



LIMPOPO

PROVINCIAL GOVERNMENT

REPUBLIC OF SOUTH AFRICA

MEMORANDUM OF UNDERSTANDING

ENTERED INTO BETWEEN

DEPARTMENT OF SOCIAL DEVELOPMENT

Represented by the **Head of Department**; or Designated official duly delegated to act as such (**Hereinafter referred to as "the Department"**).

AND

REF NO: _____

Represented herein by _____ in his/ her capacity as _____ of the Non-Profit Organisation (Hereinafter referred to as "the Organisation") duly authorized as per Annexure (Attached letter of Authority or Special Resolution of the Organisation).

PREAMBLE

WHEREAS the Department has identified and prioritized the following programme/s _____

AND WHEREAS the Department is willing to make funds available to the Organization in order for the Organization to assist the Department in this regard;

AND WHEREAS the Organization is able and willing to provide the required service, herein referred to as the Organization on behalf of the Department;

AND WHEREAS a Business Plan has been submitted and accepted by the Department;

The parties hereby agree as follows:

A **DEFINITIONS**

In this Agreement unless otherwise required or indicated by the context, the singular shall include the plural and vice versa. Any reference to any gender shall include all other genders and vice versa.

- 1.1 . **Financial Award or Subsidy** refers to the sum to be awarded to the / Non-Profit Organization (NPO) to carry out specific services;
- 1.2 . **Founding Documents** includes the memorandum and articles of association of a company, trust deed, the constitution of the Organization applicable or a voluntary association or national organization;
- 1.3 . **Management/ Executive Committee** means a duly elected body to represent beneficiaries as a legal entity;
- 1.4 . **NPO**; refers to the Non-Profit Organization;
- 1.5 . **Organization** shall refer Organization and *visa vis*
- 1.6 . **Parties**: refers to the Department of Social Development and the Non-Profit Organization funded for the financial year;
- 1.7 . **Service Plan** means a Plan outlining services to be provided by the Organization;
- 1.8 . **Programme/ Project** means a planned undertaking designed to achieve certain objectives within a given budget and within a specified period of time;
- 1.9 . **Registered Auditor** refers to an individual or a firm that undertakes regulated audit work and that is registered with a recognised supervisory body (IRBA-Independent Regulatory Board for Auditors);
- 1.10 **Timeframes: Departmental Funding Quarters: refers to:**
 - First Quarter-April to June
 - Second Quarter-July to September
 - Third Quarter-October to December
 - Fourth Quarter-January to March

B THE AGREEMENT

1 Preamble included in the agreement

The preamble to this Agreement forms part of this Agreement, as specially mentioned herein.

2. Duration of the Agreement

- 2.1 Notwithstanding the date of the signature thereof, this contract shall become effective from 01 April 2014
- 2.2 The implementation of the project shall have the duration of _____months starting from **01 April 2014 ending 31_____201.....**

3. VARIATIONS

This agreement shall be the only agreement between the Department and the Organization and no amendment or this clause shall be of any force or effect unless reduced to writing and signed by both Parties.

4. OBLIGATIONS/ DUTIES OF THE DEPARTMENT

- 4.1 The Department undertakes to appropriate and make available funds to the organization of R_____ (_____) for the services to be rendered as per the attached Business Plan and for the under mentioned services;

For the purpose of this agreement, the organization shall be managing the following services:

4.1.1.

4.1.2.

4.1.3.

4.1.4.

4.1.5.

4.2. Payments shall be made as follows:

- (a) A tranche payment of R..... for services per quarter
- (b) Stipend (Equitable share): R.....per quarter;
- (c) Stipend (Conditional Grant): R..... per quarter

Payments shall be made after signing of this agreement by the Parties;

- 4.3 The approval allocation of funds shall be mainly for Administration, Operational , Personnel and Equipment costs ;
- 4.4 The amount to be transferred shall be according to the Costing Model developed and assessment made. Money transferred shall not be used to pay stipend for the members of the Board; members of the board are there on a voluntary basis and nothing else. Money shall only be used for the services rendered;
- 4.5 The allocation, however, are subject to the following:
 - (a) approval of the future annual budgets by the Provincial Legislature;
 - (b) submission of a Annual Service Plan with clear deliverables by the Organization;
 - (c) Availability of funds;
 - (d) Adherence by the Organization to the contractual conditions;
 - (e) Adherence to Treasury Regulations 8.4.2;
 - (f) The Services being a priority;
 - (g) Proof of purchase of equipment bought with this allocation of funds. The organization will procure external services or equipment's on the basis of securing three quotations; the said quotations must be accessible to the Department's officials;
- 4.6 The Department reserves the right to determine which option will be best for the Organization. The amount will be payable in **four tranches as per the quarters**;

- 4.7 Any expenditure incurred in the implementation of activities herein prior to the effective date of this contract shall be deemed to be ineligible, and shall not be payable from the funding provided by the Department herein;
- 4.8 In terms of the **Public Finance Management Act, 1 of 1999 (PFMA)**, the Department shall be responsible after the transfer of funds, assure that a regular monitoring mechanism is in place to ensure that proper accountability mechanisms and recourse are in place.
- 4.9 The Department shall see to it that the organization **must have** a Risk Management Plan and risk identified shall be reported to its Board as soon as it identified. The information on risk identified must be recorded in the minutes of the Board and the Department must have access to the information recorded. Failure to adhere to the provisions of this clause constitutes a ground for cancellation of this agreement;
- 4.10 Conduct Site inspection and monitoring visits shall be conducted on a regular basis. The Department reserves the right to render unscheduled or unplanned inspections.
- 4.11 Put in any control measures it deems necessary in the event of any contravention of this Agreement, not excluding withdrawal of the funding;
- 4.12 Provide feedback to the Organization within three (03) months of receipt of the annual report or annual evaluation of the Organization's business Plan;
- 4.13 May appoint an organization (legal entity) or person to temporarily manage the funds of the organization if; in the opinion of the Department:
 - 4.13.1 The organization is not being managed in accordance with the prescribed or approved procedures;
 - 4.13.2 The Organization is in persistent non-compliance with the terms and conditions of funding;
 - 4.13.3 The Organization does not or is unable to proceed with its operations.

5. **CONDITIONS FOR FUNDING**

The funding of the Organization shall be subject to the following Terms and Conditions:

- 5.1 Sign Service Level Agreement before any financing is approved.
- 5.2 Comply with the Public Finance Management Act 1 of 1999; section 38(1) (j) (Declaration);
- 5.3 Comply by the organization with the Norms and Standards related to the services approved;
- 5.4 The organization shall be required to submit Procurement Plan and Operational Plan within 14 days after signing of the agreement.
- 5.5 Annual assessments shall be submitted and shall be used to determine funding for the next cycle of the financial years approved;
- 5.6 Comply with the provisions of the Non-Profit Organizations Act (Act 71 of 1997); or any applicable legislation in terms of which the organization is registered;
- 5.7 Comply with the organization's constitution duly approved by the board and considered by the Department,
- 5.8 that its programmes shall address race, class, gender and spatial imbalances;
- 5.9 that its programmes shall be preventative and developmental in nature;
- 5.10 that its programmes shall have the equity principle that stresses the equitable distribution of resources;
- 5.11 The Programmes of the organization shall be accessible, affordable, appropriate, cost-effective and efficient;
- 5.12 Promise that its Programmes shall encourage participation amongst beneficiaries
- 5.13 Accountability to the Department and the community at large;

- 5.14 Comply with the **Occupational Health and Safety Act 85 of 1993** as amended at the services points; for example a First Aid Kit should be available at the centre
- 5.15 Submit proof of income of parents of the children before the cut-off date which is the **15th of January** each year;
- 5.16 Adhere to the Policy on Financial Awards and funding guidelines ;
- 5.17 That the organization makes sure that they have a person with financial skills in the Management and/ or Board

6. **OBLIGATIONS/ DUTIES OF THE ORGANIZATION**

The obligations of the Organization/ Organizations are as follows:

- 6.1 The Organization must comply with any terms and conditions laid down or instructions contained in the recommendations of any assessment team or any other person appointed by the Department to assess the project/ or implementation and/ or the progress thereof;
- 6.2 The Organization must at all times adhere to its Constitution and Business Plan;
- 6.3 The Organization must provide the Department with a signed and dated copy of any changed or new constitution within thirty (30) days, of the coming into effect of such constitution. Changes contrary to the Agreement will result in a review of the Department's Financing;
- 6.4 The Organization must within thirty (30) days of such change happening, inform the Department in writing of any changes of the office bearers and the signatories to the bank account and **must ensure** that such changes are made during the properly constituted meeting and a copy of the minutes at which the decision was taken is submitted to the Department;
- 6.5 The Organization shall be subjected to a Monitoring and Evaluation process on a regular basis as prescribed in the Government's Policy on Financial Awards;
- 6.6 Failure to adhere to the terms and conditions of the Financial Award shall impact negatively on the funding;
- 6.7 It is specifically recorded that the Organization shall use the funds allocated to it solely for the purpose specified herein and any intended deviation must be approved by the Department in writing, **BEFORE SUCH INTENDED SPENDING**;
- 6.8 The Organisation agrees to receive a representative of the Department at any time for the purpose of:
 - Providing support & assistance/monitoring
 - Ensuring that funds are spent appropriately
- 6.9 The Organisation agrees to answer all reasonable questions by the Department or any person appointed by the Department related to the funded activities;
- 6.10 The Organisation agrees to give the Department access to all its banking details pertaining to the bank account through which the funds provided as part of this agreement are administered and submit monthly bank statements with quarterly reports. The parties agree that the bank – client privilege shall not apply and the Organisation duly waives its rights thereto;
- 6.11 The Organisation undertakes to inform the Department of any problems it may experience that impede on its ability to fulfil its obligations as defined and contained in this agreement;
- 6.12 The Organization agrees to submit claims and/ or report/s within the prescribed timeframes; failure to adhere to timeframes shall result in penalty being implemented against the said organization;
- 6.13 Appoint a bookkeeper who has a financial skills background to assist the organization with the management of its finances;
- 6.14 Management of the organization shall have a minimum educational level of 1-4 NQF qualifications;

6.15 The organization which provides Statutory Services shall be required to appoint professional staff to provide professional services therein;

7. **COMMUNICATION**

- 7.1 The Department shall designate a responsible official/s who will act as a communication channel between the Parties,
- 7.2 The organization agrees that it will also provide a contact person within 14 days of the signing to serve as a communication channel;
- 7.3 The Department may call meeting/s of the contact persons to address any challenges therein the agreement;
- 7.4 The organization agrees that after signing it will be a member of the NPO Forum within the district it operates in;
- 7.5 Minutes of the meetings if any of the spokespersons shall be made available to the signatories within 14 (fourteen) days after the meeting;
- 7.6 Meetings of the spokespersons shall be used as a communication tool and/ or feed-back reporting to stakeholders;

8 **FINANCIAL ARRANGEMENTS**

- 8.1 The Organization must submit a letter of assurance annually confirming that it has efficient, effective and transparent accounting systems and internal control systems; quote PFMA
- 8.2 The allocated funds must be utilised in accordance with the purpose / service/programme as stated in above;
- 8.3 The Department shall do a reconciliation of funds utilised and services rendered on a monthly and quarterly basis to assess if money transferred and the services reconciled. Should it emerged that the organization has been over-paid, the Department shall minus the amount over-paid with at the next tranche payment to the organization; same applies when under-payment happened, the Department shall make correct that at the next tranche payment;
- 8.4 Any intended deviation or variation from the purpose of the Department funding shall only be implemented after written approval is obtained from the Department;
- 8.5 The transfer of funds shall be made available within (30) thirty days after signing of this Service Level Agreement by the parties;
- 8.6 All assets bought using the Department's funding must be recorded in the Asset register and shall be transferred to another organization offering the same or similar services should, for whatever reason the services of the Organization be dissolved; this includes all assets recorded in the asset register;
- 8.7 The Organization must submit the following to the Department on or within the specified timeframes:
 - 8.7.1 Monthly reports; 1st week of the following month;
 - 8.7.2 Quarterly expenditure report: 1st week of July 2014, 1st week of October 2014, 1st week of January 2015;
 - 8.7.3 Quarterly reports: 1st week of July 2014, 1st week of October 2014 ,1st week of January 2015,
 - 8.7.4 Six monthly reports: 1st week of October 2014 and 1st week of April 2015
 - 8.7.5 Annual report: 3 months after the end of the financial year
 - 8.7.3 Monthly claim forms on the implementation of the project including staff profile; attendance and stipend registers
 - 8.7.4 Relevant information on beneficiaries as required by the Department (case files if any); attendance register of beneficiaries;

- 8.7.5 The Organization shall ensure that monthly evidence based performance information is properly managed and that submission shall be on or before the 7th of the following month;
- 8.7.6 **AUDITING OF THE ORGANIZATION**
- 8.7.6.1 **The Organization shall submit to the Department audited financial statements by registered auditors to the Department within three (03) months after the end of the financial year;**
- 8.7.6.2 The Organisation undertakes to operate a specific Bank Cheque Account for all funding coming from the Department provided in the context of this Agreement. A separate account for other funds
- 8.7.6.3** The organisation shall keep a proper set of books of accounts, and systems of accounting which complies with Generally Accepted Accounting Practice (**GAAP**) as prescribed.
- 8.7.7 Financial transactions made from this account shall require at least two signatures of three authorised signatories. (1x Staff member and 2x Board members);
- 8.7.8 The organization shall submit annual report according to the financial year of the Department being the 31st of March of the following financial year;
- 8.7.9 Within three (03) months of the ending of each financial year, the Organisation undertakes to supply the Department with the following documents:
- a) Auditor's report , Annexure 7; indicating audit opinion: Qualified or Unqualified Opinion
- 8.7.10 In the event that the activities funded in **Annexure 1** are implemented over more than one financial year, the Organisation undertakes to submit an interim audited financial statement within three (03) months of the ending of the first financial year.
- 8.7.11 An auditor's report on the annual financial statements shall be prepared in respect of the Organisation by the auditors appointed in accordance with the prescripts regulating such appointments;
- 8.7.12 A report in terms of sub-section **8.7.9** above shall be addressed to the Department and shall state separately in respect of each of the following matters whether in the auditor's opinion:
- a) The annual financial statements fairly present the financial position and result obtained by the Organisation in accordance with generally accepted accounting practice applied on a basis consistent with that of the preceding year;
- b) The information furnished is fair in all material respects and, if applicable, on a basis consistent with that of the preceding year;
- c) The transactions of the Organisation that had come to the auditor's notice in the course of his examination were made in accordance with the applicable laws and instructions; and
- d) The transactions that had come to his attention during auditing were in all material respects in accordance with mandatory functions of the Organisation determined by law or otherwise.
- 8.7.13 The auditor shall report to the Department the results of any audit carried out under section 11 (2) (b) of the Report by Public Entities Act 93 of 1992 as amended;
- 8.7.14 The Department reserves the right to conduct or commission its own audit should it not be satisfied with the report mentioned above.
- 8.7.15 The Organisation undertakes to have internal audits conducted so as to promote:
- a) The safeguarding and control of the assets of the Organisation;

- b) Compliance with this Agreement or any other Act of Parliament governing the activities of the Organisation; and
 - c) The economical and efficient management of the resources of the Organisation and effective performance of the functions of the Organisation;
- 8.7.16 The Organisation agrees to disclose any other source of funding to the Department
- 8.7.17 The Department is authorised to receive any required information about the Organisation from any past and present funder or potential funder of the Organisation.
- 8.7.18 Should specific activities or components of activities be co-funded through other source than the ones regulated in this Agreement, the reporting should clearly indicate what the component is that is funded by this Agreement.
- 8.7.19 The Organization must declare in writing if there is any additional financial support received and what the amount is other than that requested or obtained from the Department and state the purpose for which those funds are to be used. The Department reserves the right to stop the co-funded activities
- 8.7.20 In case of joint funding of programmes, the Organization must obtain written approval from the Department on the utilization of Departmental funds for that purpose;
- 8.7.21 Department or its designated official will, at any given time, be entitled to inspect all financial books and records of the project/s outlined in this Agreement and take copies thereof or extracts there from;
- 8.7.22 The Organization must allow the Auditor-General access to any financial records and supporting documentation they may require;
- 8.7.23 The Organization must provide written reports on the project/s as and when requested by the Project Manager of the Department;
- 8.7.24 The Department will not be required to allocate to the project for any purposes whatsoever an amount exceeding in aggregate the amount referred to in clause 4 above
- 8.7.25 The Organization must inform the Department within thirty (30) days of any circumstances that impact negatively on the service and the Department's financing.
- 8.7.26 Funds will be transferred into the legitimate bank account of the Organization;
- 8.7.28** **NOTE:** Signatories of the bank account shall be constituted of at least two board members of the Organization being Treasurer and Chairperson. The other signatory should be the senior member of the organization;
- 8.7.29** **NOTE FURTHER:** Access and authority to transact on the bank account should not be limited to one individual of the Organization but be in line with the signatories.

9 CONFLICTS OF INTERESTS

- 9.1 The Organization undertakes to take all necessary precautions to avoid conflict of interest and shall inform the Department without delay of any situation constituting or likely to lead to any such conflict. Conflict on interests arise where the impartial and objective exercise of the functions of any person under this Contract is compromised for reasons involving family, emotional life, political affinity, economic interest or any other shared interest with another person;

10. OWNERSHIP/ USE OF ASSETS

- 10.1 All assets procured either by the Department or any other institution shall upon the termination of the project, disposal of assets shall be done in terms of applicable legislation;

11. BREACH OF AGREEMENT

- 11.1 Should any party fail to comply with a term, condition, duty or otherwise; as the case may be, under this Agreement, the aggrieved party must send a notice of breach to the other party by registered mail; except where the Department in its sole discretion is of the opinion that the violation is so gross that it qualifies for an immediate withholding of funds without notice;

- 11.2 a notice of breach shall:
- 11.2.1 Indicate clearly the nature and extent of such breach;
 - 11.2.2 Contain a demand that the party concerned remedies the breach within 14 (fourteen) days after receiving such notice; and
 - 11.2.3 Draw the attention of the party concerned to the remedies the aggrieved party may avail itself of, if such demand is not heeded to;
- 11.3 if such a breach is not remedied by the said date and to the extent stipulated in the notice of breach, the aggrieved party may without prejudiced to any of its other rights under this Agreement or common law:
- 11.3.1 Cancel this Agreement and claim damages;
 - 11.3.2 Continue this Agreement and claim specific performance; or
 - 11.3.3 Avail itself of any other remedy that is legally available upon breach of the contract;
- 11.4 Any notice given and any payment made by either party to the other (the addressee) which:
- 11.4.1 Is delivered by hand during the normal business hours of the addressee at the addressee's domicile shall be presumed, until the contrary is proved by the addressee to have been received by the addressee at the time of delivery;
 - 11.4.2 Is posted by prepaid post from an address within the Republic of South Africa to the addressee at the addressee's domicile shall be presumed, until the contrary is proved by the addressee, to have been received by the addressee within ten (10) days of the day of posting.
- 11.5 The Department shall have the right to cancel this Agreement with immediate effect, where according to the Department the violation of any term or condition of this Agreement warrants such immediate cancellation.

12. DISPUTE RESOLUTION

In the event of any dispute, which according to the Department does not warrant clause 10 procedure, arising between the parties relating to the carrying out of the obligation in terms of this Agreement, the parties shall endeavour to settle such dispute amicably through, on the side of the Organization, its Director and, on the side of the Department, the Project Manager.

13. INDEMNITY

- 13.1 The Organisation acts as an independent body and not as an agent or employee of the Department and has no authority to bind the Department contractually or in any other way. The Organisation hereby indemnifies the Department against any actions or application including any costs that may arise in this regard.
- 13.2 The Department does not and shall not take responsibility for any Agreement that the Organization enters into, and the Organization hereby indemnifies the Department against any claim, damages or legal costs that may be instituted against the Organization;

14. RIGHT TO APPEAL

The Organization shall have the right to appeal to the Member of Executive Council (MEC) for Department of Social Development against the department's decision;

15. JURISDICTION AND ADDRESSES

- a. The parties agree to the jurisdiction of the Magistrate's Court for any dispute that may arise under this Agreement.
- b. The parties nominate as their *domicile citandi et executandi* (addresses) for the purpose of the Agreement and for the serving of the legal documents and notices the following street addresses

i. the Department:

ii. the Organization

16. ACTS BEYOND PARTIES CONTROL

Neither party will be liable to the other for any failure to perform its obligations under this Agreement, where such performance is rendered impossible by circumstances beyond its control, but nothing in this Agreement will limit the obligations of the Organization to use its best endeavours to fulfil its obligations under this Agreement.

16 ADDRESSES FOR SERVICES OF DOCUMENTS

16.1 The Parties agree that their official Physical addresses for service of documents for this Agreement shall be:

16.1.1 THE DEPARTMENT OF SOCIAL DEVELOPMENT:
18 College Street, Polokwane, 0699;
Tel: 015 293 6000;
Fax:

16.1.2 THE ORGANISATION

16.2 The Organisation shall indicate relevant address, telephone numbers and fax Numbers.

THUS DONE AND SIGNED AT _____ ON THIS

_____ DAY OF: _____ 2014.

.....
Department of Social Development

WITNESS: 1.....
Surname, Initials and Signature

WITNESS: 2.
Surname, Initials and Signature

THUS DONE AND SIGNED AT _____ ON THIS _____ DAY OF _____

.....
(Chairperson) ORGANISATION

WITNESS: 1.....
(Treasurer) Surname, Initials and Signature

WITNESS: 2.....
Surname, Initials and Signature

ANNEXURE 3

RESOLUTION

On behalf of this Organisation, we, the undersigned, in the capacity as indicated, herewith resolve that the person named with this ID number is duly authorised to represent this Organisation in all matters relating to the funding agreement between the above-mentioned Organisation and the Department of Social Development

Thus signed on this date..... At this placeby

a) Name Capacity
ID Number Signature

b) Name Capacity
ID Number Signature

ANNEXURE 4

DECLARATION

I/we the undersigned, being duly authorised

- a) Hereby undertake to refund any amount received in pursuance of the project on request if the Department is of the opinion that the allocated money is not correctly applied for the purpose set out in this agreement.
- b) Further declare to refund or pay back any amount over-paid to the organization should it be discovered that the amount paid was wrongfully paid to the organization
- c) Furthermore declare that should we fail to refund the amount over-paid, the Department should deduct that amount of money from the next batch of payment to recover for the previous transaction/s;
- d) Undertake to adhere to the conditions as stipulated in this agreement.

Thus done and signed at On this Day of
..... for and on behalf of the Organisation.

Signature

ANNEXURE 5(A)

DECLARATION IN TERMS OF SECTION 38(1) J OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999 (ACT 1 OF 1999)

(In terms of Sec 38(1) j of the Public Finance Management Act, 1999(Act 1 of 1999), the Department of Health and Social Development requires an annual written assurance that your entity implements and maintains effective, efficient and transparent financial management and internal control systems)

2014/15 FUNDING YEAR

CONDITIONS AND REMEDIAL MEASURES TO COMPLY WITH PUBLIC FINANCE MANAGEMENT ACT

1. The NPO will not use any funds allocated by the Department and paid into their bank account until the department gives them written permission to do so.
2. The NPO will attend and subject itself to all trainings as provided by the Department;
3. The NPO will implement and adhere to the financial control systems as prescribed by the department;
4. The NPO will subject itself to monitoring and inspection of financial records on regular basis as conducted by the Officials of the department and or its representatives;
5. The NPO will submit monthly financial expenditure and progress reports as prescribed by the Department.

I, the undersigned -----in my capacity as -----hereby declare that-----
----- (Name of entity) will adhere to the conditions as stipulated above in order to ensure that an effective, efficient and transparent financial management and internal control systems according to generally accepted accounting principles are implemented

WITNESSES

Signature-----

Signature-----

Date-----

ANNEXURE 5(B)

**ASSURANCE IN TERMS OF SECTION 38(1) J OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999
(ACT 1 OF 1999)**

(In terms of Sec 38(1)j of the Public Finance Management Act,1999(ACT 1 of 1999), the Department of Health requires an annual written assurance that your entity implements and maintains effective, efficient and transparent financial management and internal control systems)

2014/15 FUNDING YEAR

I, the undersigned -----in my capacity as -----hereby declare that -----
----- (Name of entity) implements and maintain an effective,
efficient and transparent financial management and internal control systems according to generally accepted accounting principles.

WITNESSES

----- Signature-----

----- Signature-----

Date-----

ANNEXURE 6

REGISTRATION AS A NON PROFIT ORGANISATION

It is now a requirement that all NGOs and CBOS wishing to apply for funds from the Department of Social of Development must be registered under the Non Profit Organisations Act No 71 of 1997. This act has replaced the old Fundraising Act No 107 of 1998.

The purpose of the Non Profit Organisations Act is to encourage and support non-profit Organisations in the wide range of work they do.

Please attach a copy of your registration certificate here.

NB: NPO compliance should also be attached.

ANNEXURE 7

AUDITORS STATEMENT (TO BE COMPLETED BY AUDITOR)	
Name of Organisation: _____	
From whom do they get funds and how long have they been funded by these Sponsors: _____ _____	
Percentage of income utilised for administration: _____	
Surplus or shortfall of funds in the previous year:- Surplus : R _____ Shortfall : R _____	
Amount of money raised by the Organisation themselves (Other than subsidies) R _____	
Total amount of funds held in investments: - R _____	
Has the Department's grant been used as stipulated in the Business Plan? Yes/No (please explain) _____ _____	
Comments on general financial administration and planning ability of the Management of the Organisation _____ _____ _____	
Does the Organisation require close supervision in this respect? Yes/No (please explain) _____ _____	
Overall impression: _____ _____ _____	
Name of Auditor/s: _____	
Address: _____ _____ _____	
Contact person: _____	
Tel & Code: _____ Fax: _____	
_____ Signature & Stamp	_____ Date

ANNEXURE 8

DEPARTMENT SPECIFIC FINANCIAL REPORT

ITEM DESCRIPTION	TOTAL BUDGET	AMOUNT RECEIVED	EXP FOR THE MONTH	EXP. TO DATE	% SPENT	BALANCE AVAILABLE
<i>ADMIN COSTS</i>						
<i>OPERATIONAL COST</i>						
<i>PERSONNEL COST</i>						
<i>EQUIPMENT COST</i>						
<i>OTHER COSTS</i>						
<i>TOTAL BUDGET</i>						