

ANNUAL REPORT



2024/25



Table of Contents

PART A: GENERAL INFORMATION	6
1. Foreword by the Member of Executive Council	7
2. General Information	8
3. List of Abbreviations, Acronyms and Initialisms	9
4. Foreword by the Chairperson	11
5. Chief Executive Officer's Overview	13
6. Statement of Responsibility for Performance Information for the Year Ended 31 March 2025	17
7. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD	18
7.1 Vision	18
7.2 Mission	18
7.3 Values	18
8. Legislative and Other Mandates	18
8.1 Constitutional Mandates	18
8.2 Legislative Mandates	18
8.3 Policy Mandates	18
9. Members of the Board	20
10. Organisational Structure	22
PART B: PERFORMANCE INFORMATION	24
1 Auditor's Report: Predetermined Objectives	25
2 Overview of Performance	26
2.1 Service Delivery Environment	26
2.2 Organisational Environment	39
2.3 Key Policy Developments and Legislative Changes	40
2.4 Progress Towards Achievement of Institutional Impacts and Outcomes	44
3. Amendments to the Strategic Plan	44
4. Institutional Programme Performance Information	44
5 5.1 Programme 1: Governance	44
5.2 Programme 2: Finance	45
5.3 Programme 3: Compliance	48
5.4 Programme 4: Law Enforcement	51
5.5 Linking Performance with Budgets	52
6. Revenue Collection	52
7. Capital Investment	52
PART C: GOVERNANCE	52
1. Introduction	53
2. Portfolio Committees	53
3. Executive Authority	53
4. The Entity	54
4.1 Introduction	54
4.2 The Role of the Board	54
4.3 Board Charter	54
4.4 Composition of the Board	55
4.5 Audit and Risk Committee	56
4.6 Human Resources, Ethics and Social Committee / Human Resource and Remuneration Committee	59
4.7 Compliance and Enforcement Committee	59
4.8 Corporate Social Investment (CSI) Committee	59
4.9 Remuneration of Board Members	57
5. Risk Management	58
5.1 Nature of Risk Management	58
5.2 Risk Management Process	58

5.3	Progress Made in Addressing Risks Identified	58
6.	Internal Control Unit	59
7	Internal Audit and Audit and Risk Committee	59
7.1	Objective and Role of Internal Audit	59
7.2	Progress Report for the Year	59
7.3	Key Activities and Objectives of the Audit and Risk Committee	60
7.4	Audit and Risk Committee Members Information	60
8.	Compliance with Laws and Regulations	61
9.	Fraud and Corruption	61
10.	Minimising Conflict of Interest	61
11.	Code of Conduct	61
12.	Health, Safety and Environmental Issues	62
13.	Company Secretary	62
14.	Social Responsibility	62
15.	Audit and Risk Committee Report	62
15.1	Introduction	62
15.2	Audit and Risk Committee Responsibilities	62
15.3	The Effectiveness of Internal Control	63
15.4	In-Year Management and Monthly/Quarterly Report	63
15.5	Evaluation of Financial Statements	63
16.	B-BBEE Compliance Performance Information	63
PART D: HUMAN RESOURCE MANAGEMENT		64
1.	Introduction	65
1.1	Policy Development	65
2.	Human Resource Oversight Statistic	65
2.1	Personnel Related Expenditure	65
2.2	Personnel Cost by Salary Band	66
2.3	Performance Rewards	66
2.4	Training Costs	66
2.5	Other Personnel Related Information	67
2.6	Employment Changes	67
2.7	Reason for Staff Leaving	68
2.8	Labour Relations: Misconduct and Disciplinary Action	68
2.9	Equity Target and Employment Equity Status	68
PART E: PFMA COMPLIANCE REPORT		70
1	Fruitless and Wasteful Expenditure and Material Losses	71
1.1	Irregular Expenditure	71
1.2	Fruitless and Wasteful Expenditure	72
1.4	Additional Disclosure Relating to Material Losses in Terms of PFMA Section 55(2)(b)(&(iii))	73
2.	Late and/or Non-Payment of Suppliers	74
3.	Supply Chain Management	74
3.1	Procurement by Other Means	74
3.2	Contract Variations and Expansions	75
PART F: FINANCIAL INFORMATION		76
1.	Report of the auditor-general to Provincial legislature on Limpopo Gambling Board	77
2.	Annual Financial Statements for the year ended 31 March 2025	82
PART G: RESPONSIBLE GAMBLING		122
1.	What is Problem Gambling?	123
2.	Warning Signs of Problem Gambling:	123
3.	Excessive Gambling Can Affect the Following	123
4.	Strategies to Control Gambling	124



PART A

GENERAL INFORMATION



Foreword by the Member of Executive Council

The Member of the Executive Council (ME for Economic Development, Environment and Tourism, Honourable T.B. Matibe, presented an overview of the Limpopo Gambling Board's (LGB) 2024/25 Annual Report, highlighting the Board's successful fulfilment of its regulatory mandate.

By ensuring that licensees comply with gambling legislation and by promoting responsible gambling practices, the LGB has demonstrated an unwavering commitment to maintaining a well-regulated, fair, and transparent industry. While the Board has achieved a clean audit for consecutive years, reflecting years of exemplary corporate governance, sound financial management, and operational discipline, that standard has dropped. We trust that the Board will kickstart a problem identification and turnaround plan promptly.

Despite operating under resource constraints, the LGB achieved an impressive 93% of its performance targets and collected over R345 million in revenue, representing a significant increase compared to the previous financial year. This performance not only underscores the stability of Limpopo's gambling industry but also reaffirms the LGB's strategic role in contributing to economic growth and job creation in the province.

The Board's efforts to combat illegal gambling remain commendable. During the reporting period, more than 600 illegal gambling machines were confiscated and destroyed across Limpopo. The LGB is further encouraged to deepen collaboration with communities and law enforcement agencies to expand its reach and develop sustainable solutions to eradicate illegal gambling activities.

In addition, the Board is recognised for its commitment to evidence-based decision making through the facilitation of continuous socio-economic impact studies. The timely implementation of the recommendations emanating from these studies will further strengthen the sector's positive contribution to the provincial economy and social development.

I take this opportunity to extend my sincere appreciation to the leadership of the Limpopo Gambling Board – particularly the Chairperson, Mr Mataboge Elijah Tjiane, and the Chief Executive Officer, Mr Gregory Makoko – for their dedication and stewardship. The Department pledges its continued support to the LGB in upholding the highest standards of public service, accountability, and sector regulation.

Honourable T.B. Matibe

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 Number:	(015) 230 2300
Email Address:	ceo@lgb.co.za
Website Address:	www.lgb.org.za
External Auditors:	Auditor-General South Africa
Physical Address:	32 Dimitri Crescent, Polokwane, Extension 1
Telephone Number:	(015) 283 9300
Bankers:	Standard Bank of South Africa
Physical Address:	Mall of the North, Polokwane
Telephone Number:	(015) 265 2000

3. List of Abbreviations, Acronyms and Initialisms

4IR	4th Industrial Revolution
ACT	Limpopo Gambling Act No. 3 of 2013
ADV	Advocate
AFS	Annual Financial Statements
AGSA	Auditor-General South Africa
APP	Annual Performance Plan
BBBEE	Broad-Based Black Economic Empowerment
B.COM	Bachelor of Commerce
B.PHARM	Bachelor of Pharmacy
CA (S	Chartered Accountant South Africa
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COVID-19	Corona Virus Disease of 2019
CSD	Central Supplier Database
CSI	Corporate Social Investment
DNFBP	Designated Non-Financial Business and Professions
CSI	Corporate Social Investment
CTA	Certificate in the Theory of Accounting
DTIC	Department of Trade, Industry, and Competition
EBT	Electronic Bingo Terminal
EPWP	Expanded Public Works Programme
ERM	Enterprise Risk Management
FATF	Financial Action Task Force
FIC	Financial Intelligence Centre
FICA	Financial Intelligence Centre Act
FLASH	Firearm, Liquor and Second-Hand Goods
GDP	Gross Domestic Product
GGR	Gross Gaming Revenue
GNT	Great North Transport
HR	Human Resources Management
IA	Internal Audit
IAGR	International Association of Gambling Regulators
ICT	Information Communications Technology
LDP	Limpopo Development Plan
LEDET	Limpopo Department of Economic Development, Environment and Tourism
LGB	Limpopo Gambling Board
LLB	Bachelor of Laws
LLM	Master of Laws
LPM	Limited Pay-out Machines
LTA	Limpopo Tourism Agency
MBA	Master of Business Administration

3. List of Abbreviations, Acronyms and Initialisms

MBL	Master of Business Leadership
MCS	Monitoring and Control Systems
MEC	Member of Executive Council
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NGB	National Gambling Board
NLC	National Lotteries Commission
NPA	National Prosecuting Authority
OHS	Occupational Health and Safety
PDI	Previously Disadvantaged Individuals
PESTLE (Analysis Tool)	Political, Economic, Social, Technological, Legal and Environmental
PFILMS (Analysis Tool)	Personnel, Finance, Infrastructure, Leadership, Management and Systems
PFMA	Public Finance Management Act, No. 1 of 1999
PhD	Doctor of Philosophy
POPIA	Protection of Personal Information Act
PPPFA	Preferential Procurement Policy Framework Act
RA	Request for Application
RFA	Request for Application
RSA	Republic of South Africa
RTP	Return to Player
SAPS	South African Police Service
SAQA	South African Qualifications Authority
SARGF	South African Responsible Gambling Foundation
SARS	South African Revenue Service
SASSA	South African Social Security Agency
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SLA	Service-Level Agreement
SMME	Small, Medium and Micro Enterprises
TR	Treasury Regulations
TUT	Tshwane University of Technology
UJ	University of Johannesburg
UL	University of Limpopo
UNIN	University of the North
UNISA	University of South Africa
UNIVEN	University of Venda



Foreword by the Chairperson

Introduction

It is with pleasure that I present the report on the annual performance of the Limpopo Gambling Board for the financial year 2024/25.

It has been a very fruitful year driven at a fast pace by the new leadership of the 7th administration. We also have a new government at national level led by a Government of National Unity (GNU), which has generated anxiety as well as anticipation inside and outside the country.

The external environment continued to be difficult due to a stagnant economy and rising unemployment. This has placed many families in distress as they struggled to make ends meet.

Unfortunately, the tough economic environment often drives people to seek other means of income to meet their daily needs. This often leads to undesirable behaviour such as irresponsible and illegal gambling activities. Unscrupulous people also take advantage of the desperation of our people and lure them into these illegal gambling activities.

Performance

We are pleased to report that the Entity achieved 93% (14 out of the 15) of the targets set in the Annual Performance Plan of 2024/25. The only target that was not achieved, at least in part, was the signing of the MOU with the Financial Intelligence Centre. After five consecutive years of achieving a clean audit, unfortunately, we have regressed on our audit outcomes for the financial year 2024/25.

This is largely due to inadequate performance in the Annual Financial Statement reports. The Board identified weaknesses during the Financial Year 2023/24 and even came with remedial steps to ensure that there was improvement.

We are convinced that these corrective steps will lead to significant changes in 2025/26 and beyond.

We have also experienced a rise in the collection of levies from R260 million in the 2023/24 financial year to R324 million in the 2024/25 financial year. This represents an increase of R64 million.

We are also happy to note that the licensing of LPM sites and the opening of bookmaker sites has contributed to the creation of jobs, from 2948 in 2023/24 to 3103 in the year under review, an increase of 155. The Operators have collaborated with the Entity to ensure that only licensed establishments are utilised and that problem gamblers are identified and processed accordingly.

The SAPS have also been a key player in ensuring that illegal gambling merchants are arrested, and their machines are confiscated. And that they are held accountable for their actions.

Our responsible gambling campaigns were also higher in this financial year since we held the main event twice, first in May 2024 and then in March 2025. This helped to countenance the surge in illegal gambling activities.

Challenges

We continue to operate under a constraint environment with a limited budget to cover the growing gaming demand. This is despite the budget adjustment which added R13 million to our fiscus. There is a need for technology to process licensee applications as well as monitor gaming sites. We also need more personnel on the ground to inspect gaming facilities and to identify illegal operations. The limited budget makes it difficult for the Entity to realise its responsibilities. It is also not aligned to the growth in gaming revenues and in real terms the budget declined proportional to these revenues. This gap in the budget creates risk which is unmitigated.

Online gambling continues to be a challenge as the operations do not follow the traditional routes to reach their clients. We are collaborating with law enforcement agencies to combat this but we need personnel with skills in cyber technology to deal with a new area in the gaming industry.

Looking ahead

In August 2024 the Entity held a two-day strategic workshop to map the road ahead for the next five years. Our new vision is to become the best gaming regulator in the world. This places a huge responsibility on the Entity across all our operations.

We remain optimistic about the future of gaming in the province, and strongly believe that LGB will be a key player in the economy of our province. We will be working closely with our new shareholder, MEC Tshitereke Matibe, to explore various ways to increase entrepreneurial opportunities in line with the Limpopo Development Plan.

We also want to increase focus on combatting illegal gambling activities which are on the rise, especially online gambling. The current fines are not a deterrent to the illegal dealers. We need to work differently in this term to make a significant dent in illegal gambling.

To this end, we will be focusing on the following key areas:

1. Strengthening partnerships with stakeholders

We will be working with our Shareholder and Stakeholders to ensure that the issue of online licensing is addressed. Together with other gambling regulators, a regulators forum was established to address issues of common interest around gambling policy and law enforcement. We will also be working closely with the South African Police Service, SARGF, licensees, National Prosecuting Authority (NPA), and government departments in conducting investigations into illegal gambling activities that have a negative impact on our economy.

2. Strengthening governance and performance

The Entity is monitoring the implementation of AGSA recommendations on a quarterly basis. Two significant appointments have been made in the financial year, that of the Senior Manager: Finance and Company Secretary. It is envisaged that the appointments will improve the Entity's financial management and corporate governance. We have already started seeing a lot of work by the Company Secretary in developing policies that are deficient to ensure that governance is strengthened.

In conclusion, I want to express words of appreciation to Executive Authority Hon MEC Tshitereke Matibe who has been nothing but supportive to the LGB.

The Portfolio Committee on Economic Development, Environment and Tourism; LEDET under the leadership of HOD Matodzi Rathumbu, gambling industry and gambling stakeholders (SARGF and NGhave also played a big role in collaborating with us on gambling matters.

My colleagues on the Board who have spent hours working on matters of the Entity until the last point of submission of the reports, the work of this Entity would not be possible without your valuable insights.

Lastly, I want to express my appreciation and gratitude to the Executive Management, under stewardship of Mr Mokgase Makoko, and the entire staff members of the Entity; for the commitment in ensuring that the Board fulfils its mandate of regulating, monitoring, and licensing the gambling industry.



Mr Mataboge Elijah Tjiane

Chairperson: Limpopo Gambling Board



Chief Executive Officer's Overview

Introduction

It is with pleasure that I report on the annual performance of the Limpopo Gambling Board against the set targets for 2024/25 as outlined in the Annual Performance Plan.

The Entity continued to play its role of regulating gambling activities in the province. The gambling industry played a crucial role in contributing towards sustaining jobs and socio-economic development in the province.

Service delivery overview

The Entity achieved 93% (14 out of the 15) of the targets set in the Annual Performance Plan of 2024/25. One was partially achieved – the process of signing the reviewed MOU with the Financial Intelligence Centre was not finalised by the end of the financial year.

The Entity regressed from a clean audit outcome to unqualified with findings due to the material misstatements that were identified in the financial statements that subsequently resulted in material non-compliance with the legislation thereof. The Entity will develop an audit improvement plan and will effectively implement measures that will ensure that the Entity reclaims a clean audit outcome for 2025/26.

The levies the Entity collected amounted to R324 million during the financial year. The levies collected in 2024/25 were higher than the levies collected in the previous financial year of 2023/24, wherein the levies collected in 2022/23 amounted to R195 million and R130 million for 2021/22.

Bookmakers contributed to the biggest increase in levies collected, as the levies collected from bookmakers increased by 42%, followed by limited payout machines (LPMs) at 1%; while bingos and casinos decreased by 7% and 10% respectively.

The totalisator levies declined by 7% in 2024/25 compared to a 9% decrease in 2023/24 and a large decline of 54% in 2020/21.

The Entity was authorised to licence 3 000 LPMs in terms of the National Gambling Act No.7 of 2004. However, only 1 500 LPMs may be licensed in the first phase. Twenty-three LPM site licence applications were processed during the financial year, 10 of which were granted Type A LPM site licences. In 2023, the Board requested the NGB to conduct a socio-economic impact study of LPMs in Limpopo province as per Regulation 13 of the National Gambling Act, to enable the Minister of Trade, Industry and Competition (DTI) to decide whether more LPMs should be licensed under phase 2 as from the 2023/24 Financial Year. The research report is still pending.

One bookmaker site was opened during the financial year. By the end of the financial year, 62 of the 95 licensed bookmaker sites were operational, 22 of the 25 totalisator sites were operational and four bookmaker sites were temporarily closed at the request of the licensee.

The opening of these additional bookmaker sites and LPM sites in the respective areas contributed to economic development by the creation of employment, the offering of entertainment to the local population, the contribution to the local municipalities through municipal rates and taxes, and to the provincial and national Government.

The licensing of LPM sites and the opening of bookmaker sites contributed to the creation of employment. The number of employees in the gambling industry in Limpopo province increased by 155 employees (5.26%), from 2948 employees to 3 103.

The Entity continued to conduct responsible gambling awareness campaigns in various communities and at licensed gambling establishments. The awareness campaigns directly reached 4 139 members of the public, whom the Entity interacted with on various matters relating to responsible gambling and problem gambling. The campaigns are done to counter the negative effects that may arise from participating in gambling.

The Entity takes this opportunity to appreciate the efforts of the licensees who have maintained a good compliance culture in line with the relevant legislation, licence conditions and internal control procedures. The Entity looks forward to collaborating with licensees and stakeholders in achieving a fully compliant licensed gambling industry in the province.

In fulfilling its mandate, the Entity continued to prioritise the investigation and reduction of illegal gambling operations through the Law Enforcement Business Unit. These efforts were strengthened through strong collaboration with the South African Police Service (SAPS), the National Prosecuting Authority (NPA), and other relevant stakeholders. In line with the principles of community policing, the Entity also engaged directly with communities across Limpopo by conducting targeted crime awareness campaigns. These initiatives were aimed at promoting adherence to the law and raising public awareness on the dangers of illegal gambling.

The Entity worked with SAPS in conducting raids and joint operations targeting illegal gambling activities to ensure that offenders were brought to justice and held accountable for their actions. During the 2024/25 financial year, the Entity in collaboration with SAPS confiscated 623 illegal gambling machines (Chinese Roulette) that were found operating in spaza shops across the province. A total of 88 individuals (66 suspects for illegal gambling machines and 22 for illegal online gambling) were apprehended for operating such machines and engaging in illegal online gambling. Among the total number of suspects, 63 were foreign nationals and 25 were South African citizens. Admission of guilt fines totalling R73 300 were paid at various police stations across Limpopo province. The amounts paid for admissions of guilt ranged from R100 to R1 500, with 10 suspects having paid amounts of R1500 each, 56 suspects having paid R1000 each, 1 suspect having paid R400 and 19 suspects having paid R100 each. Two cases were presented before the court with no option of a fine.

The destruction of illegal gambling machines also continued as part of the Entity's compliance and enforcement strategy. In 2024/25, a total of 666 machines were destroyed, exceeding the 616 destroyed in the previous financial year. A further 221 machines have been earmarked for destruction within the current financial year. The continued collaboration with SAPS in conducting enforcement operations played a critical role in disrupting illegal gambling operations and ensuring that perpetrators were prosecuted accordingly. The Entity remains committed to protecting the integrity of the gambling industry in Limpopo through sustained law enforcement efforts and meaningful stakeholder engagement.

General financial review of the public Entity

The operations of the Entity were funded through a grant from the Department of Economic Development, Environment and Tourism. The Entity's allocation in the year under review increased from R68.6 million to R81.7 million, which indicated an increase of R13.1 million. The increase in the budget was attributed to the additional funding that was allocated to the Entity during the budget adjustment after an approval was granted for the additional allocation.

The Entity performed exceptionally well in the collection of levies in the 2024/25 financial year. The total levies collected amounted to R334 million and R8.2 million collected in annual license fees with horse racing contributing 78% of levies collected. The Entity's total expenditure was R86.1 million against the budget of R81.7 million. The Entity had commitments of R4.8 million coming through from the previous year. The Entity spent 100% of its compensation of employees' budget in the current year.

Spending trends of the public Entity

The Entity was able to spend 100% of its 2024/25 budget. However, the Entity had commitments coming through from the 2023/24 financial year where the Entity had spent 89% of its allocated budget by year end in that financial year. The Entity had budget constraints during the 2024/25 financial year resulting in R13.1 million additional funds being allocated during the budget engagement.

Capacity constraints and challenges facing the public Entity

The Entity managed to fill the post of the Company Secretary and the other posts within Supply Chain Management. This intervention assisted the Entity in making improvements regarding governance and supply chain management matters. However, the Entity also had two resignations and three retirements. One of the retirements resulted in Senior Manager: Law Enforcement vacancy in which the Manager: Law Enforcement is currently acting. The Entity will prioritise filling of the vacant posts within the Law Enforcement Unit during the 2025/26 financial year to enable the Entity to combat increasing illegal gambling activities in the province. The other two vacancies resulting from retirements have not been filled as these occurred in the fourth quarter of the financial year. The two resignations have been filled; however, one of the positions was an internal appointment that resulted in one remaining vacancy, Manager: Internal Control.

Discontinued key activities/Activities to be discontinued

Not applicable to the Entity.

New or proposed key activities

The Entity will continue its endeavour of entering an MOU with the United Kingdom Gambling Commission during the next financial year as it was not achieved during 2024/25. In addition, the Entity will finalise the negotiations to enter into MOUs with the B-BBEE Commission, the Competition Commission and the National Regulator for Compulsory Specifications.

In the upcoming financial year, the Entity will broaden its efforts to curb illegal gambling by introducing targeted community engagement initiatives and strategic partnerships. One of the key focus areas will be the rollout of school-based awareness programmes in collaboration with the Limpopo Department of Education, aiming to educate learners about the risks and consequences of illegal gambling from an early age.

In line with enhancing public visibility and reach, the Entity plans to leverage digital platforms, including social media campaigns and mobile messaging, to complement its existing awareness initiatives. As part of its media strategy, the Entity is exploring a content partnership with the SABC and community radio stations to produce educational segments focused on the dangers of illegal gambling and the importance of reporting them. These broadcasts will be scheduled to reach high-listener time slots to maximise impact.

To strengthen the legal impact of investigations, the Entity plans to work more closely with the Asset Forfeiture Unit and the National Prosecuting Authority through the development of joint investigation strategy. This will ensure that high-impact cases receive coordinated attention from the outset, improving the likelihood of asset seizures and successful prosecutions.

Requests for roll-over of funds

Not applicable to the Entity.

Supply chain management

The Entity has a Supply Chain Management Unit as required by Regulation 16A of Treasury Regulations (2005) and has an approved LGB Procedure Manual which is reviewed annually to ensure an effective and efficient management system. The Entity further has an approved SCM policy and the Preferential Procurement Policy that was used when goods and services above the R2 000.00 threshold were procured. There were no conflicts of interest declared by the officials and their close family members in SCM procurement matters of the Entity.

AGSA assessed procurement processes, contract management and any related controls within the SCM.

All invoices of the service providers were paid within the prescribed period of thirty (30) days.

All concluded unsolicited bid proposals for the year under review

The Entity did not conclude any unsolicited proposals/bids.

SCM processes and systems

The Entity has an approved Procedure Manual, as well as a Transversal SCM and Preferential Procurement Policy in place, which assisted in enhancing the supply chain management processes with the procurement of goods and services.

The Entity has in place the relevant standing Bid Committees as required by National Treasury in terms of Treasury Regulations. All members of the committees were officially appointed by the accounting authority.

Challenges experienced and how they were resolved

The late allocation of additional budget to the Entity had a negative impact on the procurement process of goods and services for the Entity as it puts pressure on the SCM to finalise the procurement processes within a short period of time. The additional budget should be allocated on time to allow smooth procurement processes in line with the relevant prescripts and policies.

Audit report matters in the previous year and how they would be addressed

AGSA has performed the necessary audit procedures on the financial and performance information to provide an audit opinion for the financial year. The Entity implemented the AGSA action plans for 2023/24 that addressed the findings that relate to financial management and supply chain management.

Outlook/Plans for the future to address financial challenges

The Entity will be applying for revenue retention with the Provincial Treasury to be able to supplement the current year budget. The allocation that was granted to the Entity will not be sufficient to cater for all the costs that are anticipated to be incurred for the 2025/26 Financial Year. The Entity had an expected surplus of R23 million that will be surrendered to the Provincial Treasury and the Provincial Revenue Fund. A portion of the R7 million will be requested to be retained and used for the service delivery aspect side of things within the Entity.

Events after the reporting date

None.

Economic viability

The Entity recognises that a well-regulated gambling industry is vital to economic development. Licensed gambling operators contribute to government revenue through taxes and levies, promote fair business practices, and support responsible gambling initiatives. However, the sustainability and profitability of this sector are threatened by illegal gambling, which continues to distort the market and undermine investor confidence.

Unlicensed operators evade regulatory obligations and do not contribute to public revenue, resulting in financial losses that affect the province's ability to fund essential services, including infrastructure, job creation, and social development programmes. This not only impacts the economic prospects of licensed operators but also deprives the broader community of resources that could support growth and stability.

Addressing illegal gambling is therefore not only a compliance issue but a critical economic priority. Strengthened enforcement and regulatory action are essential to protecting the integrity of the gambling industry and ensuring that its benefits reach the intended public and developmental programmes.

Acknowledgements/Appreciation

I would like to thank the Board members for their dedicated support and cooperation during the 2024/25 Financial Year. Furthermore, a word of gratitude to the MEC of LEDET, Honourable T.B. Matibe and team LEDET for the role they played in ensuring that the Entity was able to carry out its mandate.

A word of gratitude also goes to the members of the Portfolio Committee on Economic Development, Environment and Tourism, the Standing Committee on Public Accounts, Provincial Treasury, the National Gambling Board, the South African Responsible Gambling Foundation, the National Lotteries Commission, law enforcement agencies, our licensees and the public of Limpopo for the contribution made in ensuring that the Entity maintained good governance and enforced gambling prescripts.

The excellent work performed by the Entity could not have been possible without the dedication and discipline of our committed management and staff who went the extra mile in the execution of their duties.



Mr Mokgase Gregory Makoko

Chief Executive Officer

1. Statement of Responsibility for Performance Information for the Year Ended 31 March 2025

To the best of our knowledge and belief, we confirm the following:

All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by the Auditor-General South Africa.

- a) The Annual Report is complete, accurate and free from any omissions.
- b) The Annual Report has been prepared in accordance with the guideline on the Annual Report, as issued by the National Treasury.
- c) The Annual Financial Statements (Part have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the Entity.
- d) The Entity is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Entity is responsible for establishing and implementing a system of internal control. This has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public Entity for the financial year ended 31 March 2025.

Yours faithfully



Mr Mokgase Gregory Makoko
Chief Executive Officer



Mr Mataboge Elijah Tjiane
Chairperson: Limpopo Gambling Board

7. Strategic Overview

7.1. Vision

To be the leading, exemplary and innovative regulator in the world.

7.2. Mission

To regulate the gambling industry in a responsible and ethical manner for the benefit of the people of the province by ensuring compliance with legislation, promoting responsible gambling and facilitating sustainable local economic development.

7.3. Values

The Limpopo Gambling Board has identified the values below as the principles that will govern behaviour of all employees within the organisation.

VALUE	DESCRIPTION
Integrity	To operate in accordance with the highest moral and ethical standards.
Accountability	To accept responsibility towards our most important resources, our employees, and to maximise the development and utilisation thereof.
Consultation	To strive towards a healthy relationship through interactive communication and consultation with our stakeholders.
Transparency	To openly fulfil the commitment to our stakeholders with honesty and integrity.
Inclusivity	To create an environment where everyone feels welcome, valued and respected, regardless of their background or identity. To afford equal opportunity to all.
Diversity	To accept and respect the uniqueness and difference of all people.

8. Legislative and Other Mandates

In terms of the Public Finance Management Act, No. 1 of 1999 (PFMA), the Limpopo Gambling Board is listed as a Schedule 3C Public Entity. The mandate of the Entity is to regulate, control and monitor gambling activities in the province in accordance with the Limpopo Gambling Act, Act No. 3 of 2013. The pursuit of the vision and the mission above was regulated and guided by the following broad legislative mandates:

8.1. Constitutional Mandates

In terms of Part A of Schedule 4 of the Constitution of the Republic of South Africa, Act No. 108 of 1996, casino, racing, gambling and wagering are matters of concurrent national and provincial legislative competence.

8.2. Legislative Mandates

PUBLIC FINANCE MANAGEMENT ACT, NO. 1 OF 1999

The Public Finance Management Act was utilised to regulate the management of finances. In terms of the Public Finance Management Act, No.1 of 1999, the Limpopo Gambling Board is classified as a Schedule 3C Public Entity.

LIMPOPO GAMBLING ACT, NO. 3 OF 2013

The Limpopo Gambling Board was established in terms of the Limpopo Gambling Act, No. 4 of 1996 and was retained in terms of the Limpopo Gambling Act No. 3 of 2013.

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. The Act empowers the MEC to establish and appoint the Board to manage the affairs of the Entity. The objectives of the Entity are to license, regulate and monitor gambling activities in the province.

NATIONAL GAMBLING ACT, ACT NO.7 OF 2004

The Entity must comply with national norms and standards during the licensing process. The National Gambling Act empowers the Minister to prescribe the maximum number of casino licences that may be granted in the Republic and in each province.

THE CRIMINAL PROCEDURE ACT NO. 51 OF 1977

The law enforcement inspectors of the Entity were declared as Peace Officers in terms of Section 334 and were conferred with the powers in terms of Chapter 2 of the abovementioned Act.

OTHER RELEVANT LEGISLATION USED TO REGULATE GAMBLING

- National Lotteries Act No. 57 of 1997 (relevant in terms of intergovernmental cooperation and illegal gambling criminal charges);
- Prevention of Organised Crime Act No. 121 of 1998 (relevant in terms of illegal gambling activities and for the forfeiture of assets used in the commission of offences);

- iii. Prevention and Combatting of Fraud and Corruption Act No. 12 of 2004 (relevant in terms of preventing corrupt activities and fraud within the gambling industry);
- iv. Financial Intelligence Centre Act No. 38 of 2001 (relevant in terms of the LGB being appointed as a supervisory body to monitor the implementation of FICA by its licensed entities); and
- v. Broad-Based Black Economic Empowerment Act No. 53 of 2003 (Section 10 of the Act requires the Entity to consider B-BBEE requirements in executing its functions).

8.3. Policy Mandates

The following policy mandates are key to the Entity in its endeavour to achieve its legislative mandates:

RESPONSIBLE GAMBLING STRATEGY

The South African Responsible Gambling Foundation in partnership with the Limpopo Gambling Board addresses problem gambling by conducting various activities, such as research and monitoring, public education and awareness, training, treatment and counselling.

LIMPOPO GAMBLING REGULATIONS, SEPTEMBER 1997

The Limpopo Gambling Regulations were promulgated in terms of the Limpopo Gambling Act No. 4 of 1996 to provide for the regulation of the various forms of gambling in the province. New regulations in terms of the Limpopo Gambling Act No. 3 of 2013 are in the process of being finalised by LEDET.

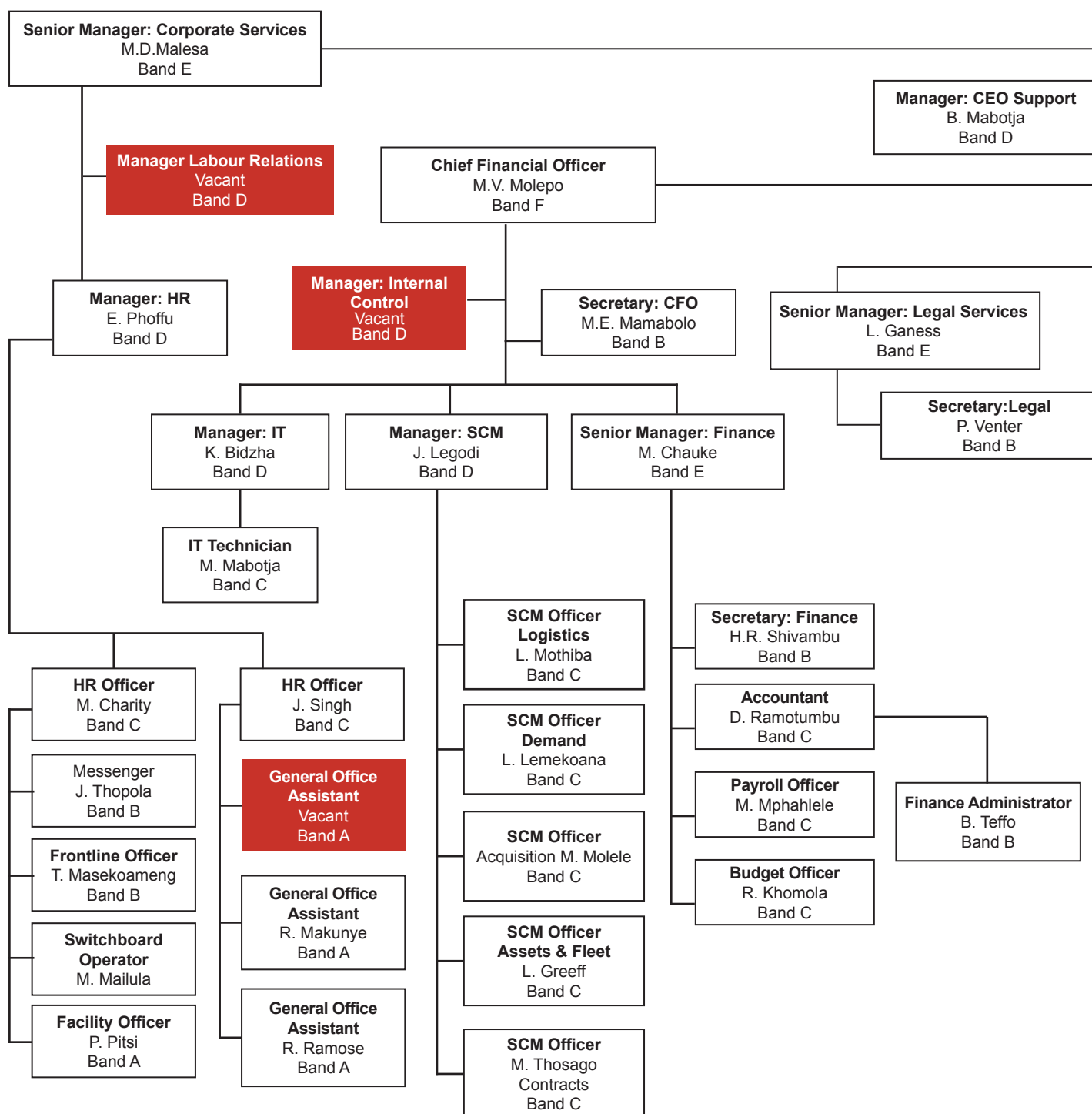
However, the constitutional court case of Casino Association of South Africa and others, member of the Executive Council for Economic Development Environment Conservation and Tourism, and others [2023] ZACC 39 has delayed the promulgation of the Limpopo gambling regulations. The implication of the judgement is that the revised fees and levies as contained in the new regulations must now be included in a Money Bill and may no longer be prescribed by the MEC. The process to make the necessary changes to the new regulations has already commenced.

9. Members of the Board



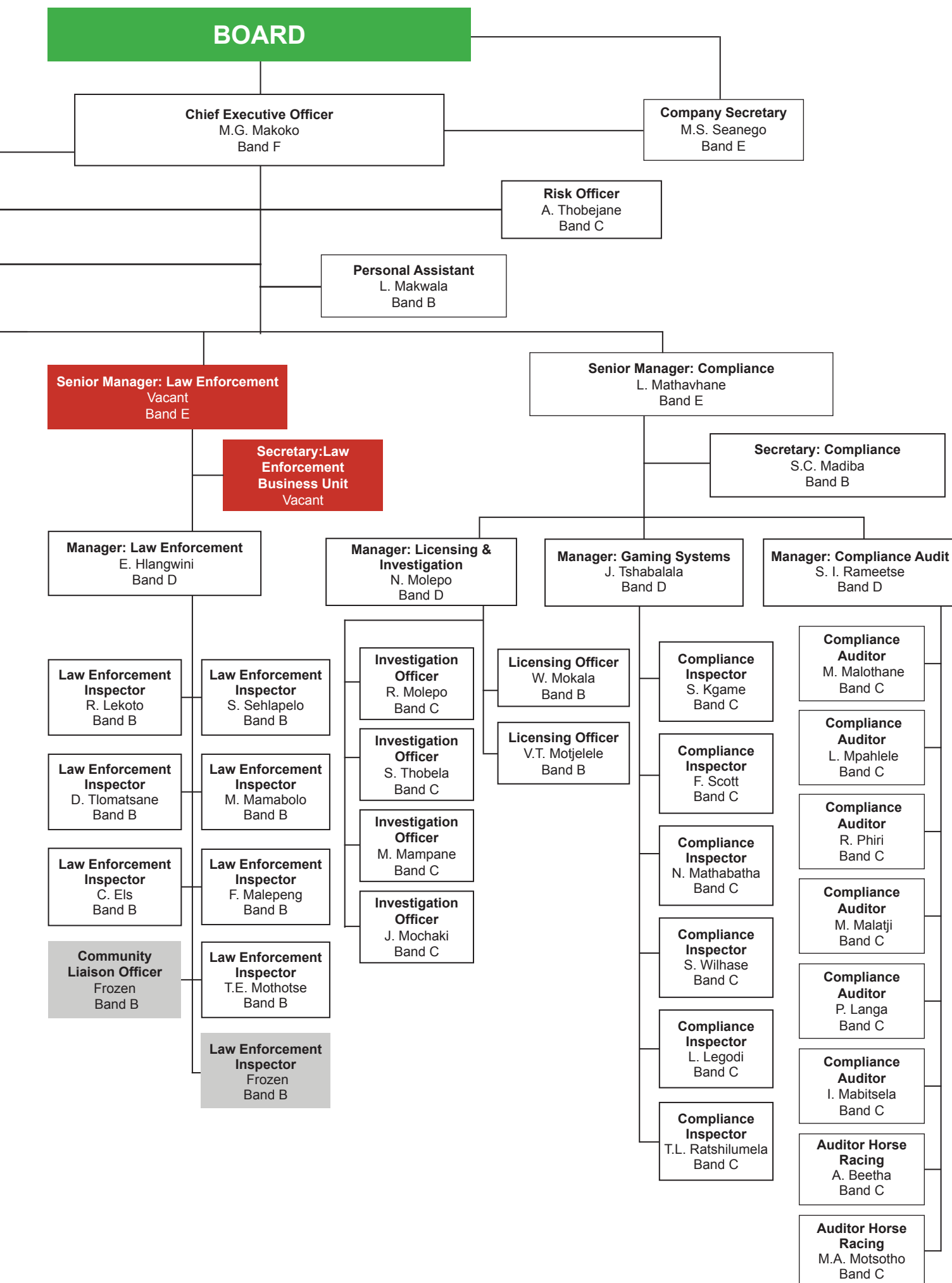


10. Organisational Structure



The Entity had a total number of 73 approved permanent positions. The Entity had a total number of 66 employees by the end of the financial year. The following positions were filled during the year by both internal and external candidates:

1. Company Secretary (External)
2. Manager CEO Support (Internal)
3. 2x Supply Chain Officers (Internal)
4. Compliance Auditor (Internal)
5. Secretary Compliance (External)
6. Secretary Finance (External)
7. Finance Administrator (External)





PART B

PERFORMANCE
INFORMATION

1. Auditor's Report: Predetermined Objectives

AGSA 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. No material findings on the usefulness and reliability of the reported performance information for the Compliance programme were raised.

Refer to page 79 of the Report of the Auditors Report, published as Part E: Financial Information.

2. Overview of Performance

2.1. Service Delivery Environment

The Compliance and Law Enforcement Business Units provided the core services of the Entity in line with the gambling legislation and the policy mandates.

The information outlined below highlights the gambling trends and how the above Business Units and the gambling industry were affected.

The Entity exceeded budgeted revenue collection as most of the licensed gambling amenities operated maximally during the financial year, and additional bookmaker and LPM sites were opened.

2.1.1. Compliance

The World Bank reports that South Africa's economy has been muted over the past decade, with GDP increasing by an average of only 0.7% over the 10-year period. Several structural constraints on the supply side of the economy, such as infrastructure bottlenecks, a weak business environment, and low productivity have impeded economic growth. Electricity supply shortages have particularly constrained South Africa's growth for several years. Rolling scheduled power cuts (load shedding) started in 2007 and intensified in 2022–2023. While sporadic and short-lived power cuts have occurred in 2024–2025, the reliability and availability of power supply have improved substantially since late March 2024. The improvements in electricity supply have been attributed to better management of the national power utility Eskom and high-level political support from the Presidency and the Ministry of Electricity. At the same time, the opening of the electricity market to private power generation has further encouraged investment in the sector.

Further, the World Bank indicates that weak structural growth and the COVID-19 pandemic have exacerbated socio-economic challenges. South Africa's GDP has recovered to its pre-pandemic levels, but the strength of the recovery has been hindered by multiple pre-existing constraints. The recovery in employment continued in 2024/25 FY (355 000 jobs were added, leading to a higher level of employment than before the pandemic but the pace of job creation has not kept up with the growing labour force, resulting in a rising number of unemployed people. The unemployment rate stood at an elevated 31.9% in Q4–2024/25, with women and youth persistently more impacted. Inequality remains among the highest in the world, and poverty was estimated at about 63% in 2023, based on the uppermiddle-income country poverty line.

Despite a substantial improvement in electricity supply, South Africa's economy expanded by only 0.6% in 2024, compared with 0.7% in 2023. Growth was mainly underpinned by financial services while output in six of the 10 sectors contracted. Severe weather conditions caused the weakest performance of the agricultural sector in nearly three decades. Inflation averaged 4.4% in 2024.

Since its democratic transition in the 1990s, South Africa has made progress in improving citizen well-being, but this has stalled over the past decade. Poverty initially declined but has risen again, reaching an estimated 63% in 2024. Structural issues and sluggish economic growth, worsened by the COVID-19 pandemic, have driven high unemployment – 31.9% overall and nearly 60% among youth.

Different institutions project a growth in GDP in South Africa. The National Treasury projected a 1.1% GDP growth for 2024, with prospects improving as energy supply stabilised, whereas the African Development Bank Group anticipated 1.3% GDP growth in 2024 and 1.6% in 2025. The International Monetary Fund projected a 1.1% growth for 2024 and 1.5% in 2025, driven by recovering domestic demand and improved electricity generation.

The sluggish economic conditions and the instability in the electricity supply, and the closure of some LPM and bookmaker sites affected the levies collected by the Entity, since the levies collected rose by 28% in 2024/25 compared to the overall 38% increase in the levies collected from licensees in the 2023/24 Financial Year. The breakdown of the levies collected from licensees is characterised by the increase in levies collected from bookmakers and LPMs, which increased by 42% and 1% respectively; whereas bingo, casino and totalisators levies collected declined by 10%, 7% and 2% respectively. The levies collected in 2024/25 (R334 052 000.00) were higher than the 2023/24 (R260 409 000.00) financial year's levies collected.

The status of licensed establishments in the Limpopo province included three casinos, two LPM route operators, 229 LPM site operators, five bingo operators, seven bingo sites, nine bookmaker operators and 95 bookmaker sites, and one totalisator with 25 totalisator sites. Ten entities that provided gambling-related goods and services to the licensed gambling and betting establishments were issued with Certificates of Suitability.

In August 2024, eight Type A LPM site licence applications were received from Vukani Gaming Limpopo (Pty) Ltd and 15 Type A LPM site licence applications were received from Goldrush Gaming Limpopo (Pty) Ltd.

The Compliance and Enforcement Committee considered and adjudicated on 10 complete Type A LPM site licence applications by 31 March 2025. LPM site licences were granted to the following applicants:

One bookmaker site – VBetSA (Pty) Ltd, Zebediela – was opened during the financial year. By the end of the financial year, 62 of

the 95 licensed bookmaker sites were operational while 22 of the 25 totalisator sites were operational. Four Bettagaming Limpopo (Pty) Ltd bookmaker sites in Elim, Thohoyandou, Louis Trichardt and Lephalale continue to be temporarily closed since the 2023/24 financial year. The bookmaker operator cited that the operation of the sites was not commercially viable and relocation of the licensed sites to other areas in the province would be sought.

The Entity continued to fulfil its responsibility towards the implementation of the Financial Intelligence Centre No. 38 of 2001. The FIC and the Entity have commenced the process of entering into a new MOU for the purpose of collaborating on FICA Inspections, FICA awareness campaigns, registration of licensees and monitoring issues of beneficial ownership.

Gambling and Betting Statistics

Table 1 – The number of gambling machines in casinos at the end the 2024/25 Financial Year was as follows:

Casino	Licensed	Total 2022/23	Active 31 March 2023	Total 2023/24	Active 31 March 2024	Total 2024/25	Active 31 March 2025
Sun Meropa	550	332	332	342	342	342	342
Khoroni Casino	150	150	150	150	150	150	
Thaba Moshate Casino	300	160	160	160	160	160	160
Total	1000	642	642	652	652	652	652

There was no change in the number of gambling machines offered by the licensed casinos.

Table 2 – Gambling tables in casinos at the end of the 2024/25 Financial Year were as follows:

Casino	American roulette	Blackjack	Poker	Touch bet roulette	Baccarat	Operational 31 March 2025	Total
Sun Meropa	12	03	01	0	02	18	18
Khoroni Casino	06	02	0	0	0	8	8
Thaba Moshate Casino	08	02	0	0	0	10	10
Total	26	07	01	0	02	36	36

The number of operational number of tables remain unchanged in 2024/25 compared to the 2023/24 financial year.

Table 3 – Type A LPM sites – 2024/25

Municipal District	Total LPMs	Total LPM Sites	Vukani LPMs	Vukani Sites	Goldrush LPMs	Goldrush Sites
Capricorn	203	43	141	30	62	13
Waterberg	175	37	111	23	64	14
Mopani	209	45	124	26	85	19
Sekhukhune	187	38	143	29	44	9
Vhembe	176	37	134	28	42	9
Total	950	200	653	136	297	64

The total number of LPMs at Type A LPM sites increased by 69 LPMs to 950 and the total number of Type A sites also increased by 12 Sites to 200. Two LPM sites were closed permanently during the year because of reasons that included poor performance, disputes between the landlord and the site owner, and nonpayment of gross gambling revenue by site owners to the route operators. There were, however, also gains in the number of LPMs as other sites were opened or re-opened.

Table 4 – Type A LPM sites – 2023/24

Municipal District	Total LPMs	Total LPM Sites	Vukani LPMs	Vukani Sites	Goldrush LPMs	Goldrush Sites
Capricorn	202	43	140	30	62	13
Waterberg	150	34	92	21	58	13
Mopani	210	45	129	27	81	18
Sekhukhune	171	35	130	26	41	09
Vhembe	148	31	116	24	32	07
Total	881	188	607	128	274	60

Table 5 – Type B LPM sites – 2024/25

Municipal District	Total LPMs	Total LPM Sites	Vukani LPMs	Vukani Sites	Goldrush LPMs	Goldrush Sites
Capricorn	202	43	140	30	62	13
Waterberg	150	34	92	21	58	13
Mopani	210	45	129	27	81	18
Sekhukhune	171	35	130	26	41	09
Vhembe	148	31	116	24	32	07
Total	881	188	607	128	274	60

The number of licensed Type B LPM sites increased from 14 to 16 in 2024/25.

Table 6 – Type B LPM sites – 2023/24

Municipal District	Total LPMs	Total LPM Sites	Vukani LPMs	Vukani Sites	Goldrush LPMs	Goldrush Sites
Capricorn	55	3	40	2	15	1
Waterberg	30	1	30	1	0	0
Mopani	115	6	80	3	35	3
Sekhukhune	15	1	0	0	15	1
Vhembe	60	3	60	3	0	0
Total	275	14	210	9	65	5

Table 7 – Bingo seats: The number of bingo seats at the end of 2024/25, 2023/24 and 2022/23 Financial Years was as follows:

Bingo Operator	Maximum Licensed Bingo Seats	Total Bingo Seats 2022/23	Active Bingo Seats 31/03/2023	Total Bingo Seats 2023/24	Active Bingo Seats 31/03/2024	Total Bingo Seats 2024/25	Active Bingo Seats 31/03/2025
Galaxy Gaming Limpopo (Pty) Ltd t/a Galaxy Bochum	400	112	112	102	102	102	102
Galaxy Gaming Limpopo (Pty) Ltd t/a Galaxy Musina	400	209	209	158	158	158	158
Galaxy Gaming Tzaneen (Pty) Ltd t/a Galaxy Tzaneen	400	200	200	200	200	200	200
Latiano 557 (Pty) Ltd t/a Goldrush Bela-Bela	400	118	118	118	118	118	118
Latiano 557 Pty Ltd t/a Goldrush Groblersdal	400	100	100	100	100	100	100
Latiano 557 Pty Ltd t/a Goldrush Phalaborwa	400	100	100	100	100	100	100
Planet Bingo Pty Ltd t/a Vegas Bingo Lephalale	400	164	164	150	150	150	150
Total	2800	1003	1003	928	928	928	928

Bingo operators did not change the number of operational bingo seats during the financial year, compared to the changes made in the previous financial year to optimise the financial performance of the bingo sites.

Table 8 – Casino gambling machines: The number of casino gambling machines tested from 2020/21 to 2024/25 Financial Years was as follows:

Casino	2020/21	2021/22	2022/23	2023/24	2024/25
Sun Meropa	12	65	51	35	55
Khoroni	28	25	96	43	75
Thaba Moshate	18	70	67	49	65
Total	58	160	214	127	195

Table 9 – LPM site inspections: The number of LPM site inspections conducted during the 2023/24 and 2024/25 Financial Years was as follows:

Fin year	Route Operator	Capricorn	Waterberg	Mopani	Sekhukhune	Vhembe	Total
2023/24	Vukani	19	34	22	20	23	118
	Goldrush	19	14	19	11	3	66
	TOTAL	38	48	41	31	26	184
2024/25	Vukani	41	40	42	37	34	194
	Goldrush	18	26	31	11	10	96
	TOTAL	59	66	73	48	44	290

Table 10 – Gambling machine distribution from 2012/22 to 2024/25 Financial Years was as follows:

Year	Into the Province	Out of the Province	Within the Province	Through the Province	Total
2021/22	345	172	555	106	1178
2022/23	194	176	449	09	828
2023/24	300	415	402	8	1125
2024/25	340	262	227	0	829

Table 11 – Letters of Certification approvals from 2021/22 to 2024/25 Financial Year were as follows:

Year	Software	Hardware	Monitoring and Control Systems	Total
2021/22	184	40	42	266
2022/23	238	63	17	318
2023/24	238	123	38	399
2024/25	324	71	10	405

Table 12 – Number of employees: The number of employees for the 2023/24 and 2024/25 Financial Years was as follows:

Type	2023/24	2024/25
Total Number of Employees in the Limpopo Gambling Industry		
Previously Disadvantaged Individuals (PDI)	2 822	3 023
Non-PDI	126	80
Total Employed	2 948	3 103

The total number of employees increased by 155 employees (5.26%) during the financial year. The largest increase was from Meropa. Meropa previously did not report employment statistics for their concessions within the premises. The largest decrease of employees was at Hollywood which lost 102 employees (20.2%) in 2024/25, while Bettagaming lost 24 employees (9.92%). The overall decrease was due to employee voluntary and involuntary departures, downsizing, and closure of several sites.

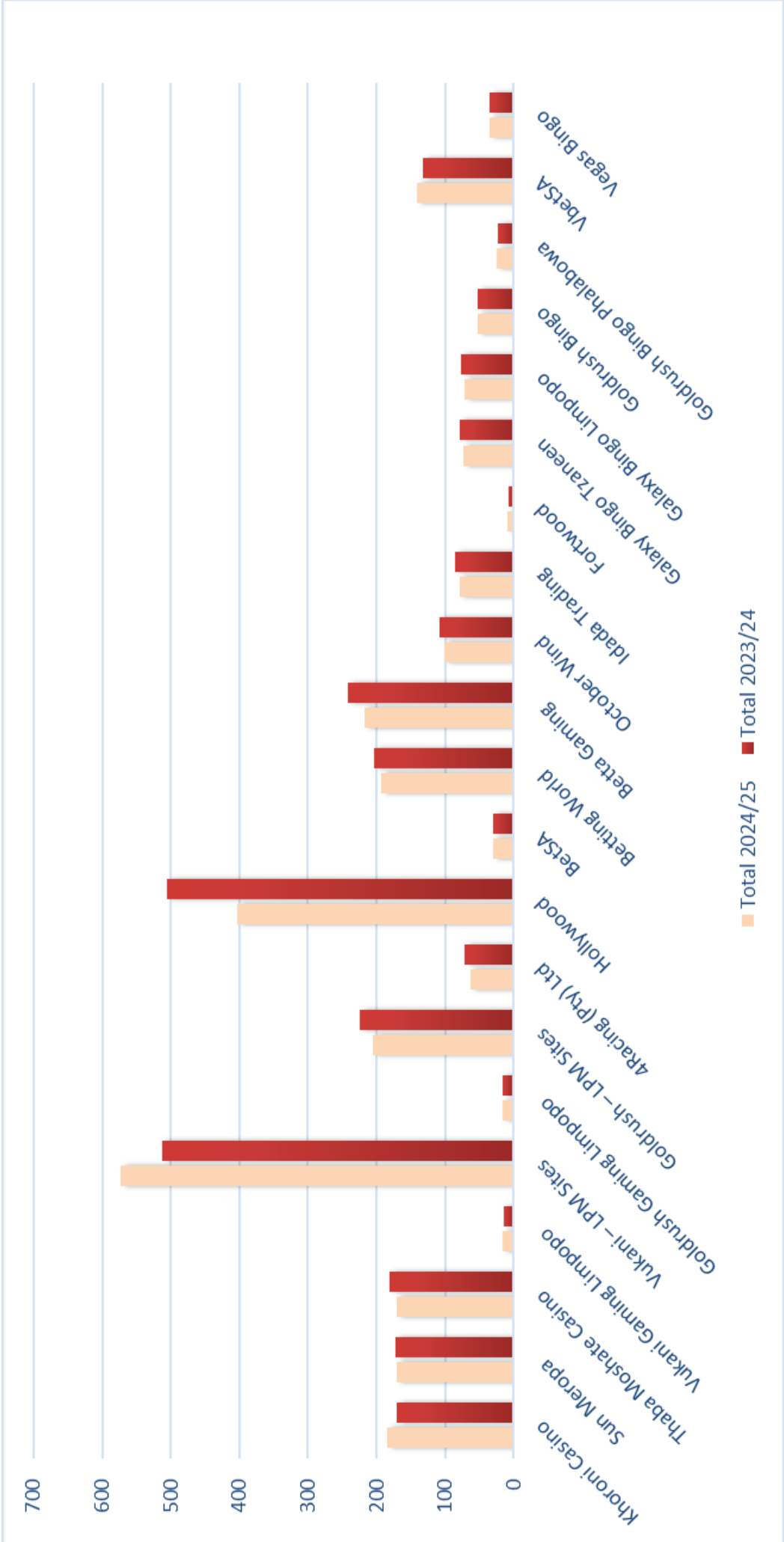
Table 13 – Employees per licensee: 2024/25 Financial Year

The following is a breakdown of PDI and Non-PDI of employees per licensee:

	Galaxy Bingo Tzaneen	Galaxy Bingo Limpopo	Goldrush Bingo	Goldrush Bingo Phalaborwa	Vbetsa	Vegas Bingo
PDI	73	72	52	25	140	35
Non – PDI	1	0	0	0	1	0
Total 2024/25	74	72	52	25	141	35
Total 2023/24	79	77	52	24	132	35
Variance	-5	-5	0	1	9	0
Variance %	-6,33%	-6,49%	0%	4,17%	6,82%	0%

	Khoroni Casino	Sun Meropa	Thaba Moshate Casino	Vukani Gaming Limpopo	Vukani –LPM Sites	Goldrush Gaming Limpopo	Goldrush – LPM Sites	4racing (Pty) Ltd	Hollywood	Betsa	Betting World	Betta Gaming	October Wind	Idada Trading	Fortwood
PDI	182	434	171	15	514	17	202	64	403	0	194	218	94	79	9
Non –PDI	2	4	0	1	59	0	4	0	0	0	0	0	8	0	0
Total 2024/25	184	438	171	16	573	17	206	64	403	30	194	218	102	79	9
Total 2023/24	170	172	181	15	513	17	225	72	505	31	204	242	108	86	8
Variance	14	266	-10	1	60	0	-19	-8	-102	-1	-10	-24	-6	-7	1
Variance%	8,24%	154,65%	-5,52%	6,67%	11,70%	0,00%	-8,44%	-11,11%	20,00%	3,23%	4,90%	9,92%	0,56%	8,14%	50,00%

PDI and Non-PDI of employees per licensee:



b) Gambling Performance

Table 14 – Total money wagered: The total money wagered at casinos during the 2024/25 and 2023/24 Financial Years was as follows:

Quarter ended	June 2024 (R)	September 2024 (R)	December 2024 (R)	March 2025 (R)	Total (R)
2024/25	1 460 992 585	1 521 162 966	1 535 876 522	1 434 656 060.77	5 952 688 133.77
2023/24	2 011 790 939	1 652 936 114	1 702 372 458	1 502 758 716	6 869 858 227.00
Variance	-550 798 354	-131 773 148	-166 495 936	-68 102 655	-917 170 094.09
Variance%	27%	8%	10%	5%	13%

The total money wagered at casinos decreased by 13% during 2024/25. This trend of the declining total money wagered occurred every quarter during the financial year.

Gross Gaming Revenue (GGR)

Table 15 – Monthly casino GGR: The GGR generated by casinos during the 2024/25 and 2023/24 Financial Years amounted to R339 million and R363 million, respectively. The monthly GGR generated by the licensees was as follows:

Month	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2024/25	8%	7%	9%	10%	8%	8%	10%	8%	8%	9%	7%	8%
2023/24	8%	7%	9%	8%	9%	7%	8%	10%	9%	8%	8%	8%

Table 16 – Monthly LPM GGR: The GGR generated by LPM licensees during the 2024/25 and 2023/24 Financial Years amounted to R320 million and R315 million, respectively. The monthly GGR generated by the licensees was as follows:

Month	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2024/25	7%	7%	9%	10%	8%	8%	10%	8%	9%	9%	7%	8%
2023/24	7%	7%	10%	8%	10%	8%	8%	10%	9%	7%	9%	8%

Return to Player Percentage (RTP**)

The RTP percentage for the different modes of gambling reflected the amount paid back to the public in the form of winnings during the financial year. The RTP percentage above the threshold for casinos, LPMs and bingo for 2024/25 and 2023/24 indicated that the public won more money than the minimum threshold set in the legislation.

Table 17 – Monthly casino RTP: The casino licensees return to player (RTP) percentages for the 2024/25 and 2023/24 Financial Years were as follows:

Month	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2024/25	95%	96%	95%	95%	95%	95%	95%	95%	95%	95%	95%	96%
2023/24	96%	95%	95%	95%	96%	92%	96%	95%	95%	95%	95%	94%

Casinos average RTP %: 2024/25 = 95% (2023/24 = 94%)

The prescribed RTP for casinos was 80%.

Table 18 – Monthly LPM RTP: The LPM route operator return to player (RTP) percentages for the 2024/25 and 2023/24 Financial Years were as follows:

Month	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2024/25	92%	92%	93%	92%	92%	92%	92%	92%	93%	93%	92%	92%
2023/24	94%	94%	95%	96%	93%	93%	94%	94%	93%	94%	90%	90%

LPMs average RTP %: 2024/25 = 92% (2023/24 = 93%)

The prescribed RTP for LPMs was 75%.

**** RTP = 100 % less (Gross Gaming Revenue ÷ Money Wagered)**

Table 19 – Monthly bingo RTP: The bingo return to player (RTP) percentages for the 2024/25 and 2023/24 Financial Years were as follows:

Month	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
2024/25	94%	94%	94%	94%	94%	94%	94%	93%	93%	94%	93%	94%
2023/24	94%	94%	95%	96%	93%	93%	94%	94%	93%	94%	90%	90%

Bingo Average RTP %: 2024/25 = 94% (2023/24 = 93%)

The prescribed RTP for bingo was 70%.

**** RTP = 100 % less (Gross Gaming Revenue ÷ Money Wagered)**

Levies collected per month from licensees

Section 41(2) of the Act requires licensees to pay levies as prescribed in the regulations. The regulations prescribe various levy rates for different licence types. The levies were payable to the Board on a weekly basis and all levies were paid over to the Limpopo Provincial Treasury. The following is a breakdown of levies per licence type:

Table 20 – Casino and LPM levies: Casino and LPM levies are payable at 8.5% and 10% of GGR as prescribed by Regulations 75 and 172, respectively. Total levies generated by the licensed casinos and LPM route operators during the 2024/25 and 2023/24 Financial Years were as follows:

	Casino Levies 2024/25 (R)	Casino Levies 2023/24 (R)	Variance (R)	Variance (%)	LPM Levies 2024/25 (R)	LPM Levies 2023/24 (R)	Variance (R)	Variance (%)
April 2024	2 261 094	2 487 399	-226 305	-9%	2 364 303	2 316 081	48 222	2%
May 2024	2 072 875	2 304 971	-232 096	-10%	2 369 331	2 331 778	37 553	2%
June 2024	2 524 009	2 839 487	-315 478	-11%	3 039 884	3 020 750	19 134	1%
July 2024	2 976 412	2 607 868	368 544	14%	3 187 472	2 442 490	744 982	31%
August 2024	2 375 243	2 724 771	-349 528	-13%	2 501 671	3 118 400	-616 729	-20%
September 2024	2 410 956	2 214 018	196 938	9%	2 471 914	2 465 610	6 304	0%
October 2024	2 798 524	2 582 188	216 336	8%	3 231 538	2 481 933	749 605	30%
November 2024	2 235 146	2 975 364	-740 218	-25%	2 446 117	3 116 748	-670 631	-22%
December 2024	2 342 462	2 643 836	-301 374	-11%	2 756 059	2 752 900	3 159	0%
January 2025	2 593 208	2 547 051	46 157	2%	2 890 045	2 232 620	657 425	29%
February 2025	2 027 987	2 605 171	-577 184	-22%	2 310 259	2 852 141	-541 882	-19%
March 2025	2 201 294	2 360 589	-159 295	-7%	2 437 685	2 468 225	-30 540	-1%
TOTAL	28 819 210	30 892 713	-2 073 503	-7%	32 006 278	31 599 676	406 602	1%

The decrease in casino levies could partly be attributed to the decrease in the number of punters that visited the licensed sites, while the increase in LPM levies could partly be attributed to increase in the number of punters visiting licensed sites.

Table 21 – Bingo levies: Bingo levies were payable at 8.5% of GGR as prescribed by Regulation 133 of the Act. Total levies generated by the licensed bingo operators during the 2024/25 and 2023/24 Financial Years were as follows:

	Bingo Levies 2024/25 (R)	Bingo Levies 2023/24 (R)	Variance (R)	Variance (%)
April 2024	762 526.97	714 060.70	48 466.27	7%
May 2024	816 287.86	740 478.51	75 809.35	10%
June 2024	861 899.70	850 041.35	11 858.35	1%
July 2024	1 011 892.40	808 165.33	203 727.07	25%
August 2024	795 314.27	1 068 896.90	-273 582.63	-26%
September 2024	1 464 218.86	1 370 187.07	94 031.79	7%
October 2024	969 592.43	1 679 097.41	-709 504.98	42%
November 2024	897 189.95	1 148 923.48	-251 733.53	-22%
December 2024	984 513.67	1 022 566.97	-38 053.30	-4%
January 2025	713 062.13	737 909.11	-24 846.98	-3%
February 2025	828 379.98	1 078 821.82	-250 441.84	-23%
March 2025	699 548.17	726 925.68	-27 377.51	-4%
TOTAL	10 804 426.39	11 946 074.33	-1 141 647.94	-10%

The decrease in bingo levies could be attributed partly to the decrease in the number of punters that visited the bingo sites and partly to the prevailing economic conditions during the financial year.

Table 22 – Totalisator and bookmaker levies: Totalisator levies were payable at 7% of gross betting revenue as prescribed by Betting Regulation 16; whereas bookmaker levies on sport and horseracing were payable at 6.5% and 6% respectively in terms of Betting Regulation 19. The total levies generated by the licensed totalisators and bookmakers during the 2024/25 and 2023/24 Financial Years were as follows:

	Totalisator 2024/25 (R)	Totalisator 2023/24 (R)	Variance (R)	Variance (%)	Bookmakers 2024/25 (R)	Bookmakers 2023/24 (R)	Variance (R)	Variance (%)
April 2024	126 925	137 752	-10 827	-8%	19 852 339	12 888 077	6 964 262	54%
May 2024	122 518	138 223	-15 705	-11%	19 355 725	11 856 036	7 499 689	63%
June 2024	136 840	146 628	-9 788	-7%	20 234 351	10 671 717	9 562 634	90%
July 2024	141 517	123 928	17 589	14%	27 337 333	13 427 997	13 909 336	104%
August 2024	322 148	160 304	161 844	101%	16 909 540	19 584 211	-2 674 671	-14%
September 2024	119 662	142 631	-22 969	-16%	21 538 395	15 614 177	5 924 217	38%
October 2024	148 017	137 502	10 515	8%	22 872 546	15 314 930	7 557 616	49%
November 2024	110 390	165 766	- 55 375	-33%	20 061 350	20 149 541	-88 191	0%
December 2024	121 226	158 285	- 37 059	-23%	27 858 375	16 773 874	11 084 501	66%
January 2025	127 867	129 134	- 1 267	-1%	22 391 462	14 370 648	8 020 814	56%
February 2025	104 769	158 089	- 53 320	-34%	17 489 064	19 138 815	- 1 649 750	-9%
March 2025	104 049	129 265	- 25 216	-20%	24 835 614	14 452 162	10 383 453	72%
TOTAL	1 685 928	1 727 507	- 41 578	-2%	260 736 094	184 242 185	76 493 910	42%

The decrease in the totalisator levies could partly be attributed to the high winnings by punters. The increase in bookmaker levies can partly be attributed to change in the gross betting revenue, punters winnings and partly to the prevailing economic conditions during the financial year. The change in the totalisator and bookmaker levies could partly be attributed to the change in the gross betting revenue, punters winnings and partly to the prevailing economic conditions during the financial year.

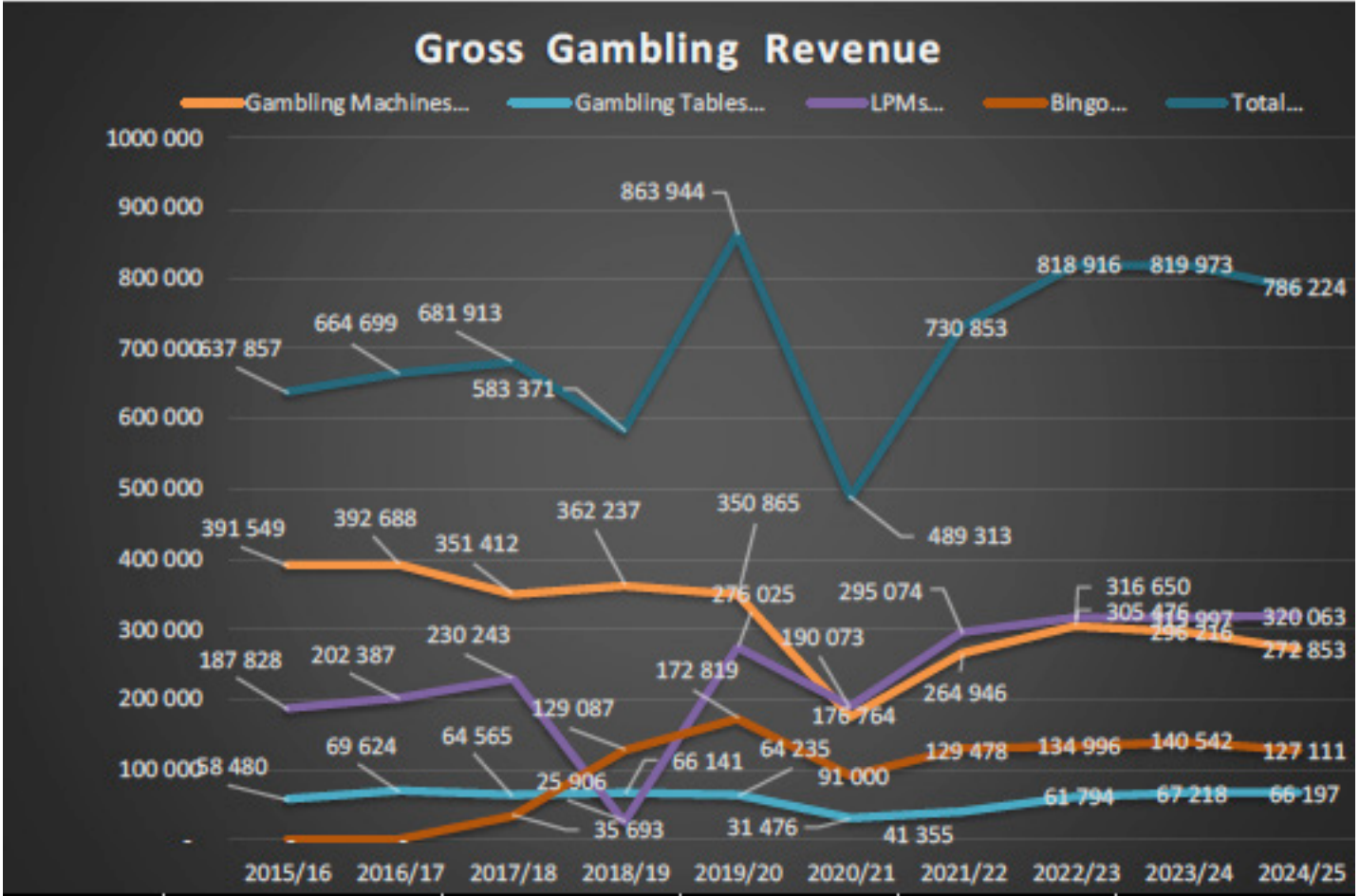
Unclaimed dividend

Betting Regulation 18 prescribes that totalisators pay a levy of 12% on unclaimed dividends. The unclaimed dividend levies for 2024/25 and 2023/24 were R344 711 and R149 706, respectively. As a result, the unclaimed levies paid increased by 130%.

Table 23 – Unclaimed dividend

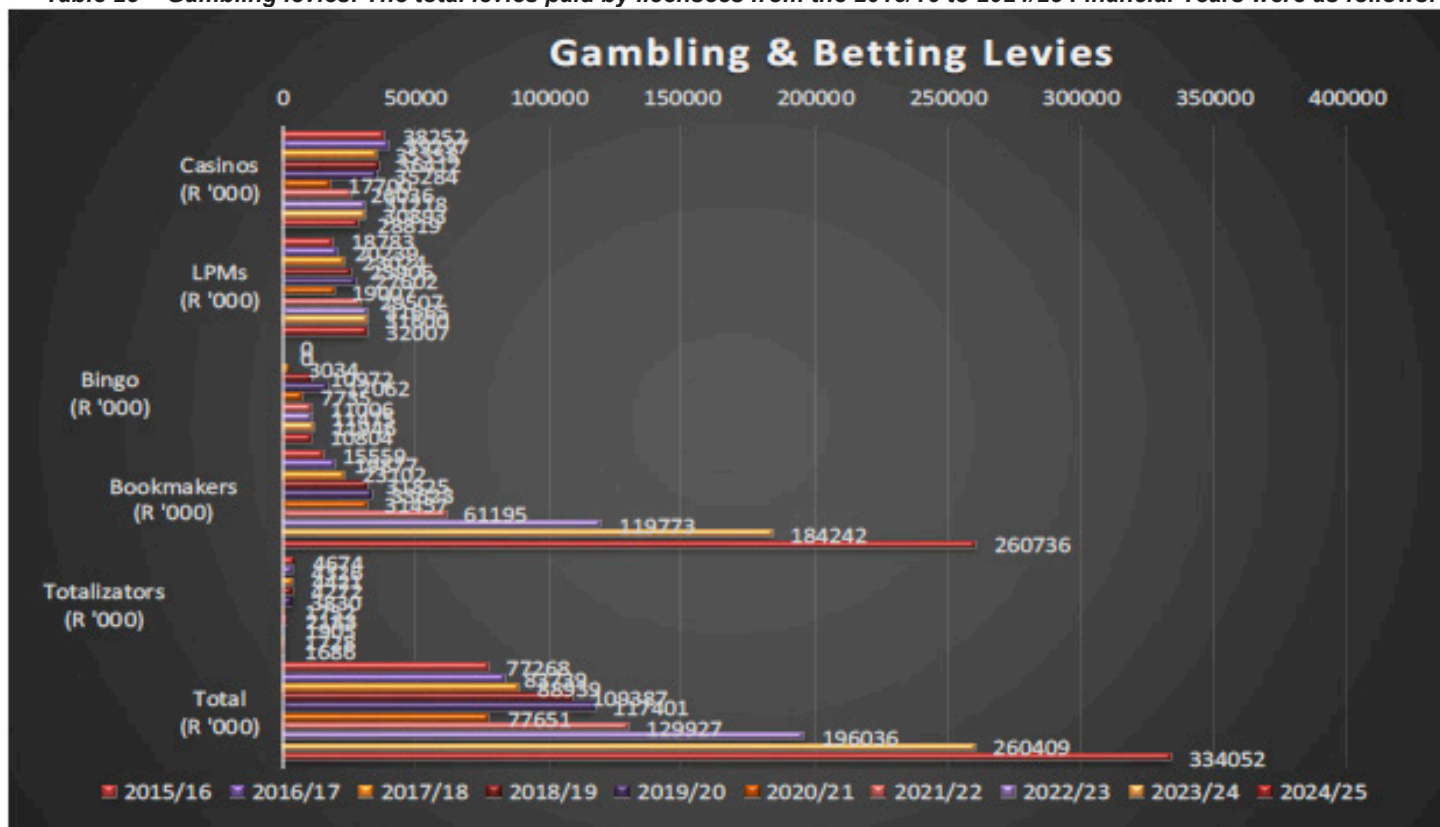
	Unclaimed Dividend (Levy 2024/25) (R)	Unclaimed Dividend (Levy 2023/24) (R)	Unclaimed Dividend (Levy 2022/23) (R)	Variance (R)
April 2024	8 948	10 700	-1 752	-16%
May 2024	12 853	11 337	1 516	13%
June 2024	11 343	11 010	333	3%
July 2024	217 699	11 299	206 400	1827%
August 2024	11 570	12 017	-447	4%
September 2024	10 035	9 466	569	6%
October 2024	9 648	11 580	-1 932	17%
November 2024	10 833	12 117	-1 284	-11%
December 2024	15 080	12 847	2 232	17%
January 2025	10 342	15 574	-5 232	34%
February 2025	11 518	16 422	-4 904	30%
March 2025	14 841	15 336	-494	3%
TOTAL	344 710	149 705	195 005	130%

Table 24 – Gross gambling revenue: The split of gross gambling revenue and levies among gambling slot machines, gambling tables, bingo and limited payout machines since 2015/16 were as follows:



Year	Gambling Machines (R'000)	Gambling Tables (R'000)	LPMs (R'000)	Bingo (R'000)	Total (R'000)
2015/16	391 549	58480	187 828	-	637 857
2016/17	392 688	69 624	202 387	-	664 699
2017/18	351 412	64 565	230 243	35 693	681 913
2018/19	362 237	66 141	25 906	129 087	583 371
2019/20	350 865	64 235	276 025	172 819	863 944
2020/21	176 764	31 476	190 073	91 000	489 313
2021/22	264 946	41355	295 074	129 478	730 853
2022/23	305 476	61 794	316 650	134 996	818 916
2023/24	296 216	67 218	315 997	140 542	819 973
2024/25	272 853	66 197	320 063	127 111	786 224
Variance	23 363	1 021	4066	13 431	33 749
Variance %	-8%	-2%	1%	-10%	-4%

Table 25 – Gambling levies: The total levies paid by licensees from the 2015/16 to 2024/25 Financial Years were as follows:



Year	Year	Year	Year	Year	Year	Year
2015/16	38 252	18 783	-	15 559	4 674	77 268
2016/17	39 297	20 239	-	19 877	4 326	83 739
2017/18	35 358	23 024	3 034	23 102	4 421	88 939
2018/19	36 412	25 905	10 972	31 825	4 272	109 387
2019/20	35 284	27 602	17 062	33 623	3 830	117 401
2020/21	17 700	19 007	7 735	31 457	1 752	77 651
2021/22	26 036	29 507	11 006	61 195	2 183	129 927
2022/23	31 218	31 665	11 475	119 773	1 905	196 036
2023/24	30 893	31 600	11 946	184 242	1 728	260 409
2024/25	28 819	32 007	10 804	260 736	1 686	334 052
Variance	-2 074	407	-1 142	76 494	-42	73 643
Variance %	-7%	1%	-10%	42%	-2%	28%

Over the past nine years, the overall casino levies have fluctuated. This culminated in a decrease in levies collected from casinos in 2024/25 by 7% in comparison to 2023/24 due to changes in economic conditions and the growing interest in other modes of gambling and online betting.

Levies from bingo operators have decreased by 10%; while levies for LPM operators increased by 1% due to changes in economic conditions and the growing interest in other modes of gambling and online betting.

Levies from bookmakers increased by 42% and levies from totalisators decreased by 2% due to economic conditions. The increase in bookmaker levies is attributable to the growing interest in online betting and a wide variety of contingencies offered to punters as well as high winnings on sports betting, considering that levies on sports betting are based on punters winnings.

2.1.2. Law Enforcement

The mandate of the Entity is to investigate and eradicate all forms of illegal gambling activities in the province. These illegal gambling activities include online (interactivgambling, the use of unlicensed gambling machines, fahfee (also known as mochaina), as well as cards and dice games. Such operations are run by individuals and businesses that do not have valid licenses to operate. In many cases, these activities are carried out by foreign nationals and, with the help of the Department of Home Affairs, some of them were found to be in the country illegally.

The responsibility to combat these illegal activities falls under the Law Enforcement Unit. Its core responsibilities include conducting investigations, disrupting illegal gambling activities, and ensuring that offenders are brought to justice. This mandate is carried out through the efforts of law enforcement inspectors, who are appointed in terms of Section 81 of the Limpopo Gambling Act, 2013 (Act No. 3 of 2013). Their powers and responsibilities are further outlined under Section 83 of the same Act, which also designates them as Peace Officers. This designation was confirmed by the Minister of Justice through a notice published in the Government Gazette in terms of Section 334 of the Criminal Procedure Act (Act No. 51 of 1977).

Despite their important role, the inspectors face several operational challenges. The limited powers granted through the Criminal Procedure Act restrict their authority in certain situations, especially when it comes to the application and execution of the search and seizure warrant. The shortage of inspectors is another concern, as it hampers the unit's ability to effectively cover all five districts in the province. In addition, illegal online gambling requires specialised cybercrime investigation skills, which the current team of inspectors does not yet possess. In some areas, inspectors have also experienced hostility and have been physically attacked by community members while performing their duties.

Illegal gambling has a negative impact on the province. It deprives the provincial economy of much-needed revenue and undermines the sustainability of legal gambling operators who comply with the law and pay licensing fees and taxes. These unlawful operations often lure customers away from licensed establishments, resulting in reduced income and potential job losses. For communities, illegal gambling contributes to social issues such as addiction, financial ruin and, in some cases, criminal activities. This can destabilise families and place a strain on community resources. Unlike licensed operators, who contribute to the South African Responsible Gambling Foundation, which provides critical support to problem gamblers through counselling services and access to social workers, illegal operators offer no such support, leaving affected individuals and families without help.

To address these challenges, the unit works closely with various stakeholders. Joint operations are being conducted with the South African Police Service (FLASH Unit), the Department of Home Affairs, and local Community Policing Forums. The role of community members and informers has also proven to be valuable in combatting illegal gambling. Some of the successful investigations and operations were initiated following tip-offs received from the public. Investigations are supported by the Crime Intelligence and Organised Crime Unit. The National Prosecuting Authority (NPA) also takes part in some of the meetings to help improve legal outcomes. These partnerships aim to strengthen the fight against illegal gambling and ensure safer and more effective enforcement across the province.

While enforcement is a key part of the unit's work, prevention is just as important. Throughout the year, the unit ran several public awareness campaigns in all five districts. These were held in schools, tribal offices, public events, shopping complexes, and legal gambling sites. Some of the campaigns were done in partnership with the South African Responsible Gambling Foundation and the National Gambling Board. Events such as Mapungubwe Cultural Festival, Provincial Women's Day Celebration, SA Run4Cancer and various marathons gave the unit the opportunity to reach a wide audience and educate people about the dangers and consequences of illegal gambling. To spread the message even further, the unit also used media platforms. Television advertisements were aired on well-known programmes across SABC1, SABC2, and SABC3. In total, 38 television advertisements were broadcast. In addition, three billboards were placed in Lebowakgomo, Mankweng, and Thohoyandou for a period of five months, helping to increase visibility and public awareness.

The Law Enforcement Unit actively participates in various external forums that strengthen collaboration and extend the reach of its work. These include the Local Efficiency Enhancement Committee meeting hosted by the Tshilwavirusiku Magistrate, the Polokwane Municipality Community Safety Stakeholder Forum, the SASSA Integrated Community Outreach Programme, and the JCPS (Justice, Crime Prevention and Security) Cluster. These platforms allow the unit to engage with key stakeholders, share insights, and align strategies in the fight against illegal gambling. In addition to forum participation, workshops have also played a key role in enhancing knowledge and building capacity. Several sessions were conducted with different units of the South African Police Service (SAPS), including those held at police stations and other law enforcement training environments such as SAPS Detectives Academy in Hammanskraal. These workshops focused on enhancing investigation technique and sensitising officers to the complexities of illegal gambling. Similar sessions were held with the Department of Education to help schools address gambling-related challenges among learners.

Through these combined efforts, strong intelligence work, joint enforcement operations, strategic partnerships, educational campaigns, targeted training sessions, and participation in stakeholder platforms, the Law Enforcement Business Unit remains committed to protecting communities from illegal gambling and fostering a safer, more responsible gambling environment in Limpopo province.

The Law Enforcement Business Unit has made commendable progress in achieving its strategic objectives during the 2024/25 financial year. The unit focused on two primary targets: conducting investigations into illegal gambling activities and implementing crime awareness campaigns across the province. Against the annual target of 180 investigations, a total of 215 were carried out during the year under review. These investigations led to 88 arrests, the confiscation of R30 186 in cash, and the collection of admission of guilt fines totalling R73 300. A total of 623 illegal gambling machines were confiscated during the year by both the South African Police Service (SAPS) and the Law Enforcement Unit. Furthermore, 666 illegal gambling machines were destroyed during two public disposal events held in April (339 machines) and October (327 machines) 2024. In terms of crime awareness campaigns,

the unit exceeded its annual target of 40 by conducting a total of 61 campaigns across the province.

The tables below outline the summary of achievements per quarter from 2021/22 until 2024/25 Financial Years.

Table 26 – Investigations

Year	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
2021/22	8	5	10	36	59
2022/23	64	86	69	55	274
2023/24	73	82	51	67	273
2024/25	64	74	35	42	215

The unit collaborates closely with SAPS to apprehend and prosecute illegal gambling operators. During the 2024/25 Financial Year, a total of 88 illegal gambling operators were arrested, demonstrating the unit's commitment to combatting illicit gambling activities.

Table 27 – Arrests

Year	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
2021/22	8	2	3	12	25
2022/23	46	59	15	23	143
2023/24	18	38	60	18	134
2024/25	27	31	28	02	88

During the Financial Year 2024/25, the Entity, with the assistance of SAPS, conducted operations targeting illegal gambling activities. These efforts led to the confiscation of 623 illegal gambling machines (Chinese roulette machines).

Table 28 – Illegal gambling machines confiscated

Year	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
2021/22	2	16	3	14	35
2022/23	114	110	123	130	477
2023/24	237	198	191	145	771
2024/25	213	171	134	105	623

Admission of guilt from 2021/22 until 2024/25 Financial Years were paid as indicated below:

Table 29 – Admission of guilt

Year	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
2021/22	R11 500.00	R2 000.00	R6 000.00	R10 000.00	R29 500.00
2022/23	R25 000.00	R48 500.00	R11 700.00	R13 900.00	R99 100.00
2023/24	R16 000.00	R20 300.00	R22 300.00	R13 000.00	R71 600.00
2024/25	R26 500.00	R33 900.00	R10 900.00	R 2 000.00	R73 300.00

The Entity, in collaboration with SAPS, confiscated an amount of R30 186 in 2024/25 during operations against illegal gambling activities.

Table 30 – Money confiscated

Year	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
2023/24	R21 393.50	R14 562.00	R30 244.00	R6253.00	R72 452.50
2024/25	R11 670.00	R16 226.00	R1910.00	R380.00	R30 186.00

In addition to investigations, the Law Enforcement Business Unit also conducted awareness campaigns to educate and empower members of the public about illegal gambling and the consequences of participating in such activities.

Table 31 – Awareness campaigns

Year	1st quarter	2nd quarter	3rd quarter	4th quarter	Total
2021/22	06	1	5	1	13
2022/23	13	07	16	12	48
2023/24	26	11	20	07	64
2024/25	16	18	15	12	61

2.2. Organisational Environment

The Entity has five Business Units, namely Governance, Corporate Services, Finance, Compliance and Law Enforcement.

The Governance Business Unit comprises the Chief Executive Officer (CEO) with one Senior Manager Legal Service, Company Secretary, Manager – CEO Support and the Risk Officer.

The Corporate Services Business Unit is headed by the Senior Manager with two managers, namely the Labour Relations Manager (vacant) and the Human Resources Manager who report to the Senior Manager Corporate Services. This business unit will be included in the strategic plan from 2025/2026

The Finance Business Unit is headed by the CFO, with one Senior Manager Finance and three managers, namely Internal Control (which was vacant at the end of the financial year), Information Technology and Supply Chain Management.

The Compliance Business Unit is headed by the Senior Manager, with three managers, namely Investigations and Licensing, Gambling Control and Compliance Audit.

The Law Enforcement Business Unit is headed by the Senior Manager (which was vacant at the end of the financial year), with a manager.

Challenges

- **Organisational structure:** The organisational structure was last reviewed and approved during 2017/2018. The Entity had, however, commenced with the process to review its current organisational structure, but the process could not be finalised by the end of the financial year.
- **Human resource capacity:** The Entity had a vacancy rate of 10% at the end of the 2024/25 Financial Year.
- **Employment equity:** The Entity still needs to improve on its employment equity on previously disadvantaged categories (disability and youth).

The employment equity status of the Entity is indicated below:

Employment equity status

- Overall (66): 52% female (34) and 48% male (32).
- Senior Management level: 57% female (4) and 43% male (3).
- People with disability (1): 2%.

The Entity endeavours to improve on the equity status for people living with disabilities at all levels within the Entity by targeting such persons during the future recruitment process.

Successes

To ensure continuous support of the strategy of the Entity, the following successes were achieved during the financial year.

- **Employment equity:** Improved the employment equity status of Senior Management level due to employing a female Company Secretary.
- **Youth empowerment:** The Entity had 18% youth which consisted of 12 permanent employees.
- **Awareness:** The Entity has ensured that employees were engaged in awareness campaigns, educational workshops, wellness events and assistance programmes. This assisted in boosting employee morale.

Significant developments that may have impacted delivery on the Strategic Plan and Annual Performance Plan

The Entity achieved 93% of the targets set.

Measures taken to mitigate the impact on events impacting service delivery

There were no events that had an impact on service delivery of the Entity.

2.3. Key Policy Developments and Legislative Changes

There were no legislative or policy changes for the period under review.

2.4. Progress Towards Achievement of Institutional Impacts and Outcomes

2.4.1. Impacts and Outcomes as per the Strategic Plan

Impacts and outcomes as per the Strategic Plan and the progress made towards the achievement of the fiveyear targets in relation to the outcome indicators are outlined below.

Programme 1: Governance

Outcome 1: A sustainable, efficient and effective organisation

The Entity achieved 100% in relation to both outcome indicators of the declaration of the financial interests by the Board members and the financial disclosures by the members of Senior Management. The Governance Business Unit dealt with matters of risk management and thus far the Entity was able to mitigate some of the probable risks. Incident management was in place and the reported incidents were attended to. The Entity managed to promote good governance and sustained an unqualified audit opinion with no material findings (clean) for five years in succession (2019/20; 2020/21, 2021/22, 2022/23 and 2024/25).

Programme 2: Finance

Outcome 1: A sustainable, efficient and effective organisation

The Finance Business Unit was divided into two sub-programmes made up of Chief Financial Officer and Supply Chain Management. The targets set for the entire Programme 2 were in-house targets and did not have any effects on external factors. All the performance indicators were achieved for the 2024/25 Financial Year. The Entity received an unqualified audit outcome (clean) for the 2023/24 Financial Year.

Programme 3: Compliance

Outcomes 2: Transformed gambling industry that creates sustainable jobs in Limpopo

Outcome 3: Responsible gambling and compliance with legislations improved in Limpopo

Outcome 4: Improved local and international relations with other gambling regulators and related institutions

The Entity achieved all the set targets for the six key output indicators for Programme 3 for 2024/25. In this regard, the Entity was able to substantially achieve the outcome of a regulated, sustainable and socially responsible gambling environment that was fully compliant with relevant legislations. This was achieved despite Planet Bingo (Pty) Ltd trading as Vegas Bingo being directed to up its game in terms of regulatory compliance on various matters.

The full achievement of the outcomes of Programme 3 had an impact in the communities around the province through the creation of jobs when 10 LPM sites were licensed, and one bookmaker site became operational during 2024/25. During the financial year, licensees spent about R14.836 million on corporate social responsibility (CSR) projects to improve living conditions of local communities where they operated. The CSR amount was 14% more than the R12.991 million spent by licensees during the 2023/24 Financial Year. The highest contributors were bookmakers at 60%, followed by bingos at 27%. Casinos and LPM operators both contributed 4% each and totalisators contributed 3%.

The Entity conducted 102 responsible gambling awareness campaigns in various communities and at licensed gambling establishments. The awareness campaigns directly reached 4 139 members of the public, whom the Entity interacted with on various matters relating to responsible gambling and problem gambling during awareness campaigns (it is to be noted that not all members of the public want to record personal details on the campaigns attendance registers). The campaigns were conducted in collaboration with SARGF. Throughout the year, the Entity continued with social media campaigns on Facebook, X, Tik Tok and Instagram to address the public on responsible gambling.

Programme 4: Law Enforcement

Outcome 5: All modes of illegal gambling activities combatted

In line with the Strategic Plan, the Law Enforcement Unit has successfully met its annual targets in both key areas of operation. A total of 215 (target 180) investigations were conducted, reaching the 119% target for the year. The unit also conducted 61 (target 40) crime awareness campaigns, exceeding the annual target by 52.5%. This performance reflects the unit's commitment to achieving its strategic outcome of reducing illegal gambling activities in the province and increasing public awareness through proactive and coordinated interventions. The consistent achievement of these targets supports the broader institutional impact of promoting social cohesion and safe communities.

Corporate Services Business Unit

The Corporate Services Business Unit aims to provide strategic and operational multidisciplinary services and professional partnerships to Business Units, supporting and enabling the core Business Units to achieve their objectives, through value adding programmes, systems, processes, policies and knowledge management. As enablers of good processes and employee performance, Corporate Services will contribute and underpin all Strategic Focus Areas of the Entity.

2.4.2. Significant Achievements with Regard to the Contribution Towards the 2019–24 Medium-Term Strategic Framework (MTS) Provincial Development Plan

MTSF Priority 1: Capable, Ethical and Developmental State

LGB, in its commitment to regulate, monitor and license the gambling industry in the province, strove to render these services with a high level of professionalism. As part of the lever that sought to contribute positively to the priority of driving a state that is transformative and capable of development, the Entity fostered that obligation with the human resource that was skilled and capable of discharging their bestowed responsibilities. Furthermore, the Entity believed in the continued capacity building of its human resource.

While it had capacity to contribute to the socio-economic upliftment of the general populace of the Limpopo province, the gambling industry was also polarised by illegal gambling activities.

The Entity's contribution in respect of this MTSF Priority is indicated below.

Governance: The Entity managed to promote good governance and sustained an unqualified audit opinion with no material findings (clean) for five years in succession (2019/20; 2020/21, 2021/22, 2022/23 and 2024/25).

Business process and practice: The Entity developed standard operating procedures for all the Units to improve internal control standards, as well as to enhance efficiency in the operations of the Entity. These procedures are reviewed on an annual basis.

Management of conflict of interest and financial disclosures: 100% of the Board and committee members made declarations of financial interest in each meeting to manage conflicts of interest. All Bid Evaluation and Bid Adjudication members (100%) signed declarations in all the bids that were evaluated or adjudicated during the 2024/25 Financial Year.

All members of the Senior Management (100%) submitted financial disclosure forms as a mechanism to promote accountability and governance.

MTSF Priority 2: Economic Transformation and Job Creation

Through achieving the set outcomes of a regulated, sustainable and socially responsible gambling environment, which is fully compliant with relevant legislations, the Entity contributed to this priority by issuing 10 LPM site licences which created 33 new jobs and sustained jobs of existing employees in the primary businesses. This brought the total number to 3 103 jobs created in the gambling industry by licensing three casinos, two LPM route operators, 222 LPM site operators, five bingo operators, seven bingo sites, nine bookmaker operators and 95 bookmaker sites (of which 62 were operational), and one totalisator operator with 25 totalisator sites (of which 22 were operational). The 35 licensed bookmaker sites that are yet to open are expected to create at least 250 jobs in the province over the MTSF period.

The licensed entities have generated GGR of R786 224 million in 2024/25, which was 4% lower than the previous financial year of R819 973 million. Over the past five years, licensees have consistently generated an increasing GGR, with the exception of 2020/21 and 2024/25. The gambling industry thus made a significant contribution to the GDP of Limpopo province and the country, effectively contributing towards the targeted national economic growth of 1.2% in 2024.

The Entity had, through the licensing process, issued licence conditions to ensure that there was inclusive growth in the gambling industry, which ensured that the highly skewed distribution of productive assets of the gambling industry was more equitable. In this regard, the Entity required licensees to comply with the B-BBEE levels that were set in the licence conditions of respective licensees in terms of the B-BBEE Act No. 53 of 2003. Licensees have substantially complied with the set licence conditions in this regard.

The B-BBEE arrangements of licensees included worker, community and historically disadvantaged individuals. Licensees were also required to implement the prescripts of the Employment Equity Act No. 55 of 1998 to eliminate gender and race wage disparity in the gambling industry.

Section 33 of the Act mandated the Entity to consider issues of competition while adjudicating on applications for gambling licences to determine whether the approval of a licence was likely to substantially affect competition in the gambling industry generally, or in respect of the proposed activity within the province. The Entity rigorously implemented this section to prevent the exacerbation of high levels of economic concentration in one sector of the population.

The licensing of LPM sites and bookmakers facilitated the increase in the number of competitive small, medium and micro-sized businesses, and contributed to township economies and rural development. This occurred through employment creation, procurement of goods and services, CSI contributions and contributions to the government coffers through taxes, fees and levies.

As part of the licence conditions, licensees were required to procure 40% of goods and services from local entities from the province, which supported the localisation and buy local campaigns.

MTSF Priority 6: Social Cohesion and Safe Communities

The Law Enforcement Business Unit continued to contribute towards building safe communities by actively addressing illegal gambling through both preventive and enforcement efforts. A total of 61 crime awareness campaigns were successfully conducted across various communities, aimed at raising awareness about the dangers of illegal gambling and consequences of participating in such activities. These campaigns also highlighted the role of the public in reporting unlawful activities and reinforced the importance of compliance with gambling laws.

The Entity strengthened collaborative efforts with key stakeholders to enhance the impact of its interventions, including both investigative operations and public awareness campaigns. These efforts were conducted in partnership with various SAPS units including Crime Intelligence, Organised Crime, Detectives, FLASH Unit and other departments such as Education, Home Affairs, South African Social Security Agency, LEDET, Office of the Premier, the National Prosecuting Authority, local municipalities, as well as traditional leaders and community-based structures.

Members of the public played a valuable role by sharing information and supporting operations, while informants continued to assist in identifying and reporting illegal gambling activities. Confidentiality and safety measures remained a top priority, with the Entity ensuring the protection of informants and community members who contributed to these efforts. These combined initiatives reflect the Entity's continued commitment to promoting safer neighbourhoods, reducing gambling-related harm, and contributing meaningfully to the national goal of fostering social cohesion and safe communities.

MTSF Priority 7: A Better Africa and World

A. International Association of Gaming Regulators

Gambling is a global recreational activity that is regulated in many jurisdictions around the world. The regulation of gambling aligned to socio-economic priorities of each jurisdiction, hence, the requirements for licensing and operating a gambling establishment, differs from one jurisdiction to another. Gambling Regulators from around the world established the International Association of Gaming Regulators (IAGR) with the mission of advancing the effectiveness and efficiency of gambling regulation and which provides the following:

- a forum in which gambling regulators from around the world can meet, exchange views and information, and discuss policy issues among themselves and with representatives of the international gambling industry;
- a means of fostering cooperation between gambling regulators in the performance of their official duties; and
- a central point of contact for inquiries from governments, gambling regulatory agencies and personnel, and representatives of the international gaming industry.

The Entity is a jurisdictional member of IAGR and has three Board members and two officials registered with the association. IAGR hosts annual conferences which the Board members and officials of the Entity attended regularly. The conferences were of much benefit as they were a source of the latest developments in the gambling industry and provided a platform for the discussion of various gambling policy issues, and they were an opportunity for attendees to network with other gambling regulators and operators.

The Entity previously engaged IAGR members, including the Bulgarian State Commission on Gambling, the Norwegian Gambling Authority, the Casino and Gaming Commission of Jamaica, the Victorian Gambling Casino Control Commission and United Kingdom Gambling Commission, for the purpose of learning from one another. In line with the Strategic Plan, the Entity will seek to formalise collaborations with other member gambling regulators of IAGR.

B. Training and Development

The gambling industry is dynamic, technology-based and, in some instances, highly complex. As a result, the Entity strove to learn from various platforms to keep up to date with the latest developments and trends. In this regard, the Entity participated in various international conferences, such as the SIGMA Africa, Asian Racing Conference hosted by the Asian Racing Federation, the Global Gaming Expo hosted by the American Gaming Association and the ICE London and ICE Africa hosted by Clarion Gaming.

C. Gambling Regulators Africa Forum

Gambling Regulators Africa Forum (GRA) was established in 2003 by the various gambling jurisdictions from Africa. The LGB is a jurisdictional member.

GRAF aims to protect communities and citizens through the adherence of gambling regulatory laws applicable to each jurisdictional member. It aligns matters that affect the gambling industry and ensures that Africa does not become the dumping ground for old and degenerating gaming technologies.

GRAF hosts annual conferences for the purposes of sharing knowledge on various aspects relating to the gambling industry and regulation and thus is a learning platform for member states, most of whom are still new to regulating gambling. The Entity contributes to GRAF conferences through presentation on various topics and participation in various committees of GRAF. During the financial year, the Entity's delegation attended the GRAF conference held from 3–5 April 2024.

D. Regulation of Movement of Gambling Devices

Illegal gambling is a major conundrum in South Africa and many other African jurisdictions. Concurrently, some licensed entities in South Africa trade with other gambling entities in the rest of Africa where Limpopo province is the gateway to such jurisdictions when gambling devices are delivered by road. As part of dealing with illegal gambling and to keep record of the movement of gambling devices into, through and out of the province and South Africa as a whole, the Entity required local and international manufacturers and suppliers of gambling devices, as well as licensed gambling operators, to obtain approval from the Entity for the movement of gambling devices. The approval of the movement of gambling devices ensured that the authorised gambling devices were traded by licensed entities and ended up in the hands of licensed entities throughout Africa.

E. Collaborations and Stakeholder Engagement Sessions

Increased regional integration and trade was the output pursued by the Entity under MTSF Priority 7 by seeking to achieve two performance indicators: the number of formal collaborations established and the number of stakeholder engagement sessions held. To this end, the Entity has an ongoing five-year collaborative relationship with the South African Responsible Gambling Foundation through an MOU. The MOU enjoined the two entities to collaborate on matters relating to responsible gambling and research.

In September 2020, the Entity also concluded a collaborative MOU with the National Lotteries Commission, which enabled the two regulatory public entities to collaborate on various issues of mutual interest. The MOU is due for review in the 2025/26 financial year.

The agreements with the SARGF and the NLC were implemented through various activities, such as responsible gambling awareness campaigns held during the year and through participation in the stakeholders' forum meetings held during the year.

The Entity and the Limpopo Tourism Agency entered into a three-year Memorandum of Agreement in March 2022. The MOU is due for review in the first quarter of 2025/26 financial year. The purpose of the agreement was to collaborate on matters of responsible gambling, marketing and communication, corporate social responsibility and tourism. The agreement was implemented from April 2022. The Entity has contributed to the objectives of the MOU by honouring invitations to conduct responsible gambling awareness at golf events hosted by the Limpopo Tourism Agency (LT) during the financial year.

An MOU was concluded in September 2022 with the Department of Social Development (DSD) to collaborate on issues of public responsible gambling awareness and other social matters of mutual interest. In this regard, the DSD hosted the LGB and the SARGF at its annual Limpopo Social Workers' day and the Vhembe District Social Worker Day where responsible gambling awareness information was imparted to participants. The MOU is due for review in the 2025/26 financial year.

Further, an MOU was concluded with the South African Bookmakers Association in March 2023. The aim of the MOU was to collaborate on matters of responsible gambling awareness, promote regulatory compliance among licensees, and training and development. In this regard, the two entities have met and explored possibilities of engaging in a learnership programme involving bookmaker licensees in Limpopo province.

In March 2023, the Entity also concluded an MOU with BMM Test Labs South Africa (Pty) Ltd. The MOU's objectives focus on training and development, sharing information, promoting regulatory compliance and promoting responsible gambling. To the ends of the objectives of the MOU, BMM provided training to Board members and officials of the Entity on various regulatory matters to keep updated on technological and gambling developments.

The Entity has a wide variety of stakeholders and recognises the importance of maintaining good relations with stakeholders. This enabled the Entity to achieve its strategic outcomes. In this regard, two stakeholder engagement sessions were held during the financial year with the licensees to engage on a wide variety of issues of mutual interest.

3. Amendments to the Strategic Plan

The Entity developed a 2025–2030 Strategic Plan during the 2024/25 Financial Year in alignment with the priorities of the 7th Administration of the Government of National Unity.

4. Reviewing of the Annual Performance Plan

The Entity developed the 2025/26 Annual Performance Plan (APP) during the 2024/25 Financial Year in alignment with the priorities of the 7th Administration of the Government of National Unity.

5. Institutional Programme Performance Information

5.1. Programme 1: Governance

The purpose of this programme is to provide executive and strategic direction to the Board.

This programme does not have any sub-programmes.

The institutional outcomes that programme 1 contributes towards:

Outcome 1: A sustainable, efficient and effective organisation

Outcomes, outputs, output indicators, targets and actual achievements

The Entity was highly committed to delivering all the outputs as set out in the Annual Performance Plan (APP) and also contributed positively to the provincial government priorities stipulated in the Limpopo Development Plan. In an endeavour to effectively realise these outputs, the Entity employed capable human capital, which led to 100% achievement of these outputs. The Entity has Terms of Reference in all Business Units and committees of the Board that guided the efficiency of the daily operations and enabled coordinated internal control systems.

In an effort to deliver and run clean governance, accountability and a compliant Entity, there were mechanisms in place that were adhered to by all members of Senior Management and the Board. There was 100% achievement regarding the outputs.

The Entity maintained the audit outcome of and sustained an unqualified audit opinion with no material findings (clean) for five years in succession (2019/20; 2020/21, 2021/22, 2022/23 and 2024/25 financial years), which is evidence that, as an Entity, there was commitment to contributing towards good governance in the province.

Performance Information According to the APP

PROGRAMME 1: GOVERNANCE								
Purpose: The purpose of this programme is to provide executive and strategic direction to the Board.								
Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
A sustainable, efficient and effective organisation.	Improved governance of the Entity.	Percentage of compliance to declaration of interest at each Board Committee meeting.	100%	100%	100%	0%	N/A	N/A
		Percentage of compliance to disclosure of financial interests by the Executive Management.	100%	100%	100%	0%	N/A	N/A

Strategy to overcome areas of under-performance

Not applicable.

Performance in relation to standardised outputs and output indicators for economic development Sector with concurrent functions

Not applicable.

Programme expenditure

Programme 1: Governance	2023/2024			2024/25		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital budget	0	0	0	0	0	0
Personnel Budget	5 546	7 248	-1 702	8 267	7 996	271
Operational Budget	5 451	4 251	1 200	3 559	8 217	-4 658
Total	10 997	11 499	-502	11 826	16 213	-4 387

5.2. Programme 2: Finance

The purpose of this programme is to provide financial and administrative support to all four programmes.

This programme is divided into two sub-programmes as follows:

- **Chief Financial Officer:** The purpose of this sub-programme is to ensure efficient and effective utilisation of resources through strategic prioritisation.
- **Supply Chain Management:** The purpose of this sub-programme is to ensure compliance with procurement prescripts.

The institutional outcomes that programme 2 contributes towards:

Outcome 1: A sustainable, efficient and effective organisation

Outcomes, outputs, output indicators, targets and actual achievements

The Entity strives to achieve clean administration through Programme 2 with regards to financial management as led by the CFO. The targets set within the programme aimed to achieve the objective of the programme driven through the Business Units of Finance and Supply Chain Management. Within the Finance Business Unit, the Entity strives for a continued clean administration and effective and efficient allocation of resources, which was aligned to the strategy of the Entity. The Supply Chain Management Unit ensures compliance with the applicable supply chain management prescripts in the procurement of goods and services within the Entity.

The Finance Business Unit aims to maintain an unqualified audit opinion for the year under review. The unit achieved the set target by obtaining an unqualified audit opinion with no findings for the 2023/24 financial year audit. The Supply Chain Management Unit set out to achieve the core mandates of the province when it came to supporting SMMEs in the province by ensuring that these were paid timeously within 30 days as set out by the prescripts. The Supply Chain Unit achieved 100% of its target regarding the payment of invoices of service providers within 30 days.

The institutional outcomes of the Corporate Services contributes towards:

Outcome 1: A sustainable, efficient and effective organisation

The Human Resource Management Unit set out to achieve continued development and assessment of employees through performance management. In addition, the unit set out to ensure that all newly appointed employees were vetted and their continued skills development for the existing human capital was implemented. The unit achieved the administration of the performance management of the Entity, with regards to ensuring that all employees of the Entity performed and completed both their individual performance agreements and performance appraisals.

Through the support of the Occupational Health Committee (OHS), the Human Resource Management Unit ensured adequate compliance with the set-out regulations of the Department of Employment and Labour to ensure that the employees of the Entity remained productive and efficient in their individual work responsibilities.

Performance Information According to the APP

Sub-Programme 2.1: Chief Financial Officer								
Purpose: The purpose of this sub-programme is to ensure efficient and effective utilisation of resources through strategic prioritisation.								
Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
A sustainable, efficient and effective organisation.	Obtain an unqualified audit opinion.	Unqualified audit outcome maintained.	Unqualified audit outcome maintained.	Unqualified audit outcome maintained.	Unqualified audit outcome maintained.	None	N/A	N/A

Sub-Programme 2.2: Human Resources Management								
Purpose: The purpose of this sub-programme is to ensure a well-governed and capable organisation.								
Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
A sustainable, efficient and effective organisation.	Accountability and consequence management enforced.	Percentage of performance agreements signed.	100%	100%	100%	0%	N/A	N/A
		Percentage of annual performance assessment conducted.	100%	100%	100%	0%	N/A	N/A

Sub-Programme 2.3: Supply Chain Management								
Purpose: The purpose of this sub-programme is to ensure compliance with procurement prescripts.								
Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
A sustainable, efficient and effective organisation.	Compliance with legislation.	Percentage of invoices paid within 30 days of receipt.	100%	100%	100%	0%	N/A	N/A
		Percentage of procurement budget spent on women-owned businesses.	N/A	40%	43%	3%	More women-owned companies responded to the RFQs.	N/A

Strategy to overcome areas of under-performance

Not applicable.

Performance in relation to standardised outputs and output indicators for economic development Sector with concurrent functions

Not applicable.

Programme and Sub-programme Expenditure

Programme 2: Finance	2023/2024			2024/25		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital budget	2 500	0	2 500	0	0	0
Personnel Budget	7 013	7 281	-268	8 492	7 888	604
Operational Budget	4 697	3 521	1 176	3 740	4 345	-605
Total	14 210	10 802	3 408	12 232	12 233	-1

Programme 2 Sub-Programme HR	2023/2024			2024/25		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital budget	0	0	0	0	0	0
Personnel Budget	4 645	6 153	-1 508	6 007	6 217	-210
Operational Budget	2 697	1 877	820	1 447	1 639	-192
Total	7 342	8 030	-688	7 454	7 856	-402

Programme 2: Sub-Programme Supply Chain Management	2023/2024			2024/25		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital budget	0	0	0	950	60	890
Personnel Budget	4 421	3 188	1 233	3 678	3 478	200
Operational Budget	2 359	2 789	-430	4 526	3 667	859
Total	6 780	5 977	803	9 154	7 205	1 949

Programme 2 Sub-Programme: IT	2023/2024			2024/25		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital budget	1 000	0	1 000	650	632	18
Personnel Budget	2 500	1 067	1 433	1 532	1 468	64
Operational Budget	2 686	2 342	344	2 810	2 973	-163
Total	6 186	3 409	2 777	4 992	5 073	-81

5.3. Programme 3: Compliance

The purpose of this programme is to:

- Promote responsible gambling through visibility and awareness;
- Ensure that gambling activities are compliant with relevant legislations.

This programme is divided into five sub-programmes as follows:

- **Responsible gambling campaigns and research:** To promote responsible gambling and build a base of empirical evidence for decision making.
- **Investigation and licensing:** To issue corporate and individual licences to candidates who meet regulatory requirements.
- **Gambling control:** To ensure that licensees are compliant with technical regulatory requirements and protect the public from unscrupulous practices and the negative effects of gambling.
- **Compliance audit:** To ensure that licensees are compliant with general and financial regulatory requirements.
- **Stakeholder management:** To build good relations with stakeholders.

The institutional outcomes that programme 3 contributes towards:

Outcomes 2: Transformed gambling industry that creates sustainable jobs in Limpopo

Outcome 3: Responsible gambling and compliance with legislations improved in Limpopo

Outcome 4: Improved local and international relations with other gambling regulators and related institutions

Outcomes, outputs, output indicators, targets and actual achievements

The Entity dealt with various stakeholders, and it sought to formalise some of these relationships with stakeholders to enhance its ability to achieve its strategic outcomes. In this regard, the Entity finalised an MOU with the South African Responsible Gambling Foundation, National Lotteries Commission, the Limpopo Department of Social Development, the South African Bookmakers Association, BMM Test Labs and the Limpopo Tourism Agency that will enable the institutions to collaborate on various matters of mutual interest in regulation of gambling and lottery, such as responsible gambling and illegal gambling awareness, the promotion of regulatory compliance, training and development, collaboration on corporate social responsibility, combatting money laundering and terrorism funding. The execution of the MOUs in turn enabled the licensees to operate at maximum capacity, which created employment, generated more revenue to the Entity and to various other government entities, and also made more contributions to community social responsibility projects in the respective communities where they operated.

The Entity regarded women, youth and persons with disabilities as part of previously disadvantaged individuals (PDIs) and as part of its redress programme for PDIs. The Entity required that licensees comply with the B-BBEE Act by prescribing respective B-BBEE levels in the licence conditions. Licensees were also expected to comply with the Employment Equity Act as encapsulated in the licence conditions. The majority of licensees met the licence conditions on B-BBEE levels and Employment Equity Act. The Entity instituted remedial actions against the licensees who failed to comply with these licence conditions.

Performance Information According to the APP

PROGRAMME 3: COMPLIANCE								
Purpose: The purpose of this programme is to promote responsible gambling through visibility and awareness; and to ensure that gambling activities are compliant with relevant legislations.								
Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
Responsible gambling and compliance with legislations improved in Limpopo.	Awareness and reduction of responsible gambling.	Number of responsible gambling campaigns conducted.	117	90	102	12	The additional campaigns were conducted in response to invitations received.	N/A

Sub-Programme 3.2: Licensing and Investigation**Purpose:** To issue corporate and individual licences to candidates who meet regulatory requirements.

Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
Transformed gambling industry that creates sustainable jobs in Limpopo.	Corporate licences processed.	Percentage of corporate licence applications processed within the standard timeframe of six months.	100%	100%	100%	0%	N/A	N/A

Sub-Programme 3.3: Gambling Control**Purpose:** To ensure that licensees are compliant with technical regulatory requirements and protect the public from unscrupulous practices and the negative effects of gambling.

Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
Responsible gambling and compliance with legislations improved in Limpopo.	Compliance with legislations.	Number of compliance inspections conducted.	44	56	56	0	N/A	N/A

Sub-Programme 3.4: Compliance Audit**Purpose:** To ensure that licensees are compliant with general and financial regulatory requirements.

Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
Responsible gambling and compliance with legislations improved in Limpopo.	Compliance with legislations.	Number of compliance audits conducted.	42	42	42	0	N/A	N/A

Sub-Programme 3.5: Stakeholder Management Purpose: To build good relations with Stakeholders.								
Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
Improved local and international relations with other gambling regulators and related institutions.	Improved stakeholder relationships.	Number of stakeholder engagement sessions held.	02	02	02	0	N/A	N/A
		Number of formal collaborations established.	02	02	01	0	Discussions of the MOU with stakeholders in progress	Follow up with the stakeholders in the new Financial Year to sign off the MOU

Strategy to overcome areas of under-performance

Not applicable.

Performance in relation to standardised outputs and output indicators for economic development Sector with concurrent functions

Not applicable.

Programme expenditure

Programme 3: Compliance	2023/2024			2024/25		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital budget	1 000	0	0	0	1 461	-1 461
Personnel budget	17 853	20 013	-2 160	19 963	19 937	26
Operational budget	6 700	5 484	1 216	4 500	6 806	-2 306
Total	25 553	25 497	944	24 463	28 204	-3 741

5.4. Programme 4: Law Enforcement

The purpose of this programme is to combat illegal gambling throughout the province by conducting investigations of illegal gambling activities and crime awareness campaigns.

This programme does not have any sub-programmes.

The institutional outcomes that programme 4 contributes towards:

Outcome 5: All modes of illegal gambling activities combatted.

Outcomes, outputs, output indicators, targets, and actual achievements

In the 2024/25 financial year, Programme 4, Law Enforcement, continued to contribute towards combatting all forms of illegal gambling across the province. The focus remained on two main activities: investigations into illegal gambling and conducting crime awareness campaigns. The unit achieved 100% of its annual targets. 215 investigations were conducted against the planned target of 180 and 61 awareness campaigns were carried out, surpassing the annual target of 40. These achievements show the effectiveness of ongoing enforcement and prevention efforts. The work done through this programme not only disrupts illegal gambling operations but also raises awareness about the dangers of illegal gambling and the importance of compliance with gambling laws. Despite these achievements, illegal gambling remains a serious concern. Such operations continue to impact provincial revenue and contribute to social problems, especially among vulnerable groups such as youth, women, and people with disabilities. Unlike licensed operators, illegal gambling operators do not offer support programmes such as responsible gambling counselling, putting affected individuals at greater risk of addiction and financial harm.

Performance Information According to the APP

PROGRAMME 4: LAW ENFORCEMENT								
Purpose: The purpose of this programme is to reduce illegal gambling throughout the province by:								
Conducting investigation of crime.								
Conducting crime awareness campaigns.								
Outcome	Output	Output Indicator	Actual Achievements 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation From Planned Target To Actual Achievement 2024/25	Reasons For Deviations	Corrective Measures
All modes of illegal gambling activities combatted.	Illegal gambling reduced.	Number of investigations conducted on illegal gambling activities.	273	180	215	35	The unit exceeded the annual target by 35 investigations due to an increase in reports and referrals received from stakeholders, leading to more operational responses.	Targets will be monitored on monthly basis and adjusted according to monthly performance in line with the quarterly target.
		Number of crime awareness campaigns conducted.	64	40	61	21	Targets exceeded as a result of stakeholder invitations and availability of platforms to engage more communities.	The targets have been increased for the financial year 2025/26

Strategy to overcome areas of under-performance

Not applicable.

Performance in relation to standardised outputs and output indicators for economic development Sector with concurrent functions

The Law Enforcement Unit, operating within the framework of the Economic Development Sector, contributed to the achievement of standardised outputs and output indicators aligned with the National Development Plan (NDP) and the Medium-Term Strategic Framework (MTSF). Through strong collaboration with the South African Police Service, a total of 215 investigations into illegal gambling activities were conducted, resulting in the arrest of 88 individuals. These efforts reflect a focused commitment to addressing illegal gambling activity that undermines lawful gambling operations. The unit intensified its public education and awareness initiatives. These included the extension of awareness campaigns to broader media platforms, with 38 television adverts aired and three billboards flighted in the Capricorn and Vhembe districts.

Programme expenditure

Programme 4: Law Enforcement	2023/2024			2024/25		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital budget	0	0	0	0	4	-4
Personnel budget	6 168	7 885	-1 717	7 571	6 691	880
Operational budget	4 500	2 396	2 119	4 000	3 426	574
Total	10 668	10 281	402	11 571	10 121	1 450

5.5. Linking Performance with Budgets

The Entity spent all its allocated budget for the 2024/25 financial year. The budget was adjusted upwards by R13.1 million from R68 592 to R81 692 during the budget adjustment. Included in the spending was R1.9 million in commitments with R980 000 related to capital goods. With this allocation, the Entity was able to provide service delivery in line with its mandate.

6. Revenue Collection

Sources of revenue	2023/2024			2024/25		
	Estimate	Actual Amount Collected	Variance	Estimate	Actual Amount Collected	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
Levies	23 8052	260 407	-22 355	310 407	334 082	-23 675
Own Revenue	11 807	12 580	-773	12 835	11 749	1 086
TOTAL	249 859	272 987	-23 128	323 242	345 831	22 589

In the current year, the revenue performed well above the target by R22.6 million. This is mainly attributable to levies that collected R23.7 million in excess of the adjusted budget. The budget was adjusted upwards by R66.5 million during the budget engagements. However, own revenue has a shortfall of R1.0 million due to interest rate decline experienced during the 2024/25 year. The Entity's own revenue includes interest earned on levies collected, annual license fees and other miscellaneous revenue.

7. Capital Investment

Infrastructure projects	2023/2024			2024/25		
	Estimate	Actual Amount Collected	Variance	Estimate	Actual Amount Collected	Variance
	R'000	R'000	R'000	R'000	R'000	R'000

Not applicable to LGB

PART C
GOVERNANCE

1. Introduction

The Entity is mandated by the Limpopo Gambling Act No. 3 of 2013 to regulate and monitor gambling activities in the province and, in particular, to ensure the eradication of unlawful gambling activities, promote responsible gambling and collect gambling revenue from licensed gambling establishments.

The Entity annually enters into a Performance Agreement with the MEC of LEDET. The Performance Agreement for the year under review outlined that the Entity's mandate, stated as follows:

- Take full responsibility for the preparation, finalisation and drawing up of Business Plans of the Entity;
- 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; and
- Undertake to schedule and hold quarterly meetings with the MEC to ensure the MEC is kept informed of developments within the Entity.

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

It was further agreed that where the MEC would issue the Entity with directives that had not been approved in the Entity Business Plans, the MEC would provide the Entity with sufficient information and additional resources to carry out such directives within 30 days of receipt of such directives.

The Entity received a grant from LEDET to the amount of R81.692 million.

The Entity submitted written reports on the projects and the status of funds to LEDET, quarterly on the stipulated dates.

The Department agreed with the Entity that levies collected must be transferred monthly to the Department of Provincial Treasury.

2. Portfolio Committees

The Entity presented to the Portfolio Committee on Economic Development, Environment and Tourism and Standing Committee on Public Accounts (SCOP) on the following dates:

Topic of Presentation	Topic of Presentation
17 October 2024	4th Quarter Report 2023/24
17 October 2024	1st Quarter Report 2024/25
17 October 2024	Annual Report 2023/24
12 November 2024	APP and Budget 2024/25
	Strategic Plan 2025 - 2030
28 November 2024	1st Quarter Report 2023/24
	2nd Quarter Report 2023/24
14 March 2025	3rd Quarter Report 2023/24

3. Executive Authority

The Entity submitted the reports as per the table below to the Executive Authority on a monthly and quarterly basis:

Schedule and Section/Reg	Report	No. of Reports per Annum	No. of Reports Submitted	Date	Date Submitted
2,3/s54(1)	Public Entity (IYM Report)	12	12	15th of each month	15 May 2024 15 June 2024 11 July 2024 15 August 2024 13 September 2024 15 October 2024 15 November 2024 09 December 2024 13 January 2025 20 February 2025 12 March 2025 17 April 2025

The Revenue Unit of LEDET visited the Entity monthly to reconcile the levies transferred to the Department against the audited information done by the Compliance Business Unit. Management presented their reviewed reports to the MEC.

No.	Section: SLA	Report or Document	Submission Date	Date Submitted
1	4.8	Procurement Plan	31 March 2024	30 March 2024
2	4A.1	Levies	Monthly	Revenue was transferred monthly, totalling R334 million for the financial year
3	8.1	Progress Quarterly reporting		
		First quarter	31 July 2024	31 July 2024
		Second quarter	31 October 2024	30 October 2024
		Third quarter	31 January 2025	23 January 2025
		Fourth quarter	30 April 2024	15 April 2025

The Department did quarterly monitoring of the reports submitted to them and provided feedback to the Entity.

4. The Entity

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 and retained in terms of section 3 of the Limpopo Gambling Act, Act No. 3 of 2013 (hereinafter referred to as the 'Act').

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

- a) The Board shall:
 - i. exercise such powers and perform such functions
 - assigned to it in terms of this Act;
 - assigned to it in terms of any other Act;
 - ii. 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.
- b) The Board may, with the approval of the responsible Member and if an Act of any other Province provides 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.
- c) 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.
- d) 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

i. has a board or other controlling body, that board or controlling body is the accounting authority for that Entity."

4.2. The Role of the Board

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

4.3. Board Charter

The Charter was reviewed by the Board during the financial year. In line with the Charter, the Board held quarterly meetings and all members were consistent in terms of attendance.

4.4. 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 2024/25
Mr M.E. Tjiane	Chairperson of the Board	01.11.2017 01.11.2022	31.10.2022 31.10.2027	MBL (UNISA) Executive Leadership Programme (INSEAD Business School) B. Pharm	Business Management Leadership Healthcare	LGB Board Evocare (Pty)Ltd – 2014/258770/07 Bakoni Medical Suppliers (Pty)Ltd – 2012/149095/07 Bakoni Network Group – 2013/009665/07 Thutamahlale Academy – 2012/095869/07 Bakoni Surgicals – 2018/260664/07 Bakoni Forensics – 2018/569652/07 Channels Medical Group -2021/342842/07 Channels Neuro - 2021/342897/07 Channels Medical Solutions -2015/447430/07 Alphacare -2021/342993/07	Corporate Social Investment (CSCommittee)	11/11
Mr Serobi Maja	Member	01.11.2017 01.11.2022	31.10.2022 31.10.2027	Bachelor of Arts	Administration Governance Gambling Regulation	LGB Board	Compliance & Enforcement Committee Corporate Social Investment (CSCommittee)	10/11
Hosi Adv. K.A. Mahumani	Member	01.11.2017 01.11.2022	31.10.2022 31.10.2027	Bachelor of Law Postgraduate Diploma in Labour Law Master of Laws (LLM)	Law	LGB Board	Compliance & Enforcement Committee HR, Ethics and Social Committee	11/11
Ms M.E. Maditsi	Member	01.11.2017 01.11.2022	31.10.2022 31.10.2027	Bachelor of Public Administration Diploma in Advanced Filmmaking & Broadcasting Certificate in Food Preparation and Cooking Certificate in Food Preparation and Cooking Principles/ Practical	Administration	LGB Board Koshline Multi Trading Megapolo Construction and Projects	HR, Ethics and Social Committee Corporate Social Investment (CS Committee)	10/11
Mr C.C. Nkadimeng	Member	01.11.2017 01.11.2022	31.10.2022 31.10.2027	Bachelor of Arts Honours in Public Governance	Governance Administration Tourism	LGB Board Bluedisa Trading 412 Linespires Trading 38 Morwa Sekobe TradingGNT	HR, Ethics and Social Committee	10/11
Mr M.B. Tema Professional Accountant (SA), (M.Inst.D)	Departmental Representative (Provincial Treasury)	01.11.2017 01.11.2022	31.10.2022 31.10.2027	MBA (Finance) Hons B. Com (Accounting) B. Com (Accounting)	Accounting & Finance	LGB Board	Audit & Risk Committee Compliance and Enforcement Committee	10/11

Name	Designation	Date Appointed	Date of Expiry of Term	Qualifications	Area of Expertise	Board Directorships	Other Committees	No. of Meetings Attended 2024/25
Mr J.N. Mpjane CA (SA), RA	Member	01.12.2019 01.11.2022	31.10.2022 31.10.2027	BCompt Degree BCompt Hons (CTA) Chartered Accountant South Africa Registered Auditor	Accounting and Finance Corporate Governance	Limpopo Gambling Board Limpopo Tourism Agency Audit Committee Limpopo Audit Committee Cluster 4	Audit & Risk Committee HR, Ethics and Social Committee	11/11
Dr M.R. Mudogwa	Departmental Representative (LEDET)	04.08.2021 01.11.2022	31.10.2022 31.10.2027	Doctor of Public Affairs-TUT Master of Public Administration-University of Limpopo BCom Hons (Business Management) BCom (Cost and Management Accounting)-Univen	Administration Governance Business Management Accounting	LGBLimpopo Liquor Board	Compliance and Enforcement Committee	10/11
Ms R.S Sefoka	Member	01.09.2023	31.10.2027	LLB Practical Legal Training Advocate of the High Court Admitted Attorney	LAW	LGB Thabampshe Development Trust	Compliance and Enforcement Committee Corporate Social Investment	11/11

4.5. Audit and Risk Committee

Name	Qualifications	Internal or External	If Internal, Position in the Public Entity	Date Appointed	Date of Expiry of Term	No. of Meetings Attended
Mr J.N. Mpjane CA (SRA)	B.Compt Hons (CTA) • B.Compt; • Chartered Accountant (CA) • Registered Auditor (RA)	Chairperson of Committee Board Member	N/A	01.12.2019 01.11.2022	31.10.2022 31.10.2027	14/14
Mr M.B. Tema Professional Accountant (SA), (M.Inst.D)	• MBA (Finance) • Hons B.Com (Accounting) • B.Com (Accounting) • Professional Accountant (SA)	Board Member	N/A	01.02.2018 01.11.2022	31.10.2022 31.10.2027	12/14
Ms M.M. Mashamaite CA (SA)	• B.Compt Hons (CTA) • B.Com Hons (Accounting) • Postgraduate Diploma in Accounting Sciences • B.Com (Accounting) • Chartered Accountant (SA) • Certified Ethics Officer	External Member	N/A	01.02.2018 01.11.2022	31.10.2022 31.10.2027	13/14
Adv. J.L. Thubakgale	• MBA • Executive Development Programme • LLM (Fundamental Rights and Constitutional Practice) • Postgraduate Diploma: Labour Law • LLB • B Iuris • Certificate: Corporate Governance • Certificate: Managing a Turnaround and Corporate Renewal	External Member	N/A	01.03.2018 01.11.2022	31.10.2022 31.10.2027	13/14
Ms L. Mabunda CCMIA CIA QIAL	• MBA • M.Phil (Internal Audit) • B.Tech (Internal Auditing) • National Diploma – Internal Auditing • Certified Ethics Officer	External Member	N/A	01.04.2022 01.11.2022	31.10.2022 31.10.2027	13/14

4.6. Human Resources, Ethics and Social Committee / Human Resource and Remuneration Committee

Name of Members	Designation	No. of Meetings Attended	Date Appointed	Date of Expiry of Term
Mr C.C. Nkadimeng	Chairperson of Committee	5/6	01.11.2017 01.11.2022	31.10.2022 31.10.2027
Ms M.E. Maditsi	Member	6/6	01.11.2017 01.11.2022	31.10.2022 31.10.2027
Hosi Adv. A. Mahumani	Member	6/6	01.11.2017 01.11.2022	31.10.2022 31.10.2027
Mr J.N. Mpjane CA (SA), RA	Member	6/6	01.12.2021 01.11.2022	31.10.2022 31.10.2027

4.7. Compliance and Enforcement Committee

Name of Members	Designation	No. of Meetings Attended	Date Appointed	Date of Expiry of Term
Mr C.C. Nkadimeng	Chairperson of Committee	4/4	01.11.2017 01.11.2022	31.10.2022 31.10.2027
Ms Reshoketswe Sefoka	Member	4/4	01.09.2023	31.10.2022 31.10.2027
Hosi Adv. K.A. Mahumani	Member	4/4	01.11.2017 01.11.2022	31.10.2022 31.10.2027
Mr M.R. Mudogwa	Member	3/4	04.08.2021 01.11.2022	31.10.2022 31.10.2027
Mr M.B. Tema	Member	3/4	01.11.2017 08.12.2022	31.10.2022 31.10.2027

4.8. Corporate Social Investment (CSC) Committee

Name of Members	Designation	No. of Meetings Attended	Date Appointed	Date of Expiry of Term
Ms M.E. Maditsi	Chairperson of Committee	3/3	01.11.2017 01.11.2022	31.10.2022 31.10.2027
Mr Serobi Maja	Member	3/3	01.11.2017 01.11.2022	31.10.2022 31.10.2027
Mr M.E. Tjiane	Member	3/3	01.11.2017 01.11.2022	31.10.2022 31.10.2027
Ms Reshoketswe Sefoka	Member	3/3	01.09.2023	31.10.2027

4.9. Remuneration of Board Members

No.	Board Member	Board Members Travelling and Subsistence (R'000)	Board Members Sitting Allowances (R'000)	Board Data Allowances (R'000)	Retainer (R'000)	Total (R'000)
1	Mr M.E. Tjiane	66	222	6	90	384
2	Hosi/Adv. K.A. Mahumani	55	153	4	78	290
3	Ms M.E. Maditsi	38	111	4	54	207
4	Mr C.C. Nkadimeng	4	62	4	54	124
5	Mr S. M. Maja	68	116	4	54	242
6	Mr J. N. Mpjane	40	132	4	54	230
7	Ms R. S. Sefoka	45	130	4	54	233
8*	Mr M. B. Tema	4	0	0	0	4
9**	Dr M. R. Mudogwa	0	0	0	0	0

* Mr Tema is a representative from Provincial Treasury and, as such, does not receive a sitting allowance.

** Dr Mudogwa is a representative from LEDET and, as such, does not receive a sitting allowance

5. Risk Management

5.1. Nature of Risk Management

The Entity is committed to an enterprise-wide risk management process that is in accordance with the provisions of the PFMA, Act 1 of 1999 and aligned to best international practices (ISO 31 000:2018, COSO Framework, King IV Report on Corporate Governance in South Africa, 2016, Public Sector Risk Management Framework and Provincial Risk Management Framework). The Entity recognises risk management as an integral part of responsible management and the process is fully outlined in the Risk Management Policy.

The CEO has set the tone at the top by supporting enterprise risk management (ERM) and allocating human and financial resources towards the implementation thereof. The CEO appointed a Risk and Fraud Management Committee and their role was to formulate, promote and review the institution's ERM objectives, strategy and policy, and to monitor the process at strategic, management and operational levels.

The Risk and Fraud Management Committee met quarterly to evaluate the effectiveness of mitigating strategies to address the material risks of the institution and to monitor the progress on the implementation of these strategies.

The Board, through its Audit and Risk Committee, has provided oversight of the performance of the enterprise-wide risk management system underpinning the set strategic objectives and targets for the 2024/2025 Financial Year.

LGB continued to cultivate a culture of risk management throughout the Entity that:

- Promoted and entrenched risk management as value creation;
- Embedded risk management into LGB's business operations to support decision making and thereby increased the likelihood of achieving the LGB's strategic objectives;
- Improved the LGB's risk maturity from a defensive risk management position to a responsive risk management position;
- Encouraged fraud, risk and ethics awareness throughout the Entity.

5.2. Risk Management Process

An Entity-wide ERM framework was adopted by LGB and applied across the entire organisation from a strategic level down to operational and business process levels.

LGB maintained a risk profile that was updated on a quarterly basis or as and when it was needed. This was preceded by a process of the Risk Management Office that performed risk assessments with the risk owners and all staff members during workshops by identifying new and emerging risks and further reassessing the previous year's risk register. The profile was then consolidated and presented to the Risk and Fraud Management Committee for inputs and endorsement to the Audit and Risk Committee which, in turn, recommended it to the Board for approval. The risk profile was inclusive of mitigation measures that were compiled by Management and were monitored on an ongoing basis, with Internal Audit (Iwho provided quality assurance in respect thereof.

Provincial Treasury, through its Transversal Risk Management forum, supported risk management activities within provincial departments and public entities by rolling out programmes that were geared towards addressing challenges and leveraging opportunities to enhance the overall management of risks. An assessment was conducted on a quarterly basis regarding the ERM performance outcome of the Entity with specific focus on the results of the key performance indicators, risk management committee meetings and evaluation of implementation plans. A report was issued on a quarterly basis to communicate progress made in the implementation of ERM. The aim of the report was to afford the relevant stakeholders the courtesy of being timeously informed of risk management performance and be afforded an opportunity to give guidance in order to enhance the effective functioning of ERM.

The Risk and Fraud Management Committee met six times during the year for four ordinary quarterly meetings and two special meetings. The committee submitted quarterly monitoring reports to the CEO who further recommended them for submission to the Audit and Risk Committee.

There were 14 Audit and Risk Committee Meetings for the 2024/25 Financial Year, four of which were ordinary quarterly meetings and 10 were special meetings.

5.3. Progress Made in Addressing Risks Identified

Five of the 14 strategic risks were prioritised for the 2024/25 Financial Year. Of the five prioritised risks, three risks were mitigated to acceptable levels during the 2024/25 Financial Year and therefore the Entity will continue to ensure enhanced controls in the 2025/26 Financial Year that will assist in mitigating the risks. Internal Audit provided reasonable assurance that the control design was adequate and effective for the achievement of organisational objectives throughout the year.

6. Internal Control Unit

LGB has an Internal Control Unit in place reporting to the CFO. The Internal Control Unit coordinated assurance and governance activities that assisted the Entity to maintain a system of internal controls that were effective and efficient. The Entity developed a procedure manual, reviewed annually or as and when necessary, ensuring there were adequate processes in place. These procedures were designed to prevent unwanted, irregular, fruitless and wasteful expenditures, ensure documented procedures were in place and improve any deficiencies in internal controls.

The focus of the unit was to ensure that the Entity improved the audit opinion and complied with the relevant laws and Regulations, such as the Limpopo Gambling Act No. 3 of 2013, Public Finance Management Act No. 1 of 1999 and the Treasury Regulations.

The Entity developed action plans to ensure that the findings of the Auditor-General's 2023/24 Final Report did not recur. Progress reports on implementation of developed action plans were submitted on a quarterly basis to the Limpopo Provincial Treasury.

7. Internal Audit and Audit and Risk Committee

7.1. Objective and Role of Internal Audit

The Internal Audit (Iof the Entity was outsourced to SAB & T Nexia. The IA function is an independent, objective assurer and consulting activity designed to add value and improve LGB's operations. The objective of the IA function was to assist LGB to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, controls and governance processes.

The IA function reviewed 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 was to assist the Entity, Audit and Risk Committee, and Executive Management in the effective discharge of their duties and responsibilities.

The IA, through engagement with the internal stakeholders, formulated both a three-year rolling plan and one-year coverage plan for 2024–25 which was approved by the Audit and Risk Committee. The IA Head reports at each Audit and Risk Committee meeting.

7.2. Progress Report for the Year

a) First Quarter Progress:

No audits were planned for this quarter as there was no Internal Audit service provider active contracts in place.

b) Second Quarter Progress:

Planned Activity	Planned Execution Date	Actual Results
Internal Audit Function Coverage Plan	September 2024	Done

c) Third Quarter Progress:

Planned Activity	Planned Execution Date	Actual Results
Audit of Predetermined Objectives Q1	October 2024	Done
Audit of Predetermined Objectives Q2	October 2024	Done
Risk Monitoring Action Plans Q1	October 2024	Done
Risk Monitoring Action Plans Q2	October 2024	Done
Compliance Audit	October 2024	Done
Review of Interim AFS	October 2024	Done
Finance Audit	November 2024	Done
Supply Chain Management Audit	December 2024	Done

d) **Fourth Quarter Progress:**

Planned Activity	Planned Execution Date	Actual Results
ICT Audit	January 2025	Done
Review of Annual Performance Plan	January 2025	Done
Review of Internal Audit Function Charter	February 2025	Done
Audit of Predetermined Objectives Q3	February 2025	Done
Risk Monitoring Action Plans Q3	February 2025	Done
Ad Hoc	As and when required	Done

7.3. Key Activities and Objectives of the Audit and Risk Committee

LGB established the Audit and Risk Committee as a committee of its controlling body (Board). It was established in order 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 did not perform any management functions or assume any management responsibilities. It provided a forum for discussing business risk and control issues for developing relevant recommendations for consideration by the Board. The committee made 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 were stipulated in the committee's Terms of Reference, which may be amended by the Board from time to time. The committee was constituted in terms of the requirements of sound corporate governance practices and operated within that framework.

7.4. Audit and Risk Committee Members Information

Name	Qualifications	Internal or External	If Internal, Position in the Public Entity	Date Appointed	Date of Expiry of Term	No. of Meetings Attended
Mr J.N. Mpjane CA (SRA)	- B.Compt Hons (CTA) • B.Compt; • Chartered Accountant (CA) • Registered Auditor (RA)	Chairperson of Committee Board Member	N/A	01.12.2019 01.11.2022	31.10.2022 31.10.2027	14/14
Mr M.B. Tema Professional Accountant (SA), (M.Inst.D)	• MBA (Finance) • Hons B.Com (Accounting) • B.Com (Accounting) • Professional Accountant (SA)	Board Member	N/A	01.02.2018 01.11.2022	31.10.2022 31.10.2027	12/14
Ms M.M. Mashamaite CA (SA)	• B.Compt Hons (CTA) • B.Com Hons (Accounting) • Postgraduate Diploma in Accounting Sciences • B.Com (Accounting) • Chartered Accountant (SA) • Certified Ethics Officer	External Member	N/A	01.02.2018 01.11.2022	31.10.2022 31.10.2027	13/14
Adv. J.L. Thubakgale	• MBA • Executive Development Programme • LLM (Fundamental Rights and Constitutional Practice) • Postgraduate Diploma: Labour Law • LLB • B Iuris • Certificate: Corporate Governance • Certificate: Managing a Turnaround and Corporate Renewal	External Member	N/A	01.03.2018 01.11.2022	31.10.2022 31.10.2027	13/14
Ms L. Mabunda CCMIA CIA QIAL	• MBA • M.Phil (Internal Audit) • B.Tech (Internal Auditing) • National Diploma – Internal Auditing • Certified Ethics Officer	External Member	N/A	01.04.2022 01.11.2022	31.10.2022 31.10.2027	13/14

8. Compliance with Laws and Regulations

LGB recognises the essential role that compliance with applicable legal and regulatory requirements plays in the governance and sustainability of its business. The compliance function lies in both the CEO's office and the CFO's office. Both offices provided support relating to regulatory reporting obligations to the Entity. The function further provided regulatory updates to employees and Management relating to applicable legislation and changes to legislation. The compliance universe was continually reviewed in collaboration with the Business Units and it ensured that the Entity continued to develop compliance controls, monitored and reported on them.

9. Fraud and Corruption

The Government of South Africa identified fraud and corruption as a serious concern that affects the quality of service delivery. By remaining silent about fraud, corruption and other malpractices, an employee contributes to, and becomes part of, a culture of fostering such improprieties. To address this concern, the Entity has an approved Fraud and Corruption Prevention Plan in place, which includes details on whistleblowing. This emphasises the LGB's commitment to ensure that the Entity's exposure to corrupt activity is constrained, mitigated, regularly monitored and subject to periodic risk assessments. All fraud-related matters were monitored by the Risk and Fraud Management Committee. The Entity has a zero-tolerance stance on fraud and corruption and further ensured that planned mitigations of identified fraud risks were implemented throughout the organisation.

Whistle blowing

Whistleblowing provides the means for informing the Entity of any suspicious or reportable conduct, or any other inappropriate activity. The Entity has a whistle blowing policy in place which is aligned to the Protected Disclosure Act No. 26 of 2000, which allows officials to make factual confidential disclosures they might be aware of about fraud and corruption. Staff members are continuously encouraged to report any suspected allegations of fraud and corruption through the National Fraud Hotline (0800 701 701). The Entity pledges to do everything within its power and reach to protect a whistle blower who has made a protected disclosure in terms of this policy. The National Fraud Hotline was also purposefully used by the Entity to enable employees and all stakeholders within the gambling industry to report known or suspected incidents, without fear of occupational detriment and/or victimisation.

There were no known incidents of fraud and corruption reported during the financial year, as confirmed by the Public Service Commission, the custodians of the hotline in the province.

10. Minimising Conflict of Interest

- a) The Human Resources Unit issued a circular (done annually) to remind officials to disclose their business interests.
- b) The Senior Managers completed financial disclosure forms that were submitted to the Executive Authority.
- c) Suppliers were required to complete an SBD4 for declaration of interest purposes, prior to engagement of business activities with LGB and the centralised supplier database (CSD), as introduced by National Treasury, and also assisted in minimising the risk of disloyal suppliers.
- d) Members of various bid committees in the Entity were requested to disclose any conflicting interests in dealing with procurement above the R30 000.00 threshold.

11. Code of Conduct

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

The Entity provided further guidance to its members and employees to assist them in gaining a clear picture of the behaviour expected in the execution of their various functions. These standards applied to all members and employees of the Entity, as well as consultants engaged by the Entity.

All newly appointed employees were made aware of the Entity's code of conduct during induction.

If a member or employee became aware of, anticipated or suspected corrupt conduct on the part of an organisation, a member of the public or another Board Member or employee, he or she was required to report this matter to the Chairperson or the CEO without delay.

12.. Health, Safety and Environmental Issues

The Entity has an Occupational Health and Safety Committee. The committee has an approved Charter in place. The approved Occupational Health and Safety Policy provides guidance on and compliance for a safe and healthy workplace. The committee held quarterly meetings to ensure that the safety and well-being of employees was attended to. Monthly inspections were done to identify any risks and health issues. Matters that arose from the inspection reports were attended to immediately.

No injuries were reported.

The Entity continued to monitor health and safety matters.

13. Company Secretary

The Company Secretary position was filled on 01 May 2024, and it remained filled until the end of the financial year.

14. Social Responsibility

LGB ensured that the corporate social responsibility budget allocations were aligned to the national priorities as follows: Quality and Basic Education, Social Protection, Economy and Employment, Vibrant Rural Communities, Nation Building and Cohesion.

The Entity did not initiate corporate social responsibility projects during the 2024/25 Financial Year. However, it executed the handovers for the materials purchased in the prior year with the support of the MEC for LEDET. In addition, throughout the financial year, the Entity and LEDET were invited by the licensees to implement their various projects across the province.

15. Audit and Risk Committee Report

15.1. Introduction

The Entity is pleased to present our report for the financial year ended 31 March 2025. LGB has an Audit and Risk Committee that operated in terms of the Board's approved Audit and Risk Committee Charter.

The Audit and Risk Committee consisted of the members listed hereunder and was required to meet at least four times per annum as per the Audit and Risk Committee Charter. During the year, four scheduled and 10 Special Audit and Risk committee meetings were held.

The committee is chaired by Mr Mpjane who is also a Board Member

Name of Members	Designation	Date Appointed	No. of Meetings Attended
Mr J.N. Mpjane CA (SRA)	Chairperson of Committee External Board Member	01.12.2019 01.11.2022	14/14
Mr M.B. Tema Professional Accountant (SA), (M.Inst.D)	External Board Member	01.02.2018 01.11.2022	13/14
Ms M.M. Mashamaite CA (SA)	External Member	01.02.2018 01.11.2022	13/14
Adv. J.L. Thubakgale	External Member	01.03.2018 01.11.2022	13/14
Ms L. Mabunda CCMIIA CIA QIAL	External Member	01.04.2022 01.11.2022	13/14

15.2. Audit and Risk Committee Responsibilities

The Entity reports that there was compliance with responsibilities arising from Section 51(1) ((i)–(iv) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Entity also reports that appropriate formal Terms of Reference were adopted, as incorporated in the Audit and Risk Committee Charter. The Audit and Risk Committee regulated its affairs in compliance with this Charter and has discharged all of its responsibilities as contained therein.

15.3. The Effectiveness of Internal Control

Based on the information given by Management, the Entity is of the opinion that where the IA and the discussions with the external auditors (AGS) on the results of its audit are concerned, the internal 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.

Action plans were developed for internal control deficiencies that resulted in findings during the audit process.

The review of the findings, which was conducted on a risk-based approach, at times revealed weaknesses that were subsequently addressed. Implementation of agreed action plans as scheduled was monitored by Management on a monthly basis, and on a quarterly basis by the Audit and Risk Committee.

15.4. In-Year Management and Monthly/Quarterly Report

LGB has submitted monthly and quarterly reports to the Department of Economic Development, Environment and Tourism and to the Provincial Treasury.

15.5. Evaluation of Financial Statements



Mr Joseph Nakedi Mpjane CA (SRA)
Chairperson of the Audit and Risk Committee
Limpopo Gambling Board

16.B-BBEE Compliance Performance Information

The following table has been completed in accordance with compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (Include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	The Entity has, in line with section 10 of the B-BBEE Act, required licensees to comply with the B-BBEE levels set in the licence conditions of respective licensees. Licensees have substantially complied with the set licence conditions. Remedial actions were instituted on licensees that did not comply with the set B-BBEE licence conditions.
Developing and implementing a preferential procurement policy?	Yes	The Entity implemented the Preferential Procurement Policy Framework Act as developed by the National Treasury and the Preferential Procurement Regulations 2022. The Entity developed and approved its own Preferential Procurement Policy to evaluate bids/quotations above a R2000.00 threshold. The preference point system in terms of the Preferential Procurement Regulations 2022 and Preferential Procurement Policy of the Entity was used to evaluate the bids/quotations. The preference point system included 80/20 in which 80 was the points scored for price while 20 was the points for specific goals. The Entity did not conclude any bid in excess of a R50 million threshold. The following designated groups were targeted for empowerment within the approved preferential procurement policy for the Entity: - Women-owned companies - Youth-owned companies - Disability-owned companies - Small medium and micro enterprises - Enterprises located in rural or township areas
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable
Developing criteria for entering into partnerships with the private sector?	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	No	Not applicable



PART D

HUMAN RESOURCE MANAGEMENT

1. Introduction

The Human Resources Unit aims to assist and support other Business Units with any matter pertaining to the daily running of the business that affects its employees.

A workforce planning framework and key strategies to attract and recruit a skilled and capable workforce were in place. The success of LGB in delivering its operational and developmental goals depended primarily on efficiency and effectiveness when employees carried out their duties. Managing performance is therefore a key Human Resources Management tool and, as such, quarterly moderations were done.

1.1. Policy Development

➤ Policy review

The HR policies were reviewed in the 2023/2024 Financial Years. The Entity continued to review policies in 2024/2025 on a needs basis, but the process could not be completed by the end of the financial year.

➤ Staff development

Training and development programmes were provided to employees in order to maintain and enhance the knowledge and skills needed to deliver professional services. The Entity submitted the workplace skills plan to CATHSSETA. Employees were also awarded bursaries as a continuous development strategy of the Entity.

➤ Challenges

- Limited budget was allocated to the HR unit which hinders the execution of the activities planned.
- **Organisational structure:** The organisational structure was last reviewed and approved during 2017/2018. The Entity had, however, commenced with the process to review its current organisational structure, but the process could not be finalised by the end of the financial year.
- **Human resource capacity:** The Entity had a vacancy rate of 10% at the end of the 2024/25 Financial Year which had an impact on the performance of day-to-day responsibilities of the employees.
- **Employment equity:** The Entity still needs to improve on its employment equity on previously disadvantaged (disability and youth) categories.

2. Human Resource Oversight Statistic

2.1. Personnel Related Expenditure

Table 2.1. Personnel cost by programme

Programme	Total Expenditure per Programme (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure% (%)	No. of Employees	Average Personnel Cost per Employee (R'000)
CEO	16 600	6 941	42%	7	992
Finance	11 855	8 598	73%	8	1 074
Law Enforcement	7 767	7 186	93%	8	898
Supply Chain	4 948	3 748	76%	6	625
Human Resources	10 004	6 679	67%	10	668
Compliance	27 939	21 427	77%	25	857
Information Technology	9 008	1 586	18%	2	793
TOTAL	86 121	56 165	65	66	851

The total number of 66 employees only included the positions that were filled from April 2024 to March 2025. The following positions were vacant and vacated during the financial year.

- Senior Manager: Law Enforcement (Vacant – 01 October 2024)
- Manager: Labour Relations (Vacant – 01 April 2024)
- Manager: Internal Control (Vacant – 01 December 2024)
- Law Enforcement Inspector (Vacant – 01 April 2024)
- Community Liaison Officer (Vacant – 01 April 2024)
- Secretary: Law Enforcement (Vacant – 01 October 2024)
- General Office Assistant (Vacant – 01 February 2025)

2.2. Personnel Cost by Salary Band

Table 2.2. Personnel cost per salary band

Level	Personnel Expenditure (R'000)	% of Personnel Exp. to Total Personnel Cost	No. of Employees	Average Personnel Cost Per Employee (R'000)
Top Management	4 645	8%	2	2 323
Senior Management	9 498	17%	5	1 900
Professional Qualified	10 662	19%	8	1 333
Skilled	21 041	38%	30	701
Semi-skilled	8 694	15%	17	511
Unskilled	1 625	3%	4	406
TOTAL	56 165	100%	66	851

2.3. Performance Rewards

Table 2.3. Personnel rewards

Programme/Activity/Objective	Performance Rewards (R'000)	Personnel Expenditure (R'000)	% of Performance Rewards to Total Personnel Cost (R'000)
Top Management	147	4 645	3%
Senior Management	246	9 498	3%
Professional Qualified	274	10 662	3%
Skilled	767	21 041	4%
Semi-skilled	333	8 694	4%
Unskilled	50	1 625	4%
TOTAL	1815	56 165	3%

Employees were remunerated in line with the Performance Management Policy. The average performance rewards percentage ranges between 3% and 4% against the personnel expenditure.

2.4. Training Costs

Table 2.4. 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 (R'000)
CEO	6 941	49	0.007100	1	49
Finance	8 598	184	0.021400	5	37
Law Enforcement	7 186	33	0.004600	2	17
Supply Chain	3 748	40	0.010700	1	40
Human Resources	6 679	102	0.015300	7	15
Compliance	21 427	270	0.012600	15	18
Information Technology	1 586	86	0.054200	2	43
TOTAL	56 165	764	0.013600	33	23

The table above indicates that the Entity's percentage training expenditure of personnel cost is 1.46%. From the total number of 33 employees trained, many employees are from the Compliance Business Unit followed by the Human Resources Unit. These Business Units trained a total number of 15 and seven employees, respectively, and the other Business Units shared the remaining total number of 11 employees.

2.5. Other Personnel Related Information

Table 2.5. Employment and vacancies, based on Business Units

Programme	2023/24 Approved Posts	2023/24 No. of Employees	2023/24 No. of Vacancies	2024/25 Approved Posts	2024/25 No. of Employees	Employees 2023/24 No. of Vacancies	% of Vacancies
CEO	7	5	2	7	7	0	0%
Finance	9	9	0	9	8	1	11%
Law Enforcement	12	10	2	12	8	4	33%
Supply Chain	6	5	1	6	6	0	0%
Human Resources	12	11	1	12	10	2	17%
Compliance	25	22	3	25	25	0	0%
Information Technology	2	2	0	2	2	0	0%
TOTAL	73	64	9	73	66	7	10%

Table 2.6. Employment and vacancies, based on equity levels

Programme	2023/24 Approved Posts	2023/24 No. of Employees	2023/24 No. of Vacancies	2024/25 Approved Posts	2024/25 No. of Employees	Employees 2023/24 No. of Vacancies	% of Vacancies
Top Management	2	2	0	2	2	0	0%
Senior Management	6	5	1	6	5	1	17%
Professional qualified	10	9	1	10	8	2	20%
Skilled	30	28	3	30	30	0	0%
Semi-skilled	20	15	4	20	17	3	15%
Unskilled	5	5	0	5	4	1	20%
TOTAL	73	64	9	73	66	7	10%

Table 2.5 and Table 2.6 show that there was an improvement regarding recruitment of employees when compared to the previous financial year. This assisted in achieving the Entity's strategic objective. The staff turnover was reduced from 12% in the previous financial year to 10% in the financial year under review.

(The information in Table 2.5 is based on Business Units and in Table 2.6 on employment equity levels.)

2.6. Employment Changes

Table 2.7. Employment changes

Programme	Employment at Beginning of Period	Appointments	Terminations	Employment at End of Period
Top Management	2	0	0	2
Senior Management	5	1	1	5
Professional Qualified	9	0	1	8
Skilled	28	3	1	30
Semi-skilled	15	3	1	17
Unskilled	5	0	1	4
TOTAL	64	7	5	66

Comparing appointments and termination rate, the table above shows that there is a low staff turnover rate within the Entity. The Entity will, therefore, be able to retain its competent employees, which is a bonus to the Entity. The Finance Administrator was promoted to the Supply Chain Officer position (creating a termination within the semi-skilled category and an appointment within the skilled category), and the two interns were absorbed into the positions of Supply Chain Officer and Compliance Auditor. The Manager: Internal Control was appointed as the Manager: CEO Support. This is not reflected in the table above.

2.7. Reason for Staff Leaving

Table 2.8. Reason for staff leaving

Reason	Number	% of Total No. of Staff Leaving
Death	0	0%
Resignation	2	3%
Dismissal	0	0%
Retirement	2	3%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	4	6%

2.8. Labour Relations: Misconduct and Disciplinary Action

Table 2.9. Labour relations

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Dismissal	0

2.9. Equity Target and Employment Equity Status

Table 2.10. Employment equity: Male category

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	2	2	0	1	0	0	0	0
Professional Qualified	4	4	0	1	0	0	0	0
Skilled	11	12	1	1	1	1	1	1
Semi-skilled	8	7	0	1	0	0	1	1
Unskilled	2	2	0	1	0	0	0	0
TOTAL	28	28	1	5	1	1	2	2

The Entity has submitted a new Employment Equity Plan for 2024–2029. In line with the new plan, there is a gap in the professionally qualified, semi-skilled and unskilled categories of Coloured males. Targets are currently met for all other categories.

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	0	0	0	0
Senior Management	2	2	0	0	1	1	0	0
Professional qualified	4	4	0	1	0	0	0	0
Skilled	14	13	1	1	0	0	1	1
Semi-skilled	7	8	0	0	0	0	1	1
Unskilled	2	3	0	1	0	0	0	0
TOTAL	30	31	1	3	1	1	2	2

The Entity has submitted a new Employment Equity Plan for 2024–2029. In line with the new plan, there is an overrepresentation of African females in the skilled category and an underrepresentation in the semi-skilled and unskilled categories. Coloured females are underrepresented in the professionally qualified and unskilled categories. Targets are currently met for all other categories.

Table 2.12. People living with disabilities

Levels	People Living With Disabilities			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	1	0	0
Professional qualified	0	1	0	0
Skilled	1	2	0	0
Semi-skilled	0	1	0	0
Unskilled	0	0	0	0
TOTAL	1	5	0	0

Despite the Entity recruiting only one person in this category, the recruitment is not aligned to the target level. The Entity has revised its targets for the next five years to increase disability at all levels. The table above indicates the disability target at the end of the Employment Equity Plan period (2029). The Entity plans to recruit two people with disabilities by the end of September 2025.

The background of the entire page is an abstract, high-contrast image. It features a central, bright orange, textured shape that resembles a stylized, elongated fruit or a piece of organic matter. This central shape is surrounded by darker, more textured orange and black areas, creating a sense of depth and shadow. The overall effect is a dramatic, almost sculptural composition.

PART E

PFMA COMPLIANCE REPORT

1. Fruitless and Wasteful Expenditure and Material Losses

1.1. Irregular Expenditure

a) Reconciliation of irregular expenditure

Description	2024/25	2023/24
	R'000	R'000
Opening balance	0	0
Add: Irregular expenditure confirmed	0	0
Less: Irregular expenditure condoned	0	0
Less: Irregular expenditure not condoned and removed	0	0
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recovered and written off	0	0
Closing balance	0	0

The amount R9 529 irregular expenditure relating to the 2023–24 Financial Year was finalised during the final stages of the 2023–24 audit reported under assessments. AGSA has identified an irregular expenditure of R506 789 for the 2024–25 financial year , which will be investigated during the year.

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure that was under assessment in 2023/24	0	0
Irregular expenditure that relates to 2022/23 and was identified in 2023/24	0	0
Irregular expenditure for the current year	0	0
Total	0	0

b) Details of current and previous year irregular expenditure (under assessment, determination and investigation)

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure under assessment	0	9.5
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
Total	0	9.5

c) Details of current and previous year irregular expenditure condoned

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure condoned	0	0
Total	0	0

d) Details of current and previous year irregular expenditure removed (not condoned)

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

e) Details of current and previous year irregular expenditure recovered

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure recovered	0	0
Total	0	0

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description	2024/25	2023/24
	R'000	R'000
None	0	0
Total	0	0

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2024/25	2023/24
	R'000	R'000
None	0	0
Total	0	0

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken	
None	
Total	0

1.2. Fruitless and Wasteful Expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/25	2023/24
	R'000	R'000
Opening balance	244	7.6
Add: Fruitless and wasteful expenditure confirmed	10.8	236.4
Less: Fruitless and wasteful expenditure written off	(0)	(0)
Less: Fruitless and wasteful expenditure recoverable	(12.1)	(0)
Closing balance	242.7	244

The Entity recovered an amount of R1 300 from the previous financial year and also recovered R10 800 that was incurred during the current financial year. The investigations on the fruitless expenditure of R233 767 from the prior year were concluded in the current year, and the report is yet to be approved by the accounting authority.

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	0	7.6
Fruitless and wasteful expenditure that relates to 2022/23 and identified in 2023/24	244	0
Fruitless and wasteful expenditure for the current year	10.8	236.4
Total	254.8	244

b)Details of current and previous year fruitless and wasteful expenditure (under assessment, determination and investigation)

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	2.6
Fruitless and wasteful expenditure under investigation	0	233
Total	0	236

An investigator was appointed for the investigation of the fruitless expenditure of R233 000.00. The investigation was concluded in the current year and is awaiting approval by the accounting authority.

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure recovered	12.1	0
Total	12.1	0

d) Details of current and previous year irregular expenditure not recovered and written off

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure written off 0	0	0
Total	0	0

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary Steps Taken
None

1.3. Additional Disclosure Relating to Material Losses in Terms of PFMA Section 55(2)(b)(&(iii))

a)Details of current and previous year material losses through criminal conduct

Description	2024/25	2023/24
	R'000	R'000
Theft	0	0
Other material losses	0	0
Less: Recovered	0	0
Less: Not recovered and written off	0	0
Total	0	0

b) Details of other material losses

Description	2024/25	2023/24
	R'000	R'000
None	0	0
Total	0	0

c) Other material losses recovered

Description	2024/25	2023/24
	R'000	R'000
None	0	0
Total	0	0

d)Other material losses written off

Description	2024/25	2023/24
	R'000	R'000
None	0	0
Total	0	0

2. Late and/or Non-Payment of Suppliers

Description	Number of Invoices	Consolidated Value
Valid invoices received 641 23079195.11	0	0
Invoices paid within 30 days or agreed period 641 23079195.11	0	0
Invoices paid after 30 days or agreed period	NIL	NIL
Invoices older than 30 days or agreed period (unpaid and without dispute)	NIL	NIL
Invoices older than 30 days or agreed period (unpaid and in dispute)	NIL	NIL

3. Supply Chain Management

3.1. Procurement by Other Means

Project Description	Name of Supplier	Type of Procurement by Other Means	Contract Number	Value of Contract
Newspaper adverts for illegal gambling	Sekhukhune Times	Deviation	N/A	7 469.02
Replace wooden floor with carpet	Carpet & Décor	Deviation	N/A	22 440.00
Carpet repair and replacement.	Carpet & Décor	Deviation	N/A	8 855.00
Installation of pipes for two (2) water tanks	Great North Plumbers	Deviation	N/A	78 106.89
Television adverts for illegal gambling	South African Broadcasting Corporation	Deviation	N/A	483 634.80
Radio adverts for illegal gambling	Brilliant Link	Sole supplier	N/A	12 356.52
Annual Membership Renewal 2024 – M. Molepo	Independent Regulatory Board of Auditors (IRBA)	Sole supplier	N/A	11 350.00
Upgrade of existing surveillance system from Analog to IP and additional two (2) new dome cameras on ground floor	Gatetronics	Sole supplier	N/A	80 457.63
CaseWare Training for Ms Masana Chauke	AdaptIT	Sole supplier	N/A	6 723.29
BarnOwl Training for risk owners	IDI Technology Solutions	Sole supplier	N/A	30 475.00
CaseWare Licence Renewal	AdaptIT	Sole supplier	N/A	118 415.64
			N/A	1 196.00
Team Mate Annual Renewal	Wolters Kluwer	Sole supplier	N/A	36 863.15
Registration of Supply Chain Conference 2024 for SCM officials and relevant stakeholders	Chartered of Institute of Purchasing and Supply (CIPS)	Sole supplier	N/A	95 220.00
Performance Management Module on 300 People Payroll	Alpion Solutions	Sole supplier	N/A	17 595.00
Migration of current Teammate AM to the Teammate+ cloud solution host by Teamcloud from Wolters Kluwer (Year 1) (PO3451 - Team Mate Annual Renewal)	Wolters Kluwer	Sole supplier	N/A	843 352.50
Lotus Dominio Training	MySolutions	Sole supplier	N/A	20 240.00
Assistance with Progression Increase and IRP5 Submissions	Alpion Solutions	Sole supplier	N/A	4 186.00
SAGE 300 Payroll Processing Training for Ms Manoko Mabotja	SAGE SA	Sole supplier	N/A	5 612.00
SAGE 300 Payroll Processing Training Ms Lebogang Mothiba	SAGE SA	Sole supplier	N/A	5 612.00
Repair of switchboard button	Northern Telecom	Sole supplier	N/A	1 000.50
Training – Lebogang	Adapt IT	Sole supplier	N/A	17 355.95
Cyber Training - ICT Committee Members	Enterprise University of Pretoria	Sole supplier	N/A	167 325.00
Training - Mathapelo	SAGE SA	Sole supplier	N/A	25 173.50
Assistance with SARS Reports, CEO Workflow and Increases & Qualification Awards	Alpion Solutions	Sole supplier	N/A	6 697.60
Yearly Membership Renewal	Association of Certified Fraud Examiners SA	Sole supplier	N/A	20 400.00
Supply and installation of new element and thermostat for existing geyser	Great North Plumbers	Sole supplier	N/A	2 012.50
Yearly Membership Renewal (Jun 2024 – May 2025)	The Institute of Internal Auditors	Sole supplier	N/A	36 938.00
Repairing of 100mm water pipe outside	Great North Plumbers	Emergency	N/A	3 047.50
The Institute of Risk Management	Enterprise Risk Management Training for 15 LGB Members	Sole supplier	N/A	132 531.75
Wolters Kluwer (PWC)	TeamMate Training for Compliance officials	Sole supplier	N/A	134 693.89
The Institute of Internal Auditors SA	27th IASA Conference	Sole supplier	N/A	44 850.00

Project Description	Name of Supplier	Type of Procurement by Other Means	Contract Number	Value of Contract
13th Annual Govlaw Conference	Intelligence Transfer Centre CC	Sole supplier	N/A	34 496.55
Public Hearing Advert	Government Printing	Sole supplier	N/A	3 026.32
Training - Being a Director	The Institute of Directors of SA (IODSA)	Sole supplier	N/A	282 147.90
Annual Subscription - Linda	Worklaw	Sole supplier	N/A	13 359.55
The Institute of Risk Management SA (IRMSA)	2024 IRMSA Annual Conference	Sole supplier	N/A	93 912.02
The Institute of Risk Management SA (IRMSA)	2024 IRMSA Annual Conference (Andile)	Sole supplier	N/A	12 074.40
Rebone Mokone SA Run 4 Cancer Foundation	SA Run for Cancer Ultra Marathon Waterpoint Package	Sole supplier	N/A	50 000.00
SAGE SA	Training (Mathapelo)	Sole supplier	N/A	9 591.00
Advantage Training	Corporate Governance Workshop - Adv Seanego, Andile and Mpitso	Sole supplier	N/A	110 227.50
BMM Testlabs	Training Services for Gaming Inspectors	Sole supplier	N/A	37 820.63
SA Institute of Chartered Accountants	Membership Renewal Ms Mpitso Molepo	Sole supplier	N/A	8 944.67
AccTech Limpopo	AccTech Verify Annual Licence Renewal	Sole supplier	N/A	27 740.30
SA Institute of Chartered Accountants (SAICA)	Membership Renewal - Masana Chauke	Sole supplier	N/A	8 944.67
The Institute of Directors SA (IODSA)	Annual Membership Renewal	Sole supplier	N/A	57 385.00
SAGE South Africa	SAGE VIP Payroll – Annual Licence Renewal (Feb 2024 – Jan 2025)	Sole supplier	N/A	130 378.95
Government Printing Works	Public Notice Advert	Sole supplier	N/A	3 026.32
Brilliant ERP	SAGE Intacct Annual Renewal - Subscription Period 28 February 2025 to 27 February 2026	Sole supplier	N/A	507 204.37
The Institute of People Management (IPM)	Yearly Membership Renewal (Daniel Malesa and Ethel Phoffu)	Sole supplier	N/A	4 478.40
Chulumanco Lalitha	Marula Festival	Sole supplier	N/A	849 999.96
Quantum Leapers	Marula Festival Golf Challenge	Sole supplier	N/A	60 000.00
Peak Timing	Makoro Village Marathon participation	Sole supplier	N/A	2 980.00
Total				4 789 925.14

3.2. Contract Variations and Expansions

Project Description	Name of Supplier	Contract Modification Type (Expansion or Variation)	Contract Number	Original Contract Value	Value of Previous Contract Expansion/S or Variation/S (If Applicable)	Value of Current Contract Expansion or Variation
				R'000	R'000	R'000
Rental of four (4) photocopier machines	Innovate 24/7 (Transversal Contract)	Expansion	TC/LP 01/2019	497 593.44	N/A	511 413.60
Total						511 413.60



PART F

FINANCIAL INFORMATION

Report of the auditor-general to Provincial legislature on Limpopo Gambling Board

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Limpopo Gambling Board set out on pages 87 to 104, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget information with actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Limpopo Gambling Board as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Restatement of corresponding figures

7. As disclosed in note 27 to the financial statements, the corresponding figures for 31 March 2024 were restated as a result of an error in the financial statements of the entity at, and for the year ended, 31 March 2025.

Responsibilities of the accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the 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.
9. In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 81, forms part of my auditor's report.

Report on the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

13. I selected the following material performance indicators related to programme 3: Compliance presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the entity’s performance on its primary mandated functions and that are of significant national, community or public interest.
- Number of responsible gambling campaigns conducted
 - Percentage of corporate licence applications processed within the standard timeframe of 6 months
 - Number of compliance inspections conducted
 - Number of compliance audits conducted
 - Number of stakeholder engagement sessions held
 - Number of formal collaborations established.
14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity’s planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the entity’s mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the entity’s performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
16. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
17. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under- achievements.
20. The table that follows provide information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on page 50.

Programme 3: Compliance

Targets achieved: 83%		
Key indicator not achieved	Planned target	Reported achievement
Number of formal collaborations established	02	1

Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the entity’s compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements and annual report

25. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework, as required by section 55(1)(b) of the PFMA. Material misstatements of revenue, statement of comparison of budget and actual amounts and disclosure items identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Other information in the annual report

26. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.
27. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
28. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
29. The other information I obtained prior to the date of this auditor's report is part A to part G of the annual report, and the rest of the annual report (i.e. foreword by the MEG) is expected to be made available to us after 31 July 2025.
30. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
31. When I do receive and read the rest of the other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

32. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
33. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on compliance with legislation included in this report
34. Management did not implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.
35. Management did not implement controls over daily and monthly processing and reconciling of transactions, which resulted in an increase in the number of audit findings.

Auditor-General

Polokwane

31 July 2025



Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the entity's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit 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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause an entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation - selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(4)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a) 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.1.2(c); 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7 A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Paragraph 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Paragraph 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

LIMPOPO GAMBLING BOARD

Annual Financial Statements for the year ended 31 March 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Regulating, controlling and monitoring gambling activities in the Limpopo Province.
Business address	8 Hans van Rensburg Street Polokwane 0699
Postal address	Private Bag X9520 Polokwane 0700
Controlling entity	Limpopo Department of Economic Development, Environment and Tourism
Auditors	Auditor-General South Africa

Index

Board Members' Responsibilities and Approval	85
Board Members' Report	86
Statement of Financial Position	87
Statement of Financial Performance	88
Statement of Changes in Net Assets	89
Cash Flow Statement	90
Statement of Comparison of Budget and Actual Amounts	91
Significant Accounting Policies	93
Notes to the Annual Financial Statements	105

Abbreviations used:

GRAP	Generally Recognised Accounting Practice
PFMA	Public Finance Management Act no. 1 of 1999

Board Members' Responsibilities and Approval

The members are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the members to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the members set standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

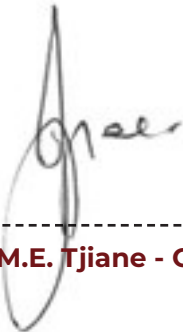
The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or deficit.

The members have reviewed the entity's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The entity is wholly dependent on the entity for continued funding of operations. The annual financial statements are prepared on the basis that the entity is a going concern and that the entity has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The external auditors are responsible for independently reviewing and reporting on the entity's annual financial statements. The annual financial statements have been examined by the entity's external auditors and their report is presented on page 105.

The annual financial statements set out on pages 105 to 122, which have been prepared on the going concern basis, were approved by the members on 31 May 2025 and were signed on its behalf by:



Mr. M.E. Tjiane - Chairperson



Mr. M.G. Makoko - Chief Executive Officer

Board Members' Report

The members submit their report for the year ended 31 March 2025.

1. Main business and operations

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

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 dependent on the Limpopo Department of Economic Development, Environment and Tourism for continued funding operations.

3. Subsequent events

The members are only aware of one matter that transpired after the end of the financial year which is disclosed in note 30.

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. Members

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

Name	Nationality
Mr. M.E. Tjiane - Chairperson	South African
Hosi/Adv. K.A. Mahumani - Deputy Chairperson	South African
Ms. M.E. Maditsi	South African
Mr. C.C. Nkadameng	South African
Mr. J. N. Mpjane CA(SA) RA	South African
Mr. M.B. Tema - Treasury Representative	South African
Mr. S. Maja	South African
Dr. M. R. Mudogwa - LEDET Representative	South African
Mr. M.G. Makoko - Chief Executive Officer	South African
Ms. R.S. Sefoka	South African

6. Bankers

The bankers of the entity are Standard Bank of South Africa.

7. Accounting policies

The Annual Financial Statements are prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP), including any interpretations of such statements issued by the Accounting Standards Board, as the prescribed framework by National Treasury.

The annual financial statements set out on pages 105 - 122 , which have been prepared on the going concern basis, were approved by the members on 31 May 2025 and were signed on its behalf by:



Mr. M.E. Tjiane - Chairperson



Mr. M.G. Makoko - Chief Executive Officer

Statement of Financial Position as at 31 March 2025

	Note(s)	2025	2024 Restated*
ASSETS			
Current Assets			
Receivables from exchange transactions	9	760 230	872 699
Receivables from non-exchange transactions	10	11 585	548 087
Cash and cash equivalents	11	22 947 704	28 862 029
		23 719 519	30 282 815
Non-Current Assets			
Property, plant and equipment	3	2 834 669	2 048 583
Intangible assets	4	1 013 951	455 403
Receivables from non-exchange transactions	10	17 848	17 848
		3 866 468	2 521 834
Total Assets		27 585 987	32 804 649
LIABILITIES			
Current Liabilities			
Payables from exchange transactions	6	2 754 247	1 368 862
Payables from non-exchange	7	43 088	1 081 508
Employee benefit obligation	8	395 976	665 588
Staff accrual	12	3 988 137	3 702 402
Funds to surrender	31	7 981 106	10 630 634
Deferred income	13	7 133 035	6 544 108
Fines and penalties	5	-	200 000
		22 295 589	24 193 102
Non-Current Liabilities			
Employee benefit obligation	8	2 751 698	1 657 744
Total Liabilities		25 047 287	25 850 846
Net Assets		2 538 700	6 953 803
Accumulated surplus		2 538 700	6 657 517
Total Net Assets		2 538 700	6 657 517

Statement of Financial Performance

	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Other income	16	1 840 104	2 321 171
Interest received	14	1 603 381	1 384 178
Total revenue from exchange transactions		3 443 485	3 705 349
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	17	81 692 000	81 736 000
Other operating revenue - levies	18	334 082 390	260 408 121
Service in kind	22	12 029 557	10 805 224
Sundry income	14	150 870	216 844
Annual licence fees	15	8 231 304	8 565 426
Total revenue from non-exchange transactions		436 186 121	361 731 615
Total revenue	14	439 629 606	365 436 964
Expenditure			
Employee related costs	19	(56 874 771)	(52 336 370)
Board member's expenses	26	(3 153 935)	(3 020 781)
Depreciation and amortisation	3&4	(1 068 171)	(1 024 067)
Loss on disposal of assets	3	(30 637)	-
Service in kind	22	(12 029 557)	(10 805 224)
Operating expenses	20	(28 484 041)	(20 150 304)
Total expenditure		(101 641 112)	(87 336 746)
Surplus for the year		337 988 494	278 100 218

Statement of Changes in Net Assets

	Accumulated surplus / deficit	Total net assets
Balance at 01 April 2023	(139 253)	(139 253)
Changes in net assets		
Restated Surplus for the year	278 100 218	278 100 218
Levies surrendered	(260 408 046)	(260 408 046)
Funds to surrender	(10 630 634)	(10 630 634)
Prior period error	(50 150)	(50 150)
Total changes	7 011 388	7 011 388
Balance at 01 April 2024	6 532 040	6 532 040
Changes in net assets		
Surplus for the year	337 988 494	337 988 494
Levies surrendered	(334 082 390)	(334 082 390)
Funds to surrender	(7 981 106)	(7 981 106)
Prior period error	81 662	81 662
Total changes	(3 993 340)	(3 993 340)
Balance at 31 March 2025	2 538 700	2 538 700

Cash Flow Statement

		2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Other operating income		345 391 696	270 496 583
Grants		81 692 000	81 736 000
Interest income		1 603 381	1 384 178
Other receipts		150 870	216 844
		428 837 947	353 833 605
Payments			
Employee costs		(55 764 699)	(49 923 893)
Suppliers		(28 180 886)	(19 061 822)
Funds surrendered		(345 209 310)	(277 998 713)
Board expenses		(3 153 935)	(3 020 781)
		(432 308 830)	(350 005 209)
Net cash flows from operating activities	21	(3 470 883)	3 828 396
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(1 682 589)	-
Purchase of other intangible assets	4	(760 853)	(21 818)
Net cash flows from investing activities		(2 443 442)	(21 818)
Net increase/(decrease) in cash and cash equivalents		(5 914 325)	3 806 578
Cash and cash equivalents at the beginning of the year		28 862 029	25 055 451
Cash and cash equivalents at the end of the year	11	22 947 704	28 862 029

The accounting policies on pages 93 to 104 and the notes on pages 105 to 122 form an integral part of the annual financial statements.

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Other income	2 232 000	-	2 232 000	1 840 104	(391 896)	34.1
Interest received - investment	1 794 000	171 000	1 965 000	1 603 381	(361 619)	34.2
Total revenue from exchange transactions	4 026 000	171 000	4 197 000	3 443 485	(753 515)	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	68 592 000	13 100 000	81 692 000	81 692 000	-	
Other operating revenue	243 904 000	66 503 000	310 407 000	334 082 390	23 675 390	34.3
Annual licence fees	8 638 000	-	8 638 000	8 231 304	(406 696)	34.4
Total revenue from non-exchange transactions	321 134 000	79 603 000	400 737 000	424 005 694	23 268 694	
Total revenue	325 160 000	79 774 000	404 934 000	427 449 179	22 515 179	
Expenditure						
Employee related cost	(57 610 000)	-	(57 610 000)	(56 874 771)	735 229	34.5
Board members expenses	(390 000)	(878 214)	(1 268 214)	(3 153 935)	(1 885 721)	34.6
Depreciation and amortisation	(1 500 000)	-	(1 500 000)	(1 068 171)	431 829	34.7
Operating expenses	(12 692 000)	(10 621 786)	(23 313 786)	(24 161 108)	(847 322)	34.8
Total expenditure	(72 192 000)	(11 500 000)	(83 692 000)	(85 257 985)	(1 565 985)	
Surplus before taxation	252 968 000	68 274 000	321 242 000	342 191 194	20 949 194	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	252 968 000	68 274 000	321 242 000	342 191 194	20 949 194	

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Position						
Assets						
Non-Current Assets						
Capital assets	-	1 600 000	1 600 000	990 425	(609 575)	3.9
Total Assets	-	1 600 000	1 600 000	990 425	(609 575)	
Net Assets	-	1 600 000	1 600 000	990 425	(609 575)	

Significant Accounting Policies

1. Significant accounting policies

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

1.1. Basis of preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

1.2. Presentation currency

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

1.3. Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.4. Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is 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.

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes. Significant judgements include:

Trade receivables

Trade and other receivables are stated at the nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying amount of these receivables approximate fair value due to the short period to maturity of these instruments. Trade and other receivables from exchange transactions are disclosed separately from trade and other receivables from non-exchange transactions.

Trade and other receivables in exchange for which the entity gives approximately equal value to another entity are recognised as trade and other receivables from exchange transactions. Trade and receivables received without directly giving approximately equal value in exchange are recognised as trade and other receivables from non-exchange transaction. The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The entity assesses its trade and receivables from exchange transactions and trade and other receivables from non-exchange transactions for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit in the statement of financial performance, the entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cashflows from a financial asset. 12

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair value less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets.

Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including supply and demand, together with economic factors such as inflation rates and interest.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 12 - Provisions. The provision herewith refer to the staff accruals.

Long service awards

The present value of the employee benefit obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of employee benefit obligations.

The entity determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the entity considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 8.

Trade payables

The entity has both exchange and non-exchange transactions. The basis of recognition is either date of service or delivery in the case of goods and services. Payables from exchange and non-exchange transactions are carried at fair value and disclosed in the statement of financial position. The fair value of payables from exchange and non-exchange transactions approximates their carrying value. The carrying amount of these payables approximate fair value due to the short period to maturity of these instruments. Trade and other payables from exchange transactions are disclosed separately from trade and other payables from non-exchange transactions in the statement of financial position.

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 or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition. If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture	Straight-line	15-25 years
Motor vehicles	Straight-line	5-12 years
Office equipment	Straight-line	15-25 years
Computer equipment	Straight-line	3-9 years
Military equipment	Straight-line	5-25 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset’s future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit .

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 3). The entity’s management determines the estimated residual values, depreciation methods as well as useful lives and related depreciation charges for the property, plant and equipment. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

1.6. Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management’s best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date. The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Furniture Computer software	Straight-line	15-25 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

1.7. Financial instruments

The amortised cost of a financial asset or financial liability 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 (directly or through the use of an allowance account) for impairment or uncollectibility.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity’s statement of financial position.

When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

A financial asset is past due when a counterparty has failed to make a payment when contractually due. Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange	Financial asset measured at amortised cost
Cash and cash equivalent	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange	Financial liability measured at amortised cost

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories: Financial instruments at amortised cost.

All financial assets measured at amortised cost are subject to an impairment review.

Gains and losses

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost is expected, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly. If the reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed, the amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- * the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- * the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- * the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

In this case, the entity:

- derecognise the asset; and
- recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If the entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit.

If a transfer does not result in derecognition because the entity has retained substantially all the risks and rewards of ownership of the transferred asset, the entity continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the entity recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived. An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

Financial liabilities held at amortised cost

Trade and other payables 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.

Receivables

Where the effect on fair value at initial recognition of any extended payment terms is not material, no adjustments are made. 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.

Cash and Cash Equivalents

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. Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The entity recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

The entity initially measures statutory receivables at their transaction amount.

Subsequent measurement

The entity measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Derecognition

The entity derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the entity, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.9. Employee benefits

Identification

Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

Defined benefit cost

Service cost comprises: (a) current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period; (b) past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction by the entity in the number of employees covered by a plan); and (c) any gain or loss on settlement.

Net interest on the net defined benefit liability (asset) is the change during the period in the net defined benefit liability (asset) that arises from the passage of time.

Remeasurements of the net defined benefit liability (asset) comprise: (a) actuarial gains and losses; (b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Actuarial gains and losses are changes in the present value of the defined benefit obligation resulting from: (a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and (b) the effects of changes in actuarial assumptions.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less: (a) any costs of managing the plan assets; and (b) any tax payable by the plan itself other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation.

A settlement is a transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit plan, other than a payment of benefits to, or on behalf of, employees that is set out in the terms of the plan and included in the actuarial assumptions.

1.10. Provisions and contingencies

Provisions are recognised when:

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

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 25.

1.11. Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.12. 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 entity 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.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

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 of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest

Interest

Revenue arising from interest is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method.

1.13. Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

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 recognises 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 recognises 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 recognise 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.

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.

Government grant

The entity receives a grant from government through the shareholder each financial year. The grant is recognised as a receivable at the beginning of each financial year and recognised into revenue as monthly transfers are made by the shareholder to the entity. The receivable is only recognised when: It is probable that the future economic benefits or service potential associated with the asset will flow to the entity and that the fairvalue of the asset can be measured reliably.

Services in-kind

Except for financial guarantee contracts, the entity recognise services in-kind that are significant to its operations and/or service delivery objectives as assets and recognise the related revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the entity disclose the nature and type of services in-kind received during the reporting period.

Grap 23, section 6.4 states that an entity shall recognise service in kind that are significant to its operations and/or service delivery objectives. For example, when an entity receives service in kind that are integral to its operations such as office accomodation paid on its behalf. It should recognise those services in kind if they meet the definition of an asset and satisfy the criteria for recognition as an asset and shall recognise the related service.

1.14. 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 entity are surrendered as per Instruction Note 2 of 2013.

1.15. Comparative figures

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

1.16. Unauthorised expenditure

Unauthorised expenditure means:

- Budget on Accrual Basis overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

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.

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial position.

1.18. Irregular expenditure

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

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury Instruction No.4 of 2022/23 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following: That the entity discloses confirmed irregular expenditure incurred during that particular year. All other details of the Irregular Expenditure are included in the annual report rather than the financial statements. Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned. Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned.

If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly.

1.19. Budget information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising 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.

The approved budget is prepared on a accrual basis and presented by functional classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2024/04/01 to 2025/03/31.

The budget for the economic entity includes all the entities' approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.20. Related parties

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.21. Events after reporting date

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.22. Prior period error

Prior period error are omissions from and misstatements in, the entity's financial statements for one or more prior periods arising from failure to use/ misuse of reliable information that:

- was available when the financial statements for the period was issued, and
- could have been reasonably expected to be taken into account in those financial statements.

Notes to the Annual Financial Statements

2. New standards and interpretations

2.1. 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 01 April 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact

Figures in Rand

3. Property, plant and equipment

	2025			2024		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
Motor vehicles	1 558 200	(1 474 053)	84 147	1 558 200	(1 446 004)	112 196
Office equipment	1 024 390	(344 188)	680 202	590 053	(340 473)	249 708
Computer equipment	2 356 413	(1 588 998)	767 415	1 958 670	(1 101 814)	856 856
Furniture	2 644 839	(1 343 797)	1 301 042	2 063 127	(1 235 585)	827 542
Military equipment	36 316	(34 453)	1 863	36 316	(34 035)	2 281
Total	7 620 158	(4 785 489)	2 834 669	6 206 366	(4 157 911)	2 048 583

Reconciliation of property, plant and equipment - March 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Motor vehicles	112 196	-	-	(28 049)	84 147
Office equipment	249 708	509 215	(21 140)	(57 581)	680 202
Computer equipment	856 856	563 743	(1 240)	(651 944)	767 415
Furniture	827 542	609 631	(8 257)	(127 874)	1 301 042
Military equipment	2 281	-	-	-418	1 863
	2 048 583	1 682 589	(30 637)	(865 866)	2 834 669

Reconciliation of property, plant and equipment - March 2024

	Opening balance	Depreciation	Total
Motor vehicles	233 879	(121 683)	112 196
Office equipment	284 451	(34 743)	249 708
Computer equipment	1 391 667	(534 811)	856 856
Furniture	957 999	(130 457)	827 542
Military equipment	2 698	-417	2 281
	2 870 694	(822 111)	2 048 583

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Equipment maintenance	102 146	365 601
Motor vehicle repairs	35 383	34 193
	137 529	399 794

4. Intangible assets

2025				2024			
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value	
Computer software	1 962 694	(948 743)	1 013 951	1 201 841	(746 438)	455 403	
Reconciliation of intangible assets - March 2025							
	Opening balance		Additions	Amortisation		Total	
Computer software	455 403		760 852	(202 304)		1 013 951	
Reconciliation of intangible assets - March 2024							
	Opening balance		Additions	Amortisation		Total	
Computer software	553 848		21 815	(120 260)		455 403	

5. Fines and penalties

Fines and penalties imposed on licensees		
Opening balance	200 000	101 000
Amount raised	-	200 000
Amount transferred to LEDET	(200 000)	(101 000)
	-	200 000

Fines payable are treated under GRAP 109 (Accounting by Principals and Agents). The entity collects fines that arises as a result of non-compliance by operators with the Limpopo Gambling Regulations. These are directly paid to the Provincial Revenue Fund through the shareholder on completion of the audit. The penalties that were raised in the 2023/24 financial year were paid over to the shareholder in 1 October 2024. There were no penalties and fines imposes on licensees in the 2024/25 financial year.

6. Payables from exchange transactions

Trade payables	2 210 420	610 384
Other payables	543 827	758 478
	2 754 247	1 368 862

7. Payables from non-exchange

UIF, SDL and other employee related payables	157	11 580
PAYE	42 523	995 542
Levies to be paid to Ledet	408	74 386
	43 088	1 081 508

The amount for PAYE in the 2023-24 financial year was settled after the 31st of March 2024.

8. Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

Carrying value		
Present value of the defined benefit obligation-wholly unfunded	3 147 674	2 323 336
Non-current liabilities	(2 751 698)	(1 657 744)
Current liabilities	(395 976)	(665 588)
	(3 147 674)	(2 323 332)

Movements in the employee long term service award liability

Opening balance	2 323 336	270 396
Change in estimate	-	137 624
Benefits paid	(310 064)	(630 803)
Net changes recognised in the statement of financial performance	1 134 402	2 546 119
	3 147 674	2 323 336

Net expense recognised in the statement of financial performance are as follows:

Service cost	190 711	25 199
Interest cost	339 470	10 470
Acturial losses/(gains)	604 221	2 510 450
	1 134 402	2 546 119

Calculation of actuarial gains and losses

Actuarial (gains) losses – Obligation	604 221	2 510 450
---------------------------------------	---------	-----------

Key assumptions used

For purposes of performing the calculation on employee benefit, the average nominal yield curve for bonds between 5 and 7 years as at 31 March 2025 as compiled by the Johannesburg Stock Exchange of South Africa through IRESS data services. The resultant discount rate is 9.94% per annum (2024: 11.19%). The market pricing of inflation was estimated by comparing the yields on nominal bonds to the yields on real bonds on the yield curve for bonds implying an inflation assumption of 5.06% per annum (2024: 6.36%). The salary-inflation assumption is estimated to increase 1% in excess of the general inflation, therefore 6.06% per annum is used to estimate the rate at which the future long-service award benefits will increase. Consequently, a net discount rate for salary inflation is assumed to be 3.66% as at 31 March 2025 derived from the 9.94% discount rate and the expected salary-inflation rate of 6.06%.

The average age in years is 44.1 for 2025 (2024: 44.6).

The Entity does not have any specific assets set aside to prefund for the long-service award liability.

The liability was recalculated to show the effect of the discount rate, salary-inflation increase rate and retirement age assumptions on the defined benefit obligation by adding and subtracting 1% discount rate on the discount rate and salaryinflation rate including the age rate assumption by adding and subtracting 1 year from the age rate.

Sensitivity analysis

Changes in underlying assumptions

March 2025	One percentage point increase	One percentage point decrease
Discount rate	(178 979)	197 531
Salary-inflation rate	203 121	(186 877)
Retirement age	279 805	(222 999)

	2025	2024
--	------	------

9. Receivables from exchange transactions

Trade debtors	74 901	92 730
Prepaid expenses and deposits	685 329	779 969
	760 230	872 699

10. Receivables from non-exchange transactions

Sundry debtors	11 585	548 087
Consumer debtors - Rates	17 848	17 848
	29 433	565 935

Non-current assets	17 848	17 848
Current assets	11 585	548 087
	29 433	565 935

11. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	5 000	5 000
Bank balances	22 942 704	28 857 029
	22 947 704	28 862 029

12. Staff accrual

Reconciliation of provisions - March 2025

	Opening balance	Additions	Utilised during the year	Total
Leave days	1 632 409	441 431	(308 516)	1 765 324
13th cheques and savings	545 632	2 454 310	(2 400 638)	599 304
Performance bonus	1 524 361	1 919 795	(1 820 647)	1 623 509
	3 702 402	4 815 536	(4 529 801)	3 988 137

Reconciliation of provisions - March 2024

	Opening balance	Additions	Utilised during the year	Total
Leave days	1 578 631	96 123	(42 345)	1 632 409
13th cheques and savings	474 665	2 168 643	(2 097 676)	545 632
Performance bonus	1 289 569	1 759 511	(1 524 719)	1 524 361
	3 342 865	4 024 277	(3 664 740)	3 702 402

13th Cheque relates to savings which the staff accrue on a monthly basis and is paid in December each year. Leave days accrue monthly and expensed as utilised against the provision.

2025

2024

13. Deferred income

Reconciliation for the deferred income

Opening balance	6 544 108	6 764 073
Recognised as income	(6 544 108)	(6 764 073)
Received in advance	7 133 035	6 544 108
	7 133 035	6 544 108

14. Revenue

Operating revenue	1 840 104	2 321 171
Interest received	1 603 381	1 384 178
Government grants & subsidies	81 692 000	81 736 000
Other operating revenue	334 082 390	260 408 156
Service in kind rental	12 029 557	10 805 224
Sundry income	150 870	216 844
Annual licence fees	8 231 304	8 565 426
	439 629 606	365 436 999

The amount included in revenue arising from exchanges of goods or services are as follows:

Operating revenue	1 840 104	2 321 171
Interest received	1 603 381	1 384 178
	3 443 485	3 705 349

The amount included in revenue arising from non-exchange transactions is as follows:

Taxation revenue		
Transfer revenue		
Government grants & subsidies	81 692 000	81 736 000
Other operating revenue	334 082 390	260 408 156
Service in kind rental	12 029 557	10 805 224
Sundry income	150 870	216 844
Annual licence fees	8 231 304	8 565 426
	436 186 121	361 731 650

15. Revenue from non-exchange - Annual Licence Fees

Annual Licence Fees	8 231 304	8 565 426
---------------------	-----------	-----------

The annual licence fees are paid by operators on an annual basis. These are due in the 1st of April each financial year.

16. Other income

Horse racing application fees	123 172	194 441
LPM application fees	237 546	177 285
LPM license fees	37 100	47 170
Certificate of suitability	26 574	8 798
Employee registration fees	851 863	751 441
Investigation fees	368 849	331 136
Casino application fees	-	810 900
Proceeds from sale of property, plant & equipment	195 000	-
	1 840 104	2 321 171

17. Revenue from non exchange transactions - Government grants & subsidies

Operating grants		
Department of Economic Development, Environment and Tourism	81 692 000	81 736 000

18. Revenue from Non-Exchange Transactions: Other operating revenue - Levies

Levies	334 082 390	260 408 121
Reconciliation of conditional contributions		
Casino levies	28 819 210	30 892 713
LPM levies	32 006 277	31 599 678
Horse racing levies	262 452 476	185 969 657
Bingo levies	10 804 427	11 946 074
	334 082 390	260 408 122

19. Employee related costs

Basic	43 593 003	39 026 306
Medical aid - company contributions	817 939	880 751
UIF	150 465	123 270
Leave pay provision charge	441 431	96 123
Pension fund	5 546 465	4 932 125
Long-service awards	1 134 401	2 546 119
13th Cheques	2 431 822	2 168 645
Housing benefits and allowances	1 399 371	1 336 671
Danger allowance	61 634	58 048
Cellphone allowance	1 298 240	1 168 312
	56 874 771	52 336 370

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.

The Basic amount line item in the employee related costs note includes a provision for performance bonus of R1 623 509 (2024: R1 524 361).

Defined contribution plan

Senior staff	1 405 269	1 153 714
Other staff	4 141 196	3 778 411
	5 546 465	4 932 125

20. Operating expenses

Audit fees - internal audit	727 477	318 572
Advertising & promotion	1 082 044	422 587
Auditors fees - AGSA	2 719 928	2 330 147
Bank charges	81 822	95 748
Cleaning materials	342 316	268 025
Bursaries	31 668	685 615
Computer expenses	35 429	12 314
Legal fees	1 072 897	52 845
Consumables	1 807	2 742
Skills development levy	537 512	416 314
CSI expenses	1 239 994	55 706
Consultation and research	1 858 972	1 485 591
Audit Committee fees	198 461	122 948
Rental expense	96 243	149 521
Insurance	406 649	3 000
Publication	24 476	-
Investigation fees	(14 618)	47 648
Motor vehicle expenses	35 383	34 194
Subsistence and toll fees	355 845	288 846
Fuel and oil	157 342	132 820
Placement fees	15 861	4 487
Postage and courier	3 386	-
Printing and stationery	253 914	336 143
Risk Management	27 515	226 677
Staff meals and accomodation	4 588 056	3 287 278
Security expense	1 021 847	1 064 166
Staff welfare	149 459	275 180
Subscriptions and membership fees	447 932	352 518
Telephone and fax	193 100	201 581
Occupational injuries and diseases act fund	108 345	115 911
Staff training	803 620	425 924
Reimbursive travel	2 886 983	2 637 128
Water and electricity	791 312	527 738
Equipment maintance	112 958	367 929
Catering	-	3 750
Responsible gambling	2 833 473	1 591 866
Communication	126 962	169 666
Crime awareness campaign	410 631	156 764
Conference and workshops	531 038	28 800
Law enforcement expenses	37 271	11 776
Venue and facilities	234 218	20 953
Licence fees	1 527 793	1 316 842
Building maintenance	386 720	90 991
Other general expenses	-	11 053
	28 484 041	20 150 304

	2025	2024
21.Cash (used in) generated from operations		
Reconciliation for the deferred income		
Surplus	337 988 494	278 100 218
Adjustments for:		
Depreciation and amortisation	1 068 171	1 024 067
Gain on sale of assets and liabilities	30 637	-
Movements in long service awards	824 338	2 052 940
Movements in staff accruals	285 735	359 536
Funds surrendered	(345 009 310)	(277 998 713)
Changes in working capital:		
Receivables from exchange transactions	112 469	(241 386)
Other receivables from non-exchange transactions	536 502	(336 784)
Trade and other payables	1 341 574	(59 908)
Payables from non-exchange transactions	(1 038 420)	1 049 389
Fines and penalties	(200 000)	99 000
Deferred income	588 927	(219 963)
	(3 470 883)	3 828 396
22.Service in-kind		
The nature and type of major classes of services in-kind received, are as follows		
Services in-kind that are significant to the entities operations and/or service delivery objectives		
Service in kind: Rental revenue and expense	12 029 557	10 805 224
The entity receives service in kind from Deptment of Public Works in the form of a free rental office accomodation. This was a result of the acquisition of the same building by Department of Public Works following the expiry of the lease agreement.The service in kind is considered as significant to the operations of the entity and service delivery objectives.		
The entity based the service in kind amount on a valuation report that was performed by Public Works on purchasing of the building adjusted for escalations using the Rode Property Analysis and Trends Report.		
	12 029 557	10 805 224
23.Financial instruments disclosure		
Categories of financial instruments		
March 2025		
Financial assets		
	At amortised cost	Total
Trade and other receivables from exchange transactions	74 901	74 901
Other receivables from non-exchange transactions	29 433	29 433
Cash and cash equivalents	22 947 704	22 947 704
	23 052 038	23 052 038
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions	2 754 247	2 754 247
Taxes and transfers payable (non-exchange)	43 088	43 088
	2 797 335	2 797 335

March 2024**Financial assets**

	At amortised cost	Total
Trade and other receivables from exchange transactions	92 730	92 730
Other receivables from non-exchange transactions	565 935	565 935
Cash and cash equivalents	28 862 029	28 862 029
	29 520 694	29 520 694

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	1 368 862	1 368 862
Taxes and transfers payable (non-exchange)	1 081 508	1 081 508
	2 450 370	2 450 370

Financial instruments in Statement of financial performance**March 2025**

	At amortised cost	Total
Interest income (calculated using effective interest method) for financial instruments at amortised cost	1 603 381	1 603 381

March 2024

	At amortised cost	Total
Interest income (calculated using effective interest method) for financial instruments at amortised cost	1 384 178	1 384 178

24. Commitments**Already contracted for but not provided for**

☐ Capital commitments	370 648	1 453 017
--	---------	-----------

Total operational commitments

Already contracted for but not provided for	370 648	1 453 017
---	---------	-----------

The commitments relate to capital assets in respect of furniture and computer equipment in 2025 (2024: Computer software, computer equipment and office equipment). The entity had incorrectly measured Commitments included in the Note above. Previously, the entity incorrectly included operational commitments which is not in line with the accounting standards. The entity has restated the commitments amount to only include capital assets. The comparative year of the commitments has been restated.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	6 910	212 976
-------------------	-------	---------

The entity rents digital printers for a period of three years. Rental is payable monthly in advance and is fixed over the entire contract period. The tenant has the option to renew the rental agreements at reduced rental. Contingent rent is payable based on the number of copies made by the tenant. The contract expired on 30 November 2024 and was extended for a period of 6 months ending May 2025.

25.Contingencies

Litigation is in the process against the entity relating to the following cases:

LABOUR CASE: MR. S. MAAHLO

The above employee was dismissed after an internal disciplinary enquiry was held on misconduct charges. The employee then referred the matter to the CCMA seeking re-instatement on the basis of an unfair dismissal. The Commissioner found that the dismissal was fair and dismissed the applicant’s/employee’s case. The employee thereafter took the matter on appeal in the Labour Court.

The matter was last heard on 6 November 2024 wherein the court removed the matter from the roll at the request of the Applicant. The reason for such was that the since Applicant sought re-instatement in his review application, the court would not have been able to grant such an order given the fact that the Applicant is beyond the age of retirement (65 years). The Applicant sought to remove the matter from the roll to enable him to amend/supplement his papers to deal with the issue of compensation instead. The entity’s legal representative considered the success of the action against the entity as being as unlikely (should the Applicant amend/ supplement his papers) and it was not anticipated that the entity would pay anything more than legal fees.

An interlocutory application (from Mr. Maahlo) was received by the entity on 7 March 2025. The replying papers were served on both Mr. Maahlo and the CCMA on 18 March 2025. On 19 March 2025, the original answering papers were filed with the Registrar of the Labour Court.

The entity’s legal representative considered the success of the action against the entity as being as unlikely and it was not anticipated that the entity would pay anything more than legal fees.

ADV. M.J. MANTSHO

The above candidate was an unsuccessful in his application for the position of company secretary. On 08 June 2021, the entity received a notice of motion wherein the Applicant claimed R20million for damage to his name, trauma and shock, damage to his integrity and dignity, damage to his confidence and ability to apply for other posts, ability to honour interviews invitations or apply for posts at all.

The entity is represented by the State Attorney who duly opposed the claim by filing a Notice to Defend. The plea and Answering Affidavits have been filed in the matter. According to the State Attorney, there are reasonable prospects of success. It is submitted that should Adv. Mantsho be successful with the civil claim, based on recent case law, the award against the entity would most probably not exceed R500 000. According to the entity’s legal representative, the entity may also be liable for the legal costs associated with the case, which was previously estimated by the State Attorney to be R380 000.

REVOCATION OF LICENCE/ PORTAPA (PTY) REVIEW APPLICATION

The Applicant’s bookmaker licence was revoked by the entity. The Applicant then took the matter on review whereafter the court referred the matter for trial. An interim order was awarded to the licensee to continue with operations pending the outcome of the trial. A trial date is still being awaited. The entity’s legal representative previously stated the following on the issue of contingent liabilities: The Plaintiff/ Applicant’s claim does not sound in money but its review. Should the Board win the case [the Plaintiff/Applicant] will be liable for costs of our Advocate which is estimated at R200 000-00. Should the Board lose the case, estimated costs for our Advocate is R500 000-00 (R300 00-00 legal costs to be paid to Supabets + R200 000-00 to our Advocate).

26.Related parties

Relationships

Shareholder	Limpopo Department of Economic Development, Environment and Tourism
Provincial department offering service in kind	Limpopo Department of Public Works, Roads & Infrastructure
Board members	Mr. M. E. Tjiane - Chairperson Hosi/Adv. K. A. Mahumani - Deputy Chairperson Ms. M. E. Maditsi Mr. C. C. Nkadimeng Mr. S. Maja Mr. J. N. Mpyane CA(SA), RA Ms. R. S. Sefoka Mr. M. B. Tema - Treasury Representative Dr. M. R. Mudogwa - LEDET Representative
Members of key management	Mr. M. G. Makoko - Chief Executive Officer Ms. M. V. Molepo CA(SA), RA - Chief Financial Officer Adv. L. Ganess - Senior Manager: Legal Mr. L. K. Mathavhane - Senior Manager: Compliance Dr. M. P. Masogo - Senior Manager: Law Enforcement Dr. M. D. Malesa - Senior Manager: Corporate Services Ms. M. S. L. Chauke CA(SA) - Senior Manager: Finance Adv. M. S. Seanego - Company Secretary Ms. E. Hlangwini - Acting Senior Manager: Law Enforcement

Related party balances

Limpopo Department of Economic Development, Environment and Tourism

Funds to surrender	7 981 106	10 630 634
Fines and penalties	-	200 000

Levies, fines and penalties are collected by the entity on behalf of the shareholder, LEDET. Funds to surrender consists of unspent funds for the financial year and own revenue monies which are payable upon completion of each financial audit.

Related party transactions

Limpopo Department of Economic Development, Environment and Tourism

Levies and Funds surrendered	345 209 310	277 992 564
Grants received	81 692 000	81 736 000
Microsoft	638 460	664 243

Limpopo Department of Public Works, Roads & Infrastructure

Service in kind	12 029 557	10 805 225
-----------------	------------	------------

Office of the Premier

Employee related cost	234 397	436 733
-----------------------	---------	---------

The shareholder (LEDET) has paid licence fees for the entity which the entity and the entity has refunded the shareholder in this regard. The entity is funded by means of a grant allocation through the shareholder. Levies that are collected on behalf of the shareholder are transferred to the shareholder on a monthly basis. The funds to surrender relates to the balance of surplus funds of the previous financial year that was transferred through to the shareholder in the current financial year.

The entity houses a building owned by DPWRI and has recognised revenue and expense of service in kind in terms of the GRAP standards.

An employee of the Board was seconded to Office of the Premier from 1 October 2023 until 31 July 2024. The Board is incurring the employee related cost.

Remuneration of management

Management class: Board members

March 2025

	Travel and subsistence	Sitting allowance	Data cost	Retainer	Total
Name					
Mr. M. E. Tjiane - Chairperson	63 545	222 300	5 628	89 641	381 114
Hosi/Adv. K. A. Mahumani - Deputy Chairperson	54 883	151 788	4 188	78 460	289 319
Ms. M. E. Maditsi	37 913	110 618	4 188	54 391	207 110
Mr. C. C. Nkadimeng	4 404	62 054	4 188	54 391	125 037
Mr. S. M Maja	68 193	116 014	4 188	54 391	242 786
Mr.J. N. Mpjane	44 564	137 598	4 188	54 391	240 741
Ms. R. S. Sefoka	44 944	129 504	4 188	54 391	233 027
Mr. M. B. Tema	3 545	-	-	-	3 545
	321 991	929 876	30 756	440 056	1 722 679

	Travel and subsistence	Sitting allowance	Data cost	Retainer	Total
Name	subsitence	allowance			
Mr. M. E. Tjiane - Chairperson	63 981	266 107	5 628	89 641	425 357
Hosi/Adv. K. A. Mahumani - Deputy Chairperson	36 061	155 680	4 188	78 460	274 389
Ms. M. E. Maditsi	28 833	116 014	4 188	54 391	203 426
Mr. C. C. Nkadameng	-	67 450	4 188	13 598	85 236
Mr. S. M. Maja	55 493	124 108	4 188	54 391	238 180
Mr. J. N. Mpjane	7 044	113 316	4 188	54 391	178 939
Ms. R. S. Sefoka	3 859	59 356	2 443	13 598	79 256
Mr. M. B. Tema	8 617	-	-	-	8 617
	203 888	902 031	29 011	358 470	1 493 400

Ms. R. S. Sefoka was appointed as a new board member effective 1 September 2023.

The entity incurred accomodation and other travel expenses amounting to R1 530 447 (2024: R1 527 381) relating to board members.

Management class: Executive management

March 2025										
Name	Salary	Housing	Travel allowance	Medical aid	Cellphone allowance	Backpay	Pension	Reimbursive travel & subsistence allowance	Performance bonus	Total
M. G. Makoko (CEO)	2 115 067	21 657	168 000	111 026	36 394	24 384	287 682	121 421	76 978	2 962 609
M. V. Molepo (CFO)	1 378 470	21 657	180 000	-	36 394	16 048	189 648	75 289	67 679	1 965 185
L. Ganess	1 657 683	21 657	66 758	-	30 732	17 655	208 455	11 624	74 381	2 088 945
L. K. Mathavhane	1 524 116	21 657	84 000	-	30 732	16 495	194 808	-	69 514	1 941 322
M. P. Masogo	727 945	10 737	39 000	31 838	15 236	16 550	96 759	55 156	69 747	1 062 968
M. D. Malesa	981 043	21 657	120 000	114 195	30 732	24 150	148 407	8 062	32 279	1 480 525
M. S. L. Chauke	1 187 982	21 657	-	-	30 732	12 303	145 518	20 539	-	1 418 731
M. S. Seanego	1 093 925	19 928	-	-	28 279	6 152	133 993	-	-	1 282 277
E. Hlangwini (Acting allowance)	72 640	-	-	-	-	-	-	-	-	72 640
	10 738 871	160 607	657 758	257 059	239 231	133 737	1 405 270	292 091	390 578	14 275 202
March 2024										
Name	Salary	Housing	Travel allowance	Medical aid	Cellphone allowance	Backpay	Pension	Reimbursive travel & subsistence allowance	Performance bonus	Total
M. G. Makoko (CEO)	1 907 755	20 397	168 000	101 933	34 277	62 759	269 015	131 391	-	2 695 527
M. V. Molepo (CFO)	1 238 298	20 397	180 000	-	34 277	41 340	177 497	97 155	13 749	1 802 713
L. Ganess	1 502 687	20 397	66 758	-	28 944	45 478	195 072	185 523	-	2 044 859
L. K. Mathavhane	1 379 545	20 397	84 000	-	28 944	42 489	182 310	173 241	-	1 910 926
M. P. Masogo	1 342 317	20 397	78 000	48 013	28 944	42 621	182 886	38 904	-	1 782 082
M. D. Malesa	852 221	20 397	120 000	102 432	28 944	30 204	135 409	-	-	1 289 607
M. S. L. Chauke	94 057	1 728	-	-	2 453	-	11 525	-	-	109 763
	8 316 880	124 110	696 758	252 378	186 783	264 891	1 153 714	626 214	13 749	11 635 477

Ms. M. S. L. Chauke was appointed as the Senior Manager: Finance effective 1 March 2024.

The Company Secretary, Adv. M. S. Seanego, was appointed effective 1 May 2024.

Dr. M. P. Masogo retired as at end of September 2024 due to natural attrition. Ms. E. Hlangwini has been acting in the Senior Manager: Law Enforcement from 1 October 2024.

27. Prior-year adjustments

Presented below are those items contained in the Notes to the Annual Financial Statements that have been affected by prior-year adjustments. The Risk note, under liquidity risk has been amended from the current year as previously the entity was disclosing account balances and notes that are scoped out the financial instruments standards GRAP 104. Funds to surrender has been restated as a result of an under provision of staff accrual by R 296 286 in the previous year. Computer software amounting to R111 994 that was brought into use on 1 June 2023 was incorrectly depreciated in the 2023-24 financial year. The amortisation for the year was incorrectly calculated as R93 328 instead of R11 666. The related accumulated amortisation was restated by R81 662.

Statement of financial position

March 2024	As previously reported	Correction of error	Restated
Funds to surrender	10 926 920	(296 286)	10 630 634
Intangibles	373 741	81 662	455 403
	11 300 661	(214 624)	11 086 037

Statement of net asset

March 2024	As previously reported	Correction of error	Restated
Net Asset	6 575 849	81 662	6 657 517

Risk note

At 31 March 2024	Less than one year (Previously reported as)	Between one and two years (Previously reported as)	Correction of error	Less than one year (Corrected to be)	Between one and two years (Corrected to be)
Staff accrual	3 702 400	-	(3 702 400)	-	-
Long service awards	665 588	1 657 748	(2 323 336)	-	-
Operating lease	212 926	-	(212 926)	-	-
	4 580 914	1 657 748	(6 238 662)	-	-

28. Risk management

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities. The entity's considers its liquidity risk low attributable to available cash resources and funding structure.

The table below provides details of the entity's remaining contractual financial liabilities:

At 31 March 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	2 754 247	-	-	-
	-	-	-	-

At 31 March 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	1 368 862	-	-	-
	-	-	-	-

Credit risk

Credit risk refers to the risk that a 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. Additionally, the entity's financial assets mainly consists of cash and cash equivalent and short term deposits. Our main source of income is through grants received from the Department of Economic Development, Environment and Tourism.

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 risk

The entity's major source of revenue is government grants and to a 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 the market interest at the reporting date would have increased/(decreased) the surplus for the year by the amounts below:

Interest rate sensitivity risk						
Financial instrument	Interest rate change	March 2025	March 2024			
Cash and cash equivalent (UPward 1% change)	1,00%	229 477	288 620	-	-	-
Cash and cash equivalent (Downward 1% change)	(1,00)%	(229 477)	(288 620)	-	-	-

29.Going concern

The 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 will still be receiving funding for the next financial year as an allocation from its shareholder, LEDET.

30.Events after the reporting date

The entity does not have any events after reporting date that warrant any adjustments to the financial statements.

	2025	2024
31.Funds to surrender		
Cash and cash equivalents	22 947 704	28 862 029
Less: Current liabilities	(14 314 483)	(13 562 468)
Less: Levies already surrendered	-408	(74 386)
Add: Trade debtors	771 815	1 420 786
Less: Amount for under provision	-	(296 286)
Add: Effects of prior year	-	137 775
Less: Commitments	(1 423 521)	(5 856 816)
Closing balance	7 981 107	10 630 634

The committed expenditure represents the amounts budgeted for the financial year and contracted for by year end with performance only taking place in the next financial year. The funds to be surrendered to the shareholder includes penalties which the entity has collected as an agent for the Provincial Revenue Fund.

The entity surrenders the funds to Provincial Treasury through the LEDET.

32.Reconciliation between budget and statement of financial performance - Own Revenue

Reconciliation of actual amounts on a comparable basis and actual amounts in the financial statements:

Revenue per the Statement of Financial Performance	439 629 606	365 436 964
Sundry income	(150 870)	(216 844)
Service in kind	(12 029 557)	(10 805 224)
Total revenue per the budget statement	427 449 179	354 414 896

33.Reconciliation between budget and statement of financial performance - Expenditure

Expenditure per the Budget Statement	(85 257 985)	(76 531 522)
Prior year operational commitments	(3 845 838)	-
Performance understated	(296 286)	-
Duplicate transactions	(232 966)	-
Loss on sale of assets	30 637	-
Prior period error	(81 618)	-
Service in kind	(12 029 557)	(10 805 224)
Total expenditure per the income statement	(101 713 613)	(87 336 746)

34.Reconciliation between budget and cash flow statement

Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities:

Operating activities		
Actual amount as presented in the budget statement	342 191 194	278 100 221
Basis differences	(345 662 077)	(274 271 825)
Net cash flows from operating activities	(3 470 883)	3 828 396
Investing activities		
Actual amount as presented in the budget statement	(2 443 442)	(21 185)
Net cash generated from operating, investing and financing activities	(5 914 325)	3 807 211

35.Budget explanations

Material differences between budget and actual amounts

The budget covers the full financial year to 31 March 2025 . Material differences are explained below.

35.1. Operating income

The entity under collected operating revenue by 26% due to factors outside the entity's control such as reduced number of casino licence fees.

35.2. Interest received

The interest earned by the entity comes from a call account that the entity maintains. Levies that are collected are kept in the call account before the transfer to LEDET. The entity expected to earn more interest than the original budget, however, interest fell short of the adjusted budget by 18% due to the reduction in interest rates.

35.3. Other operating revenue

The budget was increased by R66.5 m during the budget adjustment. However, the entity collected 8% above the adjusted budget due to increased activity in the gaming industry.

35.4. Annual licence fees

The entity collected over 95% of it annual licence fees budget due to some operators renewing reduced number of employees than anticipated.

35.5. Employee related costs

The movement is largely due to colleagues that left the institution due to natural attrition and others joining the entity. These include amongst others, the retirement of senior manager law enforcement and appointment of the senior manager company secretary. Additionally, a new actuarial report had to be obtained during the audit, resulting in long service awards costs initially considered revised significantly higher than originally anticipated by management. Management had then relied on the previous actuarial report which covered the financial year under review.

35.6. Board members expenses

The difference in the spending vs the budget for the board is mainly as a result of more meetings/ activities coming from CIS handovers, ad hoc committee sessions, CEC meetings regarding licencees non compliances, CEC visitations of licenced including verification of CSI projects by licensee, public hearings for consideration of possible purchase of Peermont by Tsogo Sun. All these activities give rise to sitting allowances, travel claim and accommodation. Additionally, marula took place twice in one financial year, which comes with its own board related activities leading to the main event. These too bear travel, sitting allowance and accommodation costs.

35.7. Depreciation and amortisation

Depreciation and amortisation is lower than the budgeted amount due to the entity reassessment of motor vehicles and furniture procured towards the end of the financial year.

35.8. Operating expenses

The difference is derived from the operating expenses of the entity that were incurred. The slight difference is as a result of marula related expenses such as responsible gambling campaigns and unplanned raids by law enforcement for reported illegal gambling sites; marula took place twice in one financial year.

35.9. Capital assets

R 1600 000 was budgeted for capex and only R 990 425 was spent in the year as per the needs of the entity.

36. BBBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

37. Change in estimate

Property, plant and equipment

The entity has reassessed useful lives of its Property, plant and equipment resulting in the revision of useful life for motor vehicles. The motor vehicles were initially estimated to have a useful life of 8 years in 2017. In the current period, management has revised the estimate of useful life and extended it by a further 4 years. This will result in depreciation amounting to R28 049 recognised in the current year and the 3 subsequent financial years. In the absence of changing the useful lives of the motor vehicle, the entity would have recognised a depreciation expense of R112 196 for the 2024/25 financial year. The change in estimates results in reduced depreciation expense for motor vehicles in the current financial year by R84 147.

38. Unauthorised, Irregular and Fruitless and Wasteful Expenditure

	2025	2024
Irregular expenditure	506 789	-
Fruitless and wasteful expenditure	10 826	236 380
Closing balance	517 615	236 380

*Refer to reconciling notes in the annual report

Additional Narratives

Irregular expenditure

The AGSA identified R506 789 irregular expenditure during the 2024/25 audit relating to the provision of internal audit services LGB02/2023/24RFB. The irregular expenditure is as a result of contravening Treasury Regulation no. 16A.3.2. In the prior year, AGSA identified irregular expenditure amounting to R 9 574 during the audit. This amount has not been recognised in the financial statements as this amount is still under investigation by the Financial Misconduct Committee and has not been confirmed.

Fruitless and wasteful expenditure

The entity has incurred fruitless expenditure in the 2023/24 financial year amounting to R 233 767 in relation to travel costs for an international trip. An additional figure of R 2 613 was incurred for changes in flights.



PART G

RESPONSIBLE GAMBLING

1. What is Problem Gambling?

Gambling has been part of the South African culture for a long time and until the promulgation of the Limpopo Gambling Act 1996, No. 4 of 1996 as amended, only a few forms of gambling were regulated in the Limpopo province.

To a greater extent, gambling is an accepted leisure activity and the majority of the population gamble with no adverse consequences. Yet, there is a minority of people who end up gambling excessively and often feel rejected, misunderstood and isolated because there is little knowledge in our community about the potential dangers of gambling.

Anybody who gambles has the potential to develop problems. People often begin to lose control when difficult personal issues arise, and gambling becomes a coping mechanism. Problem gambling is characterised by a strong pull or compulsion towards gambling that becomes more and more difficult to resist. People describe this as the urge to gamble and they say that despite all the logical arguments they have against gambling, this urge will not go away until it is satisfied by gambling.

People often become frustrated with themselves and carry feelings of guilt, shame and embarrassment. Excessive gambling can lead to significant problems that could harm relationships, finances, work, physical health and mental health. This experience is called problem or compulsive gambling.

2. Warning Signs of Problem Gambling:

The following are some of the signs that gambling has become a problem:

- a) Gambling more money than is affordable;
- b) Being preoccupied with gambling;
- c) Making repeated, unsuccessful attempts to cut down or stop gambling and being irritable or restless during these attempts;
- d) Gambling to escape problems or to relieve negative feelings;
- e) Chasing losses (gambling more money to try to win back losses);
- f) Lying to others to conceal the extent of gambling;
- g) Obtaining money illegally to gamble;
- h) Risking relationships or work or educational opportunities due to gambling;
- i) Borrowing from friends, family or financial institutions to finance gambling or gambling-related debts;
- j) Gambling alone;
- k) Gambling a significant proportion of income on pay day;
- l) Feeling stressed during and/or after a gambling session;
- m) Gambling being the only source of fun.

3. Excessive Gambling Can Affect the Following:

a) **Personal life**

When you are a problem gambler, you may end up feeling depressed, lonely and isolated from family and friends. A problem gambler may gamble to escape pressures or conflict.

b) **Family life**

Relationships can suffer as a result of excessive gambling. Family members may also lie to keep the extent of gambling a secret.

c) **Financial situation**

A compulsive gambler would:

- Borrow money to maintain his/her lifestyle and gambling habits;
- Gamble until all the money is gone;
- Gamble to chase losses, even when in debt;
- Experience financial difficulties that possibly lead to legal problems.

d) **Work life**

Preoccupation with gambling can result in the loss of concentration at work or lost time from work due to gambling. It can also result in working long hours to obtain money to gamble.

e) **Health**

Stress-related illness, such as headaches, back pain, inability to sleep, mood swings and hypertension, can develop as a result of problem gambling. Loss of control over gambling can trigger feelings of guilt and desperation, which can lead to thoughts of suicide.

f) **Values**

When you are a problem gambler, you can compromise your values by lying about the amount of time and money spent on gambling.

g) Social life

A compulsive gambler would prefer to gamble alone and, as a result, have little or no time for socialising. Social life may also be affected when a compulsive gambler avoids friends who have lent money.

4. Strategies to Control Gambling:

The following are some suggestions for reducing the harm associated with gambling:

- a) Remember that gambling is entertainment. It is not a way to get rich quickly or pay off your debts.
- b) Practise delay in responding to the urge to gamble by doing something else or finding long-term alternative enjoyable activities.
- c) Work out how much you can afford to spend on gambling and budget for it. Be careful to stick to your gambling budget. One way to do this is to only carry the amount of money you have budgeted for gambling on the day.
- d) Do not try to recoup your losses. They may only increase.
- e) Beware of how often and how long you play.
- f) When you are winning, take occasional breaks. Think about the smart time to stop.
- g) Only use your own money.
- h) Gamble in company, not alone.
- i) Develop a support network of family or friends to talk to when you want to resist the urge to gamble.
- j) Apply for self-exclusion at one of the gambling institutions.

Sometimes, even after trying some of these strategies, dealing with gambling problems on your own can be difficult. This is when the extra support of someone who specialises in gambling counselling can be very helpful.

If you need help with a gambling problem, for yourself, a friend or someone you care for, call the National Gambling Programme's toll-free helpline on 0800 006 008 or send an SMS to 076 675 0710.



**WINNERS KNOW
WHEN TO STOP**

A GAMBLING PROBLEM HURTS
Call Our Toll Free Counselling Line
0800 006 008
or SMS 076 675 0710

GAMBLING MYTHS & FACTS

Wise up to responsible gambling!!!



www.lgb.org.za

MYTH

The longer a slot machine is played without a big win, the more likely it is to pay out next time.

FACT

Each spin of a slot machine produces a random number. While it seems jackpots pay out at regular intervals, it is impossible for random numbers to be influenced by a previous sequence of random numbers.

MYTH

If you keep track of previous results, you can figure out future outcomes.

FACT

Every gambling play is an independent random event, with no memory. So, previous outcomes (as in lottery draws, cards and slots) cannot influence future ones.

MYTH

The race goes to the strongest, fastest horse.

FACT

Studying the form—the past performance of a race-horse or its jockey—should make it easy to choose a winner, however, the handicap system lowers the odds on a superior horse and increases the element of chance in every race.

MYTH

Luck favours the superstitious.

FACT

Although many gamblers believe that lucky rituals, actions or objects can help tip the odds in their favour, all outcomes are random and pure chance. "Lady Luck" does not exist in gambling and cannot influence results.

MYTH

If you know the rules of a game, you increase your chances of winning.

FACT

Knowing the rules of the game can only help you make decisions while playing. It cannot increase your chances of winning. The cards you are dealt will decide whether you win or lose—and you have no control over them.

MYTH

My uncle is an expert at roulette. He has a system for coming out ahead.

FACT

The probability of winning always favours the house. Every play on the roulette wheel is an independent chance event, so systems cannot determine results or give an advantage to one player over another.

Winners know when to stop

**FOR PROBLEM
GAMBLING
COUNSELLING PHONE
0800 006 008**



**NATIONAL
Responsible
Gambling
PROGRAMME**

e-mail: counsellor@responsiblegambling.co.za

[illegible]

This image shows a full page of white paper designed for handwriting practice. It features numerous horizontal dashed lines spaced evenly across the page, providing a guide for letter height and placement. There are no margins, text, or other markings on the paper.

PHYSICAL ADDRESS:

8 Hans van Rensburg Street Polokwane, 0699
Limpopo Province South Africa

POSTAL ADDRESS:

Private Bag X9520, Polokwane 0700,
Limpopo Province

Tel: +27 15 230 2300
E-mail: ceo@lgb.co.za
Website: www.lgb.org.za

PR 111/2026

ISBN: 978-1-83491-768-9