability
- b) The Board considered fruitless expenditure of R6 441 which was previously written off as irrecoverable. The amount was transferred to the accounts receivable.

The effect of the above restatements are as follows:

Statement of Financial Position	BALANCE AS PREVIOUSLY R	ADJUSTMENT R	RESTATED R
Prepayment	-	59 886	59 886
Operating Lease Liability	(4 465 198)	(59 886)	(4 525 084)
Statement of Financial Performance			
Board Exepenses	3 001 696	(5 452)	2 996 244
Disclosure Note			
Fruitless and wastefull expenditure	27 241	5 452	32 693

Net Effect on Accumulated Surplus

The above prior year adjustment does not have impact to the accumulated surplus.



29. OPERATING EXPENSES

	2015 R	2014 R
Advertising & Promotions	72 216	62 099
Responsible Gambling Awareness Strategy	242 470	96 296
Bank Charges	59 922	65 476
Cleaning Materials	22 725	-
Casual Labour	-	200
Refreshments	40 422	75 249
Communication	223 664	193 025
Computer Expenses	125 274	69 913
Consultation & Research	56 480	165 251
Courier & Postage	13 576	7 105
Crime Awareness Campaign	30 700	23 347
Curtlery & Consumables	-	2 348
Danger Allowance	10 400	-
Donations	54 000	-
Water & Electricity	247 997	417 324
Entertainment Expenses	1 615	9 853
General Expenses - Other	-	4 368
Insurance	201 721	60 355
SARS - Penalties & Interest Paid	191 902	-
Law Enforcement Expenses	200	12 014
Legal Fees	525 818	695 071
License Fees	113 906	-
Motor Vehicle Expenses - Fuel	721 533	693 567
Motor Vehicle Repairs	143 566	131 015
Rental - Office Equipment	-	60 063
Operating Lease (Server)	37 757	214 818
Assessment Rates	319 753	83 523
Security Expenses	481 788	368 539
Printing & Stationery	455 941	544 648
Books/Magazines/Newspapers	-	38 122
Rental - Postal Box	1 164	1 020
Maintenance Building	138 463	183 862
Maintenance Equipments	6 316	3 790
Reimbursive Travelling	448 288	485 594
Staff Subsistence & Toll Fees	100 762	95 334
Staff Meals & Accommodation	864 580	1 170 828
Subscriptions	36 995	32 714
Telephones & Faxes	648 993	848 416
Staff Training Inhouse	222 817	279 623
Occupational Injuries & Diseases	138 305	-
Bursaries	35 926	91 103
Skills Development Levy	244 202	215 970
Recruitment Expenses	3 129	18 020
Staff Welfare	43 318	127 801
	7 328 604	7 647 663

LIMPOPO GAMBLING BOARD OFFICIALS

CEO OFFICE



OFFICIAL

1. Mr. S. Maja
2. Adv L. Ganess
3. Ms A. Koekemoer
4. Ms M. Thosago
5. Mr. J. Singh

DESIGNATION

- Chief Executive Officer
- Senior Manager : Legal
- Personal Assistant: CEO
- Secretary: CEO
- Secretary :Legal

CFO OFFICE



OFFICIAL

1. Ms Y. Mathabatha
2. Ms M. Mokoma
3. Ms B. Mabotja

DESIGNATION

- Chief Financial Officer
- Secretary
- Risk Officer

HUMAN RESOURCES



OFFICIAL

1. Ms. E Makgoba
2. Ms. A Kotze
3. Ms A. Mojapelo
4. Ms J. Mailula
5. Ms. T Masekoameng
6. Ms P Mohodi
7. Mr J. Thopola
8. Mr P. Pitsi

DESIGNATION

- Manager: Human Resources
- Human Resource Officer
- Office Assistance
- Office Assistance
- Frontline Office
- Office Assistance
- Messenger
- Facilities



SUPPLY CHAIN



OFFICIAL

1. Mr. C. Mdhuli
2. Ms T. Mngomezulu
3. Ms L. Greef
4. Ms M. Matloa

DESIGNATION

Manager : Supply Chain
Supply Chain Officer
Supply Chain Officer
Supply Chain Officer

IT UNIT



OFFICIAL

1. Mr. M Lavhengwa
2. Mr K. Bidzha

DESIGNATION

Manager : IT
IT Officer

GAMING CONTROL



OFFICIAL

1. Mr. A Tshabalala
2. Mr N. Mathabatha
3. Ms L. Shadung
4. Mr F Scott
5. Mr S Kgame
6. Mr S Wilhase

DESIGNATION

Manager : Gaming Control
Gaming Control Officer
Gaming Control Officer
Gaming Control Officer
Gaming Control Officer
Gaming Control Officer

AUDIT UNIT



OFFICIAL

1. Mr I Rameetse
2. Mr A Beetha
3. Ms R Phiri
4. Ms Agnes Maloka
5. Mr M Ramothwala

DESIGNATION

Manager : Compliance Auditor
 Compliance Auditors
 Compliance Auditors
 Compliance Auditors
 Compliance Auditors

LICENSING UNIT



OFFICIAL

1. Ms N. Molepo
2. Mr R. Molepo

DESIGNATION

Manager : Licensing
 Investigations and Licensing Officer

FINANCE UNIT



OFFICIAL

1. Mr S. Maahlo
2. Ms D. Ramotumbu
3. Ms E. Mamabolo
4. Ms M Mkhuknazi

DESIGNATION

Senior Manager : Finance
 Accountant
 Secretary: Finance
 Payroll Officer

LAW ENFORCEMENT



OFFICIAL

1. Mr P Masogo
2. Ms M. Machete

DESIGNATION

Senior Manager : Law Enforcement
 Secretary

NOTES

A series of horizontal dotted lines for writing notes.