NORTH WEST
GAMBLING BOARD

ANNUAL REPORT
2024 | 2025

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PART A

GENERAL INFORMATION

1. PUBLIC ENTITY GENERAL INFORMATION

NAME OF ENTITY	North West Gambling Board
BUSINESS HOURS	Monday to Friday, 08:00 to 16:30
NWGB HOTLINE NO.	0860 545 545
WEBSITE	www.nwgb.co.za
EXTERNAL AUDITORS	Auditor-General of South Africa
BANK	ABSA Bank, Mahikeng
BOARD SECRETARY	Ms. Tshireletso Marabutse

HEAD OFFICE	
Physical Address	4059 Joules Street, Industrial Site, Mahikeng, 2745

Postal Address	Private Bag x 34, Mmabatho 2735

Contact Number	018 384 3215
WhatsApp Number	+27 72 334 2468

2. LIST OF ABBREVIATIONS / ACRONYMS

B-BBEE	Broad-Based Black Economic Empowerment
CCMA	Commission for Conciliation, Mediation and Arbitration
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COGTA	Department of Corporate Governance and Traditional Affairs
FY	Financial Year
GGR	Gross Gaming Revenue
GRAP	Generally Recognized Accounting Practice
HR	Human Resources
LPM	Limited Payout Machine
MEC	Member of the Executive Council
NDP	National Development Plan
NWGB	North West Gambling Board
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Framework Act
RFA	Request for Applications
SAPS	South African Police Service
SARGF	South African Responsible Gambling Foundation

3. FOREWORD BY THE ACCOUNTING AUTHORITY

Mr. B. Qalinge

3.1. Introduction

The North West Gambling Board is an entity of the Provincial Department of Economic Development, Environment, Conservation and Tourism and established in terms of section 3 of the North West Gambling Act, 2 of 2001 to regulate gambling in the Province and advise the MEC on any matter relating to gambling activities in the Province.

The Board is a non-business Schedule 3C public entity as envisaged in section 53 of the Public Finance Management Act, 1 of 1999 and it is thus entirely funded through a grant.

The Board is required in terms of section 40(d)(i) of the Public Finance Management Act to submit an Annual Report on the activities of the Board for the year under review.

It is therefore my pleasure to present the Annual Report of the North West Gambling Board for 2024/25 Financial Year. The Annual Report consists of both the financial and non-financial information.

The information contained herein has been audited by the Auditor-General of South Africa in terms of section 58 of the Public Finance Management Act.

3.2. Strategic overview and performance highlights for 2024/25

The Board performed its activities in accordance with its legislative mandate and approved Annual Performance Plan.

During the year under review, the Board managed to renew all operating licenses and issued 10 new licenses. Licensees contributed significantly to Socio-Economic Development initiatives through license conditions as imposed by the Board. The Board in collaboration with SAPS continues to combat illegal gambling operations in the Province.

The term of the previous Board came to an end in July 2024, subsequent to which the **Honourable MEC K.E.B. Lenkopane** appointed Mr. B. Qalinge who is the Acting Chief Executive Officer as the Accounting Authority.

Although the Board continued to operate without a substantive Chief Executive Officer and Board of Directors, the Entity still managed to achieve its objectives.

3.3. Strategic relationships

The Board had engagements with law enforcement agencies such as the South African Police Service to find collaborative ways of combating illegal gambling.

The Board in collaboration with various licensees delivered on the pronouncement made by **Honourable MEC K.E.B. Lenkopane** for Lobelo la Dipitsi in reviving the traditional horse racing in the Province and thereby ensuring participation of historically disadvantaged individuals (HDI) and boosting local economy.

3.4. Challenges faced by the Board

The Board is faced with a constant challenge of illegal gambling in the Province, which is also a national crisis. This phenomenon continues to negatively affect the revenue collection and further exposes members of the general public to unsafe gambling and practices.

3.5. Strategic focus over the medium to long term period

The Board is in the process of issuing an RFA for 2nd totalizator license to operate in the Province. Furthermore, the Responsible Member is in consultation with the National Minister of Trade Industry and Competition in relation to 2nd phase of Limited Payout Machines roll out. The Board has commenced the process of amending the Provincial Gambling Act as a strategic approach to combat and address illegal gambling in the Province.

3.6. Acknowledgements / Appreciations

I would like to extend my gratitude to the Department of Economic Development, Environment, Conservation and Tourism led by **Honourable MEC K.E.B. Lenkopane** for her leadership and encouragement, all Honourable Members of the Legislature, the Portfolio Committee on Economic Development, Environment, Tourism, Agriculture and Rural Development and the Provincial Executive Council for their oversight and valuable inputs to the Board's affairs.

I thank all the Stakeholders for their support in the effort to regulate the industry.

3.7. Conclusion

I hereby present the North West Gambling Board Annual Report for the 2024/25 FY.

Mr. B. Qalinge
Accounting Authority: North West Gambling Board

4. ACTING CHIEF EXECUTIVE OFFICER'S OVERVIEW

Mr. B. Qalinge

4.1. General financial review of the public entity

The operations of the Board are funded through a grant from the Department of Economic Development, Environment, Conservation and Tourism. For the year under review, the Board was allocated a budget of R76 216 000, which has proved to be insufficient for the optimal performance of the Board. The Board will need additional budget for the following critical projects, filling of vacant posts (R 9,7M), adequate funding for goods and services (R11,35M), Illegal gambling (R1,9M), and ICT Infrastructure (R 3M).

4.2. Capacity, constraints and challenges facing the Board

Key positions remain unfunded due to inadequate grant allocation. The inadequate grant allocation does affect the operations of the Board especially the fight against illegal gambling operations. The Board will strive to put cost containment measures in place to ensure that there is no overspending on the budget.

The Entity has been operating without the Board since August 2024 to date. Further to the above, the Board incurred high legal fees on litigations emanating from the previous financial years. In order to mitigate the escalating legal costs, the Board embarked on interactions with stakeholders and licensees, and created a platform for dispute resolution mechanisms, which resulted in a reduced spending on legal costs as compared to previous years. The continuous engagement with licensees regarding various licencing matters will strengthen the relationship with stakeholders and this also mitigate the decisions of the Board being challenged. Although when comparing 2023/24 **(R3 954 412)** to 2024/25 **(R 4 778 420)** legal costs there is an increase of 21%, the entity is still on a down ward trajectory from the highest costs recorded in the 2022/23 FY **(R7,829,363).**

The gambling industry is no exception to the rapid technological development, as such additional funding would therefore be required to build the expertise and capacity in this area to combat illegal gambling as well as to be on par with the current gambling trends.

4.3. Supply Chain Management

As required by Treasury Regulations, 2005, issued in terms of the Public Finance Management Act, 1 of 1999, the Board has a fully-fledged Supply Chain Management Unit. The Board has reviewed and approved its Supply Chain Management Policy in line with the Preferential Procurement Policy and Regulations of 2022.

A total of 35% (R27 164 000) of the grant allocated went towards the goods and services budget and a total of one hundred and one (101) suppliers benefited from the allocated amount.

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

The Entity considered the audit report covering the previous financial year and put internal control measures in place to address the audit findings through the development of Post Audit Action Plan.

Out of a total of **14** findings, a total of **9 (64%)** were resolved. The remaining **5** findings (**36%)** relating to the appointment of key positions such as CEO, CFO and appointment of the Board of Directors is in the process of being addressed during the 2025/26 FY.

4.5. Outlook/ plans for the future to address financial challenges

The Board will continue to engage DEDECT for additional grant in order to address the challenge of inadequate grant allocation and explore alternative funding mechanisms.

4.6. Events after the reporting date

No significant events to report.

4.7. Economic viability

The North West Gambling Board is mandated to regulate gambling in the North West Province. The mandate still remains relevant as the industry is thriving and it is anticipated that it will continue to grow.

4.8. Acknowledgement

I would like to extend my gratitude to staff for their diligence, dedicated service and their commitment in making 2024/25 financial year successful.

4.9. Other (key achievement/s for the year under review)

The North West Gambling and Betting Taxes (Money Bill) and amended North West Gambling and Betting Amendment Act of 2001 have been certified by the state law advisors and now go for public comments process, and it is anticipated to be finalised in the 2025/26 FY.

Mr. B. Qalinge
Acting Chief Executive Officer

5. STATEMENT OF RESPONSIBILITY

5.1. Statement of Responsibility and Confirmation of Accuracy for the Annual Report

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the Annual Report is consistent with the Annual Financial Statements audited by the Auditor General. The Annual Report is complete, accurate and is free from any omissions. The Annual Report has been prepared in accordance with the Guidelines on the Annual Report as issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the GRAP standards applicable to the public entity. The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing, and implementing a system of internal control and 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 entity for the financial year ended 31 March 2025.

Mr. B. Qalinge
Accounting Authority
On behalf of the NORTH WEST GAMBLING BOARD

6. STRATEGIC OVERVIEW

6.1 VISION

To be a leading and socially conscious authority in the regulation of gambling and contribute towards economic growth in the North West Province.

6.2 MISSION

To provide effective and efficient gambling regulatory services, which contributes to socio-economic development in the North West Province.

6.3 VALUES

The North West Gambling Board's approach to service delivery is premised on the following values:

- Integrity
- Service Excellence
- Transparency
- Respect
- Honesty
- Diversity
- Teamwork

7. LEGISLATIVE AND OTHER MANDATES

7.1. North West Gambling Act, 2001 (Act No. 2 of 2001)

- To oversee gambling activities in the Province.
- To advise the Responsible Member on matters of gambling in the Province.
- To invite applications for licenses in terms of the National Gambling Act (Act No.7 of 2004).
- Investigate and consider applications for licenses.
- Conduct Inspections.
- Impose administrative sanctions on licensees.
- Issue offence notices.
- Ensure that unlawful activities related to casinos, racing, gambling and wagering and unlicensed gambling activities are prevented or detected and prosecuted.
- To review licenses and activities of licensees.
- To collect and administer in accordance with the provisions of the Act, levies and fees imposed by the Act.
- To make rules and regulations governing the licensing, conduct and operation of any gambling activity or business.

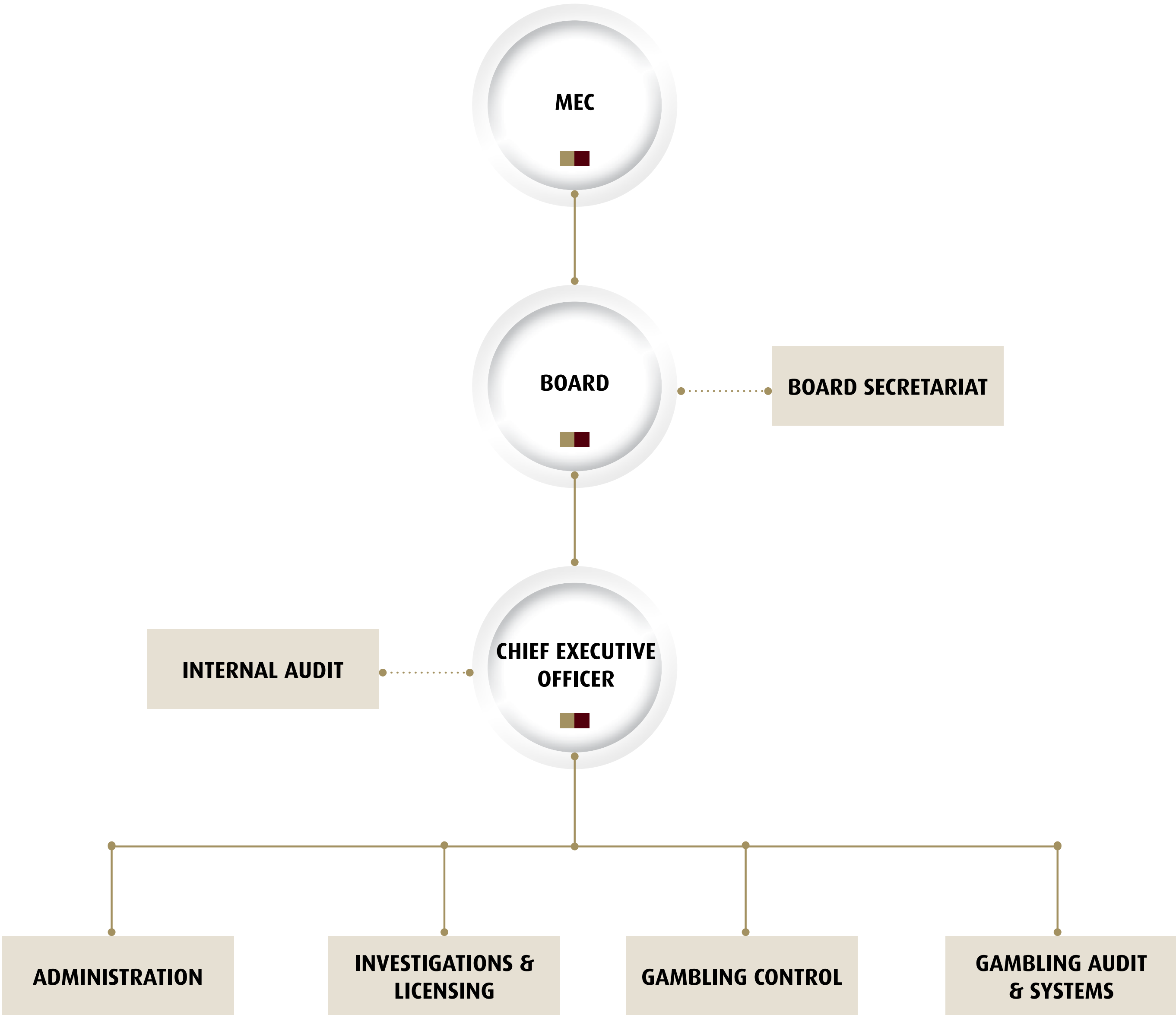
7.2. Public Finance Management Act 1 of 1999

The Board is a schedule 3C public entity in terms of the Public Finance Management Act and is fully funded through a grant by the Department of Economic Development, Environment, Conservation & Tourism.

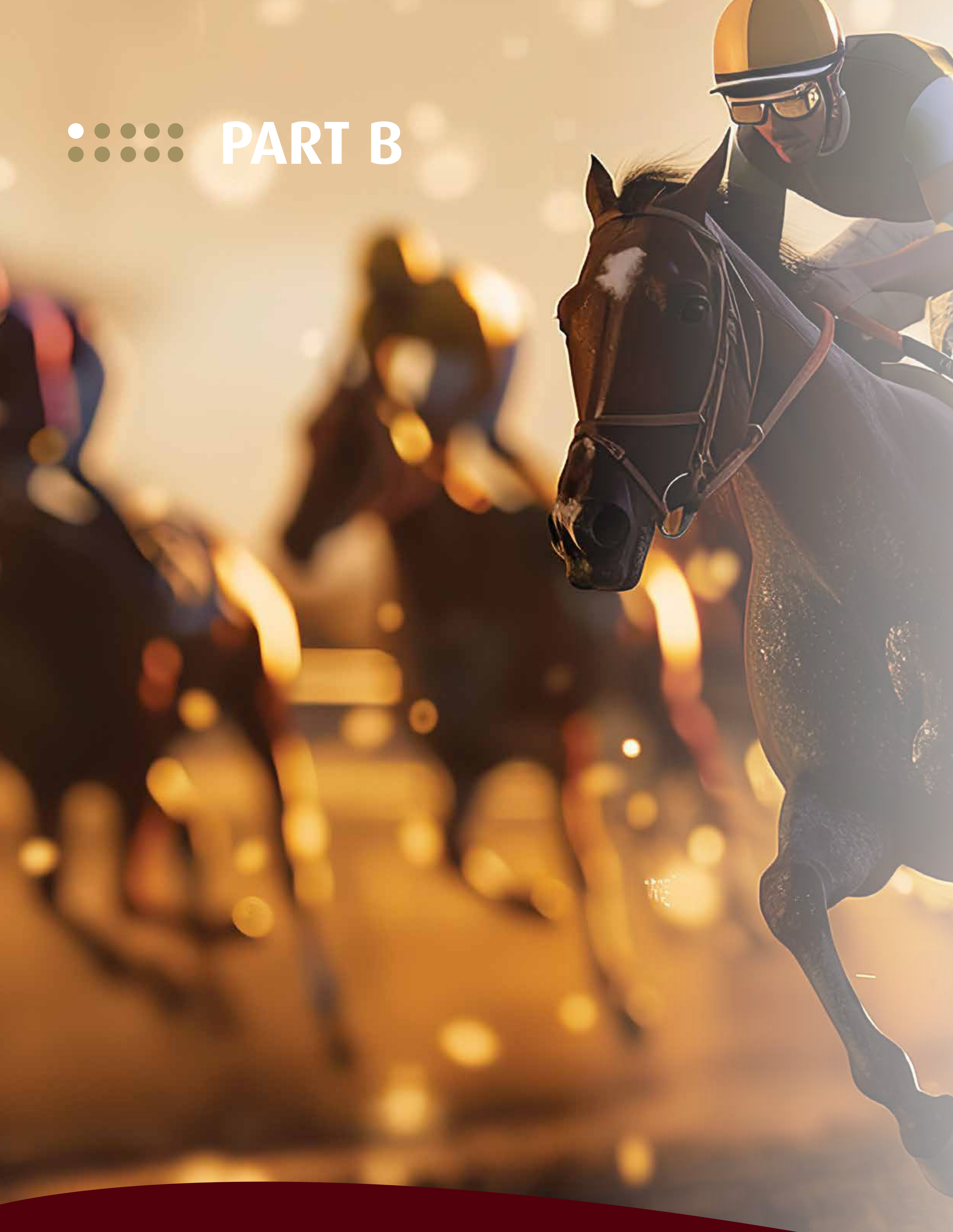
7.3. National Development Plan, 2030

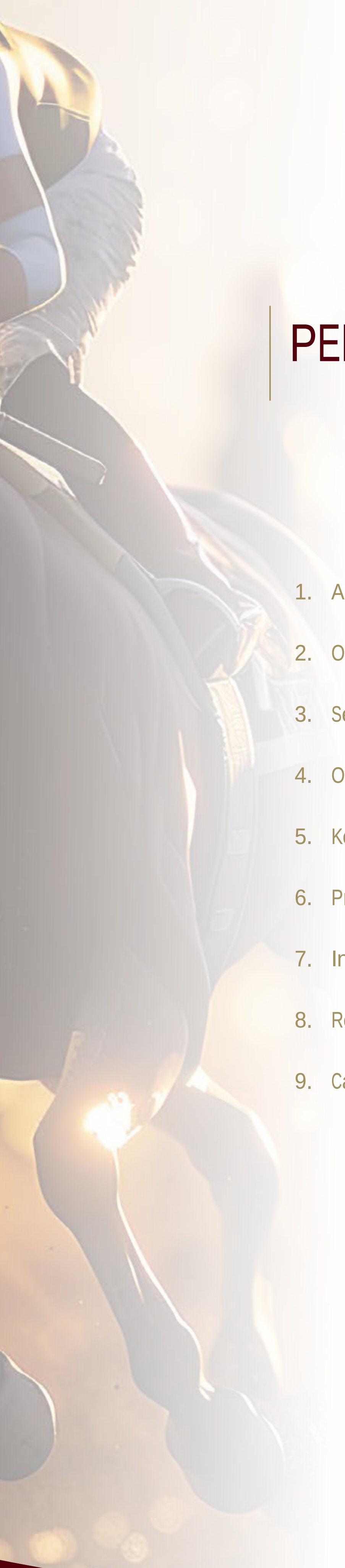
The National Development Plan was adopted by the Republic of South Africa in 2012 and its main objective is to eliminate poverty and reduce inequality by 2030. The NDP is a call to action for all South Africans to build a formidable democratic and transformative State with inclusive participation in the economy.

8. ORGANISATIONAL STRUCTURE



PART B





PERFORMANCE INFORMATION

1. Auditor-General's Report: Predetermined Objectives
2. Overview of Public Entity's Performance
3. Service Delivery Environment
4. Organisational Environment
5. Key Policy Developments and Legislative Changes
6. Progress towards achievement of institutional impacts and outcomes
7. Institutional Programme Performance Information
8. Revenue Collection
9. Capital Investment

Management of the Board

Mr. B. Qalinge
Acting Chief Executive Officer*

Ms. E Phosiwa
Acting Chief Financial Officer

Mr. C Rakgoale
Risk Manager

Ms. T Marabutse
Board Secretariat

Mr. S Mogapi
Gambling Control Manager

Mrs. L Moiloa
Financial Accounting Manager

Mr. N Lehutso
Supply Chain Manager

Ms. L Mokgoje
Facility Manager & Acting Manager: Corporate Relations

Mr. K Nkaelang
Acting Manager: Information Technology

Mr. M Dikobe
Acting Manager: Planning, Monitoring & Evaluation

Ms. D Sepeng
Acting Financial Manager

Ms. T Kwela
Human Resource Manager

Mr. I Makete
Acting Manager: Gambling Audit & Systems

* Legal Manager

Vacant: Investigations & Licensing Manager

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

Predetermined objectives

The Auditor-General of South Africa performs the necessary audit procedures on the performance information of the North West Gambling Board. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

Refer to page 85 of this Report for the Auditor's Report, published as part financial information.

2. OVERVIEW OF PERFORMANCE

2.1. Service Delivery Environment

Over and above the licensing of gambling and betting establishment, the Board is empowered in terms of section 42 of the North West Gambling Act, 2 of 2001, to impose on its licensees, license conditions which are aimed at encouraging licensees to contribute to community social investment projects.

During the year under review, R3,2 million was contributed towards the upliftment of the standard of living for the people of the Province by our licensees through various Socio-Economic Development and Corporate Social Investment initiatives.

Description	2024/2025 FY
Casinos	2 454 148,89
LPMs	244 018,35
Bingos	304 029,00
Bookmakers	131 913,00
Totalizator	80 093,69
	R3 214 203

2.2. Organizational Environment

Twenty-three (23) positions remain vacant of which seven (7) are funded and sixteen (16) are unfunded. The vacant positions include that of both Chief Executive Officer and Chief Financial Officer.

2.3. Key Policy Developments and Legislative Changes

The Board has amended the North West Gambling Act which is currently undergoing necessary legislative processes.

3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The Board is in line with the achievements of its medium-term strategic outcomes as per the approved Strategic Plan.

In response to the Medium-Term Strategic Framework 2019 – 2024, the Board focused mainly on Service Delivery Outcome 4: Decent employment through inclusive economic growth.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

PROGRAMME 1:

ADMINISTRATION

Mr. B. Qalinge

Acting Chief Executive Officer & Legal Manager

Purpose: Providing strategic leadership to ensure that organization attains its mandate.

Programme / Sub-programme								
OUTCOME	**OUTPUT**	**OUTPUT INDICATOR**	**AUDITED ACTUAL PERFORMANCE 2022/2023**	**AUDITED ACTUAL PERFORMANCE 2023/2024**	**PLANNED ANNUAL TARGET 2024/2025**	**ACTUAL ACHIEVEMENTS 2024/2025**	**DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2024/2025**	**REASONS FOR DEVIATIONS**
Sound Governance Systems	Assurance provided by Internal Audit on compliance and internal controls	Number of Internal Audit conducted	-	4	4	4	None	None
	Revenue surrendered to the Provincial Fiscus	Amount of revenue collected	115 473 190	108 546 838	120 523 000	109 823 064	10 699 936	The Board under-collected by R10 699 936 for the 2024/25 financial year due to the following reasons: • The revenue target was based on the 2020 increased tariffs that were challenged by licensees and thus reverted to paying levies in terms of the 2002 North West Gambling Regulations since the Constitutional Court judgement on 29 November 2023. • The closure of other gambling operations, and • The licensees that are not paying their levies when they become due.

Programme / Sub-programme								
OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2022/2023	AUDITED ACTUAL PERFORMANCE 2023/2024	PLANNED ANNUAL TARGET 2024/2025	ACTUAL ACHIEVEMENTS 2024/2025	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2024/2025	REASONS FOR DEVIATIONS
	Security of information	Number of information security systems penetration tests conducted	-	1	1	1	None	None
Adherence to the gambling legislation	Responsible gambling promoted	Number of awareness campaigns conducted on responsible gambling	-	20	10	60	50	Over-achievement due to participation in Thuntsha Lerole Phase 4 and campaigns arranged by SARGF

Linking Performance to Budget Programme 1: Administration

	2023/2024			2024/2025		
	Budget R'000	Actual Expenditure 2023/2024	(Over) / Under-Expenditure R'000	Budget R'000	Actual Expenditure 2024/2025	(Over) / Under-Expenditure R'000
	53 409	51 417	1 992	53 852	53 001	801
Total	53 409	51 417	1 992	53 852	53 001	801

PROGRAMME 2:
INVESTIGATIONS AND LICENSING

Purpose: To ensure that every person involved in gambling in the North West Province is suitable and registered or licensed in terms of the North West Gambling Act and applicable gambling legislation.

Programme / Sub-programme								
OUTCOME	**OUTPUT**	**OUTPUT INDICATOR**	**AUDITED ACTUAL PERFORMANCE 2022/2023**	**AUDITED ACTUAL PERFORMANCE 2023/2024**	**PLANNED ANNUAL TARGET 2024/2025**	**ACTUAL ACHIEVEMENTS 2024/2025**	**DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2024/2025**	**REASONS FOR DEVIATIONS**
SMME's participation rate	Gambling license issued	Number of new gambling licenses issued	14	12	10	10	None	None
	Gambling employees registered	Percentage of gambling employees registered	400	100%	100%	100%	None	None
	Gambling and betting licenses renewed	Number of gambling licenses renewed	229	225	229	243	14	Over achievement was as a result of continuous roll out of Limited Payout Machines Sites.

Linking Performance to Budget Programme 2: Investigation and Licensing

	2023/2024			2024/2025		
	Budget R'000	**Actual Expenditure 2023/2024**	**(Over) / Under-Expenditure R'000**	**Budget R'000**	**Actual Expenditure 2024/2025**	**(Over) / Under-Expenditure R'000**
	7 053	10 396	(3 343)	8 315	8 015	300
Total	**7 053**	**10 396**	**(3 343)**	**8 315**	**8 015**	**300**

STATISTICS - LICENSED OPERATORS: 2024/2025 FY

CASINO OPERATORS

LICENSEE	TRADING NAME	TOWN	DISTRICT
Peermont Global (NW) (Pty) Ltd	Rio Casino Hotel Casino Convention Resort	Klerksdorp	Dr Kenneth Kaunda
Peermont Global (NW) (Pty) Ltd	Mmabatho Palms Hotel Casino Convention Resort	Mmabatho	Ngaka Modiri Molema
Sun International SA Ltd	Sun City Casino	Mogwase	Bojanala
Lakama Resorts and Casino (Pty) Ltd	The Carousel Casino	Temba	Bojanala

BINGO OPERATORS

LICENSEE	TRADING NAME	TOWN	DISTRICT
Santoscan (Pty) Ltd	Goldrush Bingo	Rustenburg	Bojanala
Santosat (Pty) Ltd	Goldrush Bingo	Potchefstroom	Dr Kenneth Kaunda
Galaxy Bingo North West (Pty) Ltd	N/A	Brits	Bojanala
Galaxy Bingo Moruleng (Pty) Ltd	N/A	Rustenburg	Bojanala
Firegame (Pty) Ltd	N/A	Rustenburg	Bojanala
Ansino (Pty) Ltd	N/A	Vryburg	Dr Ruth Mompati
Pioneer Bingo NW (Pty) Ltd	N/A	Klerksdorp	Dr Kenneth Kaunda
Latiano 560 (Pty) Ltd	Goldrush Bingo North West	Hebron	Bojanala
* Yugame (Pty) Ltd	N/A	Klerksdorp	Dr Kenneth Kaunda

***Not yet operational**

INDEPENDENT SITE OPERATORS

LICENSEE	TRADING NAME	TOWN	DISTRICT
Varloflash (Pty) Ltd	Grand Central Station Entertainment Centre	Mahikeng	Ngaka Modiri Molema
Tshufi Gaming and Resort (Pty) Ltd	Platinum Slots	Rustenburg	Bojanala
Ansino (Pty) Ltd	Tic Tac 777	Klerksdorp	Dr Kenneth Kaunda
Magic Slots SA (Pty) Ltd	N/A	Brits	Dr Kenneth Kaunda
Ansino (Pty) Ltd	N/A	Rustenburg	Bojanala
*Gogaming (Pty) Ltd	N/A	Hebron	Bojanala
Ansino (Pty) Ltd	N/A	Vryburg	Dr Ruth Mompati

***Not yet operational**

TOTALIZATOR OPERATOR

LICENSEE	TRADING NAME	TOWN	DISTRICT
4Racing (Pty) Ltd	N/A	Brits	Bojanala
		Klerksdorp	Dr Kenneth Kaunda
		Mahikeng	Ngaka Modiri Molema
		Orkney	Dr Kenneth Kaunda
		Potchefstroom	Dr Kenneth Kaunda
		Taxi Rank (Rustenburg)	Bojanala
		Rustenburg (Boom Street)	Bojanala
		Zeerust	Ngaka Modiri Molema
		Sun Village	Bojanala
		Mahikeng (Totobola Building)	Ngaka Modiri Molema
		Rustenburg	Bojanala

TOTALIZATOR AGENCIES

4Racing (Pty) Ltd	N/A	Hartebeespoort	Bojanala
		Noordkom	Dr Kenneth Kaunda
		Ventersdorp-Moonlight TAB	Dr Kenneth Kaunda
		Ikageng Gate	Dr Kenneth Kaunda
		Letlhabile	Bojanala
		Marikana	Bojanala
		Klerksdorp	Dr Kenneth Kaunda
		Lichtenburg	Ngaka Modiri Molema
		Brits	Bojanala
		Mogwase	Bojanala
		Brits	Bojanala
		Letlhabile	Bojanala
		Sun Village	Bojanala

BOOKMAKER OPERATORS

LICENSEE	TRADING NAME	TOWN	DISTRICT
Betfred South Africa Holdings (Pty) Ltd	N/A	Marikana	Bojanala
		Brits	Bojanala
		Klerksdorp	Dr Kenneth Kaunda
		Mahikeng	Ngaka Modiri Molema
		Orkney	Dr Kenneth Kaunda
		Potchefstroom	Dr Kenneth Kaunda
		Rustenburg	Bojanala
		Rustenburg (Boom Street)	Bojanala
		Rustenburg Taxi Rank	Bojanala
		Zeerust	Ngaka Modiri Molema
		Ikageng Gate	Dr Kenneth Kaunda
		Letlhabile	Bojanala
		Marikana	Bojanala
		Klerksdorp	Dr Kenneth Kaunda
		Lichtenburg	Ngaka Modiri Molema
		Brits Spoorweg	Bojanala
		Mogwase	Bojanala
Central Gaming Management (Pty) Ltd	Vendinet (Pty) Ltd	Vryburg	Dr Ruth Mompati
	Vendivista (Pty) Ltd	Potchefstroom	Dr Kenneth Kaunda
	Loniplex (Pty) Ltd	Mahikeng	Ngaka Modiri Molema
	Lonivista (Pty) Ltd	Delareyville	Ngaka Modiri Molema
	N/A	Lichtenburg	Ngaka Modiri Molema
		Mahikeng	Ngaka Modiri Molema
		Rustenburg	Bojanala
Dankopath (Pty) Ltd	G-Bets	Klerksdorp	Dr Kenneth Kaunda
		Bapong	Bojanala
		Moruleng	Bojanala
		Ga-Rankuwa	Bojanala
		Tlhabane	Bojanala
		Phokeng	Bojanala
		Wolmaransstad	Dr Kenneth Kaunda
		Boitekong Mall	Bojanala
Betfred SA trading North West (Pty) Ltd	N/A	Rustenburg	Bojanala
Scorebet North West (Pty) Ltd	N/A	Klerksdorp	Dr Kenneth Kaunda
		Rustenburg (Biblio Plaza)	Bojanala
		Rustenburg (Taxi Rank)	Bojanala
		Rustenburg	Bojanala
		Brits	Bojanala
		Letlhabile	Bojanala
		Zeerust	Ngaka Modiri Molema
		Sun Village	Bojanala
		Mahikeng	Ngaka Modiri Molema
		Taung	Dr Ruth Mompati
Kenilworth (Pty) Ltd	N/A	Rustenburg	Bojanala
*Carousel Bets (Pty) Ltd	N/A	Mafikeng	Ngaka Modiri Molema

LICENSEE	TRADING NAME	TOWN	DISTRICT
*NAFCOC North West Holdings (Pty) Ltd	N/A	Mmabatho	Ngaka Modiri Molema
*Win Bets (Pty) Ltd	N/A	Mmabatho	Ngaka Modiri Molema
Sunbet (Pty) Ltd	N/A	Mogwase	Bojanala
Slipknots Investments 48 (Pty) Ltd	Afribet	Mahikeng	Ngaka Modiri Molema
Boss Bets (Pty) Ltd	N/A	Hartebeespoort	Bojanala
Ansino (Pty) Ltd	N/A	Klerksdorp	Dr Kenneth Kaunda
Zar Prive (Pty) Ltd	Belmond	Taung	Dr Ruth Mompati

ROUTE OPERATORS

LICENSEES	TRADING NAME	TOWN	DISTRICT
Vukani Gaming North West (Pty) Ltd	N/A	Rustenburg	Bojanala
Goldrush Slots North West (Pty) Ltd	Goldrush Slots North West	Klerksdorp	Dr Kenneth Kaunda
Maponya Gaming NW (Pty) Ltd	Mega Slots	Mahikeng	Ngaka Modiri Molema

AMUSEMENT MACHINE OPERATORS

LICENSEES	TOWN	DISTRICT
Fantasia Family Entertainment Centre	Klerksdorp	Dr Kenneth Kaunda
Asteroids Entertainment (Pty) Ltd	Sun City Casino	Bojanala

NATIONAL LICENCE HOLDER

LICENSEE	TYPE OF SERVICES
Betanogenix (Pty) Ltd	Supplier and Maintenance Provider
*Scorebet Manufacturing (Pty) Ltd	Manufacturer, Supplier and Maintenance Provider
All4Games (Pty) Ltd	Manufacturer, Supplier and Maintenance Provider
*HERMES (Pty) Ltd	Manufacturer, Supplier and Maintenance Provider
*FRAXOROX (Pty) Ltd	Manufacturer, Supplier and Maintenance Provider
Neon Gaming (Pty) Ltd t/a Playtech	Manufacturer, Supplier and Maintenance Provider

***Not yet operational**

CERTIFICATE OF SUITABILITY HOLDERS

REGISTRANTS	TYPE OF SERVICES
CA Nizetich CC trading as, Deltatronics	Surveillance Systems
Technology and Procurement Holdings (Pty) Ltd	Surveillance Systems
Kalula Trade 23 (Pty) Ltd	Surveillance Systems
Lithotech Sales Pretoria (Pty) Ltd	Printing
Top Print CC	Printing
Repro Print (Pty) Ltd	Printing
Protea Playing Card CC	Printing and Supplier
TCS John Huxley (Pty) Ltd	Supplier and Maintenance
Bidvest Protea Coin (Pty) Ltd	Security Services
Octagon Surveillance Solutions (Pty) Ltd	Surveillance Systems
International Hotel School (Pty) Ltd	Training
Vegas Management Solutions (Pty) Ltd	Gambling Related
Mvelasa Trading & Projects 101 CC	Surveillance Systems
SW Security Solutions (Pty) Ltd	Security Services
Monster Jam Poker Tour (Pty) Ltd	Poker Tournaments
Goldrush Group Management (Pty) Ltd	Gambling Related Activities
Sun International Management Limited	Gambling Related Activities
Central Gaming Management (Pty) Ltd	Gambling Related Activities
JE Gambling Corporation (Pty) Ltd	Gambling Related Activities

SITE OPERATORS

GOLDRUSH SLOTS NORTH WEST (Pty) Ltd

SITE NAME	SITE OWNER	TOWN
Boss Bets (Pty) Ltd	Boss Bets (Pty) Ltd	Hartebeespoort
Botsalano Café & Restaurant	Phineas Thapelo Setshoane	Rustenburg
Bridge's Tavern	Annah Mmathaba Rakoma	Rustenburg
Chatters Bistro Cafe	Prima Trading (Pty) Ltd	Lichtenburg
Cisco Pub & Grill	Collen Nchiboy Ramaidi	Rustenburg
Curty's Tavern	Masego Pamela Sellwe	Rustenburg
Delicious Liquor Restaurant	Kelebogile Cynthia Motseko	Taung
Dichaba Kopano Tavern	Sebopeng Doreen Mashome	Mahikeng
Downbase Restaurant	Bigboy Petrus Tlhabane	Koster
Duitswes Kombuis	Simone Van Der Merwe	Hartebeespoort
Fiestos Fast Foods	Rosa Maria Gomes Garces	Klerksdorp
Frank's Sports Bar	Francisco Jose Jardim Ponte	Potchefstroom
Frekkies Sports Bar	Frederick Jacobus Marais	Brits

SITE NAME	SITE OWNER	TOWN
Gabosegangwe Tavern	Morongoe Martha Mokgwasi	Zeerust
Gae's Tavern	Temotheo Joseph Gae	Mahikeng
Gazelle Cocktail Lounge	Impala Events	Potchefstroom
G-Bets	Toriglo (Pty) Ltd	Bapong
G-Bets	Toriglo (Pty) Ltd	Ga-Rankuwa
G-Bets	Toriglo (Pty) Ltd	Klerksdorp
G-Bets (Moruleng)	Toriglo (Pty) Ltd	Rustenburg
G-Bets (Phokeng)	G-Bets North West (Pty) Ltd	Rustenburg
G-Bets	Toriglo (Pty) Ltd	Potchefstroom
G-Bets (Tlhabane)	Toriglo (Pty) Ltd	Rustenburg
G-Bets	G-Bets North West (Pty) Ltd	Wolmaranstad
G-Bets (Boitekong)	Bontsala Business Solution (Pty) Ltd	Rustenburg
Graceland Liquor Restaurant	Esau Maleshane Loate	Mahikeng
Hangover Sportsbar	Johan Stoltz	Swartruggens
Harmony Restaurant	Ruiqi Zhuang	Mahikeng
Hendrika Liquor Restaurant	Kegomoditswe Hendrika Gaelatse	Taung
Hozane Nonke	Fu Fa Bar CC	Orkney
Ikabo's Restaurant	Brenda Ncane	Potchefstroom
Jabu Bar	Rita Amara De Sousa	Stilfontein
JW Tavern	Jan Andries Benjamin De Beer	Ventersdorp
Khangela Liquor Restaurant	Shonalanga Couriers (Pty) Ltd	Marikana
King's Tavern	When's Den BK	Potchefstroom
Lethabong Tavern	Dikeledi Selina Chiloane	Klipgat
Madala's Place	Saltiel Dannyboy Ramafi	Rustenburg
Marula Launch	Pogiso John Montshioagae	Schweizer-Reneke
Mmapitso Liquor Tavern	Gladys Nneneki Florence Kobue	Rustenburg
Moipone's Eating House	Emily Moipong Doyi	Koster
Montana Liquor Restaurant	Sabata Susan Makgaka	Rustenburg
Nikita Pub & Grill	Jose Antonio Rodrigues	Brits
Phola Park Tavern	Sebopeng Doreen Mashome	Mahikeng
Playbet	Vendivista (Pty) Ltd	Potchefstroom
Porto Tavern	Nelson Florentino Duarte	Potchefstroom
P.S.J.M. Zonke Bonke	Patrick Samuel Mosina	Hammanskraal
PSJM Eating House	Patrick Samuel Mosina	Hammanskraal
Pulane's Tavern	Salamina Josephine Pulane Matshela	Koster
Radiatie Restaurant	Kgomotso Anna Molote	Rustenburg

SITE NAME	SITE OWNER	TOWN
Refilwe Bar Lounge	Esau Maleshane Loate	Potchefstroom
Reggy's Place	Lesego Lucky Letlhogile	Taung
Retla Liquor Tavern	Keamogetse Cynthia Thetswe	Morokweng
Semunye Tavern	Alfred Gabonewe Mokgwasi	Zeerust
Sgodi Phola Tavern	Thandekile Precious Lephoi	Mahikeng
Sijo Tavern	Frank Sello Chauke	Hammanskraal
Swartruggens Hotel	Johan Stoltz	Swartruggens
The Star Restaurant	Christian Nnamdi Okwaranwa	Klerksdorp
Tic Tac	Loniplex (Pty) Ltd	Mahikeng
Tic Tac	Lonivista (Pty) Ltd	Delareyville
Tic Tac	Vendinet (Pty) Ltd	Vryburg
Tlhabologang Pub	Kgabane Israel Ramokgadi	Rustenburg
Tlhapi's Tavern	Ntshimane Isaac Tlhapi	Klipgat
Tom, Dick & Harry Sports Bar	Willem Van Der Merwe	Hartebeespoort
Vuku Inn	Vuyisile Abram Mjezu	Ventersdorp
Winnie's Tavern	Johannes Whywhy Moloantoa	Rustenburg
Zama Zama Tavern	Anna Johan Joubert	Bloemhof

VUKANI GAMING NORTH WEST (Pty) Ltd

SITE NAME	SITE OWNER	LOCATION
Apollo Entertainment	Ramalima (Pty) Ltd	Potchefstroom
Alive Pub	Norman Ramari	Potchefstroom
Betfred South Africa Holdings (Pty) Ltd	Betfred South Africa Holdings (Pty) Ltd	Rustenburg
Betfred South Africa Holdings (Pty) Ltd	Betfred South Africa Holdings (Pty) Ltd	Marikana
Botsalano Chinese Restaurant	Daniel Concalves Pestana	Mahikeng
Bravo Sports Bar	Arbari Trading (Pty) Ltd	Rustenburg
Brazillian Tavern	When's Den BK	Potchefstroom
Brits Tavern	Pienza Business Investment CC	Brits
Boitebogo Pub & Grill	Rendani Eric Nyambeni	Saulspoort
Bundu's Inn	Sesabo Merriam Addisu	Rustenburg
Caravela Portuguesa	North Riding Gardens Erf 958 CC	Haartebeespoort
De Sun Pub & Grill	Daniel Concalves Pestana	Mahikeng
Diamond Saloon Restaurant	Rufus Jose Hanekom	Christiana
Duitwes Kombuis Pub	Simone van der Merwe	Hartebeespoort
Francisco Restaurant	De Matos Bonanza CC	Rustenburg
Four Forty Pub & Restaurant	Manzac Productions and Events (Pty) Ltd	Rustenburg

SITE NAME	SITE OWNER	LOCATION
Gully's Jungle Bar	Joao Gabriel Nunes	Klerksdorp
Genesisi Pub	Xiao Yin China Store (Pty) Ltd	Paardekraal
Golden Cup	Debao Weng	Brits
Impala Hotel	Impala Drankkelder CC	Potchefstroom
Jam House	Orshla Digraysia Lefakane	Marikana
Jazz Bar	Dean Anton Farndell	Orkney
JT's Tavern	Le Lounge Dey Trading and Enterprise (Pty) Ltd	Potchefstroom
Lion's Pub	Fahui Trading (Pty) Ltd	Wolmaranstad
Mabaleng Sports Café	Mpho Aubrey Mogapi	Rustenburg
Mabaleng Sports Tavern	De Chen	Rustenburg
Malan Street Tavern	Lin Xuahua	Rustenburg
Martino's	Fu Fa Bar	Stilfontein
Midtown Pub & Sports Bar	Julio Vaz	Stilfontein
Morokotso	Thutugo Holdings (Pty) Ltd	Lehurutshe
Mike's Tavern	Michael Gaorekwe Megalane	Lehurutshe
Mmanuku's Tavern	Botshelo Mogoshane	Rustenburg
Mozam Tavern	Moareena Estiak	Ventersdorp
Mthimkhulu Bar Lounge	Mthimkhulu Investment CC	Rustenburg
Noordkom Tavern	Noordkom Klerksdord Drankwinkel Bk	Klerksdorp
Neon Night Club	When's Den CC	Potchefstroom
Oupa's Tavern	Thato Kgomongwe	Rustenburg
Pica Pau	Hogs Breath CC	Hartebeespoort
Pirates Restaurant	Arezki Messaoudi	Potchefstroom
Prestige Liquor Restaurant	Huang Zhong	Zeerust
Phepo Ntle Restaurant	Xuehua Lin	Rustenburg
Platinum Bar & Restaurant	Xiabing Trading CC	Rustenburg
Protea Ebony & Jazz Bar	Slipknot Investments 48 (Pty) Ltd	Mahikeng
Rank Tavern	Rank Chen Tavern Trading (Pty) Ltd	Orkney
Rebitso Projects (Pty) Ltd	Rebitso Projects (Pty) Ltd	Rustenburg
Reefway Hotel	Gebeyethu Wholesale (Pty) Ltd	Orkney
Royal Lounge	Pedro Goncalves Chadinha	Rustenburg
Royal Lush Lounge	Pedro Goncalves Chadinha	Rustenburg
Santa Fe Ladies Bar	Henning William Mortimer	Haartebeespoort
Scorebet North West (Pty) Ltd	Scorebet North West (Pty) Ltd	Brits
Scorebet North West (Pty) Ltd	Scorebet North West (Pty) Ltd	Rustenburg
Scorebet North West (Pty) Ltd	Scorebet North West (Pty) Ltd	Rustenburg
Scorebet North West (Pty) Ltd	Scorebet North West (Pty) Ltd	Rustenburg

SITE NAME	SITE OWNER	LOCATION
Scorebet North West (Pty) Ltd	Scorebet North West (Pty) Ltd	Sun Village
Scorebet North West (Pty) Ltd	Scorebet North West (Pty) Ltd	Zeerust
Scorebet North West (Pty) Ltd	Scorebet North West (Pty) Ltd	Taung
Shosholoza Tavern	Gebeyethu Wholesalers (Pty) Ltd	Potchefstroom
Sun Restaurant	Octamy (Pty) Ltd	Klerksdorp
Sunset Tavern	Wildebeest Liquor (Pty) Ltd	Rustenburg
The Barrel & Bull Pub & Grill	Riverwalk Trading 182 CC	Rustenburg
The Pitch Next Door	Antoinette Kealeboga Atkinson	Mahikeng
The Rump and Draught Café	Pased Industries (Pty) Ltd	Rustenburg
Three Step Liquor Restaurant	Tewodros Demissie Debrework	Rustenburg
Transvaal Hotel	Rescop (Pty) Ltd	Rustenburg
Venice	Rabelani Vennon Ramakulukusha	Brits
Van Riebeeck Bar & Eating House	Wakeford Sinton Francis	Vryburg
Why Tavern	Sweets Jin Liquors (Pty) Ltd	Vryburg
Yonk Eating House	Hirot Ashebir Malatjie	Rustenburg
4Racing Proprietary Limited	4Racing Proprietary Limited	Brits
4Racing Proprietary Limited	4Racing Proprietary Limited	Klerksdorp
4Racing Proprietary Limited	4Racing Proprietary Limited	Mahikeng
4Racing Proprietary Limited	4Racing Proprietary Limited	Mahikeng
4Racing Proprietary Limited	4Racing Proprietary Limited	Orkney
4Racing Proprietary Limited	4Racing Proprietary Limited	Potchefstroom
4Racing Proprietary Limited	4Racing Proprietary Limited	Rustenburg
4Racing Proprietary Limited	4Racing Proprietary Limited	Zeerust

EMPLOYEE REGISTRATIONS

LICENSEE	STAFF HEAD COUNT	PERMANTLY REGISTRATIONS	TEMPORARILY REGISTERED
Sun City Casino	252	249	3
Rio Casino	102	100	2
Mmabatho Palms Casino	79	78	1
4Racing	14	14	0
Vukani Gaming	11	11	0
Goldrush Slots	16	16	0
Site Operators	222	210	12
Goldrush Bingo	61	60	1
Galaxy Bingo NW	32	32	0
Betfred	133	131	2
Central Gaming	200	179	21

LICENSEE	STAFF HEAD COUNT	PERMANTLY REGISTRATIONS	TEMPORARILY REGISTERED
G-Bets	152	152	0
Bidvest Protea Coin	34	34	0
Galaxy Moruleng	26	25	1
Varloflash	22	19	3
Scorebet NW	152	151	1
Vegas Bingo	10	10	0
Ansino (Bingo)	15	13	2
Ansino Klerks (Slots)	4	4	0
Monsterjam	39	39	0
Tshufi Gaming	23	23	0
Magic Slots	12	12	0
K2022825938	15	15	0
Ansino Rusten (Slots)	16	13	3
Betanogenix	6	6	0
International Hotel School	2	2	0
Zar Prive	5	5	0
Slipknots	8	8	0
Ansino (Bookmaker)	12	12	0
Boss Bets	6	5	1
Ansino Vryburg	7	6	1
Maponya Gaming	3	2	1
Hebron Bingo	27	27	0
Total	**1718**	**1663**	**55**

PROGRAMME 3:
GAMBLING CONTROL

Mr. S. Mogapi

Gambling Control Manager

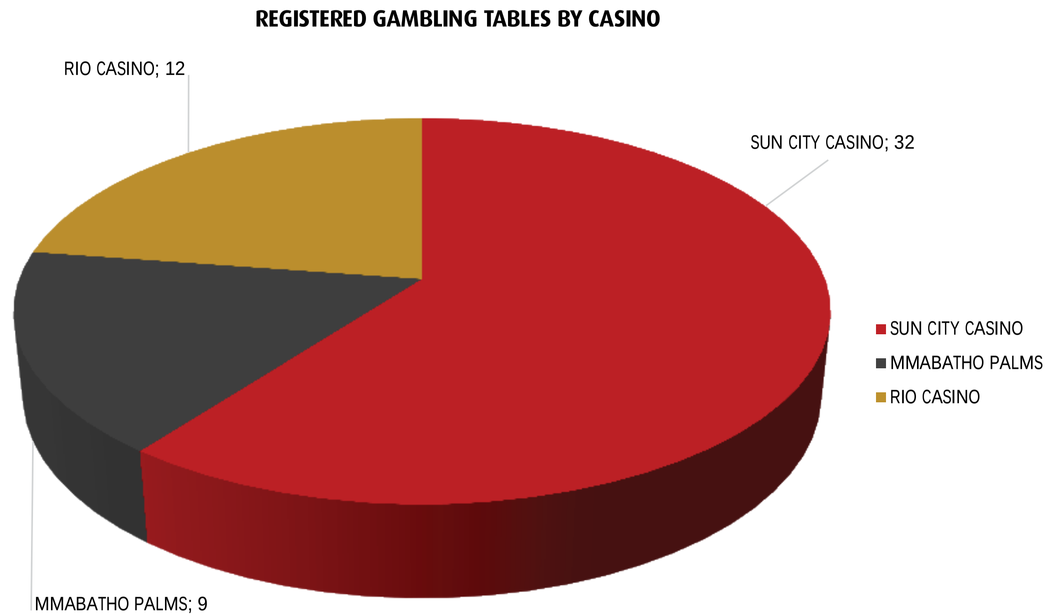
Purpose: To ensure that gambling is conducted in compliance with North West Gambling Legislation and in a fair and honest manner.

Programme / Sub-programme								
OUTCOME	**OUTPUT**	**OUTPUT INDICATOR**	**AUDITED ACTUAL PERFORMANCE 2022/2023**	**AUDITED ACTUAL PERFORMANCE 2023/2024**	**PLANNED ANNUAL TARGET 2024/2025**	**ACTUAL ACHIEVEMENTS 2024/2025**	**DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2024/2025**	**REASONS FOR DEVIATIONS**
Adherence to the gambling legislation	Illegal gambling activities reduced	Number of offence notices issued to illegal gambling operations	197	251	200	283	83	Participation in Thuntsha Lerole programme, National Consumer day operation and other operations arranged and collaborated with the South African Police Service
		Number of illegal gambling machines confiscated	-	319	300	630	330	Participation in Thuntsha Lerole programme, National Consumer day operation and other operations arranged and collaborated with the South African Police Service
	Compliance inspections reports	Number of compliance inspections conducted	250	250	300	300	None	None

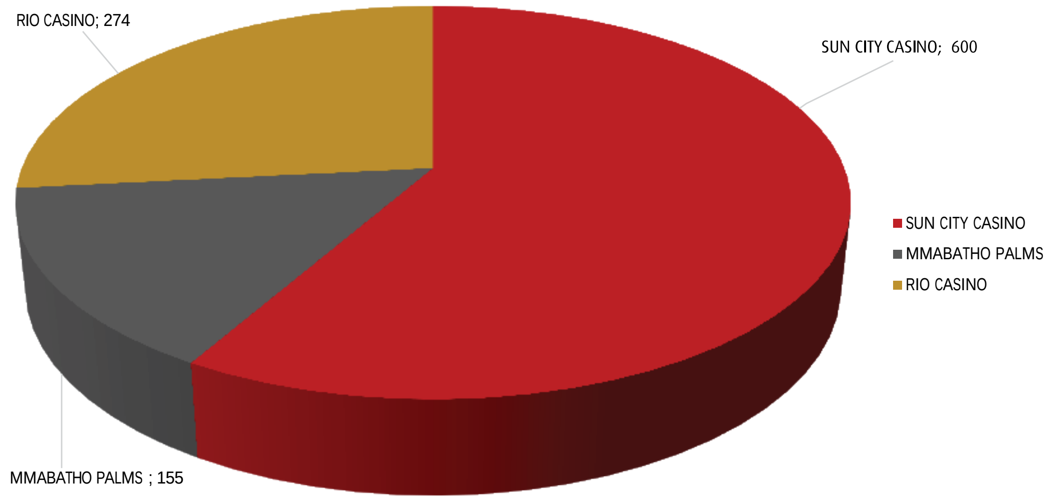
Linking Performance to Budget Programme 3: Gambling Control

	2023/2024			2024/2025		
	Budget R'000	Actual Expenditure 2023/2024	(Over) / Under-Expenditure R'000	Budget R'000	Actual Expenditure 2024/2025	(Over) / Under-Expenditure R'000
	8 194	8 255	(61)	8 671	8 599	72
Total	**8 194**	**8 255**	**(61)**	**8 671**	**8 599**	**72**

GAMBLING MACHINES AND TABLE STATISTICS

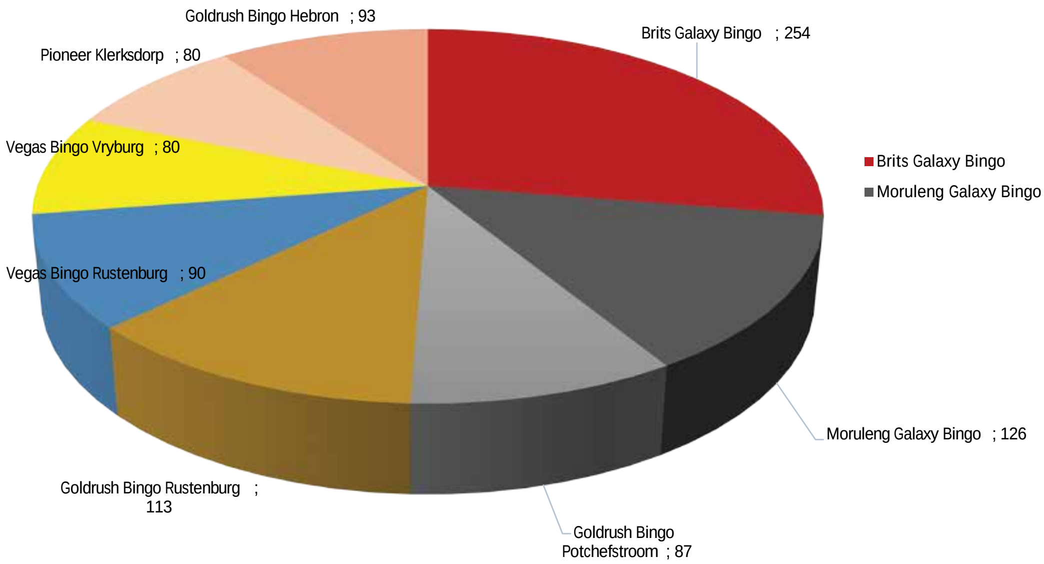


REGISTERED GAMBLING MACHINES BY CASINO



*** The operations of Sun Carousel as operated by Lakama Resorts which is licensed to operate 400 gambling machines, and 6 gambling tables remains closed since August 2024.**

REGISTERED ELECTRONIC BINGO TERMINALS BY UNIT



*** Pioneer Bingo ceased operations in November 2024.**

IDENTIFIED ILLEGAL GAMBLING OPERATIONS	No.
Ngaka Modiri Molema	06
Bojanala	30
Dr. Kenneth Kaunda	18
Dr. Ruth Segomotsi Mompati	08
Total	**62**

*** Three raids were conducted in collaboration with the South African Police Service, one of which targeted a residential property found to be manufacturing illegal Chinese Roulette gambling machines. These machines are commonly found in tuckshops and are known to target children. 278 illegal gambling machines were destroyed on 09 May 2025.**

PROGRAMME 4:
GAMBLING AUDIT AND SYSTEMS

Mr. I. Makete

Acting Manager: Gambling Audit & Systems

Purpose: To provide assurance that all levies and taxes from the licensees are accurate and complete and that the compliance to the legislation is adhered to.

Programme / Sub-programme								
OUTCOME	**OUTPUT**	**OUTPUT INDICATOR**	**AUDITED ACTUAL PERFORMANCE 2022/2023**	**AUDITED ACTUAL PERFORMANCE 2023/2024**	**PLANNED ANNUAL TARGET 2024/2025**	**ACTUAL ACHIEVEMENTS 2024/2025**	**DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT FOR 2024/2025**	**REASONS FOR DEVIATIONS**
Adherence to the gambling legislation	Compliance audits conducted	Number of compliance audits conducted	72	72	80	80	None	None
	Revenue statistical report	Number of revenue verifications conducted	-	4	4	4	None	None

Linking Performance to Budget Programme 4: Gambling Audit and Systems

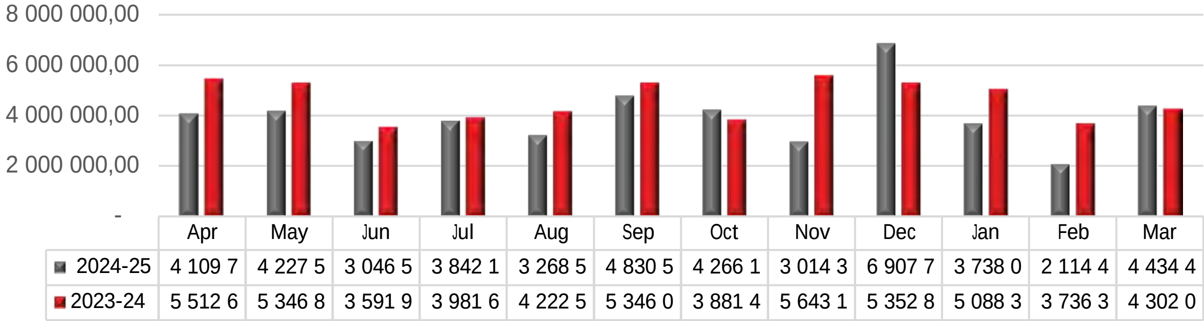
	2023/2024			2024/2025		
	Budget R'000	**Actual Expenditure 2023/2024**	**(Over) / Under-Expenditure R'000**	**Budget R'000**	**Actual Expenditure 2024/2025**	**(Over) / Under-Expenditure R'000**
	7 560	6 899	661	7 601	7 367	234
Total	**7 560**	**6 899**	**661**	**7 601**	**7 367**	**234**

REVENUE PERFORMANCE AND STATISTICAL ANALYSIS FOR LICENSEE

Casinos

Source	2023-24	2024-25	% Change
Turnover	5 458 054 216	4 845 975 050	-11%
GGR	742 260 170	602 810 411	-19%
Levies	56 151 512	47 800 437	-15%

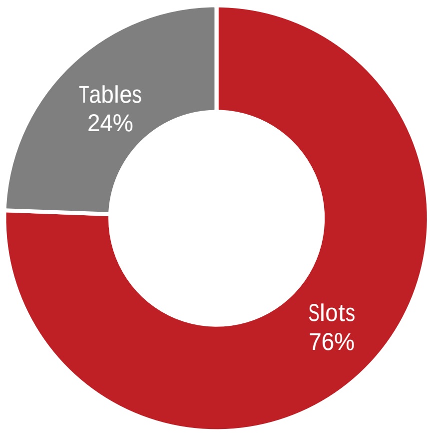
Monthly Levy Comparison



Contribution by Slots and Tables

Source	Turnover	GGR	Levies	Levies' Percentage contribution
Slots	4 017 676 196	455 725 869	36 137 225	76%
Tables	828 298 854	147 084 542	11 663 211	24%
Total	**4 845 975 050**	**602 810 411**	**47 800 437**	**100%**

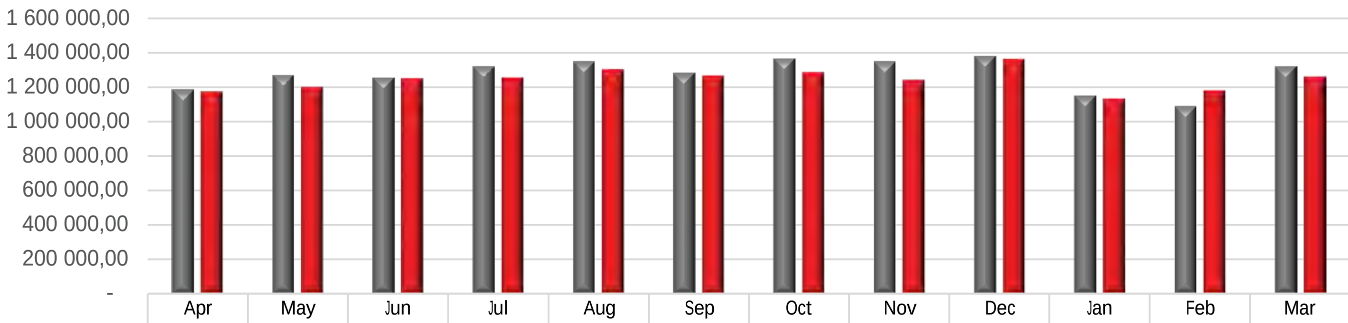
Levy contribution by Slots and Tables



Limited Payout Machines

Source	2023-24	2024-25	% Change
Turnover	3 547 877 287	3 640 720 020	3%
GGR	249 992 064	256 786 819	3%
Levies	14 999 524	15 407 209	3%

Monthly levy comparison

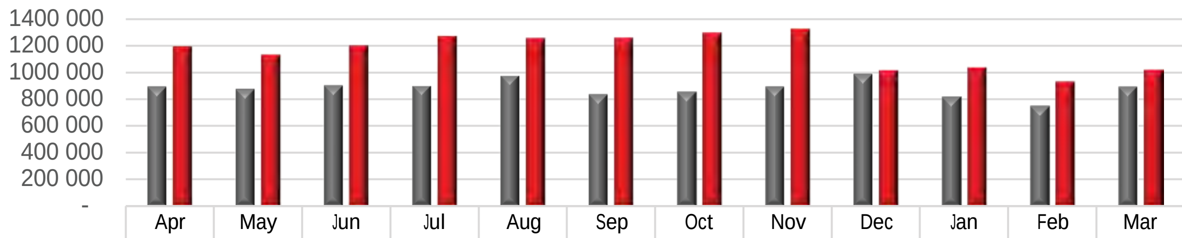


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2024-25	1 194 24	1 277 65	1 263 06	1 328 83	1 357 28	1 288 67	1 373 91	1 356 56	1 387 45	1 157 32	1 095 08	1 327 11
2023-24	1 182 17	1 207 62	1 256 83	1 262 69	1 310 42	1 272 46	1 293 06	1 248 88	1 368 84	1 140 01	1 188 61	1 267 86

BINGO OPERATIONS

Source	2023-24	2024-25	% Change
Turnover	3 432 176 223	3 032 013 995	-12%
GGR	192 011 647	177 540 382	-8%
Levies	14 018 786	10 652 423	-24%

Monthly levy comparison

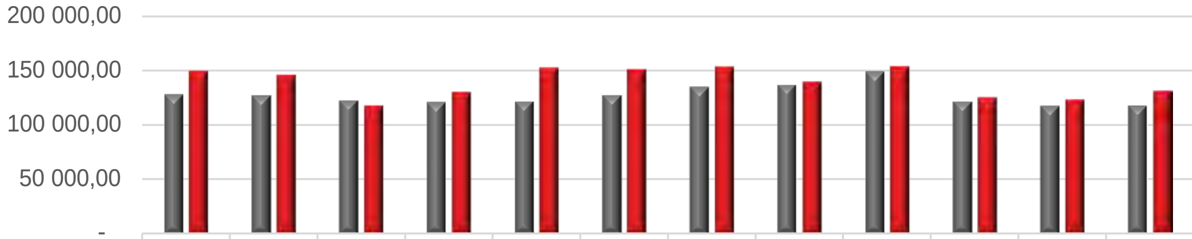


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2024-25	900 348	883 353	908 999	904 932	981 226	839 700	860 533	901 435	995 618	823 721	753 656	898 901
2023-24	1199 64	1138 49	1208 75	1277 09	1263 93	1266 48	1304 76	1333 18	1021 34	1041 66	937 383	1026 04

TOTALIZATOR

Source	2023-24	2024-25	% Change
Turnover	88 460 389	85 939 207	-3%
GGR	24 450 057	23 549 469	-4%
Taxes	1 682 149	1 530 965	-9%

Monthly levy comparison

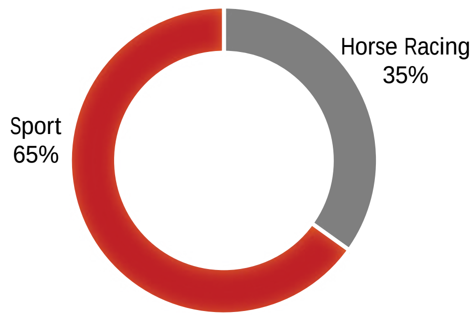


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2024-25	128 582	127 615	122 646	121 323	122 006	127 920	135 256	137 542	149 926	122 118	117 916	118 108
2023-24	150 507	146 573	118 177	130 767	153 312	151 951	154 115	140 475	154 657	125 895	123 959	131 755

Contribution: Horse racing vs Sport

Source	Turnover	GGR	Taxes	Contribution on Taxes
Horse Racing	35 137 055	8 217 709	534 237	35%
Sport	50 802 152	15 331 761	996 728	65%
Total	**85 939 207**	**23 549 469**	**1 530 965**	**100%**

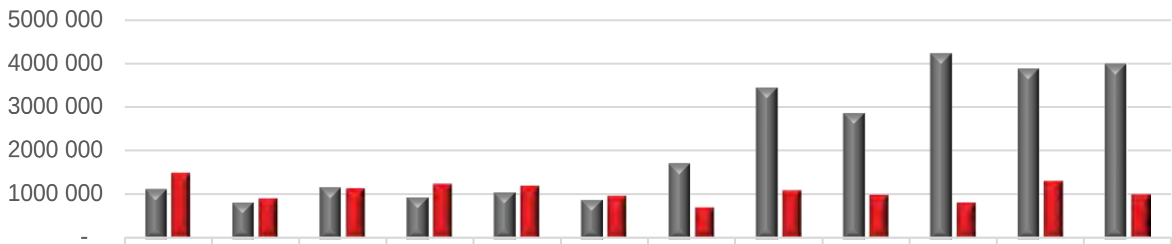
Percentage contribution (Tax)



BOOKMAKERS

Source	2023-24	2024-25	% Change
Turnover	1 219 496 768	7 200 590 082	490%
GGR	187 822 613	398 171 465	112%
Taxes	12 880 271	25 875 184	101%

Monthly levy comparison



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2024-25	1096 32	797 492	1145 12	918 522	1019 79	861 388	1690 00	3436 86	2845 87	4216 96	3869 93	3976 91
2023-24	1491 98	910 257	1140 90	1241 23	1199 03	968 157	706 990	1095 10	994 915	814 671	1307 37	1010 41

Tax contribution by Horseracing vs Sport

Source	Turnover	GGR	Taxes	Tax Percentage
Horse racing	4 738 577	3 348 803	201 888	1%
Sport	7 195 851 505	394 822 662	25 673 296	99%
Total	**7 200 590 082**	**398 171 465**	**25 875 184**	**100%**

Percentage contribution: Horseracing and Sport

STRATEGY TO IMPROVE UNDER PERFORMANCE

Programme	Indicators	Improvement Plans
Administration	Amount of Revenue collected	The Board will ensure that the four (4) non-operational bet exchange licenses will be active from July 2025. The roll out of 2nd totalizator license and introduction of North West Gambling and Betting Taxes Bill. The roll out of the 2nd phase of the Limited Payout Machine.

5. REVENUE COLLECTION

SOURCES OF REVENUE	2023/2024			2024/2025		
	REVENUE TARGET R'000	ACTUAL COLLECTION R'000	OVER/UNDER COLLECTION R'000	REVENUE TARGET R'000	ACTUAL COLLECTION R'000	OVER/UNDER COLLECTION R'000
Gaming levies, taxes and licensees	123,000	108,546	14 454	120,000	109,596	10 927
Total	**123,000**	**108,546**	**14 454**	**120,000**	**109,596**	**10 927**

Factors that affected collection of revenue for the year under review are as follows:

The Board under-collected by R10 699 936 for the 2024/25 financial year due to the following reasons:

- The revenue target was based on the increased gambling tariffs introduced in 2020 under the North West Gambling Regulations. These tariffs were legally challenged by licensees and, following the Constitutional Court judgment on 29 November 2023, were declared invalid. As a result, licensees reverted to paying levies in accordance with the 2002 North West Gambling Regulations.
- The closure of other gambling operations, and
- The licensees that are not paying their levies when they become due.

6. CAPITAL INVESTMENT

INFRASRUCTURE PROJECTS	2023/2024			2024/2025		
	BUDGET	ACTUAL EXPENDITURE	OVER/UNDER EXPENDITURE R'000	BUDGET	ACTUAL EXPENDITURE	OVER/UNDER EXPENDITURE R'000
CAPITAL ASSETS	5 606	5 289	317	1 283	1 396	(173)
Total	**5 606**	**5 289**	**317**	**1 283**	**1 396**	**(173)**

The assets

The conditional assessment of assets was performed during the assets verification that was conducted by internal staff with the assistance of Provincial Treasury officials. According to the report the condition of the assets has been assessed as follows:

- 100% - 80% in good condition
- 79,99% - 25,01 % in fair condition
- 25% - 0% in poor condition

PART C

GOVERNANCE

1. Introduction
2. Portfolio Committee
3. Executive Authority
4. The Accounting Authority / The Board
5. Risk Management
6. Internal Control Unit
7. Internal Audit
8. Compliance with Laws and Regulations
9. Fraud and Corruption
10. Minimising Conflict of Interest
11. Code of Conduct
12. Health, Safety and Environmental issues
13. Company Secretary
14. Social Responsibility
15. Audit & Risk Committee Report
16. B-BBEE Compliance Performance Information

1. INTRODUCTION

The Board remains fully committed to corporate governance principles governing public entities. Assisted by management, the Board of Directors executed all responsibilities assigned in terms of the PFMA and the North West Gambling Act while ensuring that high governance standards and compliance culture is maintained.

2. PORTFOLIO COMMITTEE

As part of the oversight role performed by the Provincial Legislature, the North West Gambling Board appeared before the Portfolio Committee on Economic Development, Environment, Tourism, Rural & Agricultural Development to present the Annual Report for 2024/25 Financial Year and subsequent Annual Financial Statements, the Annual Performance Plan for 2024/25 Financial Year and subsequent performance reports on a quarterly basis to account for activities of the Board as required in terms of the PFMA.

3. EXECUTIVE AUTHORITY

The Board is accountable to the Member of Executive Council responsible for the Department of Economic Development, Environment, Conservation and Tourism. During the period under review, the North West Gambling Board in terms of section 51(1)(f) of Public Finance Management Act submitted four (4) quarterly reports to the Executive Authority as required by the PFMA.

4. THE ACCOUNTING AUTHORITY / THE BOARD

4.1. Introduction

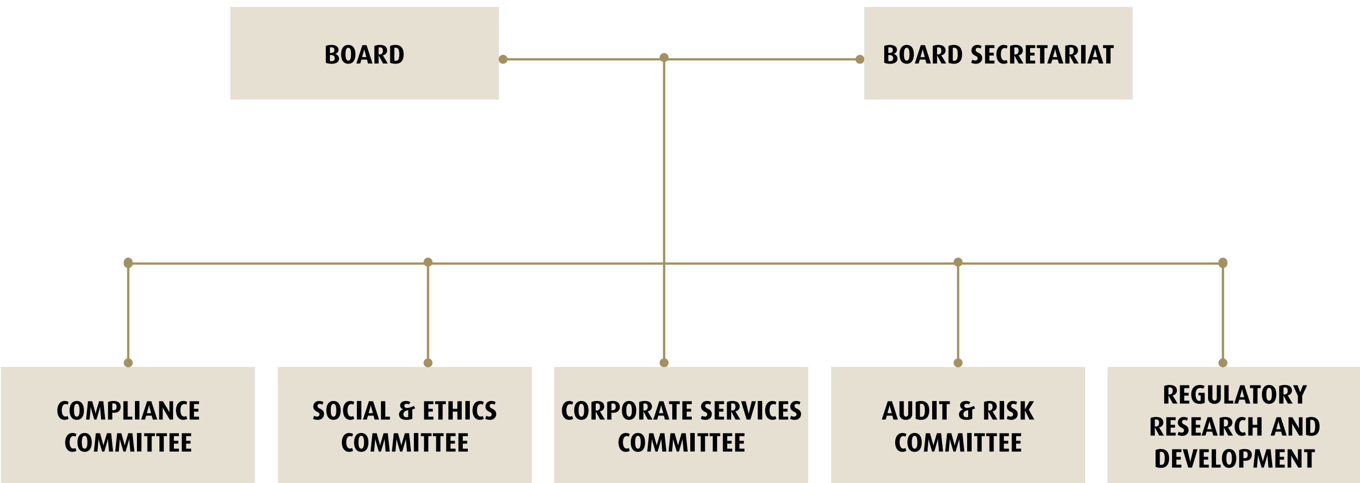
The North West Gambling Board is an entity of the provincial Department of Economic Development, Environment, Conservation and Tourism and established in terms of section 3 of the North West Gambling Act, 2 of 2001 to regulate gambling in the Province and advise the Member of Executive Council on any matter referred to it relating to the control of gambling in the Province.

The Board of Directors is appointed in terms of section 5 of the North West Gambling Act and should consist of nine (9) members.

During the period under review, the Board consisted of eight (8) Board Members.

Structure of the Board

BOARD STRUCTURE



4.2 Role, Functions and Powers of the Board

The role and functions of the Board are in terms of section 4 of the North West Gambling Act read together with section 30 and 31 of the National Gambling Act.

4.3 Board Charter

The Board operates with an approved Board Charter that sets out the composition, membership and size of the Board. The Charter further sets out the role and responsibilities of the Board with regard to the performance and accountability of the entity, monitoring and implementing the annual performance plan, laws, regulations, policy and codes of business practice.

BOARD MEETINGS

APRIL 2024 – 31 MARCH 2025

NUMBER OF MEETINGS HELD	NUMBER OF MEETINGS ATTENDED	NAMES OF MEMBERS
Board Meetings		
7	7	Prof. Vuyo Peach
7	1	Mr Mokone Collen Maine
7	6	Mr Tshenolo Lefutswe
7	7	Mr Kagiso Seleke
7	7	Mr Pogisho Makgale
7	5	Ms Tsholofelo Lerumo
7	5	Ms Busisiwe Pule
7	5	Ms Mpho Maleme

Composition of Board Members (01 April 2024 - 31 March 2025)

NAME	DESIGNATION	DATE APPOINTED	END DATE	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIP	OTHER COMMITTEES OR TASK TEAMS (e.g. Audit & Risk Committee / ministerial task team	NUMBER OF MEETINGS ATTENDED
Prof. Vuyo Peach	Chairperson of the Board	11 October 2023	End of July 2024	B.Juris LLB, LLM, LLD, PgdDiplomas: Human Rights Law Contract Drafting & Inter, Labour Law Certificate & Adva. Certificate Labour Law	Law	Chairperson	None	6/7
Mr Mokone Collen Maine	Deputy Chairperson	11 October 2023	End of July 2024	Bachelors of Public Administration Honours	Public Administration	Deputy Chairperson	Compliance Committee	1/8
Mr Kagiso Seleke	Member	11 October 2023	End of July 2024	National Certificate: Information Technology, Project Management, Business Management	Engineering	Member	Corporate Services Committee, Regulatory Research and Development committee	9/9
Mr Tshenolo Lefutswe	Member	11 October 2023	End of July 2024	CA(SA)	Accounting	Member	Compliance Committee, Audit and Risk Committee	10/13
Ms Tsholofelo Lerumo	Member	11 October 2023	End of July 2024	LLB	Law	Member	Corporate Services Committee, Compliance Committee,	8/10
Mr Kefilwe Makgale	Member	11 October 2023	End of July 2024	Diploma in Public Relations	Public Administration	Member	Regulatory Research and Development committee SED Committee	8/8

NAME	DESIGNATION	DATE APPOINTED	END DATE	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIP	OTHER COMMITTEES OR TASK TEAMS (e.g. Audit & Risk Committee / ministerial task team	NUMBER OF MEETINGS ATTENDED
Ms Mpho Maleme	Member	02 February 2024	End of July 2024	LLB, MF-CPMD,	Law	Member	Socio – Economic Development Committee, Regulatory Research and Development Committee.	5/8
Ms Busisiwe Pule	Member	02 February 2024	End of July 2024	Bachelor of Commerce in Accounting. Advanced Diploma in Accounting Science Certificate in the Theory of Accounting	Accounting	Member	Corporate Services Committee	4/9

COMMITTEES OF THE BOARD

For the 2024/25 Financial Year the roles and responsibilities of these Committees of the Board.

APRIL 2024 – 31 MARCH 2025

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Corporate Services Committee	2	3	1. Ms Tsholofelo Lerumo (chairperson) 2. Mr Kagiso Seleke 3. Ms Busisiwe Pule
Compliance Committee	1	3	1. Mr Tshenolo Lefutswe (Chairperson) 2. Ms Tsholofelo Lerumo 3. Mr Mokone Collen Maine
Socio – Economic Development Committee	1	3	1. Mr Kagiso Seleke (Chairperson) 2. Mr Kefilwe Makgale 3. Ms Mpho Maleme
Regulatory Research and Development Committee	0	3	1. Mr Kefilwe Makgale (Chairperson) 2. Mr Kagiso Seleke 3. Ms Mpho Maleme

Audit & Risk Committee Meetings

01 APRIL 2024 – 31 MARCH 2025

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Audit and Risk Committee	10	5	1. Mr Luthando Menziwa (Chairperson) 2. Ms Zelda Tshabalala (Deputy) 3. Mr Tshenolo Lefutswe 4. Ms Gugu Malaza 5. Adv. Sebata Mello

Remuneration of Board Members

NAME	REMUNERATION	OTHER ALLOWANCE -cell phone	OTHER REIMBURSEMENTS - S&T	TOTAL
Peach V	36 045.00	-	9 787.30	**45 832.30**
Maine M	4 908.00	-	-	**4 908.00**
Lerumo T	36 810.00	-	20 698.00	**57 508.00**
Seleke K	44 172.00	-	7 661.36	**51 833.36**
Makgale P	34 356.00	-	12 550.42	**46 906.42**
Lefutswe T	29 448.00	-	13 050.92	**42 498.92**
Maleme M	-	-	37 536.60	**37 536.60**
Pule B	-	-	18 941.70	**18 941.70**
Total	**185 739.00**		**202 843.68**	**305 964.98**

Remuneration of Audit and Risk Committee Members

NAME	REMUNERATION	OTHER ALLOWANCE -cell phone	OTHER REIMBURSEMENTS - S&T	TOTAL
Menziwa L	106 711.00	-	-	**106 711.00**
Malaza G	51 262.00	-	-	**51 262.00**
Mello G	45 866.00	-	5 684.80	**51 550.80**
Tshabalala Z	40 470.00	-	-	**40 470.00**
Lefutswe T	16 188.00	-	-	**16 188.00**
Total	**260 497.00**	**-**	**5 684.80**	**266 181.80**

5. RISK MANAGEMENT

The Board adopted a formal approach to Risk Management. A risk assessment workshop was conducted which enabled the Board to identify the risks facing the Entity which could hamper the attainment of objectives as set in the Annual Performance Plan and Strategic Plan.

In terms of the Public Sector Risk Management Framework, the Board has the following approved Risk Management Policy documents which are reviewed annually: Risk Management Policy, Risk Management Strategy and Implementation Plan, Whistle-blower Policy, Fraud Prevention Policy, Fraud Prevention Strategy and the Fraud Prevention Plan.

The Public Entity conducts strategic and operational risk assessments on an annual basis, and same are monitored on a regular basis throughout the financial year in order to determine that the risk treatment plans are implemented and also identify new / emerging risks.

The Board has an established Audit & Risk Committee which has an oversight role over the system of risk management, and also advises the Board on risk management and independently monitors the effectiveness of the system of risk management to ensure that there are improvements.

6. INTERNAL CONTROL UNIT

The Board does not have an Internal Control Unit.

7. INTERNAL AUDIT

The internal audit function of the Board is outsourced to New Dimension Corporation (Pty) Ltd which was appointed for a period of three (3) years.

During the period under review, Internal Audit performed the assurance audits in the following key risk areas:

- Reviews on performance information against the set objectives
- Review of Annual and Interim Financial Statement.
- Review of Supply Chain Management, Human Resources Management, Information Communication Technology and Risk Management. The internal audit function presented its findings with corrective measures / recommendations to the Audit & Risk Committee of the Board as required.

Furthermore, Internal Audit was requested by Management to facilitate the strategic risk assessment for 2024 / 25 FY.

8. COMPLIANCE WITH LAWS AND REGULATIONS

The Board relies on its internal audit function to constantly evaluate its compliance with all relevant laws and their applicability to its business of regulating gambling in the Province. In this regard, much attention is placed on compliance with those laws and identifying possible areas of deviation or non -compliance, to provide corrective measures or requisite systems of internal control.

The Board concluded a Memorandum of Understanding with the Competition Commission aimed at fostering relations in respect of investigation of competition matters.

The Board is constantly engaging the Provincial Treasury to ensure that there is compliance with all the financial prescripts.

9. FRAUD AND CORRUPTION

The Board has a fraud prevention policy and whistle blower policy which has been approved by the Board and is reviewed annually.
No incidents of fraud and corruption were identified or reported for the year under review.

10. MINIMISING CONFLICT OF INTEREST

In terms of the approved Board charter, Board of Directors are required to declare any conflict of interest on any matter serving before the Board. As per the human resource policy, staff members are required to declare any gifts and gratuities that may be provided to them by the third parties.

11. CODE OF CONDUCT

The Board has a code of conduct policy in place to which employees are required to adhere to. One (1) staff member is currently going through internal disciplinary process due to misconduct.

During the financial year, employees of the Board attended the Public Service Commission workshop on ethics and code of conduct.

12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Board is dedicated to providing a safe and healthy working environment for all employees and visitors. It adheres to the Occupational Health and Safety Act of 1993 and Regulations, as amended. We aim to uphold high standards of health and safety by assessing workplace risks, responding to reported incidents, and fostering awareness and accountability among employees regarding health, safety, and environmental matters.

An Employee Assistance Program (EAP) is available to offer support, assistance, and professional referrals to help employees maintain their physical, emotional, and mental well-being. Employees can access services such as telephonic counselling, in-person counselling, financial advice, and legal support.

An active Health and Safety Committee is in place, dedicated to promoting ongoing improvements in identifying potential risks and implementing appropriate control measures in the workplace. Management ensures that committee members receive the necessary information, training, and supervision to fulfil their health and safety statutory duties, thereby contributing to a safe, secure and healthy environment for all.

13. COMPANY SECRETARY

The organization appointed Ms. T. Kwela as Acting Company Secretary from 01 February 2024 – 31 July 2024. The Board appointed Ms. T. Marabutse on the 06 January 2025. The responsibilities of a Company Secretary includes amongst others to advising the Board, facilitation of training for Board Members, facilitation of Board and Sub -committee meetings, as well as capturing, safeguarding / keeping records and minutes of the Board.

Furthermore, the Company Secretary ensures the attendance of all members of the Board to the business of the organization, whilst also managing the register of declaration of interests and compliance with general guidelines of Good Corporate Governance.

14. SOCIAL RESPONSIBILITY

The Board in the current financial year, funded thirteen (13) projects which aims to improve education, women empowerment, food security, poverty alleviation, and social cohesion:

NAME OF PROJECT	LOCATION	DATE OF THE PROJECT	PURPOSE FOR THE SPONSORSHIP	PRIORITY PILLAR	AMOUNT
NWGB Youth Month Programme	Sun City Resorts **Moses Kotane LM**	08 & 09 July 2024	2 days academic mentorship on hospitality and tourism.	Education	R 112 510 spent for accommodation, transportation, motivational speaker, fitness trainer, food and all logistics
2024 Provincial Youth Month celebration	Derby **Kgetleng Rivier LM**	29 June 2024	Catering for 250 young people	Education and Youth development	R 83 750
NWGB Mandela Day project - Sepobiwa Sec school - Phakisa Primary school - Legae la Motheo	Mahikeng & Ottoshoop **Mahikeng LM**	29 July 2024	Office equipment, machinery, repairs of electrical equipment and Mandela day commemoration	Education and Youth development	Phakisa & Sebopiwa R 305 284.22 Legae la Motheo R 50 942,49
Emmanuel Day Care centre	Tigane **City of Matlosana**	09 Aug 2024	Tables & chairs Mattress & blankets Educational toys Stationary	Women empowerment	R 3 150 for 35 chairs
Pelonomi Service club	Ganyesa **Kagisano -Molopo LM**	10 Sep 2024	Food, toiletries and garden tools	Social cohesion	R 24 161.22 for grocer, toiletries & garden tools
The Methodist Church of Southern Africa	Ganyesa **Kagisano -Molopo LM**	10 Sep 2024	Boardroom furniture (34 x chairs and tables)	Social cohesion	R 5 950 spent for 34 chairs and R600 on transportation.

NAME OF PROJECT	LOCATION	DATE OF THE PROJECT	PURPOSE FOR THE SPONSORSHIP	PRIORITY PILLAR	AMOUNT
Maikao Primary School	Tlakgameng **Kagisano -Molopo LM**	10 Sep 2024	Learners school shoes	Education	R 32 930 spent for 100 pairs of school shoes i.e., 50 donated to Maikao and 50 to Mmusi Primary schools
Mmusi Primary School	Ganyesa **Kagisano -Molopo LM**	10 Sep 2024	Learners school shoes	Education	
Itumeleng Early learning centre	Deelpan **Tswaing LM**	04 Oct 2024	Building of kitchen, flushing ablution facilities, educational toys & pamphets, jungle gym and swing, paints with brushes and mats.	Education	R 12 253.68 spent for educational toys, books, mats, paints with brushes & play gym.
Kopanang service club	Dithakwaneng **Naledi LM**	31 Nov 2024	Jojo water tank, water hose pipe, blankets, 2 big pots, 4 plate gas stove, groceries	Food security & poverty alleviation, social cohesion	R 15 570 spent on Jojo water tank, water hose pipe, 2 big pots, 4 plate gas stove & groceries
Lokgabeng Disabled centre	Taung **Greater Taung LM**	29 Nov 2024	Electricity and roof fixing, installation of new drain, , solar installation, ceiling, tiles and paint. Groceries, uniform, adult nappies, gloves (PPE), toiletries and stationery.	Food security & poverty alleviation, social cohesion	R 6 993.65 spent for groceries, electricity repair, roof and geyser fixing. Installation of new drain and ceiling. R 18 336.56 for groceries and toiletries. Total = R 25 330,21
Kgaratlhelo Foundation	Zeerust **Ramotshere Moiloa LM**	13 Dec 2024	Uniform, stationery educational toys and groceries for 3 families affected by GBV&F cases	Food security & poverty alleviation, social cohesion	R 21 704.95 spent for 3 house holds
Ganyesa / Tlakgameng Pastoral district	Tlakgameng **Kagisano Molopo LM**	16 Dec 2024	Groceries for the community of Tlakgameng	Social cohesion	R 18 072 spent on groceries

The events were used as a vehicle for social cohesion and to advocate for young people to refrain from underage gambling and those who are over 18 years to gamble responsibly at licensed gambling operations. There has been an increasing number of illegal gambling nests in the Province compelling the organization to use various platforms to educate the public.

15. AUDIT & RISK COMMITTEE REPORT

Membership

The Audit & Risk Committee consists of five (5) members who are all independent of the Entity. The Members of the Audit & Risk Committee collectively have an understanding of:

- government environment and accountability structures;
- governance processes within the Entity;
- financial reporting;
- risk management;
- internal control;
- external audit process;
- internal audit process;
- legal process; and
- information technology.

The independent/external Chairperson of the Committee was appointed by the Accounting Authority and possesses sound communication and strong leadership skills.

NO.	NAME	GENDER	QUALIFICATIONS	POSITION IN THE COMMITTEE	MEETINGS HELD	MEETINGS ATTENDED
1.	Mr. L. Menziwa	Male	CA(SA); Mcom Accountancy	Chairperson	11	11
2.	Ms. G.P. Malaza	Female	CA(SA)	Member	11	10
3.	Ms. Z. Tshabalala	Female	MBA	Deputy Chairperson	11	8
4.	Adv. M.G. Mello	Male	LLB Degree; Bachelor of Policing Degree	Member	11	9
5.	Mr. T. Lefutswe **	Male	CA(SA)	Member and also Board Member	3	3

** Mr Lefutswe ceased to be a Member when the Board of Directors was dissolved at the end of July 2024.

Internal Audit Function

The Audit & Risk Committee reviewed and approved the annual internal audit plan and evaluated the independence, effectiveness and performance of the internal audit function:

- Considered the reports of the internal auditors on the Board's systems of internal control including financial controls, business risk management and maintenance of effective internal control systems;
- Received assurances that proper accounting records were maintained and that the systems safeguarded the Board's assets against unauthorised use or disposal;
- Assessed the Board's compliance with the applicable laws and regulations that governs its operations;
- Reviewed validity, accuracy and completeness of performance information reported on quarterly and annual basis, reviewed issues raised by internal audit and adequacy of corrective action taken by management in response thereto;
- Assessed the adequacy of the performance of the internal audit function and found it satisfactory; and
- Concluded that there were no material breakdowns in internal controls.

Effectiveness of internal control

There was an improvement in the entity's system of internal controls and Management implemented internal audit recommendations. There are, however, several deficiencies in the system of the internal controls and/or deviations from prior years which still require attention. These were reported by the internal auditors and the Auditor -General and are being addressed. The Audit & Risk Committee takes note of Management's commitment to correct the deficiencies, and will monitor the implementation of same on an ongoing basis.

The vacant positions in Executive management, such as that of the CFO and CEO have remained vacant for a while, currently being fulfilled by Officials in acting capacities, which adversely affects the stability of the internal control environment. The Board has been advised to expedite the processes of filling these key vacancies.

North West Gambling Board has adopted anti-corruption measures to curb the likelihood of fraud and corruption.

During the period under review, Internal Audit completed the assurance engagements in the following areas:

- Performance Information
- Annual Financial Statements
- Review of Information & Communications Technology
- Review of Supply Chain Management processes
- Review of compliance with POPIA and other key legislation
- Review of Human Resource Management processes

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

In-Year Management and Monthly/ Quarterly Report

The entity reported monthly and quarterly to the Provincial Treasury, as required by the PFMA. Monitoring was done regularly, and performance information was reviewed periodically during the period under review.

Review and comment on compliance with statutory requirements and performance management best practices and standards.

Review and comment on the alignment of the annual performance plan, budget, strategic plan and performance agreements.

Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the entity.

Risk management function, fraud and irregular activities

The Committee has reviewed the risk register, risk reports and is generally satisfied with the maturity of the risk management process. The Committee has also received feedback from Management that there was a case opened with the SAPS with regard to the missing tender documents which were reported in the previous financial year, placing two (2) officials on precautionary suspension while the investigation is being finalized.

The irregular expenditure has significantly reduced during period under review, with the Provincial Treasury granting the Board a condonement of R20,241,289.45 on the irregular expenditure that was incurred on office accommodation.

Evaluation of Financial Statements

The Committee has reviewed the annual financial statements prepared by the Board to ensure that they are prepared in accordance with GRAP.

The Audit & Risk Committee:

- Confirmed, based on management's review, that the interim and Annual Financial Statements were prepared on the going concern basis;
- Examined the interim and the Annual Financial Statements and other financial information made public, prior to their approval by the Accounting Authority;
- Considered accounting treatments, significant or unusual transactions and accounting judgements;
- Considered the appropriateness of accounting policies and any changes made;
- Considered any problems identified as well as any compliance and matters that could materially affect the financial statements; and
- Met separately with management, external audit and internal audit and satisfied themselves that no material control weaknesses exists.

Following the review of the Annual Financial Statements of the North West Gambling Board for the year ended 31 March 2025, the Audit & Risk Committee is of the view that, in all material respects, it complies with the relevant provisions of the PFMA and GRAP and fairly presented the financial position at that date and the results of its operations and cash flows for the year. The Audit & Risk Committee has also satisfied itself as to the integrity of the remainder of the Annual Report.

Having achieved its objectives, the Committee recommended the Annual Financial Statements and Annual Report for the year ended 31 March 2025, for approval by the Accounting Authority.

We have reviewed the Board Post Audit Action Plans for audit issues raised during the previous period, and have obtained reasonable assurance that the matters have received adequate attention.

Luthando Menziwa
Chairperson: Audit & Risk Committee
North West Gambling Board

16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The Annual Report of 2024/ 25 Financial year will be submitted to the BBBEE Commission once it has been tabled with the Provincial Legislature.

CODE OF GOOD PRACTICE (BBBEE CERTIFICATE LEVELS 1-8)

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 licenses, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	In terms of Sec 42, of the North West Gambling Act provides that for the Board when issuing the licenses it must amongst other consider matters relating to Broad Based Black Economic Empowerment.
Developing and implementing a preferential procurement policy?	Yes	The preferential procurement policy has been developed and implemented.
Determining qualification criteria for the sale of state owned enterprises?	Not applicable	Not applicable
Developing criteria for entering into partnerships with the private sector?	Yes	Imposing the license conditions for purposes of complying to respective legislation.
Determining criteria for the awarding of incentives, grants and investment schemes in support of broad based black economic empowerment?	Not applicable	Not applicable

PART D

Human Resources Management

1. Introduction
2. Human Resource Oversight Statistics

1. INTRODUCTION

Overview of HR matters

The Human Resources Department aims to provide a conducive environment to ensure the entity's strategic objectives are reached. During the year under review the annual increase was 6% of the basic salary for staff below management (level 1-10) and 5% for management of the Board with a 1% pay progression across the board. There was no performance bonus implemented by the Board and the staff below management (level 10 and below) received a 13th cheque.

Set HR Priorities for the year under review and the impact of these priorities.

The Board has prioritized the filling of vacant and funded positions to ensure effectiveness and efficiency of operations. Some crucial positions namely; Supply Chain Manager and Board Secretary were filled during the period under review. The filling of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) awaits the appointment of the Board Members as they are responsible for the appointment of the CEO and CFO.
We will also prioritize the recruitment of the following vacancies to capacitate the core business of the Board

- Investigations and Licensing Manager
- Audit and Systems Manager
- Planning, Monitoring & Evaluation Manager

Workforce planning framework and key strategies to attract and recruit a skilled and capable workforce.

The Board has a recruitment and retention policy in place which makes provision for payment of basic salaries and benefits like medical aid, housing allowance, performance bonus and long service awards.

Employee Performance Management Framework

The Board has a Performance Management and Development policy which requires that employees be assessed bi-annually.

Employee Wellness Programmes

The employee wellness programme for all staff is outsourced to Reality Wellness as the Employee Wellness service provider.

During the year under review the Wellness and Sport Committee, organized a Joint Wellness Day with the DEDECT and Licensees, which took place in the third quarter.

Policy Development

The Human Resources Committee was established to review the HR Policies.

Highlight achievements

Twenty-four (24) employees received Long Service awards for the year under review.

The Board with the guidance of the Acting Chief Executive Officer organized the following workshops facilitated by the Public Service Commission and Liberty who managers our Pension Fund to empower staff:

- Ethics
- Rules on the Grievance Process
- Financial Wellness

Challenges faced by the Public Entity

The Board was unable to fill unfunded vacant positions which plays a crucial part in carrying out the mandate of the board in an effective and efficient manner which ensure success of the operations of the Board.

Future HR Plans/Goals

The Human Resources Plan are as follows:

- Review of the organizational structure to align with the mandate of the Board.
- Job evaluation of all positions to ensure that positions are graded properly.
- Conduct a skills audit to identify skill gaps and propose training and development plans to close those gaps.
- Review the Human Resources Policies to ensure that there is consistency and fairness in the entity.
- Fill all vacant positions to ensure that the organisation is adequately capacitated.

2. HUMAN RESOURCES OVERSIGHT STATISTICS

Personnel Cost by Programme

PROGRAMME	TOTAL EXPENDITURE FOR THE ENTITY	PERSONNEL EXPENDITURE	PERSONNEL EXP. AS A % OF TOTAL EXP	NO OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE
	(R'000)	(R'000)			(R'000)
Administration	52 713	27 391	52%	46	595
Investigations and Licensing	6 751	5 959	88%	9	662
Gambling Control	8 302	7 988	96%	10	799
Audit and Systems	8 450	7 258	86%	10	726
Total Permanent	**76 216**	**48 596**	**64%**	**75**	**2 782**
Non-Permanent		1 291	0	13	1 291
Grand Total	**76 216**	**49 887**	**65%**	**88**	**4 073**

Personnel Cost by Salary Band

LEVEL	PERSONNEL EXPENDITURE	PERSONNEL EXP. AS A % OF TOTAL EXP	NO OF EMPLOYEES	AVARAGE PERSONNEL COST PER EMPLOYEE
	(R'000)			(R'000)
Top Management	0	0%	0	0
Senior Management	8 503	17%	8	1 063
Professionally qualified	9 095	19%	9	1 011
Skilled Technical	22 121	46%	33	670
Semi-skilled	6 824	14%	17	401
Unskilled	2 053	4%	8	257
Total	**48 596**	**64**	**75**	**3 402**
Non-permanent	1 291	0	13	1 291
Grand Total	**49 887**	**100%**	**88**	**4 072**

Performance Rewards

PROGRAMME	PERFORMANCE REWARDS	PERSONNEL EXPENDITURE (R'000)	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COST (R'000)
Top Management	0.00	0.00	0.00
Senior Management	0.00	0.00	0.00
Professional qualified	0.00	0.00	0.00
Skilled	0.00	0.00	0.00
Semi-skilled	0.00	0.00	0.00
Unskilled	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**
Non-permanent	**0.00**	**0.00**	**0.00**
Grand Total	**0.00**	**0.00**	**0.00**

Training Costs

PROGRAMME	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVG TRAINING COST PER EMPLOYEE (R'000)
Administration	27 391	43	0.16%	3	14
Investigations and Licensing	5 959	0	0%	0	0
Gambling Control	7 988	0	0%	0	0
Audit and Systems	7 258	0	0%	0	0
Total Permanent	**48 596**	**43**	**0.16%**	**3**	**14**
Non-permanent	0	0	0%	0	0
Grand Total	**48 596**	**303**	**0.16%**	**3**	**14**

Employment and Vacancies – Per Programme

PROGRAMME	2023/24 NUMBER OF EMPLOYEES	2024/25 APPROVED POSTS	2024/25 NO. OF EMPLOYEES	2024/25 VACANCIES	% OF VACANCIES
Administration	44	56	43	13	14%
Investigations and Licensing	9	10	7	3	3%
Gambling Control	10	13	9	4	4%
Audit and Systems	9	12	9	3	3%
Total Permanent	**72**	**91**	**68**	**23**	**25%**
Non-Permanent	10	0	13	0	**0**
Grand Total	**82**	**91**	**81**	**23**	**25%**

Employment and Vacancies - Per Occupational Levels – Approved and Filled 2024/25

LEVEL	2023/24 NUMBER OF EMPLOYEES	2024/25 APPROVED POSTS	2024/25 NO. OF EMPLOYEES	2024/25 VACANCIES	% OF VACANCIES
Top Management	0	2	0	2	2%
Senior Management	6	11	6	5	5%
Professional qualified	9	12	8	4	4%
Skilled	32	39	29	10	11%
Semi-skilled	18	20	17	2	2%
Unskilled	7	7	8	0	0%
Total Permanent	**72**	**91**	**68**	**23**	**25%**
Non-permanent	**0**	**0**	**0**	**0**	
Grand Total	**72**	**91**	**68**	**23**	**25%**

Employment Changes – Per Occupational Levels

SALARY BAND	EMPLOYMENT AT BEGINNING OF PERIOD	APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT THE END OF THE PERIOD
Top Management	0	0	0	0
Senior Management	6	2	2	6
Professional qualified	9	0	1	8
Skilled	32	1	4	29
Semi-skilled	17	0	0	17
Unskilled	7	1	0	8
Total Permanent	**71**	**4**	**7**	**68**
Non-permanent	0	0	0	0
Grand Total	**71**	**4**	**7**	**68**

Reasons for staff leaving

REASONS FOR LEAVING	NUMBER	% OF TOTAL NO. OF STAFF LEAVING
Death	1	11%
Resignation	5	56%
Dismissal	1	11%
Retirement	1	11%
Ill health	0	0
Expiry of Contract	0	0
Other	1	11%
Total	**9**	**100**

Labour Relations: Misconduct and Disciplinary Action

NATURE OF DISCIPLINARY ACTION	NUMBER
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Dismissal	1

Equity Target and Employment Equity Status

LEVELS	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	1	0	0	0	0
Senior Management	5	4	0	0	0	1	0	0
Professional qualified	3	4	0	1	0	0	0	0
Skilled	16	16	1	1	0	1	1	1
Semi-skilled	7	7	0	0	0	1	0	0
Unskilled	3	3	0	0	0	0	0	0
Total Permanent	**34**	**34**	**1**	**3**	**0**	**3**	**1**	**1**
Non-permanent	0	0	0	0	0	0	0	0
Grand Total	**30**	**34**	**1**	**3**	**0**	**3**	**1**	**1**

The Status of Employment Equity for male is as follows:

- Indian males are not represented.

The table indicates the status of females

LEVELS	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	2	0	0	0	0	0	0
Senior Management	3	3	0	0	0	0	0	2
Professional qualified	6	6	0	0	0	0	0	0
Skilled	15	17	0	1	0	1	0	1
Semi-skilled	9	9	0	0	1	1	0	0
Unskilled	5	5	0	0	0	0	0	0
Total Permanent	**39**	**42**	**0**	**1**	**1**	**2**	**0**	**3**
Non- permanent	0	0	0	0	0	0	0	0
Grand Total	**39**	**42**	**0**	**1**	**1**	**2**	**0**	**3**

The Status of Employment Equity for female is as follows:

- Coloured and White female are not represented.

The table indicates the Status of people with disabilities

LEVELS	DISABLED STAFF			
	MALE		FEMALES	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	1	0	0
Skilled	1	1	1	1
Semi-skilled	1	0	0	1
Unskilled	0	0	0	0
Total Permanent	**2**	**2**	**1**	**2**

PART E

PFMA Compliance Report

1. Irregular, Fruitless and Wasteful Expenditure and Material Losses
2. Information on Late and / or Non-payment of Suppliers
3. Information on Supply Chain Management

1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular Expenditure

a) Reconciliation of Irregular Expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	95 504	106 513
Add: Irregular expenditure confirmed	109	2 533
Less: Irregular expenditure condoned	20 241	-13 543
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	75 371	95 504

The major contributing transactions to irregular expenditure incurred relate to irregular appointment of service providers from 2014/15 financial year and the extension of certain contracts with the value exceeding the maximum threshold as prescribed in section 44 of the PFMA and Treasury Regulations. The above irregular expenditure was investigated and submitted to Provincial Treasury for condonation. The irregular expenditure amounting to R20 241 289.45 was condoned during 2024/25 financial year. The amount of R109 211.31 was incurred from April 2023 to March 2024, and the whole amount is coming from the previous year's contracts.

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	0	0
Irregular expenditure that relates to 2023/24 and identified in 2024/25	0	90
Irregular expenditure for the current year	0	0
Total	0	90

During the year ended March 2025, an amount of R90 547.79 was identified as irregular expenditure incurred but relates to 2023/24 financial year.

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

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
Total	0	0

c) Details of current and previous year irregular expenditure condoned

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	**20 241**	**13 543**
Total	**20 241**	**13 543**

The condonement for 2024/25 was for irregular expenditure incurred because of procurement of office space accommodation did not follow the procurement processes.

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

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure not condoned and removed	**0**	**1 164**
Total	**0**	**1 164**

None

e) Details of current and previous year irregular expenditure recovered

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recovered	**0**	**0**
Total	**0**	**0**

None

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

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	**0**	**0**
Total	**0**	**0**

None

Additional disclosure relating to inter-institutional arrangements

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	
None	
Total	**0**

None

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	2024/2025	2023/2024
	R'000	R'000
None	0	0
Total	**0**	**0**

None

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

Disciplinary steps taken
None

1.2. Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	442	439
Add: Fruitless and wasteful expenditure confirmed	0	3
Less: Fruitless and wasteful expenditure written off	0	0
Less Fruitless and wasteful expenditure recoverable	0	0
Closing balance	**442**	**442**

There was no fruitless and wasteful expenditure incurred for 2024/25

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23	0	0
Fruitless and wasteful expenditure that relates to 2022/23 and identified in 2024/25	0	0
Fruitless and wasteful expenditure for the current year	0	3
Total	0	3

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

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	128
Fruitless and wasteful expenditure under investigation	0	0
Closing balance	0	128

None

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

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recovered	0	0
Closing balance	0	0

None

d) Details of current and previous year fruitless & wasteful expenditure not recovered and written off

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure written off	0	0
Closing balance	0	0

None

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

Disciplinary steps taken
None

Additional disclosure relating to material losses in terms of PFMA Section 55(2)b(i) & (iii)

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

Material losses through criminal conduct	2024/2025	2023/2024
	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

None

Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)	0	0
Total	0	0

None

b) Other material losses recovered

Nature of losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)	0	0
Total	0	0

None

c) Other material losses written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)	0	0
Total	0	0

None

2. INFORMATION ON LATE AND / OR NON-PAYMENT OF SUPPLIERS

Description	Number of Invoices	Consolidated Value
		R'000
Valid invoices received	**504**	**23 922**
Invoices paid within 30 days or agreed period	499	23 895
Invoices paid after 30 days or agreed period	05	27
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

3. INFORMATION ON SUPPLY CHAIN MANAGEMENT

Procurement by other means

Project Description	Name of Supplier	Type of procurement by other means R'000	Contract Number	Value of Contract
Travel and accommodation services	City of Choice	Only one quote for accommodation services received due to peak period of Durban July	**N/A**	**18 964.61**
Distribution switch and the iShield Enterprise Firewall	Intatel Management Consultants	Impractical to follow the normal procurement process	**N/A**	**130 419.30**
Travel and accommodation services	City of Choice	Only one quote received for flight due to peak period of Durban July	**N/A**	**18 575.16**
Provision of lease of voice over IP Telephone System for a period of Three (3) years	TELKOM	Organ of the State	**N/A**	**661 777.16**
Testing of illegal gambling machines	GLI	Only two (02) quotations requested from SANAS accredited suppliers	**N/A**	**44 015.10**
Karpeksy Licence	Nestec	Only two (02) quotations were received from 10 invite	**N/A**	**114 873.50**
Laserfishe Licence Renewal	Noscotek	Sole Provider	**N/A**	**948 099.34**

Project Description	Name of Supplier	Type of procurement by other means R'000	Contract Number	Value of Contract
Review of the Organisational Structure	Sunguti Business Solutions	Only two (02) quotation were received from 06 invite	**N/A**	**381 570.00**
Purchase of SANS standards	SABS	Sole Trader	**N/A**	**4 125.05**
Polygraph Testing	Spot on Polygraph	Only one (01) quotation from six (06) invite	**N/A**	**116 610.00**
Transportation of illegal gambling machines	Dullas transport	Only one (01) quotation	**N/A**	**63 000.00**
Purchase of tickets -HorseRacing BenchMaking	Legend Gaming Productions	Sole source bidding procument method applied as only one bidder exist for this service	**N/A**	**8 800.00**
Total				**2 510 829.22**

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/ s or variation
				R'000	R'000	R'000
Distribution switch and the iShield Enterprise Firewall	Infatel Management Consultants	Extension of Scope	7435	888 638	0	130 419
Network segmentation into Virtual Local Area Networks (VLANs).	Munei Technologies	Extension of Scope	5704	92 280	0	12 750
Security Services	Katlego Security Services	To allow the Board to finalise the security tender process	Appointment letter	572 400	0	416 200
Employee Wellness Programme	Reality Wellness Group	To allow the procurement process to be finalised	Appointment letter	221 334	0	33 200
Total				**1 774 652**	**-**	**592 569**

PART F

Financial Information

1. Statement of Responsibility for the Annual Financial Statements

The Accounting Authority is responsible for the preparation of the public entity's Annual Financial Statements and for the judgements made regarding this information.

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

In my opinion, the financial statements fairly reflect the operations of the public entity for the Financial Year ended 31 March 2025.

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

The NWGB Annual Financial Statements for the year ended 31 March 2025 have been audited by the external auditors and their report is presented on page 85.

The Annual Financial Statements of the public entity set out on page 90 to page 133 have been approved.

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence

2. Report of the auditor-general to the North West provincial legislature on the North West Gambling Board

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the North West Gambling Board set out on pages 90 to 133, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as 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 public entity 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 auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the 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.

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the 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.

7. In preparing the financial statements, the accounting authority is responsible for assessing the public 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 public 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

8. 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.

9. 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 88, forms part of my auditor's report.

Report on the annual performance report

10. 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.

11. I selected the following material performance indicators related to programme 2: investigations and licensing department and programme 3: gambling control presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of new gambling licences issued
- Percentage of gambling employees registered
- Number of gambling licences renewed
- Number of offence notices issued to illegal gambling operations
- Number of illegal gambling machines confiscated
- Number of compliance inspections conducted

12. 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 public entity's planning and delivery on its mandate and objectives.

13. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the public 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 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 overachievement of targets.

14. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

15. I did not identify any material findings on the reported performance information for the material performance indicator relating to programme 2: investigations and licensing department and programme 3: gambling control department.

Report on compliance with legislation

16. 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 public entity's compliance with legislation.

17. 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.

18. 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 public 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.

19. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

20. The accounting authority is responsible for the other information included in the annual report which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act of South Africa. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programmes presented in the annual performance report that have been specifically reported on in this auditor's report

21. 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.

22. 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.

23. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, 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

24. 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.

25. I did not identify any significant deficiencies in internal control.

Auditor General

Rustenburg
31 July 2025

AUDITOR-GENERAL
SOUTH AFRICA
Auditing to build public confidence

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 public 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 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 public 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 public 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 a public 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(7A)
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 of2004	Section 34(1)

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Regulation of gambling industry
Registered office	4059 Joules Street Mahikeng Industrial Site 2745
Postal address	Private Bag x34 Mmabatho 2735
Controlling entity	North West Department of Economic Development, Environment, Conservation and Tourism
Bankers	ABSA
Auditors	Auditor- General of South Africa
Accounting Authority	Mr. Boitumelo Qalinge
Board Secreteriat	Ms. Tshireletso Marabutse

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Accounting Authority's Responsibilities and Approval

The Accounting Authority is required by the Public Finance Management Act (Act 1 of 1999), to keep full and proper records of the financial affairs of the entity and prepare annual financial statements for the financial year in accordance with Generally Recognised Accounting Practice (GRAP) for the public entity. It is the responsibility of the Accounting Authority 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 were given unrestricted access to all financial records, related data and relevant parties.

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 in the manner required by PFMA.

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

The Accounting Authority acknowledges is ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. The Accounting Authority sets standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. 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 Accounting Authority has reviewed the entity's cash flow forecast for the year ended 31 March 2025. In light of this review and the current financial position, the Accounting Authority is satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on page 90 to 133 which have been prepared on the going concern basis, and in accordance with Generally Recognised Accounting Practice, were approved and signed by the accounting authority on the 30/05/2025.

Mr. Boitumelo Qalinge
Accounting Authority

Statement of Financial Position as at 31 March 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Current Assets			
Cash and cash equivalents	3	31 502 770	26 167 164
Receivables from exchange transactions	4	4 027 110	3 594 437
Receivables from non-exchange transactions	5	8 228 987	65 710 886
Inventories	6	56 453	42 613
Prepayments	7	290 962	396 592
		44 106 282	**95 911 692**
Non-Current Assets			
Property, plant and equipment	8	5 884 593	6 504 838
Total Assets		**49 990 875**	**102 416 530**
Liabilities			
Current Liabilities			
Finance lease liability	42	65 365	-
Payables from exchange transactions	10	2 245 655	1 682 993
Payable from non-exchange transactions	11	19 332 515	73 255 432
Unspent Socio Economic Development Fund	40	1 276	695 598
Leave accruals	13	3 237 508	3 716 924
Accruals	14	1 859 894	3 537 207
Investigation fees received in advance	12	422 570	1 090 501
Provisions	28	466 000	782 000
		27 630 783	**84 760 655**
Non-Current Liabilities			
Finance lease liability	42	126 179	-
Operating lease liability	9	748 449	530 755
Provisions	28	2 521 000	2 479 000
		3 395 628	**3 009 755**
Total Liabilities		**31 026 411**	**87 770 410**
Net Assets		**18 964 464**	**14 646 120**
Accumulated surplus		18 964 464	14 646 120
		18 964 464	**14 646 120**

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Investigation fees	16	2 487 754	3 367 189
Salary recovery	17	523 577	1 255 126
Other income	15	381 853	88 511
Interest received	18	1 707 692	1 606 512
Total revenue from exchange transactions		**5 100 876**	**6 317 338**
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	19	76 216 000	76 216 000
Total revenue	17	**81 316 876**	**82 533 338**
Expenditure			
Employee related costs	20	(48 909 127)	(49 386 894)
Depreciation and amortisation	8	(1 642 275)	(1 316 386)
Reversal of impairments	44	-	(27 992)
Finance costs	21	(326 489)	(301 000)
Lease rentals on operating lease	25	(4 016 210)	(4 056 859)
Debt Impairment	23	740 383	(1 583 168)
Gain or loss on disposal of assets	8	(374 075)	-
Administrative expenses	24	(22 607 090)	(23 495 160)
Total expenditure		**(77 134 883)**	**(80 167 459)**
Surplus for the year from continuing operations		**4 181 993**	**2 365 879**
Acturial gain/loss	22	136 357	154 684
Surplus for the year		**4 318 350**	**2 520 563**

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus/deficit	Total net assets
Balance at 01 April 2023 (As previously reported)	12 114 435	12 114 435
Adjustments		
Prior year adjustments 41	11 121	11 121
Balance at 01 April 2023 as restated	**12 125 555**	**12 125 555**
Changes in net assets		
Surplus for the year (as previously reported)	2 225 225	2 225 225
Total changes	-	-
Opening balance reported	14 350 781	14 350 781
Prior year adjustment 41	295 338	295 338
Restated* Balance at 01 April 2024 as restated*	**14 646 119**	**14 646 119**
Surplus/deficit for the year	4 318 350	4 318 350
Balance at 31 March 2025	**18 964 469**	**18 964 469**

Note(s)

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Taxes and levies collected		109 059 707	109 681 211
Grant received		76 216 000	76 216 000
Interest received		1 707 692	1 606 512
Other income		381 853	88 511
Investigation fees		2 151 031	2 035 409
		189 516 283	189 627 643
Payments			
Employee costs		(49 595 408)	(48 237 972)
Suppliers		(27 268 356)	(27 430 239)
Finance costs		(7 489)	-
Taxes and levies transfers		(105 218 995)	(110 114 599)
Socio-Economic Development Contribution		(694 322)	(262 167)
		(182 784 570)	(186 044 977)
Net cash flows from operating activities	27	**6 731 713**	**3 582 666**
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(1 396 106)	(3 205 027)
Net increase/(decrease) in cash and cash equivalents		**5 335 607**	**377 639**
Cash and cash equivalents at the beginning of the year		26 167 164	25 789 526
Cash and cash equivalents at the end of the year	3	**31 502 771**	**26 167 165**

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Investigation fees	2 223 154	-	2 223 154	2 151 031	(72 123)	39.1
Other income	106 000	-	106 000	381 853	275 853	39.2
Interest received	1 700 000	-	1 700 000	1 707 692	7 692	39.3
Total revenue from exchange transactions	**4 029 154**	**-**	**4 029 154**	**4 240 576**	**211 422**	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	76 216 000	-	76 216 000	76 216 000	-	39.4
Total revenue	**80 245 154**	**-**	**80 245 154**	**80 456 576**	**211 422**	
Expenditure						
Personnel	(53 894 000)	3 901 684	(49 992 316)	(49 595 408)	396 908	39.5
Payment to Suppliers	(21 039 000)	(6 124 838)	(27 163 838)	(27 268 342)	(104 504)	39.6
Payment of capital assets	(1 283 000)	-	(1 283 000)	(1 396 106)	(113 106)	39.7
Total expenditure	**(76 216 000)**	**(2 223 154)**	**(78 439 154)**	**(78 259 856)**	**179 298**	
Net operating receipts/payments	**4 029 154**	**(2 223 154)**	**1 806 000**	**2 196 720**	**390 720**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**4 029 154**	**(2 223 154)**	**1 806 000**	**2 196 720**	**390 720**	

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1. Presentation of Annual Financial Statements

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.

A summary of the significant accounting policies, which have been consistently applied, is disclosed below and are consistent with the previous period, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policies. Assets, liabilities, revenue and expenditure has not been offset except when offsetting is required by the standard of GRAP.

1.1 Presentation currency

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

1.2 Significant judgements and estimates

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

Receivables from exchange and non-exchange transactions

Trade and other receivables are stated at the nominal value 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 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 other receivables received without directly giving approximately equal value in exchange are recognised as trade and other receivables from non-exchange transactions.

The entity assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the provincial entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset..

Allowance for slow moving, damaged and obsolete stock

The Board considers an allowance for slow moving, damaged and obsolete inventory to write inventory down to the lower of cost or net realisable value at each reporting period. The items of inventory or stock kept by the Board only refers to stationery and consumables used in the normal day to day operations.

Useful lives of waste and water network and other assets

The entity's management determines the estimated useful lives and related depreciation charges for the assets as noted in the accounting policy 1.3 Property, Plant and Equipment. This estimate is based on industry norm. The effect of review of useful life and residual value are accounted for in accordance with GRAP 3. Where changes are made to the estimated residual values, Management also makes these changes prospectively.

Allowance for doubtful debts

On receivables an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.2 Significant judgements and estimates (continued)

Leave accrual

The entity determines the amount of leave on the basis of the number of days owed to employees as annual leave at any reporting date multiplied by the rate of pay per hour calculated excluding any discretionary payments made during the operating year. Leave accrual is disclosed in the statement of financial position.

Accounts payables

The entity has both the exchange and non-exchange transactions. The basis of recognition is either date of service delivery in case of goods and services. Payable 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.

1.3 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.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

The asset's residual value, useful life and depreciation method are reviewed and adjusted if appropriate at each financial year end.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment in a value. Depreciation is calculated on straight line basis over the useful life of the assets.

The carrying amount of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying amount may not be recoverable.

An item of property, plant and equipment is de-recognised upon disposal or when no future benefits are expected from its use. Any gain or loss arising on derecognition of the assets (calculated as the difference between the net disposal proceed and the carrying amount of the assets) is included in the surplus or deficit section on the statement of financial performance.

The useful lives of items of property, plant and equipment are estimated follows:

Item	Depreciation method	Average useful life
Office furniture	Straight-line	12 -25 years
Motor vehicles	Straight-line	8 - 11 years
Office equipment	Straight-line	7 - 18 years
Computer equipment	Straight-line	4 - 17 years

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.3 Property, plant and equipment (continued)

Leasehold improvements	Straight-line	the shorter of the lease period, plus renewal or useful life.
Finance lease	Straight-line	the shorter of the lease period, plus renewal or useful life.
Cell phone	Straight-line	2 years

The residual value, useful life and depreciation method of each asset are reviewed at least at the end of each reporting period. If expectation differ from the previous estimates, the change will be treated in accordance with GRAP 3.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements.

1.4 Financial instruments

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
Cash and cash equivalent	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transactions	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 transactions	Financial liability measured at amortised cost
Payables from non-exchange transactions	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.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus, in the case of financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.4 Financial instruments (continued)

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 fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

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 uncollectability 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 has been incurred, 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 (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly OR through the use of an allowance account. The amount of the loss 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.

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.4 Financial instruments (continued)

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 recognises 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.

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.4 Financial instruments (continued)

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.

1.5 Leases

Finance leases

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

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

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the lease of assets are consumed. Contingent rentals arising under operating lease are recognised as an expense in the period in which they incurred. The difference between the amount recognised as an expense and the contractual payments are recognised a an operating lease asset or liability.

1.6 Inventories

Inventories are initially measured at cost except where inventories are acquired at no cost or for nominal considerations. The cost shall then be the fair value as at the date of acquisition. Subsequently inventories are measured at lowest of cost and current replacement value. The cost of inventories is assigned using the first in first out formula. The same formula is used for all inventories having a similar nature and use in the entity.

Inventories comprised of stationery and consumables for distribution during the course of rendering service.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The amounts of any write down of inventories to net replacement value and all losses of inventories are recognised as an expense in the period that the write down or loss occurred.

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.7 Prepayments

Prepayments refers to the goods and services that have been paid for in advance.

The Board categorises the prepayments in two categories: the first is prepayments that relate to renewal of software licenses and the second category is for any other goods and services that were paid in advance.

Prepayments are disclosed in the statement of financial position under current assets.

1.8 Taxation

The income of the Board is exempt from the tax in terms of Section 10 (1) (e) of Income Tax Act (Act 580 of 1962). In terms of Section 24 (1) of the VAT Act, North West Gambling Board is deregistered as a VAT vendor with effect from 1 April 2005.

1.9 Leave accrual

The employees of the Board are entitled to 21 working days per annum as leave gratuity. The leave days are recognised as accrued to employees. The leave accrual is based on the total number of leave days due to each employee at year-end multiplied by each employee's respective daily rate of cost to company.

1.10 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits is recognised during the period in which the employee renders a related service. The provision for employee entitlement to annual leave represent the amount, which the Board has present obligation to pay as a result of employee's services.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- bonus, incentive and , incentive and performance related payments payable within twelve months after the end of the reporting period in which the employes render the related service
- The Board pays long service award as per the HR policy

Retirement benefits

The Board contributes to a defined contribution plan. Contribution to defined contribution fund are charged to statement of financial performance in the year to which they relate.

The Board made arrangement with Liberty to ensure all the permanent employees for the retirement benefit. The employers contribute fifty percent of the basic salary of each employee and all administration cost, the employees contribute only fifty percent of their basic salary.

The employees are covered from the date of the employment until their termination. The termination can be whether the employee resigned or dismissed, or the death. The employees are covered until the age of sixty years.

1.11 Provisions

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.

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.11 Provisions (continued)

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

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 Board raised a provision for long service award as per the Human Resources Policy. 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.

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

1.12 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because: (i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity

1.13 Statutory receivables

The entity recognises statutory receivables as follows:

- 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.
- if the transaction is a non-exchange transaction, using GRAP 23; or
- if the transaction is an exchange transaction, using GRAP 9;

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, penalties or other charges that may have accrued on the receivable;
- impairment losses; and
- amounts derecognised.

1.14 Revenue from exchange transactions

Revenue is measured at fair value of the consideration received or receivable and represents the amount receivable in normal course of business. Revenue is measured when it is probable that economic benefits associated with the transaction will flow to the Board that can be reliable.

An exchange transaction is one in which the Board receives fees charged from service rendered, recoveries of expenses incurred in the production of re revenue and sundry income.

Revenue from exchange transactions is recognised when they become due and is measured at fair value.

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.15 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.

Revenue from non-exchange transactions relates to grant funding from the Department of Economic Development, Environment, Conservation and Tourism..

Grant received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant is conditional. The liabilities are transferred to revenue as and when the conditions to the grant are met. Grants without any conditions attached, are recognised as revenue when the asset is recognised.

The entity recognises service 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 assets can be measured reliably.

1.16 Licence application fees

This represents a fee payable by the Licensees to the Board in terms of section 41 of the North West Gambling Act (Act 2 of 2001) as amended. The revenue is recognised at the time of application.

1.17 Comparative figures

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is applicable, and the prior comparatives are restated accordingly.

1.18 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and could have been avoided had reasonable care been exercised. Fruitless and wasteful Fruitless is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.19 Irregular expenditure

Irregular Expenditure as defined in section 1 of the Public Finance Management Act as enpenditure other than unauthorised expenditure, incurred in contravention of, or not in accordance with a requirement of any applicable legislation, including provincial legislation providing for procurement procedures. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and when recovered susequently accounted for as revenue in the Statement of Financial Performance.

1.20 Budget information

Annual Financial Statements are prepared on accrual accounting basis and the budget is prepared on cash basis method. A comparison with the budgeted amounts for the reporting period have been included in the Statement of Comparison of budget and actual amounts. The explanation on variance between the budget and the actual amounts has been provided.

The approved budget is prepared on a cash basis and presented by Programmes linked to performance outcome objectives.

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

1.21 Related parties

A related party are parties that control or significantly influence the Board in making financial and operating decisions. Specific information with regards to related party transactions is included in the disclosure notes.

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024

1.21 Related parties (continued)

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

1.22 Going Concern

The annual financial statements have been prepared on the assumption that the Board will continue to operate as a going concern for the next twelve (12) months.

1.23 Payables from exchange and non-exchange transactions

Payables from exchange and non-exchange transactions recognised when the Board has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

The unspent portion on the Socio-Economic Development Fund is recognised as a liability in the Statement of Financial Position, as it represents the reduction in the ring-fenced balance in the Funds.

1.24 Events after reporting date

Events after reporting date are those events, both favorable and unfavorable, that occur between the reporting date and the date when the financial statements are authorised for issue.

1.25 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.

1.26 Accounting by principals and agents

Recognition

The entity recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.27 Segment information

A segment is an activity of an entity:
- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

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:
• GRAP 107 Mergers	To be determined	Not relevant
• GRAP 106 Transfer of Functions Between Entities Not Under Common Control	To be determined	Not relevant
• GRAP 105 Transfer of Functions Between Entities Under Common Control	To be determined	Relevant
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	To be determined	Relevant
• GRAP 103 (as revised): Heritage Assets	To be determined	Not relevant
• iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	Not relevant
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Relevant

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	380	1 550
ABSA Admin account	9 755 446	10 783 988
ABSA Call account	33 201	11 521
ABSA Revenue account	21 712 817	14 674 507
ABSA Socio Economic Development Fund account	926	695 598
	31 502 770	**26 167 164**

Included in cash and cash equivalents is the funds relating to the cash received on behalf of the Department of Economic Development, Environment, Conservation and Tourism in the form of levies and taxes and Socio-Economic Development Fund. The Socio-Economic Development Fund is intended to promote meaningful contribution of the gambling industry towards sustainable socio-economic development prommes in the North West Province. The Board uses Sage Pay, a facility which is built into Sage Evolution and linked to VIP, to access the employee's salaries. After the payment of March 2025 salaries, an amount of R993.69 remained in the Sage Pay facility and is mapped into the Admin account balance.

4. Receivables from exchange transactions

Trade debtors	4 936 981	4 763 791
Rent Deposit	120 000	319 491
Provision of doubtful debts	(1 030 184)	(1 488 848)
Staff telephone recoveries	313	3
	4 027 110	**3 594 437**

Trade and other receivables

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired.

The ageing of amounts past due but not impaired is as follows:

3 months past due	2 538 536	1 848 594

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

4. Receivables from exchange transactions (continued)

Reconciliation of provision for impairment of trade and other receivables

Opening balance	1 488 848	1 305 325
Provision for impairment	(458 663)	183 523
	1 030 185	**1 488 848**

5. Receivables from non-exchange transactions

Levies and taxes	9 346 913	10 478 528
Other taxes	(1 117 926)	(1 399 645)
Other receivables from non-exchange revenue - refund to licensees	-	56 632 003
	8 228 987	**65 710 886**

Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Levies and taxes	9 346 590	10 478 528
Other receivables included in receivables from non-exchange transactions above	**-**	**56 632 003**
Total receivables from non-exchange transactions	8 228 987	65 710 886

Statutory receivables general information

Statutory receivables past due but not impaired

Statutory receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2025, 844 205 (2024: 2 471 167) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

3 months past due	844 205	2 471 167

Statutory receivables impaired

As of 31 March 2025, Statutory receivables of - (2024: 2 352 088) were impaired and provided for.

The amount of the provision was (281 270) as of 31 March 2025 (2024: 1 399 649).

The ageing of amounts past due and impaired are as follows :

3 to 6 months	-	158 330
Over 6 months	-	2 193 158

Reconciliation of provision for impairment for statutory receivables

Opening balance	1 399 649	-
Provision for impairment	(281 270)	1 399 649
	1 118 379	**1 399 649**

Accounts receivable from non-exchange transactions relate to the levies and taxes collected from the licensees on behalf of the Department of the Economic Development, Environment, Conservation and Tourism. Levies and taxes are paid on or before the prescribed time, and in the event of late payment, penalties and interest are imposed to the licensees.

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

6. Inventories

Stationery and consumables on hand	56 453	42 613
Inventories recognised as an expense during the year	219 749	216 844

7. Prepayments

Software license renewal	288 354	97 110
Other prepayments	2 608	299 482
	290 962	**396 592**

8. Property, plant and equipment

	31 March 2025			31 March 2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	3 119 749	(1 979 474)	1 140 275	3 565 500	(2 156 615)	1 408 885
Motor vehicles	1 124 347	(744 586)	379 761	1 124 347	(568 340)	556 007
Office equipment	3 087 522	(2 147 529)	939 993	4 585 754	(3 350 512)	1 235 242
IT equipment	4 313 702	(1 853 634)	2 460 068	5 429 291	(3 170 765)	2 258 526
Leasehold improvements	1 339 423	(597 264)	742 159	1 339 423	(326 867)	1 012 556
Cell phones	35 000	(24 282)	10 718	88 525	(54 903)	33 622
Leased assets	238 071	(26 452)	211 619	-	-	-
Total	**13 257 814**	**(7 373 221)**	**5 884 593**	**16 132 840**	**(9 628 002)**	**6 504 838**

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

8. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 31 March 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Office furniture	1 408 885	72 705	(106 040)	(235 275)	1 140 275
Motor vehicles	556 007	-	-	(176 246)	379 761
Office equipment	1 235 242	103 451	(109 143)	(289 557)	939 993
Computer equipment	2 258 526	981 879	(158 894)	(621 443)	2 460 068
Leasehold improvements	1 012 556	-	-	(270 397)	742 159
Cell phones	33 622	-	-	(22 904)	10 718
Leased assets	-	238 071	-	(26 452)	211 619
	6 504 838	**1 396 106**	**(374 077)**	**(1 642 274)**	**5 884 593**

Reconciliation of property, plant and equipment - 31 March 2024

	Opening balance	Additions	Depreciation	Impairment loss	Total
Office Furniture	1 023 677	580 980	(195 772)	-	1 408 885
Motor vehicles	732 198	-	(176 191)	-	556 007
Office equipment	864 091	625 683	(254 532)	-	1 235 242
Computer equipment	708 806	1 963 364	(385 652)	(27 992)	2 258 526
Leasehold improvements	1 283 250	-	(270 694)	-	1 012 556
Cellphones	32 168	35 000	(33 546)	-	33 622
	4 644 190	**3 205 027**	**(1 316 387)**	**(27 992)**	**6 504 838**

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

	2025	2024
Motor Vehicle	69 951	42 796
Office Equipment	-	5 430
	69 951	**48 226**

9. Operating lease asset (liability)

	2025	2024
Non-current liabilities	748 449	530 755

The Board enterd into a contract with Kakapa Skills Development Institute cc to rent an office building under the operating lease with an escalation rate of 6% per annum for a period of five (5) years effective from 01 January 2023 until December 2027.

The Board appointed Machinery and Supplies (PTY) LTD to rent Warehouse and offices under the operating lease with an escalation rate of 7% per annum for a period of five (5) years effective from 1 December 2023. The lease expires on the 30th of November 2028.

10. Payables from exchange transactions

	2025	2024
Investigation fees - payables to Licensees	1 059 858	484 201
Trade payables	1 185 796	1 198 793
	2 245 655	**1 682 993**

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

11. Payables from non-exchange transactions

Refund to Licensees	270	56 632 003
Licence fees received in advance	5 395 105	4 787 903
Levies and taxes payable	13 937 140	11 835 526
	19 332 515	**73 255 432**

12. Investigation fees received in advance

Investigation fees deposit	422 570	1 090 501

13. Leave accruals

Reconciliation of leave accruals - 31 March 2025

	Opening Balance	Additions	Utilised during the year	Adjustment due to change in rate	Total
Leave accruals	3 716 924	3 230 187	(3 926 584)	216 981	3 237 508

Reconciliation of leave accruals - 31 March 2024

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Leave accruals	4 133 926	3 106 646	(3 685 612)	161 964	3 716 924

14. Accruals

Accruals		
Accruals - Trade Payables	1 859 894	2 610 025
Acting Allowance	-	273 799
DEDECT Refund to Licensees	-	653 383
	1 859 894	**3 537 207**

Accrual - Trade payables is the creditors that were owed as at 31 March 2025.

15. Other income

Other recoveries	276 276	897
Application fee - tenders	14 500	26 800
Travel cost recoveries	38 159	60 814
Insurance recovery	52 918	-
	381 853	**88 511**

16. Investigation fees

Investigation fees	2 487 754	3 367 189

17. Salary recovery

Salary recovery - Secondments	523 577	1 255 126

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

17. Salary recovery (continued)

The Board had one official who was seconded in the Office of the Premier during 2024/25 financial year. The salary of the official was paid by the Board since the secondment started. The Board and Office of the Premier signed a secondment agreement of recovering all the funds that were paid to the official during the period of secondment. The official who was seconded to the Office of the premier resigned on 31 August 2024.

18. Interest received

Credit Interest		1 707 692	1 606 512

19. Government grants & subsidies

Government grant and subsidies

Grant Received		76 216 000	76 216 000

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

20. Employee related costs

Basic	41 660 665	42 209 496
Medical aid contributions	678 600	553 100
Compensation Commission	236 708	177 367
Leave pay expense	(479 416)	(417 002)
Provident fund contribution	3 831 919	3 890 614
Long-service awards	353 000	379 000
13th Cheques	1 698 851	1 734 419
Housing benefits and allowances	928 800	859 900
	48 909 127	**49 386 894**

Acting Chief Executive Officer (M Senqhi from May 2023 until May 2024)

Basic Salary	399 290	1 201 282
Provident / Pension Fund	-	100 656
Cellphone Allowance	-	18 883
Travel and Subsistence	-	185 406
Acting Allowance	-	653 125
	399 290	**2 159 352**

Acting Chief Executive Officer (Moeketsi Senqhi) was seconded by the MEC of Department of Economic Development, Environment, Conservation and Tourism. From May 2023 to October 2023 he was the Accounting Authority of the North West Gambling Board until the MEC appointed the Board of Directors. After the appointment of the Board of Directors, Mr Senqhi was then appointed as the Acting Chief Executive Officer of the North West Gambling Board until May 2024.

Chief Financial Officer (S Radebe from May 2022 until May 2023)

Basic Salary	-	181 762
Provident Fund	-	24 312
Termination Leave	-	24 937
	-	**231 011**

The Chief Financial Officer resigned in May 2023.

Gaming Control Manager (S Mogapi Acting CEO from June 2022 to May 2023)

Basic Salary	1 311 295	1 246 682
Provident Fund	139 682	136 489
Acting Allowance	-	32 523
Travel and Subsistence	108 413	76 267
	1 559 390	**1 491 961**

Investigations and Licensing Manager (M Moss until January 2025)

Basic Salary	1 003 786	1 112 163
Provident Fund	103 880	122 399
Travel and Susistence	71 958	55 005
	1 179 624	**1 289 567**

The Investigations and Licensing Manager resigned in January 2025.

Acting Audit and Systems Manager (IT Makete from July 2024 to date)

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

20. Employee related costs (continued)

Basic Salary	434 212	-
Provident Fund	44 700	-
Acting Allowance	402 930	-
Travel and Subsistence	78 594	-
	960 436	**-**

Acting Chief Financial Officer (ED Phosiwa from May 2023 to date)

Basic Salary	991 512	933 348
Provident Fund	104 778	102 271
Acting Allowance	314 038	278 380
Travel and Subsistence	6 888	11 041
	1 417 216	**1 325 040**

Board Secretariat (Tshireletso Marabutse from January 2025 to date)

Basic Salary	268 229	-
Provident Fund	30 082	-
Travel and Subsistence	3 831	-
	302 142	**-**

Legal Manager (Acting Chief Executive Officer B Qalinge from June 2024 to date)

Basic Salary	1 136 322	1 056 190
Provident Fund	119 855	115 904
Acting Allowance	369 081	65 134
Travel and Subsistence	186 297	153 141
	1 811 555	**1 390 369**

Acting Audit and Systems Manager (M Tshabalala - Acting Ended 30 June 2024)

Basic Salary	220 140	883 094
Provident Fund	23 850	96 372
Acting Allowance	43 390	170 138
Travel and Subsistence	39 632	49 089
	327 012	**1 198 693**

Acting Board Secretariat (T Kwela from February 2024 to August 2024)

Basic Salary	453 074	174 718
Provident Fund	47 485	19 562
Acting Allowance	67 338	32 559
Travel and subsistence	28 187	8 601
	596 084	**235 440**

21. Finance costs

Long Service Award	319 000	301 000
Finance lease	7 489	-
	326 489	**301 000**

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

22. Actuarial gain/loss

Acturial gain/loss		136 357	154 684

23. Debt impairment

Debt impairment		(740 383)	1 583 168

24. Administrative Expenses

Advertising		1 842 164	3 966 246
Auditors remuneration		3 529 160	3 189 998
Bank charges		61 732	55 177
Cleaning		423 217	688 117
Computer expenses		844 175	628 747
Consulting and professional fees		502 873	1 162 132
Entertainment		154 154	76 121
Transport Hire		17 429	-
Insurance		555 992	583 986
Legal Costs		4 778 420	3 954 412
Motor vehicle expenses		266 806	202 514
Board members fees		572 147	936 578
Postage and courier		-	200
Printing and stationery		297 545	572 898
Security		1 722 600	1 485 600
Staff welfare		3 500	55 003
Subscriptions and membership fees		29 432	31 040
Telephone and fax		1 091 927	1 166 110
Training		262 781	303 165
Travel - local		3 983 760	3 276 930
Loose tools		6 900	35 213
Electricity		491 940	359 970
Credit Check		66 554	91 527
Relocation Cost		76 263	171 123
Repairs and maintenance		631 646	37 103
Venue expenses		393 973	465 250
		22 607 090	**23 495 160**

25. Operating Leases

Operating leases for the year are stated after accounting for the following:

Operating lease charges

Premises			
• Contractual amounts		4 016 210	4 056 859

26. Auditors' remuneration

External audit fees		3 046 468	2 738 768
Internal audit fees		482 692	451 230
		3 529 160	**3 189 998**

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

27. Cash generated from operations

(Deficit) surplus	4 318 350	2 520 563
Adjustments for:		
Depreciation and amortisation	1 642 275	1 316 386
Gain or loss on disposal of assets	374 075	-
Finance costs	319 000	-
Finance lease liability	191 544	-
Finance costs - Longg Service Award	-	301 000
Actuarial gain/loss	(136 357)	(154 684)
Debt impairment	(740 383)	1 583 168
Impairments PPE	-	27 992
Movements in operating lease assets	217 694	330 235
Movements in leave accruals	(479 416)	(417 002)
Movement in provision	(456 643)	12 684
Changes in working capital:		
Inventories	(13 840)	83 274
Receivables from exchange transactions	25 991	(403 375)
Receivable from non-exchange transactions - DEDECT	56 632 003	(6 780 107)
Receivables from non-exchange transactions	1 131 616	490 830
Prepayments	105 630	(131 435)
Payables from exchange transactions	(1 101 656)	101 782
Payables from non-exchange transactions	2 695 816	(924 218)
Unspent Socio Economic Development Fund	(694 322)	(262 167)
Payable- Refund to Licensees	(56 631 733)	6 780 107
Investigation fees received in advance	(667 931)	(892 367)
	6 731 713	**3 582 666**

28. Provisions

Long Service Award	2 987 000	3 261 000

Long Service Award reconciliation

Opening balance	3 261 000	3 102 000
Current service cost	353 000	379 000
Interest cost	319 000	301 000
Amount used	(809 643)	(366 316)
Actuarial gain/loss	(136 357)	(154 684)
	2 987 000	**3 261 000**

Current portion	466 000	782 000

The provision for long service awards is raised in terms of Human Resources Policy. The Actuaries (3ONE Consulting Actuaries) use escalation rate of 5.97% per annum which include real growth of 1% per annum for merit increase. In the calculation, the actuaries assumed that the salary increase are given on 1 April of each year. The current portion relates only to employees who qualify for long service awards in the next twelve (12) months. The non-current portion has been discounted and adjusted for the probability of staff leaving the employment of the entity before they are eligible for award.

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

29. Related parties

Relationships	
Controlling entity	North West Department of Economic Development, Environment, Conservation and Tourism
Entities under common control	North West Parks and Tourism Board North West Development Corporation
Key Management	Refer to Note 20 Employee Related Cost
Board Members	Refer to Note 31

Related party transactions

	2025	2024
Amount Owed		
North West Department of Economic Development, Environment, Conservation and Tourism	19 267 710	18 053 899

Amount owed relates to the levies and taxes collected in terms of the mandate of the Board, this amount is due and payable to the Department as at 31 March 2025]

	2025	2024
Grant Received		
North West Department of Economic Development, Environment, Conservation and Tourism	76 216 000	76 216 000

Grant received relates to the grant allocation in terms of the approved of the approved 2024/2025 Strategic Plan and Annual Performance Plan for the Board

	2025	2024
Cash Surrendered		
North West Department of Economic Development, Environment, Conservation and Tourism	105 218 995	110 114 599

Cash surrendered relates to levies and taxes that were collected and surrendered to the Department as at 31 March 2025.

30. Accounting by principals and agents

The entity a party to a principal-agent arrangement(s).

Details of the arrangment(s) is/are as follows:

The Member of Executive Council (MEC) of the Department of Economic Development, Environment, Conservation and Tourism (DEDECT) is accountable to the Provincial Legislature for the powers and performance of her function. The MEC's responsibility include oversight of the performance of North West Gambling Board (NWGB). The Board of Directors controls the affairs of the North West Gambling Board and is accountable to the MEC for compliance of the NWGB and PFMA, the North west Gambling Act, and the protocol on Corporate Governance in the public sector and related policies and/or legislation.

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

30. Accounting by principals and agents (continued)

Entity as agent

Resources held on behalf of the principal(s), but recognised in the entity's own financial statements

Resources held on behalf of the principal(s), but recognised in the entity's own financial statements.

The levies and taxes are transferred on a monthly basis on/or before the 15th of every month.

Liabilities and assets recognised by the Board

As at 31 March 2025 the amount of and levies that was due to the Department of Economic Development, Environment, Conservation and Tourism (DEDECT) was R19 291 385 and payable on/or before15 April 2025 in terms of North West Gambling Act.]

As at 31 March 2025 the amount of the levies and taxes due and payable by the licensee was R9 329 698 in terms of North West Gambling Board Act, the Licensees pay the Casino, Limited Payout Machine (LPM's) and Bingo levies on/or before the 7th of every month, Bookmakers levies are paid on a weekly basis and Totalizators pays within twenty-one (21) days after the race meeting.

Liabilities recognised by the Board reconciliation: Payable from non-exchange transactions

	2025	2024
Balance at the begining of the year	79 691 729	17 524 629
Add: Levies and taxes collected	101 060 836	105 855 966
Add: Licensee renewals	5 395 105	4 787 903
Add: Refund to Licensees	(61 637 290)	61 637 830
Less: Amount surrendered for the period	(105 218 995)	(110 114 599)
	19 291 385	**79 691 729**

Assets recognised by the Board reconciliation: Receivable from non-exchange transactions

	2025	2024
Balance at the beginning of the year	73 546 827	11 152 822
Add: Levies and taxes collected and accrued	102 656 910	110 643 861
Less: Actual cash surrendered	(105 218 995)	(109 887 686)
Add: DEDECT -Refund to Licensees	(61 637 830)	61 637 830
	9 346 912	**73 546 827**

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

31. Members' Emoluments

Board members

Board Members 31 March 2025	Board Fees	Travel and Subsistence	Total
Prof Vuyo Peach	36 045	9 787	45 832
M Maine	4 908	-	4 908
T Lerumo	36 810	20 698	57 508
K Seleke	44 172	7 661	51 833
P Makgale	34 356	12 550	46 906
T Lefutswe	29 448	13 051	42 499
M Maleme	-	37 537	37 537
B Pule	-	18 942	18 942
	185 739	**120 226**	**305 965**

Board Members 31 March 2024	Board Fees	Travel and Subsistence	Cell Phones	Total
L Vere (Former Chairperson)	19 440	29 515	2 339	51 294
L Seepe (Former Deputy Chairperson)	2 382	9 439	2 333	14 154
T Mathe (Former Board Member)	9 530	2 060	1 939	13 529
Adv O Dibetso-Bodibe (Former Board Member)	9 530	-	-	9 530
R Moye (Former Board Member)	9 530	33 098	-	42 628
Prof Vuyo Peach (Chairperson)	116 145	32 389	-	148 534
M Maine (Deputy Chairperson)	63 804	-	-	63 804
T Lerumo	73 620	29 608	-	103 228
K Seleke	56 446	9 036	-	65 482
P Makgale	61 350	17 263	-	78 613
T Lefutswe	68 712	29 462	-	98 174
M Maleme	-	12 198	-	12 198
B Pule	-	6 808	-	6 808
	490 489	**210 876**	**6 611**	**707 976**

Audit and Risk Committee

2025

Audit and Risk Committees 31 March 2025	Audit and Risk Committee Fees	Travel and Subsistence	Total
L Menziwa (Chairperson)	106 711	-	106 711
G Malaza	51 262	-	51 262
G Mello	45 866	5 685	51 551
Z Tshabalala	40 470	-	40 470
T Lefutswe	16 188	-	16 188
	260 497	**5 685**	**266 182**

Audit and Risk Committees 31 March 2024	Audit and Risk Committee Fees	Travel and subsistence	Total
L Menziwa (Chairperson)	94 776	-	94 776
G Malaza	39 607	-	39 607
G Mello	50 083	6 589	56 672
Z Tshabalala	30 106	-	30 106
T Lefutswe	8 094	-	8 094
	222 666	**6 589**	**229 255**

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

32. Commitments

Operating lease commitment

Mafikeng

Minimum lease payments due		
- within one year	3 201 163	3 019 965
- in second to fifth year inclusive	6 050 987	9 252 150
	9 252 150	**12 272 115**

The Board entered into a contract with Kakapa Skills Development Institute CC to rent an office building under the operating lease with an escalation rate of 6% per annum fo ra period of five (5) years effrective from 01 January 2023 unti 31 December 2027.

Warehouse

Minimum lease payment due		
- within one year	833 051	778 552
- in second year to fifth year inclusive	2 509 960	3 343 010
	3 343 011	**4 121 562**

The Board appointed Machinery and Supplies (PTY) LTD to rent Warehouse and offices under the operating lease with an escalation rate of 7% per annum for a period of five (5) years effective from 1 December 2023. The lease expires on the 30 November 2028.

Other Commitments

Minimum payments due		
- within one year	5 789 058	7 343 332
- in second to fifth year inclusive	3 011 155	5 000 206
	8 800 213	**12 343 538**

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

33. Risk management

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, entity treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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 table below analyses the entity's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 March 2025	Less than one year	Between one and two years	Between two and five years	Over five years	Total
Payables from exchange transactions	2 245 655	-	-	-	2 245 655
Payables from non-exchange transactions	19 332 515	-	-	-	19 332 515
Accruals	1 859 894	-	-	-	1 859 894
Investigation fees received in advance	422 570	-	-	-	422 570
	23 860 634	-	-	-	23 860 634

At 31 March 2024	Less than one year	Between one and two years	Between two and five years	Over five years	Total
Payables from exchange transactions	1 682 994	-	-	-	1 682 994
Payables from non-exchange transactions	73 255 432	-	-	-	73 255 432
Accruals	3 537 207	-	-	-	3 537 207
Investigation fees received in advance	1 090 501	-	-	-	1 090 501
	79 566 134	-	-	-	79 566 134

Credit risk

Credit risk consists mainly of electronic transfers, advance payments and financial instruments. The entity only deposits money with major banks with high quality credit standing. and limits exposure to any one counter-party.

The Board's maximum exposure to credit risk is equal to the cost amount of the financial assets at balance sheet date and is summarized as follows:

Financial instrument	31 March 2025	31 March 2024
Receivables from non-exchange transactions	8 228 987	65 710 886
Receivables from exchange transactions	4 027 110	3 594 437
Cash and cash equivalents	31 502 770	26 167 164
Payables from exchange transactions	(2 245 654)	(1 682 993)
Payables from non-exchange transactions	(19 332 515)	(73 255 432)
Accruals	(1 859 894)	(3 537 207)

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

33. Risk management (continued)

Financial assets by category

	At amortised cost	Total
Receivables from non-exchange transaction	8 228 987	8 228 987
Receivables from exchange transactions	4 027 110	4 027 110
Cash and cash equivalents	31 502 770	31 502 770
	43 758 867	**43 758 867**

Financial liabilities by category

	At Amortised cost	Total
Payables from exchange transactions	2 245 655	2 245 655
Payables from non- exchange transactions	19 332 515	19 332 515
Accruals	1 859 894	1 859 894
	-	-
	23 438 064	**23 438 064**

34. Going concern

As at 31 March 2025, the entity had accumulated surplus of R18 964 464 (2024: R14 646 120) with the total assets of R49 990 875 (2024: R102 416 530) and total liabilities of R 31 026 411 (2024: R87 770 410).

It should also be noted that there is approved grant allocation amounting to R79 722 000 from the Department of Economic Development, Environment, Conservation and Tourism to support the operations of the entity for 2025/26 financial year. Since the entity's primary source of funding for its operation is a grant from the department, the entity is certain that it will receive adequate financial support from the Department for any possible short fall.

It must be noted that included in the prior year total assets and total liabilities is an amount of R56 962 003 which was due to Licensees, however the total assets were inclusive of the same amount which was expected from the Department of Economic Development, Environment, Conservation and Tourism.

35. Irregular, fruitless and wasteful expenditure

	2025	2024
Opening balance as restated	-	-
Add: Irregular expenditure identified - current	109 211	2 533 199
Add: Irregular expenditure identified - prior period	-	90 548
Add: Fruitless and wasteful expenditure identified - current	-	2 620
Closing balance	**109 211**	**2 626 367**

The reported irregular expenditure above for the financial year 2024/25,comes from payments relating to multi-year contracts that were irregularly appointed previously and were not condoned as at 31 March 2025. The Board did not make irregular appointments of suppliers, during the 2024/25 financial year. The balance from previous years will be disclosed in the annual report

36. Contingencies

Contingent liabilities

Contingent liabilities incurred relating to the entity's interests in associates, are as follows:

GAMBLING REVIEW TRIBUNAL

- The applicant is seeking an order setting aside the decision of the Board to disqualify him as a shareholder in various gambling operations.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R200 000

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

36. Contingencies (continued)

JR2381/23
- Reviewing and setting aside the decision of the CCMA. The CCMA confirmed her dismissal from the Board.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R600 000.

M463/2019
- The Applicant is seeking a declaritory order pertaining the Board's imposition of the 60/40 on the licensee's licence conditions as unlawful and invalid.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R485 240.

M420/17
- The applicant is seeking an order to review and set aside the decision of the Tribunal and the decision of the Board on 10 June 2016 to grant Bingo licences.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R100 000.

M184/2018 and M185/2018 1055 and 1066/2020
- The applicant is seeking an order to review and set aside the decision of the Tribunal and the decision of the Board on 10 June 2016 to refuse the application for a Bingo licence at Mega City Mall.The applicant further seeks an order to review and set aside all the decisions.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R50 000.

624/2022 and 630/2022
- In this matter, the National Lotteries Commission and others sought to interdict LottoStar and other from directly or indirectly taking bets of lottery outcomes. The matter is before the SCA and the parties are still exchanging pleadings.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R500 000.

Case No: 182/07/2024
- The investigation on missing tender boxes.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R400 000.

8694/17
- The Applicant is seeking, amongst others, an order setting aside or invalidating the Search Warrants issued by the Magistrate of Brits Magistrates Court, pertaining to business premises in Brits.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amounts to 200 000.

M562/2022
- Amongst others, the applicant lodged an application requesting the court to set aside the decision of the Board. appointed Attorneys to conduct investigations and to prepare a report on their behalf. To also declare such report unlawful, unconstitutional, invalid, null and/or void ab initio and set aside such report.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amounts to R800 000.

330/2016
- Matter struck off the Roll, costs awarded to Respondents. Costs yet to be recovered . Applicant objected to cost invoice. The Board is still to lodge a cost application.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amounts to R100 000.

M108/17

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

36. Contingencies (continued)

- The applicant made an application to the High Court for the setting aside, correction, review of decision by the Board to impose and revoke its licence.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R100 000.

M402/2017

- The Applicant is seeking, amongst others, an order setting aside or invalidating the Search Warrants issued by the Magistrate of Zeerust Magistrates Court.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amounts to R150 000.

CCT 72/19

- The applicant is seeking an order to review and set aside the decision of the Minister of Trade and Industry on 10 June 2016 to increase the number of casino licenses in North West Province from 4 to 5.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R30 000.

CASE NO. 1618/2022

- The Board instituted Action Proceedings against defendants for the recovery/recouping of an amount of R1 769 516 and 7% interest therein.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R500 000.

JR 383/2023

- The applicant is challenging the decision of the Commission for Conciliation, Mediation and Arbitration (CMMA) which upheld his dismissal.
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R500 000.

M1943/2021

- The applicant is claiming damages against the Board and others for unreasonably closing its premises from 1 - 18 April 2019. (various costs associated to the claim are: legal expenses, damages, loss of revenue etc.)
- Uncertainty exists around the timing of the outflow as this will be determined by the date of a set down by the court. Estimated legal costs amount to R500 000.

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

36. Contingencies (continued)

Contingent assets

CASE NO. 8694/17

- The Applicant is seeking, amongst others, an order setting aside or invalidating the Search Warrants issued by the Magistrate of Brits Magistrates Court, pertaining to business premises in Brits.
- Uncertainty exists around the timing of the inflow as the Board is in the process of recovering the costs. Estimated recovery is R300 000.

M420/17

- The applicant is seeking an order to review and set aside the decision of the Tribunal and the decision of the Board on 10 June 2016 to grant Bingo licences. Uncertainty exists around the timing of the inflow as the Board is in the process to recover costs.
- Uncertainty exists around the timing of the inflow as the Board is in the process of recovering the costs. Estimated recovery is R551 470.

M184/2018 and M185/2018 1055 and 1066/2020

- The applicant is seeking an order to review and set aside the decision of the Tribunal and the decision of the Board on 10 June 2016 to refuse the application of for a Bingo licence at Mega City Mall.
  The applicant further seeks an order to review and set aside all the decisions.
- Uncertainty exists around the timing of the inflow as the Board is in the process of recovering the costs. Estimated recovery is R777 029.

CASE NO. 1618/2022

- The Board instituted Action Proceedings against defendants for the recovery/recouping of an amount of R1 769 516. and 7% interest therein.
- Uncertainty exists around the timing of the inflow as the Board is in the process of recovering the costs. Estimated recovery is R1 769 516.

CCT 72/19

- The applicant is seeking an order to review and set aside the decision of the Minister of Trade and Industry on 10 June 2016 to increase the number of casino licenses in North West Province from 4 to 5.
- Uncertainty exists around the timing of the inflow as the Board is in the process of recovering the costs. Estimated recovery R60 000.

M108/17

- The applicant made an application to the High Court for the setting aside, correction, review of decision by the Board to impose and revoke its licence.
- Uncertainty exists around the timing of the inflow as this will be determined by the set date of a set down by the court. Estimated recovery is R200 000.

GAMBLING REVIEW TRIBUNAL MATTER.

- The Applicant is seeking an order setting aside the decision of the Board to disqualify him as a shareholding in various gambling operations.
- Uncertainty exists around the timing of the inflow as this matter has since been abandoned by the applicant, the Board to seek costs. Estimated recovery is R782 085.

M463/2019

- The Applicant is seeking a declaratory order pertaining the Board's imposition of the 60/40 on the licensee's licence conditions as unlawful and invalid.
- Uncertainty exists around the timing of the inflow as the Board was successful in the High Court and SCA. The Board is in the process of recovering the costs. Estimated recovery is R671 222.

M330/2016

- Matter struck off the Roll, costs awarded to Respondents. Costs yet to be recovered . Applicant objected to cost invoice. The Board is still to lodge a cost application.

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

- Uncertainty exists around the timing of the inflow as this will be determined by the date of a set down by the court. Estimated recovery is R420 000.

M402/2017
- The Applicant is seeking, amongst others, an order setting aside or invalidating the Search Warrants issued by the Magistrate of Zeerust Magistrates Court.
- Uncertainty exists around the timing of the inflow as this will be determined by the date of a set down by the court. Estimated recovery is R213 667.

37. Budgetary basis, period and scope

The budget is approved on a cash basis in terms of approved Strategic Plan and Annual Performance Plan. An amount of R76 216 000 was the budget allocation to the North West Gambling Board for period ending 31 March 2025.

38. Reconciliation between budget and cash flow statement

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

	2025	2024
Operating activities		
Actual amount as presented in the budget statement	503 826	1 765 656
Basis differences	6 227 887	1 817 009
Net cash flows from operating activities	**6 731 713**	**3 582 665**
Investing activities		
Actual amount as presented in the budget statement	(1 396 106)	(3 205 027)
Net cash generated from operating, investing and financing activities	**5 335 607**	**377 638**

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

39. Statement of Comparison of Budget and Actual Amounts

39.1 Investigation fees

The budgeted amount is more than the actual amount due to less applications that the Board received during 2024/25 financial year. It must be noted that the investigation fee is the recoverable amount that the Board spent on advertisement of public notices, travel and accommodation and Board fees in relation to the investigation of all the applications. Over-expenditure under administrative expenses is recovered from investigation fees.

39.2 Other income

The difference between the actual and the budgeted amount is due to the insurance recovery amount and the payment by the previous office accomodation. Other income is the amount that the Board made out of the tender documents, photocopies and travel and subsistence recoveries, legal recoveries, request for application purchases, insurances recoveries.

39.3 Interest received

The difference between the actual and the budgeted amount of interest received is due to maintaining of high balances on the accounts and the increase of the prime interest rate by the reserve bank. Interest received is the money received from bank credit interest on all the bank accounts of the Board.

39.4 Government grant and subsidies

The grant allocated has been received. The personnel costs and cost of goods and services incurred during 2024/25 financial year were covered by the grant that was received from the Department of Economic Development, Environment, Conservation and Tourism.

39.5 Employee related costs

The employee related cost main budget was adjusted through shifting and viarement because of the savings that were realised due to funded positions that were not filled as at 31 March 2025. The Board spend within the allocated budget under this line item during 2024/25 financial year, after shifting of funds to goods and services.

39.6 Goods and services

The goods and services budget was adjusted by the the shifting and virement from employee related cost, however, the amount was not sufficicient to cover the goods and services over-expenditure, the difference was covered by other income.

39.7 Capital assets

The Board over-spend in the payment of capital assets due to the invoices that came after the process of shifting and virement of budget. The over-spending was covered by other income.

40. Unspent Socio Economic Development Fund

The unspent Socio-Economic Development Fund is the remaining balance of ex-gratia payment from Sun International. These funds are used for socio-economic development projects as per the terms and conditions of the ex-gratia.

Unspent conditional grants and receipts comprises of:

Unspent Socio Economic Development Fund		1 276	695 598

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

40. Unspent Socio Economic Development Fund (continued)

Movement during the year

	2025	2024
Balance at the beginning of the year	695 598	957 765
Bank Charges	(2 955)	(3 073)
Credit Interest	20 486	42 806
Projects	(711 853)	(301 900)
	1 276	**695 598**

41. Prior period errors

- Receivables from exchange transactions and investigation fees were under-stated by an amount of R80 734. The error occured when the investigation reconcilliation for the previous financial year 2023/2024 were only submitted in the current financial year 2024/2025. Accounts receivables from exchange transactions were understated and prepayments were overstated by an amount of R125 749. The error occured when some transactions were recognised as prepayments instead of accounts receivables.
- Property, plant and equipment (PPE) was understated by R5 437 and depreciation was understated by R5 685. The error occured when some assets that were still in use were incorrectly disposed.
- Investigation fees received in advance and investigation fees were under-stated by R189 400. The error occured when the investigation reconcilliation for the previous financial year 2023/2024 were only submitted in the current financial year 2024/2025.
- Administrative expenses and accruals were over-stated by a net amount of R30 889.The error occured when invoices were received in 2024/2025 financial year with transactions relating to the prior year.
- Property, plant and equipment (PPE) for 2022/23 was understated by R11 123. The error occured when assets that were still in use were mistakenly disposed. The opening balance were preaviously reported as R6 499 401 and restated to R6 510 524.
- There was an over-statement of receivables from non-exchange transactions and payables from non-exchange transactions of R5 005 827. The error occured when calculating the capital amount that was owed to licensees due to the Costitutional Court judgement that was in favour of the Licensees. The accounts receivables from non-exchange transactions and payables from non-exchange transactions were overstated by an amount of R1 581 917 because the debt was raised by the rate that was challenged by the Licensees, which the Constitutional Court judgement was in favour of. There was an understatement of accounts receivables from non-exchange transactions and payables from no-exchange of R151 447. The error occured when levies and taxes that were due as at 31 March 2024 were not recognised.

Statement of Financial Position	As previously reported	Correction of error	Restated
Receivables from exchange transactions	3 387 954	206 483	3 594 437
Receivables from non-exchange transactions	72 147 182	(6 436 296)	65 710 886
Prepayments	522 341	(125 749)	396 592
Accruals	(3 568 096)	30 889	(3 537 207)
Payables from non-exchange	(79 691 729)	6 436 297	(73 255 432)
Investigation fees received in advance	(1 279 901)	189 400	(1 090 501)
Property, Plant and Equipment	6 510 524	(5 686)	6 504 838
	(1 971 725)	**295 338**	**(1 676 387)**

Statement of Financial Performance	As previously reported	Correction of error	Restated
Investigation Fees	(3 097 055)	(270 134)	(3 367 189)
Administrative Expenses	23 526 049	(30 889)	23 495 160
Depreciation	1 310 701	5 685	1 316 386
	21 739 695	**(295 338)**	**21 444 357**

Other Commitments

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

41. Prior period errors (continued)

Galix Networking	-	378 416
Telkom	-	394 703
Restated opening balance	**-**	**773 119**

The commitment register was under-stated with an amount of R773 119. The error occured when an amount of R773 119 relating to internet connectivity with Galix Networking and Telkom was not captured.

Irregular Expenditure

Irregular expenditure	-	90 548

The irregular expenditure relating to the prior year is due to payments relating to 2023/2024 financial year that were made in 2024/2025 financial year.

42. Finance lease liability

Minimum lease payments due		
- within one year	65 365	-
- in second to fifth year inclusive	126 180	-
Present value of minimum lease payments	**191 545**	**-**

Non-current liabilities	126 179	-
Current liabilities	65 365	-
	191 544	**-**

The Board appointed Telkom SA to rent offices mobile equipment under the finance lease for a period of thirty six (36) months effective from 05 December 2024. The lease expires on the 05 November 2027.

43. Events after the reporting date

- No material events to report.

44. Impairment loss

Impairments		
Property, plant and equipment The assets were damaged due to movement from old offices to the new office. The recoverable amount (Recoverable services amount) of the asset was based on its fair value less costs to sell or (its value in use).	-	27 992

The main classes of assets affected by impairment losses are:

Computer Equipment

Office Furniture

Office Equipment

The main events and circumstances that led to the recognition of these impairment losses are as follows:

The movement of assets from the old offices to the new offices of the North West Gambling Board

Impaired assets		
Computer Equipment	-	27 992

Notes to the Annual Financial Statements

Figures in Rand	Note(s)	2025	2024

45. Segment information

General information

Identification of segments

The entity is organised and reports to management on the basis of three major functional areas: primary, secondary and tertiary educational services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Programme 2	Investigations and Licensing
Programme 3	Gambling Control
Programme 4	Gambling Audit and Systems

Figures in Rand	Note(s)	2025	2024

45. Segment information (continued)

Segment surplus or deficit, assets and liabilities

31 March 2025

	Investigations and Licensing	Gambling Control	Gambling Audit and Systems	Total
Revenue				
Grant Allocation	6 092 000	8 671 180	7 600 816	22 363 996
Revenue from exchange transactions	2 223 154	9 446	-	2 232 600
Total revenue from Exchange Transactions	**8 315 154**	**8 680 626**	**7 600 816**	**24 596 596**
Entity's revenue				**24 596 596**
Expenditure				
Salaries and wages	5 926 583	7 844 605	7 032 165	20 803 353
Other expenses	2 088 065	753 479	335 488	3 177 032
Total segment expenditure	**8 014 648**	**8 598 084**	**7 367 653**	**23 980 385**
Total segmental surplus/(deficit)	**300 506**	**82 542**	**233 163**	**616 211**

The budget and expenditure of assets and liabilities are centralised in the Administration Programme and not used by management as a basis for evaluating the segment's performance.

Revenue from exchange transactions from Investigations and Licensing is the investigation fees charged to the investigation of all applications received by the Board. In Gambling Control, revenue from exchange transactions is the travel and susbsistence recovered from the licensee who requested the Board to conduct the inspection on the Licensee's premises. After the completion of the investigation, the Board recovers all the expenditure incurred during the investigation from the licensees or any other application.

31 March 2024

	Investigations and Licensing	Gambling Control	Gambling Audit and Systems	Total

Notes to the Annual Financial Statements

Figures in Rand		Note(s)	2025	2024
45. Segment information (continued)				
Revenue				
Revenue from non-exchange transactions	7 053 000	8 194 000	7 560 000	22 807 000
Revenue from exchange transactions	3 097 055	-	-	3 097 055
Travel and subsitence	-	10 991	-	10 991
Total segment revenue	**10 150 055**	**8 204 991**	**7 560 000**	**25 915 046**
Entity's revenue				**25 915 046**
Expenditure				
Salaries and wages	6 106 302	7 499 832	6 543 883	20 150 017
Other expenses	4 223 624	753 169	384 816	5 361 609
Total segment expenditure	**10 329 926**	**8 253 001**	**6 928 699**	**25 511 626**
Total segmental surplus/(deficit)	**(179 871)**	**(48 010)**	**631 301**	**403 420**

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