**NATIONAL ASSEMBLY**

**QUESTION NO. 2305-2020**

**FOR WRITTEN REPLY**

**INTERNAL QUESTION PAPER NO: 38-2020, DATE OF PUBLICATION 16 OCTOBER 2020**

“Dr A Lotriet (DA) to ask the Minister of Sport, Arts and Culture:

(a). What is the current financial status of (i) the SA Sports Confederation and Olympic Committee, (ii) the SA Sports Trust and (ii) all national federations and (b) which of the specified entities are not currently financially viable? **NW2878E**

**REPLY**

(a)(i)&(b). **SASCOC** indicated that the Audited Annual Financial Statements for the year-end 31 March 2020 will be presented for adoption at the Annual General Meeting scheduled to be held on the 7 November 2020. These financials contain independently audited financial reporting that provides information on the financial viability and going concern concept for SASCOC. Once the Audited Annual Financial Statements has been adopted by the membership on the 7 November 2020 it will be available for circulation/public consumption.

(a)(ii). **The Sports Trust** indicated that based on the analysis done regarding financial status of The Sports Trust is moderately healthy. The current ratio (current assets/current liabilities) determines that The Sports Trust will be able to honour its operational expenses for the next 12 months 1.57:1.The business cash flow is also in a moderately healthy position to honour the day – to – day operations of The Sports Trust.

(ii)(b). **The Sports Trust** further indicated that with the current economic situation, The Sports Trust as an NGO is mainly reliant on collaborations and partnerships with government and the private sector companies for donations and grants. The Sports Trust has also been affected by the current Covid-19 pandemic and is pleased to announce that we managed to secure a few partnerships and collaborations during this time of uncertainty.

The financial viability of The Sports Trust can therefore be defined as moderately healthy and place us in a position to deliver on our mandate, our day-to- day operations and some of the contractual agreements that we have in place.

Another lifeline of The Sports Trust is the interest that we receive from our investments due to our Seed Capital solution.

(a)(iii)&(b). The following **federations** provided responses / information regarding their financial status and viability:-

**See information below:**

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| **Federations** | **Responses** |
| Jukskei South Africa (JSA) | (**a) Current financial status**  Jukskei indicated that they have sufficient resources to continue as a going concern in the medium to long term. However, the Pandemic may have a temporary impact on their Revenue in the 2021 Financial year.  **(b) Financially viability?**  Indicated that they are viable and have two streams of revenue.  Affiliation fees, these fees were due and payable by mid-July. We have received 8 of the 9 Provinces affiliation fees and are in contact with the last Province to pay their fees.  Registration fees, fees for athletes to be registered at JSA. JSA has implemented a Covid operational plan for jukskei activities to continue under Level 3, 2 and 1. Based on the current lockdown regulations the federation is able to host events without spectators and therefore athletes will need to be registered in order to participate.  In terms of expenses, the federation has cut down operational budgets to ensure reduced revenue is sufficient to cover all expenses.  Indicated that they were able to cut expenses for operational activities, however will not be able to run any of the development projects including high performance programme, development programme on grassroots level (schools and rural areas) and support to national teams in respect of national tours. |
| Softball South Africa (SSA) | 1. **Current financial status**   Federation indicated that the organization is stable   1. **Financially viability**   Indicated that they are viable for an amateur sport |
| South African Hockey Association (SAHA) | 1. **Current Financial status**   The federation indicated the following;  The SA Hockey Association has the following annual funding streams:  Provincial Affiliation Fees – this is a nominal amount that Provinces pay to SA Hockey annually to Affiliate as a Province or Affiliate Member.  Member Affiliation Fees – this fee relates to amounts paid annually by all registered hockey players. These fees are set based on our National Office Operational Costs and charges to affiliated members  Sponsorship Revenue – this revenue covers specific projects such as the respective 6 National Teams per Gender  Coaching Education Fees – these fees are generated from hosting courses  Broadcast Rights Fees – these fees are generated from broadcast rights annually for specific projects such as the Premier Hockey League  Project Partner Fees – these fees are generated from specific projects such as the Modified Hockey Programme where funders can partner on CSI projects  DSAC Grants – these grants have a set portion to assist with operational costs - 10% of the grant and the balance to deliver programmes to grow the game  Player Payments – these fees paid by players relate to events that players participate it – leagues, provincial interprovincial tournaments, national camps and events that national teams participate in   1. **Financially viability**   The federation indicated that this is a very broad question for the current financial year and can confirm the following regarding the above.  As at to date only line item no. 1 has been collected in the current financial year due to the COVID-19 Pandemic. We continue to receive line item no. 4 as these are offered online  Funds related to projects, events, national teams etc. have not been received and all events for the hockey season were cancelled. Hockey is a Winter Sport and as such the entire competition season of 2020 was impacted by the National State of Disaster from Levels 5 to Level 1 |
| South African Table Tennis Board (SATTB) | 1. **Current Financial status**   The federation indicated that the South African Table Tennis Board (SATTB)’s financial status is sound.   1. **Financially viability**   Indicated that the federation is financially viable |
| Swimming South Africa (Swimming SA) | **(a) Current financial**  Indicated that the organization was only just solvent at the last financial year end 30 April 2020  **(b) Financially viability**  Indicated that normally the organization is viable but due to the lockdown it is in need of financial assistance |
| South African Equestrian Council (SAEC) | 1. **Current financial status**   Indicated that due to Covid-19, memberships stagnated from March to the end of July. In order to get memberships  Kick-started we implemented a 50% reduction of membership fees. The SAEF is currently is still in a positive position but expect an impact on memberships moving forward.   1. **Financially viability**   Indicated that the SAEF runs a tight ship and are financially viable. |
| Darts South Africa (DSA) | Indicated that Darts South Africa confirms that despite the Covid-19 pandemic, the organisation is financially viable. |
| South African National Archery Association (SANAA) | 1. **Current financial status**   Indicated that currently the federation’s financial status is sound   1. **Financially viability**   Indicated that at the moment the federation is viable, however expect membership income to drop drastically in 2021 due to financial strains on members. This means that clubs could also suffer. |
| Badminton South Africa (Badminton SA) | Indicated that the Federation is in a) a financially status and (b) financially viable position |
| Ringball Association of South Africa (RASA) | Federation indicated that a) it is non-profitable national sport federation b) only viable when receiving membership fees however not viable without receiving membership fees |
| Snow Sports South Africa (SSSA) | Indicates that the federation is a) financially sound and b) financially viable |
| South African Confederation of Cue Sport (SACCS) | **(a) Current financial status**  The federation indicated that;  SACCS is a National Composite Confederation with autonomous membership that includes full members of South African Blackball Federation (SABF) established in 2008, Pool South Africa (PSA) established in 1995 and Snooker and Billiards South Africa (SABSA) established in 1920, also have an associate member called Pool 4 Change established in 2019.  The members of these organisations form the Executive Committee on the SACCS Board. These organisations are self-sufficient and generate their income from their members to run their operations. SACCS and their members SABF, PSA and SABSA administrative costs are derived from DSAC funding, and if DSAC funding is reduced in a given year then the administrative contributions to SABF, PSA and SABSA are reduced accordingly.  The main purpose of SACCS is to establish itself as a member of good standing with SASCOC and thus get recognition from DSAC. SACCS is funded by DSAC in meeting their goals of mass participation and thus more than 50% of DSAC funding allocations are geared towards projects for our people in the previously disadvantaged communities.  SACCS through the years has built up contingency funds of approximately R100,000 to fund the operating costs through the year until our administrative funding is released by DSAC. SACCS is very much a DSAC project driven operation as all National Tournaments are the responsibility of our autonomous members.  SACCS is therefore financially stable and can only engage in projects that are DSAC approved.  **(b) Financially viability**  Indicated that SACCS is financially viable and a well-managed organisation that does not operate on any loans or bank overdrafts. The SACCS Board’s Treasurer publishes monthly management accounts that are distributed to the Board’s members monthly. SACCS is also managed strictly by an approved budget. |
| South African Body Building Federation | **(a) Current Financial status**  The Federation indicated that Bodybuilding South Africa current financial status is solvent as its realizable value of its assets is greater than its liabilities. Its cash flow statement, contains 3 sections: cash from operations, cash from grants and sponsors and cash from investing  **(b) Financially viability**  Indicated that Bodybuilding South Africa has employed sound financial management practices to remain financially viable over the last 3 decades. |