



*Boxing*  
*South*  
*Africa*

# ANNUAL REPORT

2019/2020  
FINANCIAL YEAR





***Boxing  
South  
Africa***

**BOXING SOUTH AFRICA**

# **ANNUAL REPORT**

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**2019/2020**  
**FINANCIAL YEAR**

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ANNUAL REPORT  
2019/2020 FINANCIAL YEAR

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# PART A

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## GENERAL INFORMATION

## PUBLIC ENTITY'S GENERAL INFORMATION

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**REGISTERED NAME  
PHYSICAL ADDRESS**

Boxing South Africa  
Hatfield Forum East  
1077 Arcadia Street  
Hatfield  
Pretoria

**POSTAL ADDRESS**

PO Box 1347  
Southdale  
2135

**TELEPHONE NUMBER/S  
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WEBSITE ADDRESS  
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BANKERS**

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Auditor-General South Africa  
ABSA Bank

## LIST OF ABBREVIATIONS/ACRONYMS

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<b>AGSA</b>	Auditor General of South Africa
<b>BSA</b>	Boxing South Africa
<b>MEC</b>	Member of Executive Council
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>PFMA</b>	Public Finance Management Act
<b>TR</b>	Treasury Regulations
<b>MTEF</b>	Medium Term Expenditure Framework
<b>SMME</b>	Small Medium and Micro Enterprises
<b>SCM</b>	Supply Chain Management
<b>SRSA</b>	Sport and Recreation South Africa
<b>NDP</b>	National Development Plan
<b>PSA</b>	Public Service Act
<b>SANABO</b>	South African National Amateur Boxing Organisation
<b>CATHSSETA</b>	Culture Arts Tourism Hospitality and Sport Sector Education Training Authority
<b>SAIDS</b>	South African Institute for Drug-Free Sport
<b>SASCOC</b>	South African Sport Confederation and Olympic Committee
<b>SABC</b>	South African Broadcasting Corporation
<b>SABCO</b>	Southern African Boxing Convention
<b>WBA</b>	World Boxing Association
<b>WBC</b>	World Boxing Council
<b>WBO</b>	World Boxing Organisation
<b>IBF</b>	International Boxing Federation
<b>WBF</b>	World Boxing Federation
<b>ABU</b>	African Boxing Union
<b>NLC</b>	National Lotteries Commission

## FOREWORD BY THE CHAIRPERSON | 3

DR.  
MALEFETSANE NGATANE

Chairperson of Boxing South Africa

While BSA largely succeeded in implementing more than 75% of the National Boxing Indaba Resolutions, there are some resolutions that have had to be carried over into the 2020-2025 Strategic Plan. These are mainly related to issues that have third party dependencies (Amendment of the Boxing Regulations, National Broadcast Strategy, Provincial Boxing Commissions, and Boxing Sponsorship).

The facilitation and attainment of a renewal process in the life of professional boxing in South Africa was underpinned by the following success factors:

- Stabilisation of BSA governance and administration
- Improvement in audit outcomes
- Exponential increase in BSA budget baselines, even though the shortfall still remains high, when tested against the legislative mandate
- Renewed focus on the development of the sport
- Reinstatement of the South African Boxing Awards
- General rise in the profile of South African boxing, especially internationally.

Over the next five years, BSA will therefore continue to build on these successes, to (1) achieve a more capable organisation, (2) drive a much stronger and inclusive boxing economy, and (3) build and strengthen the capabilities of the boxing practitioners across the entire value chain, i.e. boxers, trainers, seconds, managers, promoters, ring officials and match-makers.

## DRIVING THE RENEWAL AGENDA

**Training and capacity building:** In preparing the 2020-2025 Strategic Plan, the Board made a careful analysis and review of the path traversed since 2013. The Board acknowledged that in order to drive boxing's renewal agenda, not only will we require an enabling legislative environment, a dynamic organisation, responsive systems and reliable networks and partnerships, but most importantly we will also need empowered practitioners. This therefore places licensee training and capacity building at the top of our strategy for 2020-2025.

## EXTERNAL ENVIRONMENT ANALYSIS

International and continental relations: BSA's structured presence in the international and continental boxing scenes has been rather minimal over the past decades. That notwithstanding, a lot of headway has been made through individual licensees' own networks, and via lobbying outside a structured programmatic framework with international world bodies. Towards the end of the 2014-2019 period, BSA began focusing on this international and continental agenda, and this will be stepped up even more in the current Strategic Plan.

## INTERNAL ENVIRONMENT ANALYSIS

**Labour disputes and litigations:** While some headway has been made to reduce the number of labour disputes and litigation that BSA is dealing with, not all these cases have been resolved yet. The Board has therefore developed a risk mitigation plan, to avoid any future exposure of BSA to more labour disputes and litigation, while prioritising the final resolution of the current cases facing BSA.

**Organisational capacity:** With the increased budget baseline, BSA will now be in a position to strengthen its administrative and operational capacity, both at national and most importantly at provincial level. Critical functions, like the BSA internal audit environment, can now be strengthened through a proper internal audit unit. In the current financial year, Provincial Managers will be appointed, in the provinces where there are no managers and internal committees. More especially, the Sanctioning, Medical, Ratings and Women in Boxing Committees will be strengthened.

Chairperson of the Board  
Dr. Malefetsane Ngatane  
Date: 31 March 2020

## CHIEF EXECUTIVE OFFICER'S OVERVIEW

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**MR.  
TSHOLOFELO LEJAKA**

CEO of Boxing South Africa



The 2019/2020 financial year was a year that BSA focused on cementing its priorities as outlined in the five-year Strategic Plan. The 2019/2020 financial year also marked the last year of the five-year Strategic Plan. The strategic objectives of the Strategic Plan focused on rebuilding the organization and building synergy between BSA and its stakeholders, especially its licensees.

Education and awareness, compliance and stakeholder relations management were key deliverables over the five years and BSA, through the Annual Performance Plan, ensured that it developed performance indicators that directly addressed and contributed to the strategic objectives developed.

As BSA continues to reposition itself in the sporting sector and focus on turning around the organization; it requires, amongst other things, a strong communication and marketing function as well as a dispute management focus to steer and navigate it to better shores. These function areas currently have no dedicated personnel which makes it difficult for the entity to take advantage of communicating the great work that has been done in the past three financial years at least. Whilst there have been great developments in the sport of boxing in South Africa, these have remained known only to the lovers of the sport and little information reaches the corporate and private sector which are key stakeholders in boxing promotion and development. As the entity goes forward, marketing, communication and brand management will need to be a key focus area and budget allocation would need to be directed towards this area.

Due to inadequate budget allocation BSA remained without the critical and mandatory Internal Audit and Risk Management functions which presented internal challenges mainly in information and risk management as well as deviation management related to financial and non-financial performance processes. Whilst management found ways around these challenges, a more sustainable approach is needed and thus in the financial year 2020/2021 it will be crucial for BSA to ensure that internal audit capacity is finally addressed by prioritizing the creation of a post to address these functions.

Once again the entity has successfully managed to avoid any litigations and this has been achieved through a focus on operational integrity and transparency as well as ensuring the consistent implementation of proper governance. Where there had been no guiding rules or clear processes, BSA has moved swiftly and either reviewed and updated its policies or created new policies and rules.

This has assisted in creating transparency and accountability for the organization and its stakeholders thereby removing any anxiety that is normally created as a result of varying processes.

Remaining on this path will position the entity in a good stead. In the next financial year, BSA's focus will be on implementing the remainder of the key resolutions that were taken at the 2013 Boxing Indaba. To date over 85% of the resolutions taken at this Indaba have either been implemented and managed or are in progress. While there has been resistance during the implementation of these resolutions, it is understandable that this is as a result of fear of change and lack of understanding of the direction that the entity is taking more than it is a refusal for the change. BSA will thus focus on extensive communication as it walks on this journey with its licensees and other stakeholders.

As the financial year ended, BSA was impacted by the sudden emergence of the Corona Virus which forced the world to a halt and ultimately to global lockdown. The sport of boxing was not spared in this and on 16 March 2020, BSA suspended all its operations, canceling five tournaments that had already been sanctioned and suspending all applications for future tournaments. As a result of the situation above, BSA closed the financial year with far fewer tournaments than what had been targeted and also was unable to meet some of its targets that were planned in the last month of the financial year. The cancellation of tournaments had a negative impact on licensees, especially boxers who mostly derive their income from the sport. Recovery from the impact of Covid-19 would thus be a priority for BSA as it resumes its operation in the new financial year under the "new normal" conditions. Whilst the year ended on the uncertainty of what the future holds for the sport of boxing, the year was full of highlights and great achievements in the main and definitely a move in the right direction.

This has been made possible by the support of the Minister of Sport, Arts and Culture; Hon. Minister Nathi Mthethwa, the BSA Board, the various provincial departments of sports, the private sector, BSA stakeholders such as SAIDS and SANABO and of course the BSA licensees. Through their continued support, guidance and holding us accountable, BSA is able to envision and plan for a better boxing landscape and future. We owe and thank each and every one of these stakeholders. Forward we forge as we build the Power of 3.

**Chief Executive Officer  
Tsholofelo Lejaka  
Date: 31 March 2020**

## STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

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

All information and amounts disclosed in this annual report are 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 compiling of annual reports, as issued by National Treasury.

The Annual Financial Statements (Part E) 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 on this information.

The accounting authority is responsible for establishing and implementing a system of internal controls, which has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information, and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2020.

Yours faithfully



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**Chief Executive Officer**  
**Tsholofelo Lejaka**  
**Date: 31 March 2020**



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**Chairperson of the Board**  
**Dr. Malefetsane Ngatane**  
**Date: 31 March 2020**

## VISION

The vision of Boxing South Africa (BSA) represents its futurist, long-term and idealistic projections. This vision is aimed at rallying and inspiring the entire boxing community of South Africa into making every effort to take boxing to new heights.

Our vision is to be a leading sporting code in South Africa, and a world-class boxing authority.

## MISSION

Our mission at BSA is to develop, promote and effectively regulate the administration of boxing in SA, by:

- Ensuring and safeguarding the health, safety and general well-being of professional boxers;
- Promoting, marketing and sanctioning quality boxing events and tournaments;
- Increasing the sport's popularity with athletes, supporters and sponsors;
- Credibly rating boxers and training licensees;
- Positioning BSA as a point of reference for international sanctioning bodies in South Africa, and ensuring that BSA fulfils its role as a custodian of the best interests and concerns of all South African boxers, both at home and on the international front;
- Improving the stature of national and provincial titles; and
- Coordinating the activities of all boxing stakeholders in the country, for the purposes of unifying the sporting code and managing expectations with integrity.

## VALUES

Our values will guide the actions and behaviour of all at BSA, the licensees and all other stakeholders in the broader boxing fraternity. At the core of our values is our belief in the reality that boxing starts and ends with the boxer, hence our values are boxer-centric.

# STRATEGIC OVERVIEW

continued

Accordingly, BSA will promote and champion these values, to ensure the promotion and advancement of boxing nationally, to ensure that the sport is restored to its previous glory, and receives the respect of practitioners and the public alike. Our values are encapsulated in the figure below.

# P

## Professionalism

Throughout the code, Boxing South Africa will endeavour to promote and entrench the virtue of professionalism. In reality this means BSA, the licensees and all other stakeholders within boxing must strive to apply themselves expertly and with authoritative knowledge, in their chosen areas of operation. In the context of South African boxing, there will be greater expectations for transparency and openness by all role-players.

# L

## Leadership

We believe that there is a collective responsibility on all the stakeholders in boxing to collaborate and work together, for the common good of the sport. In this regard, it is incumbent on BSA to provide the overall leadership necessary to enable such collaboration, the success of the sporting code, and for every stakeholder to exercise leadership in their respective areas of operation (without encroaching on the rights of others).

# A

## Accountability

The principle of accountability is imposed on all stakeholders in the boxing community by the Boxing Act. Based on the Act, it is incumbent on all of us, BSA and the licensees, to each honour their respective legislative mandates, to carry out their responsibilities, to respect each other's roles, and to act with integrity at all times.

# D

## Diversity

In promoting the sport, we will endeavour to take the sport to every corner of our country, no matter how remote, and ensure that all communities and athletes have an equal opportunity to partake and excel in the code without regard to their cultural, linguistic, religious, social and economic status. No form of discrimination whatsoever will be permitted to affect negatively the potential for success of emerging boxers.

These values will drive the attitudes and behaviour of everyone within the boxing community. Accordingly, it will be expected of all at BSA (Board members and employees) and individual licensees and their associations, to pledge their full support and commitment to making these values a way of life.



# LEGISLATIVE AND OTHER MANDATES

# 7

This section outlines the legislative and other imperatives that provide BSA with the mandate to carry out its functions and responsibilities.

## 7.1 Constitutional Mandate

The functionality of Sport and Recreation South Africa (SRSA) is premised on the Constitution of the Republic of South Africa, Act 108 of 1996, hereafter referred to as the Constitution, which guarantees the right to social security in Schedule 27. The Constitution affirms the democratic values of human dignity, equality and freedom.

In line with these constitutional imperatives, SRSA has been assigned the powers and functions to develop and implement national policies and programs regarding sport and recreation in the country. Within this constitutional provision, SRSA further ensures the establishment of Boxing South Africa as the sole code custodian of professional boxing in South Africa.

## 7.2 Legislative Mandate

BSA was established in terms of the South African Boxing Act, Act No 11 of 2001, herein referred to as the Act. It is the successor of Boxing Commissions from the early days. It is mandated with accomplishing the following functions by the Act, to:

- Provide a new structure for professional boxing in the Republic,
- Ensure effective and efficient administration of professional boxing in the Republic,
- Recognise open boxing,
- Create synergy between professional and open boxing, and
- Promote interaction between Associations of Boxers, Managers, Promoters, Trainers, Officials, and BSA.

7.2.1 Other legislative pieces relevant to the mandate and functions of BSA include:

Occupational Health and Safety Act, 1993	Act 85 of 1993
Labour Relations Act, 1995	Act 66 of 1995
Basic Conditions of Employment Act, 1997	Act 75 of 1997
National Environmental Management Act, 1998	Act 107 of 1998
National Sport and Recreation Act, 1998	Act 110 of 1998
Skills Development Act, 1998	Act 97 of 1998
Public Finance Management Act, 1999	Act 1 of 1999
Preferential Procurement Policy Framework Act, 2000	Act 5 of 2000
Promotion of Access to Information Act, 2000	Act 2 of 2000

Promotion of Equality and Elimination of Unfair Discrimination Act, 2000	Act 4 of 2000
Occupational Health and Safety Act, 1993	Act 11 of 2001
Labour Relations Act, 1995	Act 57 of 2003
Government Immovable Asset Management Act, 2007	Act 19 of 2007
Safety at Sport and Recreational Events, 2010	Act 2 of 2010

## 7.3 Policy Mandates

In regulating and promoting boxing in South Africa, BSA will be guided and supported by the national sport policies of Sport and Recreation South Africa in general, and specifically the White Paper on Sport and Recreation, the National Sport and Recreation Plan, and the Sport Transformation Charter. During September 2013, BSA hosted a national Boxing Indaba which adopted several important resolutions. The Indaba resolutions fundamentally proposed policy solutions, namely,

- Boxing rules and directives,
- Boxing SA Policies and Procedures

## 7.4 National Development Plan

The National Development Plan (NDP) recognises that sport plays an important role in promoting wellness and social cohesion, and treats sport as a cross-cutting issue, with related proposals in the chapters on education, health and nation building.

The NDP sets out five long-term nation building imperatives for South Africa. These are as follows:

- i. Fostering constitutional values.
- ii. Equal opportunities, inclusion and redress.
- iii. Promoting social cohesion across society.
- iv. Active citizenry and leadership.
- v. Fostering a social compact.

Sport and recreation contribute substantially to promoting social cohesion across society, and detailed initiatives in this regard are captured in the 2014-2019 Medium-Term Strategic Framework (MTSF) and documented in this Strategic Plan. The NDP also acknowledges the significant role that sport plays, with regards to fostering nation building. The NDP envisions a South Africa where all will be more conscious of the things they have in common, rather than of their differences, and where their shared experiences will cut across divisions of race, gender, space and class. BSA has heeded the call to prioritise the NDP, and a strategic decision has been taken to support identified initiatives that contribute directly to the vision of the NDP. These are captured and allocated priority resources in the Boxing South Africa 2020/2021 Annual Performance Plan, and will be reviewed annually.

## 7.5 Government Outcomes

Outcome 14, on nation-building and social cohesion, where sport and recreation feature prominently, acknowledges that, despite progress since 1994, South African society remains divided. The privilege attached to race, class, space and gender has not yet been fully reversed, and the quality of accessible services continues to be affected by who you are and where you live. Attitudinal, physical and communication barriers continue to exclude and marginalise persons with disabilities. For the above reason, BSA will focus on the implementation of the National Boxing Indaba Resolutions, which seek to fundamentally change the boxing landscape. The outcomes in this Strategic Plan encapsulate most of these.

## 7.6 White Paper on Sport and Recreation for the Republic of South Africa

The White Paper on Sport and Recreation emphasises that an increased and focused commitment at all levels of sport would be advantageous for the country, since this could enhance health, economic, social and international benefits. This being the case, the government must consider expenditure on sport and recreation as a worthwhile, and indeed, a necessary investment in the future of our country and its people.

The 2011 White Paper states that the success of sports development in South Africa is dependent upon the smooth implementation of a system with clear definitions of authority, responsibility and accountability, combined with seamless progression. For South Africa to be successful in sport and recreation, it is essential that there be one authority charged with the responsibility to develop, coordinate and monitor a comprehensive system established in accordance with a broadly agreed national strategy.

The White paper pronounces five strategic outcomes-orientated goals:

- Strategic goal 1:** Citizens access sport and recreation activities (Active Nation).
- Strategic goal 2:** Athletes achieve international success (Winning Nation).
- Strategic goal 3:** Enabling mechanisms to support sport and recreation.
- Strategic goal 4:** Sport and recreation sector adequately transformed.
- Strategic goal 5:** Sport used as a tool to support relevant government and global priorities.

BSA's strategic plan endorses all the strategic goals stated in the White paper. The Strategic Plan includes outcomes on a transformed and regulated environment (Goal 2) which links with Strategic goals 3 and 4 of the White paper.

## 7.7 National Sport and Recreation Plan

The formulation of the National Sport and Recreation Plan (NSRP) covered a period of more than 10 months, and

included contributions from all role-players that comprise the sports sector in the country. The NSRP, underpinned by a declaration of intent, was adopted at the National Sports Indaba that took place in Midrand from 21 to 22 November 2011, with the theme: "From policy to practice". The Plan was officially approved by Cabinet on 4 May 2012.

The NSRP is a twenty-year sustainable implementation plan for the sport and recreation policy framework, as captured in the White Paper on sport and recreation. The Department has ensured that the NSRP is aligned with the National Development Plan. The strategic focus of the NSRP is to reconstruct and revitalise the sport and recreation sector, for an active and winning nation, whilst improving the quality of lives of all South Africans.

The NSRP commences with a background reflection on where we come from historically, and some of the significant milestones subsequently achieved in establishing a democratic, non-racial sports system for our country. Section 2 is essentially the nucleus of the NSRP, as it provides details of the 3 core pillars of implementation, namely: (1) active nation (2) winning nation; and (3) an enabling environment. These pillars are underpinned by transversal issues, and by the notion of utilising sport as a tool to achieve national and global priorities.

At the heart of the NSRP is a Transformation Charter and Scorecard that is intended to bring about the establishment of a competitive and demographically representative sport system, guided by a value set based on the following key principles:

- Equal opportunity
- Redress
- Fairness and just behaviour
- Equitable resource distribution
- Empowerment and affirmation.

BSA is geared to delivering on the NSRP imperatives, especially on the responsibility to create an enabling environment for all licensees to participate equally in the sport, and for opening avenues for the broadcasting of tournaments across the length and breadth of the country. These imperatives are part of this Strategic Plan for 2020/2021 - 2024/2025.

## 7.8 Medium Term Strategic Framework

The 2019-2024 Medium Term Strategic Framework (MTSF) is government's strategic plan for the electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions that government will take, and the targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The MTSF highlights government's support for a competitive economy, creation of decent work opportunities, and encouragement of investment. The introduction of a long-term plan brings greater coherence and continuity to the planning system, and means that the MTSF now becomes a five-year building block towards the achievement of the vision and goals of the country's long-term plan.

The aim of the MTSF is to address the challenges of unemployment, inequality and poverty through three pillars:

- Achieving a more capable state
- Driving a strong and inclusive economy
- Building and strengthening the capabilities of South Africans

The three pillars set out above underpin the seven priorities of this strategic framework. These priorities, which will be achieved through the joint efforts of government, the private sector and civil society, are as follows:

**Priority 1:** A capable, ethical and developmental state

**Priority 2:** Economic transformation and job creation

**Priority 3:** Education, skills and health

**Priority 4:** Consolidating the social wage through reliable and quality basic services

**Priority 5:** Spatial integration, human settlements and local government

**Priority 6:** Social cohesion and safe communities

**Priority 7:** A better Africa and world

BSA, through its Board, accounts to the Minister of Sports, Arts and Culture. Regular meetings will be used to provide feedback to the Minister, on progress made to implement the Strategic Plan and key indicators and targets from the MTSF. Greater levels of operational detail, together with other areas of work that are not covered directly in the MTSF, are included in this Strategic Plan.

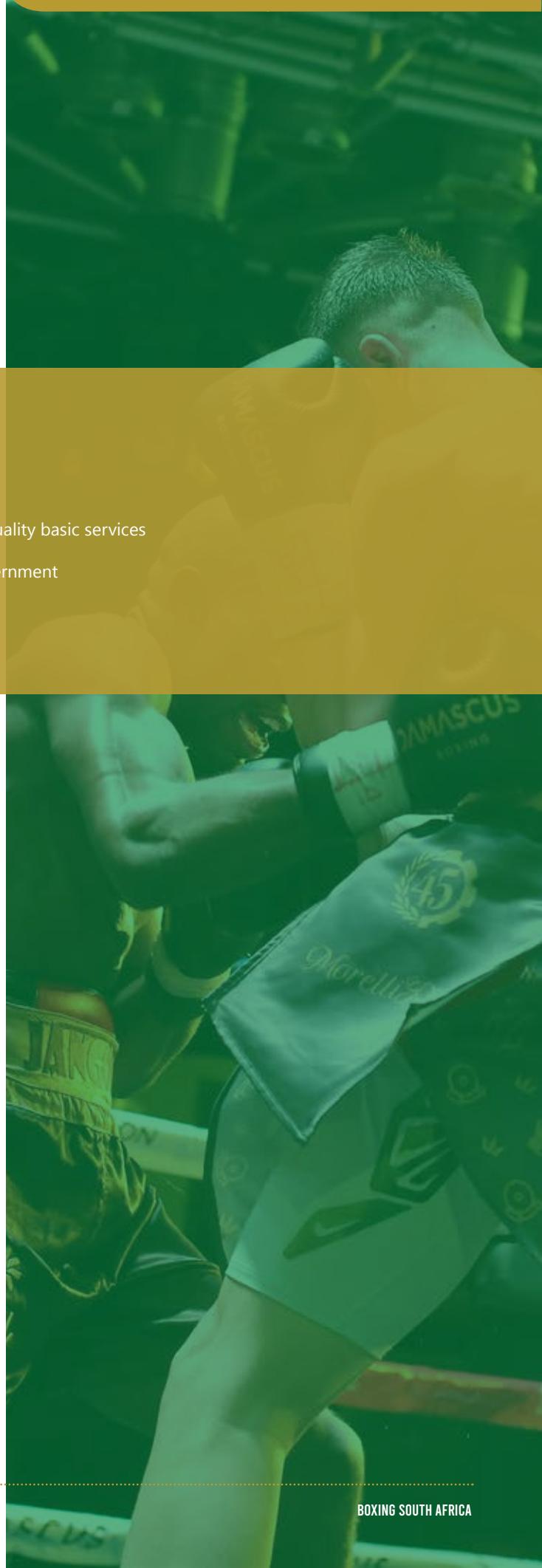
## 7.8 International Sanctioning Bodies Rules and Regulations

As a member of the international boxing fraternity, South African boxers and practitioners in general, and by extension BSA, are also bound by the rules and the regulations of the following international sanctioning bodies that are recognised by BSA:

- International Boxing Federation
- International Boxing Organisation
- The Commonwealth Boxing Council
- World Boxing Association
- World Boxing Council
- World Boxing Federation, and
- World Boxing Organisation

BSA will also recognise any other world boxing sanctioning bodies that may come into existence in the near future.

During the period under review, Boxing South Africa also received an application for recognition from a newly established Boxing Control Board, Legends Boxing Foundation (LBF). A final determination on the application process for recognition by LBF is yet to be made, but provisional recognition has already been granted.



## THE CONSOLIDATED MANDATE OF BSA

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Based on the legislative and the international mandate protocols, the mandate of BSA can be broken down and summarised as in the table below:

Key Mandate Areas	The Specific Areas
<b>Boxing development in South Africa</b>	<p>To facilitate the establishment and effective coordination of all boxing structures (Associations of licensees).</p> <p>To establish and maintain good and productive relations with international boxing control bodies.</p> <p>To promote and market the activities of boxing as a leading brand.</p> <p>To champion the development of boxing infrastructure for recreational and competitiveness purposes.</p> <p>To facilitate and coordinate the skills development programmes amongst the licensees within the boxing fraternity.</p>
<b>Being a Regulatory Body for professional boxing in South Africa</b>	<p>To develop appropriate norms and standards for the effective management and administration of professional boxing in furtherance of the legislation.</p> <p>To ensure the compliance and enforcement of the norms and standards by all the individual licensees and their associations.</p> <p>To establish effective dispute resolution mechanisms, and to mitigate all disputes that may arise amongst the licensees within the boxing fraternity.</p> <p>To develop the skills development framework, and foster partnerships with relevant stakeholders for the realisation and implementation thereof.</p> <p>To ensure that the administration and management of boxing in South Africa is based on good governance, and is run in the best interests of boxers and the general public.</p>



## BSA FUNCTIONS

## 9

The functions of BSA are divided into core and strategic support functions. Each category of functions is further elaborated upon below:

### 9.1 Core Functions

No.	Core Functions
1	To undertake the registration and licensing of all practitioners in the professional boxing fraternity, and to maintain a reliable data base at all times.
2	To sanction the staging of professional boxing tournaments, based on the rules and regulations of BSA.
3	To promote and recognise good talent, outstanding performance and exemplary behaviour by boxing licences, boxers particularly, through the presentation of performance awards nationally.
4	To rate boxers in each division, based on their performance in the ring.
5	To facilitate and coordinate the training and development of licensees to ensure compliance with norms and standards, the promotion of health and safety, and the general improvement of the sport.
6	To liaise with stakeholders in the boxing fraternity, and manage their expectations and interests in a way that advances the interests of the sport.
7	To ensure the accreditation and the enforcement of relevant regulations by specialist professionals, such as medical and legal practitioners.
8	To be the point of reference and liaison with international boxing associations, for purposes of promoting the involvement of South African athletes at the international level.
9	To promote and market the activities of BSA and boxing in general, in a way that will improve the image of boxing as a brand.
10	To increase the profile of boxing as a sport, through the sharing of the information about the sport and the developments within the fraternity.

### 9.2 Strategic Support Functions

No.	Strategic Support Functions
1	Collection and disbursements of boxers' payments.
2	Ensuring proper document management and archival services (including digital recording and archival of boxer information) to ensure their integrity, safe-keeping and easy retrieval.
3	Use boxing as a vehicle to promote sport tourism in the country, and generally ensure that its role as a contributor in the country's economy is improved ally.

## BOXING SOUTH AFRICA BOARD



CHAIRPERSON  
DR. MALEFETSANE NGATANE



BOARD MEMBER  
MS. ZANDILE KABINI



BOARD MEMBER  
ADV. MZAMO GUMBI



BOARD MEMBER  
MS. LETLHOGONOLO  
NOGE-TUNGAMIRAI



BOARD MEMBER  
MR. GILBERTO MARTINS



BOARD MEMBER  
MR. KHULILE RADU



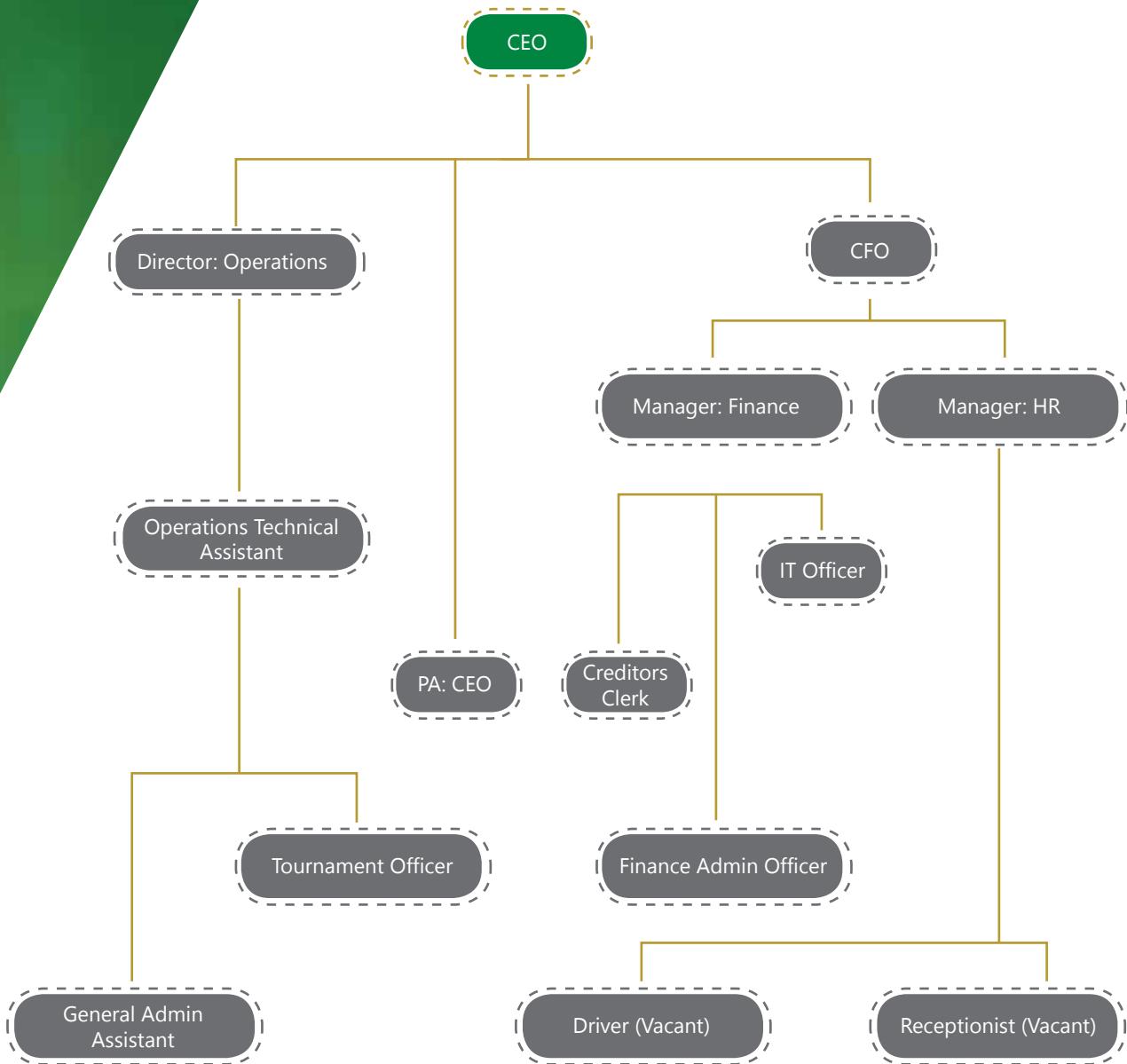
BOARD MEMBER  
MR. LUTHANDO JACK

## ORGANISATIONAL STRUCTURE

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BSA is a relatively small bureaucracy with an organisational structure of fourteen (14) approved and funded posts, and all its full-time staff complement located at its Head Offices in Pretoria.

BSA has no provincial or regional offices. In order to service the provinces, BSA has appointed Provincial Managers (who are not employees of BSA but rather service providers, appointed through contracts, to serve as agencies of BSA at provincial level) as well as Tournament Supervisors, whenever there are tournaments taking place at their respective provinces.





# PART **B**

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## PERFORMANCE INFORMATION

## AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

1

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

Refer to page [68](#) of the Report of Auditors Report published as Part E: Financial Information

## SITUATIONAL ANALYSIS

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### 2.1 Service Delivery Environment

In the preparation for the 2019/2020 Annual Performance Plan and the 2020-2025 Strategic Planning Framework, the board had to take careful analysis and review of the path being traversed, since 2013 in the first instance, and 2014 in the second instance, and consider that against the set horizon. The Board acknowledged that such an exercise needs to be underpinned by principles of honesty, frankness, self-reflection, self-criticism and constructive criticism.

The board noted that in many ways, Boxing South Africa is no longer the same institution that it was more than five years ago, when the MTSF commenced. The board further noted that the playing field has changed in various ways in the past years, and this requires a careful analysis of the balance of forces and entire dynamics that impact on the sport of professional boxing, in South Africa and globally.

As a point of premise, the board postulated that, as the accounting authority, it needs to remain mindful of the fact that it is duty bound, not only to be the custodians of this national pride which is the sport of boxing, but also to be its champions extraordinaire. For that matter, the board as the supreme leadership of boxing in the country needs to place itself at the cutting edge of the renewal of boxing, by providing the requisite leadership on all fronts. Such leadership must and ought to be impactful, and should be characterised by, *inter alia*:

- Conscientious, principled and dynamic leadership
- Unswerving pledge to Boxing South Africa's vista
- Authenticity
- Ethical conduct and model leadership
- Love for and commitment to the boxing fraternity

#### 2.1.1 Unfinished journey to recovery

The last five years saw the beginning of the renewal process in the life of professional boxing in South Africa. This process has not been without weaknesses, but even such weaknesses could not halt the momentum towards progress. The upshot of this process led to the following milestones, amongst others:

- Development and implementation of the turnaround plan
- Stabilisation of BSA governance and administration
- Improvement in audit outcomes
- Exponential increase in our budget baseline, even though the shortfall is still high.
- Renewed focus on the development of the sport.
- Return of boxing to SABC, albeit with challenges
- Reinstatement of the South African Boxing Awards
- Raising profile of boxing locally and internationally

What all these point to is that Boxing South Africa is once again a stable organisation. The pattern of complaints which, in the past, used to be about continuing deterioration, has now become complaints of impatience about the slow pace of positive developments. As confidence in the organisation is regained and grows higher, the expectations are also escalating, spelling out even more challenges for the organisation.

#### 2.1.2 External Environment Analysis

Notwithstanding the strong pronouncement of the South African Boxing Act of 2001 on Boxing South Africa's relations with International boxing bodies, BSA's relations with international boxing bodies at governance level has surprisingly been very passive in the past decade. Under the objects, the powers and the duties of Boxing South Africa's as well as the duties of the Chief Executive Officer, the Boxing Act is quite clear on Boxing South Africa's role and/or obligations, in respect of boxing's world bodies.

### 2.1.3 Boxing South Africa's International relations agenda

In 2019 the plan was then to extend Boxing South Africa's footprint to an international level by attending at least two boxing conventions of international boxing bodies. In this case, the WBC and IBF were specifically identified, due to their current major footprint in the South African boxing scene. Of course, the bigger agenda is to extend this participation to all the major world bodies, so in future we will go beyond just these two that were identified in the immediate term.

### 2.1.4 IBF Convention 27 May – 1 June 2019

On 27 May - 1 June 2019, Boxing South Africa could unfortunately not send a representative to the IBF 36th Convention in Macau, China, since the convention clashed with Boxing South Africa's critical governance deadlines for submission of Annual Performance Report and Financial Statements to the Auditor General. Despite that setback, Boxing South Africa was however very pleased that at least three South Africans scooped recognition awards, at that IBF 36th Convention.

As it may be recalled, Rumble Africa Promotions, which also won Promoter of the Year at the SA Boxing Awards 2018, was voted the IBF's most active, leading promotions company in Africa. Colin Nathan who also crowned SA Boxing Awards Trainer of the year, and won the IBF Best Trainer of the Year award. One of the SA Boxing Awards Boxer of the Year Nominees, Azinga Fuzile, was also voted IBF Inter-Continental Boxer of the Year. Azinga's fight, where he stopped Malcolm Klassen in the 4th-round via TKO, was voted Best Bout of the Year.

### 2.1.5 WBC Convention 20-26 October 2019

The WBC hosted its 57th Annual World Convention in Cancun, Mexico from 20 October 2019 till 26 October 2019. The Convention was held at Oasis Hotel and Resorts, and as per the typical culture of boxing conventions, all delegates were encouraged to stay at the Oasis Hotel, thereby enabling increased formal and informal interactions between delegates.

From South Africa, there were seven people who attended the Convention; (1) Dr Malefetsane Ngatane, BSA Board Chairperson and also Vice-President of African Boxing Union and Board Member of WBC, (2), Mr Tsholofelo Lejaka, BSA CEO, who represented BSA, and the following BSA licensees who attended the convention on their own accord: (3) Mr Ayanda Matiti of Xaba Promotions, (4) Mr Thabo Spampoel, a referee and judge, (5) Ms Shereen Hunter of Unleashed Promotions, (6) Mr Lionel Hunter, a licensed trainer and (7) Ms Dawn Bensch, a referee and judge.

For the first time in more than a decade, BSA sent a direct representative to this Convention to lead the South African delegation, who was accompanied by six other licensees. Critical lessons were drawn from this Convention, and most of these would assist to guide BSA's international agenda for the MTEF Period 2020-2025.

## 2.2 Internal Environment Analysis

Amilcar Cabral made the point, as far back as 1966, that "one form of struggle which we consider to be fundamental is the struggle against our own weaknesses". He argued that, "every practice produces a theory, and that if it is true that a revolution can fail even though it is based on perfectly conceived theories, nobody has yet made a successful revolution without a revolutionary theory".

In the context of professional boxing, the revolution at hand is one of placing boxing on an upward trajectory and catapulting it into its rightful place; amongst the elite sports in the country. That is BSA's vista. That is BSA's horizon.

For that reason, BSA needs to have what Lenin called "the advanced theory". In its immediate context the advanced theory is not just about appreciating the evolution of sport in general, and the sport of boxing in particular, but it is also about connecting the history of boxing to its present situation and its future, within the overall development of sport in a changing world.

BSA is therefore called upon to study the patterns, relationships and contexts within which it enacts its mandate, and proffer appropriate responses and carefully selected choices that will place professional boxing in an advantageous position in relation to its strategic posture and future projections. Within that, BSA needs to commit itself to utilising the 2020-2025 MTEF, among others, to deal with the following real or perceived weaknesses, which were identified in the mid-term strategic review:

- Perception of incoherent and inconsistent leadership, arising from failure to exercise decisive leadership.
- Perception among some licensees that BSA is inconsistently applying the rules.
- Perceived regression with respect to governance, and in particular with respect to the management of finances as evidenced specifically by the audit outcomes of 2017/2018.
- Inadequate or inefficient stakeholder management, particularly relationship with international boxing control bodies.
- Outdated and unreliable system of information management, particularly when it comes to licensee records and fighter's performance records.
- Outdated boxing legislative and regulatory framework which, to a large extent, is no longer in line with the global boxing world, and is therefore inhibiting in most areas, as opposed to enabling.

### 2.2.1 Administrative capacity

In view of these critical structural challenges facing BSA, in 2015 the department seconded a number of employees to assist in critical areas where BSA lacked institutional capacity, such as internal audit, supply chain, and labour relations. Over and above this, the department also assisted BSA with some critical governance functions, such as Internal Audit and Risk Management services, since BSA's budget allocation was inadequate to cover these mandatory cost drivers.

During the period under review, BSA focused on addressing these areas of weakness, and as at June 2020 BSA no longer had any seconded employee from the department. This was achieved through reprioritising funds to create permanent posts and recruit personnel into those respective areas of need. In the financial year 2020/2021, BSA will further ensure that internal audit capacity is also finally addressed, through the creation of a post of Chief Internal Auditor.

## 2.2.2 Labour disputes

In April 2015, BSA moved into the Sport and Recreation department premises and was therefore exempted from paying critical landlord responsibilities such as rental, rates and electricity, telephones, internet and cleaning services. In April 2017, BSA however had to move out to own premises due to space challenges, as the department had concluded recruitment drives and the increased personnel needed additional space.

In 2015 BSA dealt with a number of labour relations matters, and this resulted in termination of service of almost 50% of its entire workforce. During that period alone, the following services were terminated:

- The Chief Executive Officer, the Chief Financial Officer, the Human Resources, Finance Manager and the Driver were all dismissed during the year following their respective disciplinary hearings.
- The Director Operations and the PA to CEO resigned in the same year, citing personal reasons.

As a result of the situation above, BSA is currently a respondent in a number of Labour Relations disputes both at the CCMA and the Labour Court. Needless to mention, this places a lot of strain on the organisation's limited resources and legal/litigations budget allocation. At the moment, this remains one of the urgent strategic risks facing the organisation, and further impacts on the organisation's material certainty.

## 2.2.3 Litigations

In 2015 and 2016 respectively, two tournaments were allowed to take place without the purse money for boxers having been deposited with BSA. This was a violation of the statutes and as a result, Boxing South Africa faced litigation from the aggrieved unpaid boxers.

The Promoters responsible for those tournaments were subsequently taken through a disciplinary process, and suspended. BSA however took responsibility for the debt and paid the boxers from its allocation. The payment to boxers was made in the 2016/2017 financial year, for a total amount of around R1,4m.

There is however still an outstanding payment of R620 000.00 which BSA is currently paying off, to the only foreign boxer who participated in this tournament, after he litigated against the organisation.

Parallel to this process, there is also an ongoing court case against the two promoters concerned, for BSA to recover this debt, which was since ceded to it by the affected boxers after they got paid. BSA is confident that the money will finally

be recovered, but the court process is a rather lengthy one. Meanwhile, this continues to have a major impact on the organisation's cash flow.

## 2.2.4 Priority interventions 2020-2025

In order to enhance the performance within BSA, the following will be prioritised:

- Building the capacity of the organisation to regulate the boxing sector, which will include increasing compliance inspections;
- Increasing Promoters' awareness of compliance requirements and procedures, in order to improve conformity;
- Reviewing and developing policies and procedures to respond to the demands of a dynamic and fast-changing environment;
- Developing internal systems for the enhanced operations;
- Aligning the organisational structure with the strategic plan, and to maximise efficiencies;
- Reviewing the funding model for BSA; and
- Supporting the establishment of associations, to ensure that an equitable boxing environment exist for all stakeholders.

BSA's objective is to align to its core mandates, as prescribed in the Boxing Act. To achieve its objectives, during the MTEF period 2020-2025, BSA appointed new staff members who bring required skills, positive attitudes and energy into the organisation. Therefore, BSA will need to build on this by harnessing on its human capital, strengthening policies, and implementing robust systems. To this extent, an emphasis on training will become a key priority area in the next strategic planning cycle.

## 2.2.5 Capacity at provincial level

At the commencement of the 2019/2020 financial year, BSA faced a critical challenge with regard to lack of Provincial Managers in four provinces, i.e. Free State, Northern Cape, Limpopo and North West. This number later increased to five, including the province of Mpumalanga, after the erstwhile Provincial Manager failed to renew his contract. During the same period, BSA was however able to recruit temporary placements in the provinces of Mpumalanga and Limpopo. Pursuant to the recruitment process that commenced at the beginning of the year, the selection process has since been concluded and so far, three Provincial Managers have been appointed on 3-year contracts, in terms of the new process: Mr. Pakamile Jacobs in the Eastern Cape, Mr. Francis Manning in Kwa-Zulu Natal, and Mr. Tinyiko Nkatingi in Limpopo. The appointments of other two successful candidates, Mr Oupa Lubisi of Mpumalanga and Mr. Mzolisi Mabuya of the Free State, were however only confirmed in July 2020.

Unfortunately, in April 2020, the newly recruited Provincial Manager for KZN, Mr. Francis Manning, passed away following a short illness, and the province therefore found itself without a Provincial Manager. The recruitment process for Provincial Managers in Gauteng, the Western Cape, Kwa-Zulu Natal and the North West therefore still remains incomplete, and the plan is to conclude that process during the financial year 2020/2021.

## 2.2.6 Board Committees/ Portfolios

The Board has identified the current configuration of Board Committees, and agreed to make some reconfiguration to Board Committees and individual portfolios of Board Members, in order to strengthen the Board's functioning. The Board therefore confirmed the following Committee Structures:

Committee	Details
<b>Ratings Committee</b>	The Ratings Committee is constituted by three members and continues to function well. It has managed to produce the monthly rankings on a consistent and reliable basis.
<b>Sanctioning Committee</b>	The Sanction Committee is constituted by three members. It is chaired by a Board member with the other two other external members.  The Committee functions well and in the past three years has sanctioned a total of 235 tournaments.
<b>Legal Committee</b>	<b>Disciplinary Committee:</b> - The Committee was established to deal with disciplinary matters where there have been violations of the Act or Regulations.  The Committee is constituted by a panel of fifteen independent legal practitioners, who hear various cases depending on their availability and on rotational basis.
	<b>Arbitration Tribunal:</b> - The Arbitration Tribunal was established to deal with appeal matters from the Disciplinary Committee, as well as issues of improper conduct on the part of licensees. In other words, this is a quasi-civil structure for licensees to resolve disputes amongst themselves.
<b>Medical Committee</b>	The Medical Committee was established in November 2017. The Committee is constituted by a national Committee of three medical doctors, as well as two ringside physicians from each province.
<b>Audit Committee</b>	The current Audit Committee members were appointed in March 2019 and continue to remain functional and highly supportive. BSA's Audit Committee is constituted by five members.  There are two external members, and one member representing the BSA Board.
<b>ICT, Governance and Resource Mobilization Committee</b>	The ICT, Governance and Resource Mobilisation Committee is constituted by four Board Members, as well as the senior management of Boxing SA.  This Committee assists the Board by processing ICT, Human Resources as well as Finance related matters before reaching the attention of the Board, and also serves as the Performance Management & Development Moderation Committee as per MPDS Policy.
<b>Women in Boxing Committee</b>	The Women in Boxing Committee is constituted by four members. It is chaired by a Board member and the other three members are female licensees.  The work of this Committee has been very instrumental in the implementation of the Women in Boxing programme, particularly the second leg of this program, which entailed training and counselling of female licensees.

## 2.3 Key Policy Developments and Legislative Changes

During the period under review there has not been any major policy or legislative development that affected BSA's operations.

## 2.4 Strategic Outcome Oriented Goals

Goals	Strategic Outcomes Oriented Goals	Goal Statement
<b>Goal 1</b>	Effective and sustainable environment	To ensure an effective, efficient and sustainable organization.
<b>Goal 2</b>	Transformed and regulated environment	To ensure the development and transformation of boxing, and to create synergies between professional and amateur boxing
<b>Goal 3</b>	Marketing, Communications and stakeholder managed	To ensure that there is marketing of boxing and to promote interaction between associations of boxers, managers, promoters, trainers and BSA officials

## PERFORMANCE INFORMATION BY PROGRAMME/ACTIVITY/OBJECTIVE

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### Overview

South Africa's national elections took place on 8 May 2019, followed by the Presidential inauguration on 25 May 2019, and announcement by the President of the new Cabinet, on the evening of 29 May 2019. Of importance to BSA was the announcement by the President that the erstwhile departments of Sport and Recreation, as well as that of Arts and Culture, have been merged into one department; called Sport, Arts and Culture, under the Executive Authority of Minister Nathi Mthethwa.

### The Period at a Glance

#### Developments inside the Ring: International level

The profile of professional boxing seems to be on an upward rise at an international level. There has been lots of high quality, high-grossing fights taking place, capturing the imaginations of many sport enthusiasts in the country; even outside traditional boxing circles. One of the biggest challenges for South African boxing is the glaring disjunction between local interest in local boxing, as opposed to local interest in international boxing.

Among the major international fights that generated huge discourse and interest during this period and enjoyed major coverage and broadcast in South Africa, are:

- On 18 May 2019 at Barclays Centre, Brooklyn, New York, Deontay Wilder stopped Dominic Breazeale in the first round to retain his WBC Heavyweight World Title
- On 1 June 2019, Madison Square Garden, New York witnessed one of the greatest upsets in world boxing history, when Andy Ruiz Jr. orchestrated a 7th round

stoppage to strip Anthony Joshua of his IBF, IBO, WBA and WBO Heavyweight world title belts. This earned him a spot in world boxing history, as the first ever Mexican heavyweight world champion.

- On 15 June 2019 at MGM Grand Arena, Las Vegas, Nevada, Tyson Fury stopped Tom Schwarz to win the WBO Inter-Continental Heavyweight Title.
- The World Boxing Super Series, from which Zolani Tete had to withdraw following a medical situation, took place during the period under review. In this case, on 27 April 2019, Zolani's initial opponent, the Filipino-American, Nonito Donaire defeated the American Stephon Young by knock-out in the 6th round at Cajun Dome, Lafayette, Louisiana in the USA, to earn himself a spot in the finals.
- On 18 May 2019 at The SSE Hydro in Glasgow, Scotland, the undefeated Japanese fighter, Naoya 'The Destroyer' Inoue stopped the Puerto Rican, Emmanuel Rodriguez Vazques through a second-round knock-out, to proceed to the finals, where he will now meet Nonito Donaire at a date and venue yet to be confirmed.

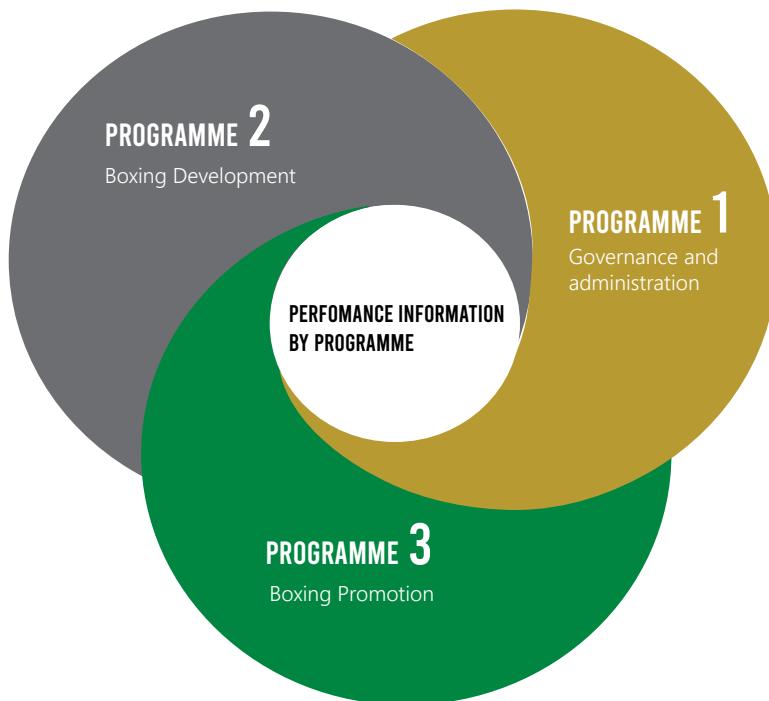
#### Developments inside the Ring: National level

Back at home, the mood and excitement within the professional boxing circles has also been mainly on an upward trajectory during the first quarter, as a result of, among others, the following:

- On 13 May 2019 at Korakuen Hall, Tokyo, Japan, Moruti Mthalane won by unanimous decision against Masayuki Kuroda of Japan, to retain his IBF Flyweight World Title.
- On 8 June 2019 at Emperor's Palace, Kevin Lerena won by unanimous decision to retain his IBO Heavyweight World Title against Vasil Ducar of the Czech Republic.

continued

- On 12 July 2019 at King Abdulla Sport Centre, Jeddah, Saudi Arabia, Lerato 'Lights Out' Dlamini won the WBC Silver Featherweight Title by unanimous point decision against the Pilipino, Dave Penalosa.
- On 23 December 2020 Moruti Mthalane travelled to Japan to defend his IBF Flyweight title against Akira Yaegashi of Japan. Moruti made us proud, retaining his title through a technical knock-out. He arrived back home from Japan on 25 December 2020, and Boxing South Africa was there to receive him at the airport.
- On 8 February 2020 Kevin Lerena was in action at EWS Arena Goppinen in Germany where he defended his IBO Cruiserweight world title against the 49-year-old Firat Arslan. Lerena is currently highly ranked by other world bodies, like the WBA, and so far has defended his IBO World title six times.



Director Operations

MS.  
CINDY NKOMO

## PROGRAMME 1: GOVERNANCE AND ADMINISTRATION

### 3.1.1 Strategic Objective: Strengthened Governance and Oversight

#### 3.1.1.1 Annual Performance Plan 2019/2020

Subsequent to a communique that was circulated earlier in the year from the Office of Leader of Government Business (LOGB), which requested that Strategic Plans and Annual Performance Plans be tabled in the 5th Parliament on a date to be communicated by the new Presiding Officers of the 6th Parliament, the Presiding Officers subsequently wrote to the Leader of Government Business, directing that departments and public entities should submit their Strategic Plans and Annual Performance Plans by no later than 28 June 2019.

In the case of BSA there was no way to submit the new Strategic Plan because the current Strategic Plan only comes to an end on 31 March 2020, in alignment also with the Strategic Plan of the Department of Sport, Arts and Culture. The extended period was optimally utilised by BSA to address a number of gaps which had been identified in the Annual Performance Plan, since the last engagement.

On 26 June 2019 BSA met with the Strategic Management Unit of the Department of Sport, Arts and Culture, to once more review the Annual Performance Plan ahead of the final submission. Arising from that meeting, the general observation was that the Annual Performance Plan was 'significantly better than previous years'. BSA however advised to take note that the following three indicators could not be changed, since they had already been captured as such in 2019 Budget Estimates of National Expenditure (ENE) for Vote 40, which is the budget allocation by National Treasury for the Sport and Recreation department: Boxing South Africa performance indicators by programme/objective

Indicator	Programme	MTSF Outcome	Projections		
			2019/20	2020/21	2021/22
<b>Number of licensees trained and developed per year</b>	Boxing Development	Outcome 5: A skilled and capable workforce to support inclusive growth path	300	300	300
<b>Number of site inspections conducted per year</b>	Boxing Development	Entity mandate	110	110	110
<b>Number of female boxers licensed per year</b>	Boxing Development	Outcome 14: Nation building and social cohesion	100	100	100

Boxing South Africa's Annual Performance Plan 2020/2021 and its Strategic Plan 2020-2025 were duly submitted to the Minister in March 2020, and subsequently tabled before Parliament. A virtual Portfolio Committee meeting was scheduled on 10 April 2020, for Boxing South Africa to present its Annual Performance Plan and Strategic Plan to the Portfolio Committee, but this was however later cancelled.

#### 3.1.1.2 Annual Report 2018/2019

The audit outcome of the 2018/2019 Annual Financial Statements was finalised by the Auditor General in August 2019, and BSA once more received an unqualified audit opinion. There however still remain some issues in the Management Letter which require attention, as part of our quest towards a clean audit opinion.

On 10 September 2019 BSA appeared before the Portfolio Committee for Sport, Arts and Culture, to present on governance issues. This is a new committee which has been reconstituted since the beginning of the 6th National Assembly, and the engagement was generally very pleasant and insightful. The committee also covered reflections on BSA's Annual Report for 2018/2019.

### **3.1.2 Strategic Objective: Legislation (Amendment of Boxing Act)**

#### **3.1.2.1 Boxing South Africa Regulations of 2004**

The National Boxing Indaba of 2013 declared, among others, that, "The process to kickstart the process of amending the Boxing Regulations with the view to strengthen the enforcement capacity and application of the Act by BSA. The Regulations will help in closing the identified loopholes and gaps, and streamline the operations of BSA as a regulatory and statutory body governing the sport of professional boxing in the country".

The National Boxing Indaba further noted that there are misinterpretations and contradictions between the Boxing Act and its Boxing Regulations, and hence resolved that:

- The Boxing Act could not be amended at the time, as the department was currently in the process of circulating the South African Combat Sport Bill for comment, which would in any event repeal the Boxing Act and its Regulations, and be enacted in 2015.
- The Boxing Regulations can be amended to address and refine certain regulations which appear or are contradictory to the Boxing Act, as well as inserting other specific regulations and circulate same to all stakeholders for their comments and inputs, and thereafter the Minister can promulgate the amended regulations.

In line with the above resolution of the Boxing Indaba of 2013, Boxing South Africa, during the period under review, initiated a process of amending the Boxing Regulations of 2004. Both the base document that identifies all the areas of challenge in the 2004 Regulations, as well as the proposed draft Amendment Regulations, have now been finalised.

#### **3.1.2.2 Sport Broadcast Regulations of 2018**

On the 14 December 2018, ICASA circulated the draft Sport Broadcasting Services Draft Regulations of 2018, and the Board of BSA in its regular meeting of 26 January 2019 considered these draft regulations. The Board welcomed the process of reviewing the current Sport Broadcasting Services Regulations of 2010, in order to address identified limitations in the 2010 Regulations.

The Board however noted that the 2018 Draft Regulations in their current configuration equally have some worrying inclusions, which may lead to detrimental and unintended consequences for the boxing sector, and therefore need serious reconsideration.

The major point of concern is that the 2018 Draft Regulations might result in total demobilization of subscription-based channels from broadcasting international and domestic boxing tournaments. The boxing sector cannot afford such an eventuality, particularly considering the unreliable and inconsistent manner in which boxing coverage has been dealt with by the public broadcaster, in the past three years.

BSA therefore formulated its position paper on these draft Sport Broadcasting Services Regulations of 2018, and submitted the same to ICASA before the stipulated deadline of 15 March 2019. On 28 May 2019 BSA, together with other stakeholders who made written submissions to ICASA, was invited to present its inputs on the Draft Sport Broadcast Regulations of 2018.

## **3.2. PROGRAMME 2: BOXING DEVELOPMENT**

### **3.2.1. Strategic Objective: Systems and Protocols**

During the period under review, BSA focused on developing procedures and processes of its operations with the goal of ensuring transparent and consistent processes, and also to ensure that licensees have access to information; especially that which has a huge impact on tournament delivery. To this end procedures on licensing, rating, sanctioning and tournament application were developed, and are made available on the BSA website. A Standard Operating Manual was also created.

### **3.2.2. Strategic Objective: Licensee's Training and Development**

During the period under review, BSA had a target of training 300 licensees across different categories and provinces. Once again BSA partnered with the South African Institute of Drug-Free Sport (SAIDS) to roll out a national roadshow which targeted mainly boxers, trainers and managers. In addition, BSA rolled out various workshops nationally, focusing on orientating licensees across all categories in the regulatory framework, i.e. The Boxing Act and Regulations. In total, only 158 licensees were able to attend the workshops, owing to various internal and external reasons which BSA has taken note of, and will consider when planning similar workshops and training, going forward. Training took place as follows:

Date	Place
29 June 2019	East London, Eastern Cape
30 June 2019	Port Elizabeth, Eastern Cape
15-17 July 2019	East London, Eastern Cape
2-3 August 2019	Durban, KwaZulu-Natal
12 October 2019	Cape Town, Western Cape

### 3.2.3. Strategic Objective: Women in Boxing

Through this performance indicator, BSA promotes and supports the participation of women in the sport of boxing. In the period under review, BSA was successful in attracting and licensing 100 female boxers across the various boxing categories. Unlike in previous years, where women's participation was limited to female boxers, there is a growing uptake of other licences which were previously seen as traditionally male roles, such as Trainer's and Promoter's Licences. The achievement of this target came about after the BSA Board had taken a decision to indefinitely open the licensing period for women wanting to come into the sport of boxing in various categories. There are still challenges in attracting women to the sport, because of some barriers that demotivate women in taking up boxing as a sport or contributing to the sport in other ways. These challenges range from inactivity by female boxers, who often go for months without having fights, as well as lack of funding support for the female Promoters. BSA has put in place various initiatives that seek to encourage promoters to feature at least two female bouts when hosting tournaments. Various incentives for those promoters who feature female boxers have been presented. Through Women in Boxing, other initiatives, such as marketing and profiling of women in boxing, continue to be implemented.

In the 2019/2020 financial year, only sixteen (16) female boxers secured fights in seven (7) tournaments. This is 7 tournaments out of 59 tournaments hosted during the financial year, and only fourteen (14) boxers out of forty-four (44) female boxers licensed. The inclusion of female bouts in tournaments continues to decline, however BSA has resolved to put measures in place to change the status quo, which also include incentives in the future for those promoters who include female bouts.

Date	Venue	Promoter	Bill
17 May 2019	Sandton Convention Centre, Johannesburg	Gauteng Boxing Promoters Association	Kholosa Ndobayini vs. Xoliswa Jonas [SA Lightweight Title]
26 July 2019	Rouxville Community Hall, Free State	Dream Team Promotions	Tshidi Mokebisi vs. Kabisile Tshabalala
04 August 2019	John Barrable Hall, Johannesburg	BMT Promotions	Hedda Wolmarans vs. Nomandithini Ndyambo [Vacant Female SA Jnr. Welterweight Title] Bonita van Jaarsveldt vs. Raider Muleba
25 August 2019	Mdantsane Indoor Centre, East London	Zbashy Promotions	Noni Tenge vs. Mapule Ngubane [WBF World Jnr Middle Title 10Rds] Unathi Myekeni vs. Enelless Nkhwanthi

continued

31 August 2019	Turffontein Race Course, Johannesburg	TLB Promotions	Bathabile Ziqubu vs. Lufuno Mutshayi
28 September 2019	Turffontein Race Course, Johannesburg	Fantastic 2 Promotions	Bukiwe Nonina vs. Flora Macheza (Tanzania)
06 October 2019	Mdantsane Indoor Centre, East London	Fireworks Promotions	Kholosa Ndobayini vs. Raider Muleba

### Leighandre 'Baby Lee' Jegels falls victim to Gender Based Violence

On 30 August 2019, the South African's Junior Bantamweight Champion and WBA Pan African Junior Bantamweight Champion, Leighandre 'Baby Lee' Jegels lost her life, after being gunned down by her former lover. The pain and shock of her untimely death reverberated across the entire country, more especially because she passed away at a time when the nation was grappling with the phenomenon of a heightened trend in the crisis of gender-based violence, during Women's Month.

#### 3.2.4. Strategic Objective: Compliance and Enforcement

BSA continues to strengthen compliance across all operational areas, especially compliance to safe and secure tournament venues, in line with the prescripts of the Boxing Regulations. This is achieved through inspection of tournament venues before each tournament, as well as through random inspections of gym and training centres owned by BSA licensees.

#### 3.2.5. Strategic Objective: Sanctioning and Rating

##### 3.2.5.1. Number of tournaments sanctioned

In 2019/2020 BSA sanctioned a total of fifty-nine (59) tournaments. This is unfortunately a significant decline compared to the past two years at least. The decline is attributed to some promoters exiting the industry for various reasons, mainly attributed to lack of funding and/or sponsorship for the sport of boxing, as well as resulting from BSA implementing strict control measures which are aligned to proper governance and operational requirements as prescribed in the Act and Regulations.

Gauteng led with twenty-one (21) tournaments, the Eastern Cape came in second with nineteen (19) tournaments, and the Western Cape in third with nine (9) tournaments. For a third consecutive period, the Northern Cape had no boxing activity, and Mpumalanga has also not hosted any tournament for the past two financial years.

Comparison of total tournaments hosted over the past three years:

Province	GP	EC	WC	KZN	LP	FS	MP	NW	NC	Total
<b>2017/2018</b>	32	13	14	7	4	6	1	1	-	<b>78</b>
<b>2018/2019</b>	30	24	8	9	4	1	-	3	-	<b>79</b>
<b>2019/2020</b>	21	19	9	5	2	3	-	-	-	<b>59</b>

## 2019/2020 Year-to-Date tournaments per province:

2019/2020 Year-to-Date tournaments per province:														
Province	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total	
<b>Gauteng</b>	-	3	6	1	3	2	2	2	-	-	-	2	<b>21</b>	
<b>Eastern Cape</b>	2	-	4	3	1	2	2	3	1	-	-	1	<b>19</b>	
<b>Western Cape</b>	-	1	1	-	2	-	1	1	2	-	1	-	<b>9</b>	
<b>Kwa-Zulu Natal</b>	-	-	-	-	-	1	-	1	1	-	2	-	<b>5</b>	
<b>Free State</b>	-	-	-	1	-	-	-	-	2	-	-	-	<b>3</b>	
<b>Limpopo</b>	-	-	-	-	-	-	1	-	1	-	-	-	<b>2</b>	
<b>Mpumalanga</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>0</b>	
<b>North West</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>0</b>	
<b>Northern Cape</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>0</b>	
<b>TOTAL</b>	<b>2</b>	<b>4</b>	<b>11</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>-</b>	<b>7</b>	<b>7</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>59</b>	

## 2019/2020 Sanctioned Tournaments Categories

Sanctioned Tournaments Categories	
Development	18
Provincial Title	3
National Title	21
International Title	21
World Title	5

## 2019/2020 Tournaments by Promotion

Promoter	Number of Tournaments	Details	
		Tournament Date	Place
Rumble Africa Promotion	6	17 May 2019	Nangoza Jebe Hall, Port Elizabeth
		30 June 2019	Mdantsane Indoor Centre, East London
		28 July 2019 29 September 2019 10 November 2019 08 March 2020	Orient Theatre, East London
		10 May 2019 08 June 2019 23 August 2019 21 September 2019 30 November 2019	Emperor's Palace, Kempton Park
Xaba Promotions	5	28 April 2019 16 June 2019	Orient Theatre - East London
		27 July 2019 28 September 2019 16 December 2019	ICC Hotel - East London
		17 May 2019 02 August 2019 11 October 2019 28 February 2020	Hope Street Hall, Cape Town
Dream Team Promotion	3	01 June 2019	Turffontein Race Course - Johannesburg
		26 July 2019	Rouxville Community Hall, Welkom
		16 December 2019	Intabazwe Community Hall, Harrismith
Blaque Magic Promotion	2	08 June 2019	WSU Zamukulungisa Hall, Umtata
		23 November 2019	Cicirha Hall, Umtata
Insane Boxing Promotion	2	16 June 2019	Sunningdale Sport Complex, Cape Town
		14 December 2019	Collegians Rugby Club, Cape Town
5th Element	2	23 June 2019 20 October 2019	Time Square Arena - Pretoria
BMT Promotions	2	26 May 2019 04 August 2019	John Barrable Hall, Johannesburg
Charing Cross Promotions	2	20 October 2019 15 March 2020	Blairgowrie Recreation Centre, Johannesburg
Fantastic 2 Promotions	2	30 June 2019	Kwa-Thema Community Hall, Johannesburg
		28 September 2019	Turffontein Race Course, Johannesburg
Punch Club Promotions	1	29 June 2019	John Barrable Hall, Johannesburg

Gauteng Boxing Promoters Association	1	17 May 2019	Sandton International Convention Centre, Johannesburg
Lastborn Boxing Promotions	1	23 June 2019	Orient Theatre, East London
Punch Club Promotions	1	28 June 2019	Kagiso Memorial Hall, Krugersdorp
Mzantsi Boxing Promotions	1	06 July 2019	Msobomvu Hall, Butterworth
Supreme Boxing Promotion	1	14 July 2019	Blairgowrie Centre, Randburg
Zbashy Promotions	1	25 August 2019	Mdantsane Indoor Centre, East London
Brice Boxing Promotions	1	29 August 2019	Wynberg Military Sport, Cape Town
TLB Promotions	1	31 August 2019	Turffontein Race Course, Johannesburg
Tono Promotions	1	15 September 2019	Umfolozi Casino, Durban
Tsatsa Media	1	04 October 2019	Malamulele Boxing Gym, Giyani
Fireworks Boxing Promotions	1	06 October 2019	Mdantsane Indoor Centre, East London
Zulu Sports Promotions	1	06 October 2019	Titi Jonas Community Hall, Port Alfred
Real Steel Promotions	1	09 November 2019	Turffontein Race Course, Johannesburg
Kalakoda Promotions	1	13 November 2019	14 Hope St Hall, Cape Town
Ludonga Boxing Promotions	1	23 November 2019	KwaNongoma Hall, KwaNongoma
Aphile Boxing Promotions	1	23 November 2019	Nangoza Jebe Hall, Port Elizabeth
Isizwe Boxing Promotions	1	07 December 2019	Pysang Community Hall, Plettenburg Bay
Mabuya Boxing Promotions	1	08 December 2019	Thabong Community Hall, Welkom
Mvelo Promotions	1	21 December 2019	DUT Hall, Pietermaritzburg
Nzhelele Women Sports Promotions	1	27 December 2019	2 Ten Hotel - Thohoyandou
Tap -Tap Boxing Academy	1	16 February 2020	Mpungose Tribal Hall, Eshowe
Starline Boxing Promotions	1	29 February 2020	Glencoe Community Hall, Glencoe
BRD Boxing Promotions	1	01 March 2020	Turffontein Race Course, Johannesburg

### 3.2.5.2. Ratings

In the previous year, South Africans took part in a total of 454 fights. While this is of course comforting, it is actually a decline compared to the previous years, and BSA's challenge therefore still remains: the creation of more and more opportunities for fighting, through the fostering of an enabling environment. However, there was some undeniable quality in those 454 fights.

For example, 13 World Title fights were staged in this period, of which South African boxers won 8 and lost only 5. So that is a great ratio for us. The one fighter who stood out was Moruti Mthalane, who went to Japan and twice defended his title in his opponent's backyard. Going to Japan and winning in your opponent's backyard takes some doing.

We also had Kevin Lerena, who defended his title 3 times during the period under review. This is very active for a world champion of any category of world title, to have 3 fights in a 12-month period.

We had Nkosinathi Joyi who, 16 years after winning the IBO Mini-flyweight title for the first time, came back and did it again. And it certainly takes some doing for a man, particularly for a small man (mini flyweight), to maintain his weight as he has in a period of 16 /18 years.

We also have Tshifhiwa Munyai, a remarkable performance from him. 17 years after turning professional, and having won a Commonwealth and World title, he came back to South Africa to win a South African Lightweight Title.

### Prospects

We have some wonderful prospects in the works and while they can't all be named here; these names most definitely lead the pack:

- Akani Phuzi, the ABU Cruiserweight champion, unbeaten in 11 fights;
- Lerato Dlamini, the WBC silver featherweight champion, unbeaten in his last 14 fights;
- Khanyile Bulana, the former South African Champion, who still remains unbeaten in 23 fights;
- Rowan Campbell is unbeaten in 12 fights, and is also lined up to challenge for the IBO super middleweight title;
- Simon Dladla is unbeaten in 6 fights, a very good prospect indeed;
- Deejay Kriel, a former IBF champion, is lined up to challenge for the title again but in a different weight division;
- Ricardo Malajika, up-and-coming, unbeaten in 6 fights.
- Another old pro doing the circuit, former 2 times world champion Xolisani Ndongeni, who has only lost 1 of 25 fights;
- Ayanda Nkosi, who has only lost 1 out of 15 bouts;
- Ayabonga Sonjica, the South African junior featherweight champion, who is unbeaten in 9 fights.

So, there is some tremendous talent on the way up, some of them old hands and some of them new hands, but a lot of potential amongst these athletes, and they are the ones we fully expect to take our boxing forward in the near future.

### The set backs

After riding what was a quite pleasant crest of a wave in the previous year, it seems as if our boxers are beginning to experience some difficulties at world stage level, more especially when fighting abroad. Of the twelve world champions BSA had at the beginning of this calendar year (if one also includes Hekkie Budler, who only lost his world title on 2019 New Years' Eve, i.e. 31 December 2018), so far, six of them have experienced losses.

The encouraging observation is however that the losses are in worthy and very challenging fights, in a stream where we have always wanted our boxers to contest. This development offers an opportunity for us to reflect on the quality and competencies of the trainers we have in the country, and properly assess their ability to assist our boxers to transcend beyond the comforts of domestic competition. Hereunder are our world champions who have tasted defeat in the current calendar year:

- On 31 December 2018, Hekkie Budler lost his WBA Super World Light Flyweight Title to Hiroto Kyoguchi, at Wynn Palace, Macao, China through a TKO.
- On 11 January 2019, after a clean sheet of 24 fights with zero losses, Xolisani Ndongeni experienced his first defeat against Devin Haney in a title fight for the vacant WBC International and vacant WBO Inter-Continental Lightweight title fight at Stageworks, Shreveport, Louisiana, USA. Shortly after that, he then had to relinquish his WBF World Title.
- On 18 January 2019, after going undefeated in over eight fights, Bukiwe Nonina was defeated by Sarah Mahfoud through a Unanimous points' decision, in a vacant IBF Inter-Continental featherweight title fight at Nykoebing Fasltor Hallen, Denmark. Fortunately, this loss didn't affect Bukiwe's title as the WBF Bantamweight World Champion.
- On 6 July 2019, Thulani Mbenge lost his IBO Welterweight World title through unanimous points' decision, against Sebastian Formella at CU Arena, Hamburg, Germany.
- On 17 July 2019, within four months of winning her world title, Noziphlo Bell was defeated by Terri Haper through a TKO, in a vacant IBO Super Featherweight world title fight at Magna Centre, Rotherham, Yorkshire, UK. Fortunately, this loss didn't affect Noziphlo's title as the WBF Featherweight World Champion.

- On 25 October 2019 Simphiwe Khonco lost to Chayaphon Moonsri at City Hall Ground, Chon-buri, Thailand, in a WBC World Mini flyweighy title.
- On 30 November 2019 in Birmingham, Zolani Tete's streak of seven years undefeated was interrupted when he lost on a third-round stoppage to the Philippino fighter John Riel Casimero. In the process he forfeited his WBO Bantamweight World Title, as well as an ideal opportunity to fight Naoya Inoue in a bout to unify the bantamweight division.

The table below reflects the status of South African ratings, as at 31 March 2020, and the changes in details of the nineteen (19) national titles contested during the period.

### South African National Title Fights 2019/2020

Division	Apr - June	Jul - Sep	Oct - Dec	Jan - March	Title fights
<b>Heavyweight</b>	Ruann Visser	Ruann Visser	Ruann Visser	VACANT	<b>1</b>
<b>Junior Heavy</b>	Thabiso Mchunu	Thabiso Mchunu	Thabiso Mchunu	Thabiso Mchunu	<b>0</b>
<b>Light Heavyweight</b>	Nicholas Radley	Nicholas Radley	Nicholas Radley	Nicholas Radley	<b>1</b>
<b>Super Middleweight</b>	Rowan Campbell	Rowan Campbell	Rowan Campbell	Rowan Campbell	<b>0</b>
<b>Middleweight</b>	Walter Dlamini	Walter Dlamini	Walter Dlamini	Walter Dlamini	<b>1</b>
<b>Junior Middleweight</b>	Nkululeko Mhlongo	Nkululeko Mhlongo	Nkululeko Mhlongo	Nkululeko Mhlongo	<b>1</b>
<b>Welterweight</b>	Mziwoxolo Ndwayana	Mziwoxolo Ndwayana	Mziwoxolo Ndwayana	Mziwoxolo Ndwayana	<b>0</b>
<b>Junior Welterweight</b>	Xolani Mcotheli	Xolani Mcotheli	Xolani Mcotheli	Xolani Mcotheli	<b>1</b>
<b>Lightweight</b>	Thompson Mokwana	Ayanda Nkosi	VACANT	Tshifhiwa Munyai	<b>2</b>
<b>Junior Lightweight</b>	Phila Mpontshana	Phila Mpontshana	Phila Mpontshana	Phila Mpontshana	<b>2</b>
<b>Featherweight</b>	Khanyile Bulana	Khanyile Bulana	VACANT	VACANT	<b>0</b>
<b>Junior Featherweight</b>	Innocent Mantengu	Ayabonga Sonjica	Ayabonga Sonjica	Ayabonga Sonjica	<b>2</b>
<b>Bantamweight</b>	Ronald Malindi	Ronald Malindi	Ronald Malindi	Ronald Malindi	<b>3</b>
<b>Junior Bantamweight</b>	Sabelo Ngebiyana	Sabelo Ngebiyana	Sabelo Ngebiyana	Sabelo Ngebiyana	<b>0</b>
<b>Flyweight</b>	Jackson Chauke	Jackson Chauke	Jackson Chauke	Jackson Chauke	<b>2</b>
<b>Junior Flyweight</b>	Nhlanhla Tyirha	Nhlanhla Tyirha	Nhlanhla Tyirha	Nhlanhla Tyirha	<b>0</b>
<b>Mini Flyweight</b>	Xolisa Magusha	Sibusiso Bandla	Siyakholwa Kuse	Siyakholwa Kuse	<b>3</b>
<b>Total SA national title fights during 2019/2020</b>					<b>19</b>

**South African Female National Title Fights in 2019/2020**

Division	Apr - June	Jul - Sep	Oct - Dec	Jan - March	Title fights
<b>Heavyweight</b>		VACANT			<b>0</b>
<b>Junior Heavy</b>		VACANT			<b>0</b>
<b>Light Heavyweight</b>		VACANT			<b>0</b>
<b>Super Middleweight</b>	Nwabisa Mbopha		VACANT		<b>0</b>
<b>Middleweight</b>	Mapule Ngubane	Mapule Ngubane	Mapule Ngubane	Mapule Ngubane	<b>0</b>
<b>Junior Middleweight</b>		VACANT			<b>0</b>
<b>Welterweight</b>	Julie Tshabalala	Julie Tshabalala	Julie Tshabalala	Julie Tshabalala	<b>0</b>
<b>Junior Welterweight</b>	VACANT	Hedda Wolmarans	Hedda Wolmarans	Hedda Wolmarans	<b>1</b>
<b>Lightweight</b>	Kholosa Ndobayini	Kholosa Ndobayini	Kholosa Ndobayini	Kholosa Ndobayini	<b>1</b>
<b>Junior Lightweight</b>	Nozipho Bell	Nozipho Bell	Nozipho Bell	Nozipho Bell	<b>0</b>
<b>Featherweight</b>	Asandiswa Nxokwana	Asandiswa Nxokwana	Asandiswa Nxokwana	Asandiswa Nxokwana	<b>0</b>
<b>Junior Featherweight</b>	Matshidiso Mokebesi	Matshidiso Mokebesi	Matshidiso Mokebesi	Matshidiso Mokebesi	<b>0</b>
<b>Bantamweight</b>	Mellisa Miller	Mellisa Miller	Mellisa Miller	Mellisa Miller	<b>0</b>
<b>Junior Bantamweight</b>		VACANT			<b>0</b>
<b>Flyweight</b>	Noxolo Makhanavu	Noxolo Makhanavu	Noxolo Makhanavu	Noxolo Makhanavu	<b>0</b>
<b>Junior Flyweight</b>	Nozwelethu Mathontsi	Nozwelethu Mathontsi	Nozwelethu Mathontsi	Nozwelethu Mathontsi	<b>0</b>
<b>Mini Flyweight</b>		VACANT			<b>0</b>
<b>Total SA national title fights during 2019/2020</b>					<b>2</b>

**South African World Champions during 2019/2020**

Male South African World Champions during 2019/2020

Weight	Date Won	WBF	IBO	Four Major World Bodies				Status
				WBA	WBC	WBO	IBF	
<b>Cruiserweight</b>	09.09.2017		Kevin Lerena					<b>Current Champion</b>
<b>Welterweight</b>	23.06.2018		Thulani Mbenge					<b>Lost title in July 2019</b>
<b>Bantamweight</b>	22.04.2017					Zolani Tete		<b>Lost title in November 2019</b>
<b>Super Flyweight</b>	18.12.2015		Gideon Buthelezi					<b>Current Champion</b>
<b>Flyweight</b>	15.07.2018						Moruti Mthalane	<b>Current Champion</b>
<b>Mini Flyweight</b>	16.02.2019						Deejay Kriel	<b>Current Champion</b>
<b>Mini Flyweight</b>	11.06.2016							<b>Title relinquished</b>
	16.12.2019		Nkosinathi Joyi					<b>Current Champion</b>

Female South African World Champions during 2019/2020

Weight	Date Won	WBF	IBO	Four Major World Bodies				Status
				WBA	WBC	WBO	IBF	
<b>Welterweight</b>	08.09.2017	Noni Tenge						<b>Current Champion</b>
<b>Featherweight</b>	29.03.2019	Nozipho Bell						<b>Current Champion</b>
<b>Bantamweight</b>	01.03.2017	Bukiwe Nonina						<b>Title relinquished</b>



### 3.2.6. Strategic Objective: National Coverage

In 2019/2020 BSA licensed a total of 1 169 licensees. The table below is a breakdown of the total licensees per category.

Categories	Males	Females	Total
<b>Boxers</b>	665	44	<b>709</b>
<b>Managers</b>	121	6	<b>127</b>
<b>Trainers</b>	67	3	<b>70</b>
<b>Ring Officials</b>	58	15	<b>73</b>
<b>Seconds</b>	70	4	<b>74</b>
<b>Agents</b>	0	0	<b>0</b>
<b>Promoters</b>	65	24	<b>89</b>
<b>Matchmakers</b>	9	1	<b>10</b>
<b>Ring Announcers</b>	14	3	<b>17</b>
<b>Ring Officials</b>	<b>1069</b>	<b>100</b>	<b>1169</b>

### 3.2.7. Strategic Objective: Associations Assisted

In line with Chapter 2 of the Boxing Act of 2001, for the purpose of attaining its objectives, Boxing SA has, amongst others, the power to assist in the establishment of an association or federation of associations within the scope of its licensed members. One such structure is the Promoters' Associations, which are established provincially and nationally.

#### 3.2.7.1 Gauteng Promoters Association

On the 28 August 2019, the GBPA held its preparatory meeting in preparation of their Annual General Meeting (AGM) which was confirmed for 7 September 2019. BSA was represented by Director of Operations, Ms. Cindy Nkomo, who attended as an observer and advisor, as the association was seeking to establish a legal structure as well as draft the association's constitution.

Following the meeting above, the GBPA AGM was held on 7 September 2019 in Boksburg, Johannesburg. Once again, the AGM was attended by Ms. Nkomo who, amongst other responsibilities, assisted the association as an advisor, as well as overseeing the nomination and voting process which led to the appointment of the new Executive Committee, led by the Chairperson, Ms. Joyce Khungwane.

#### 3.2.7.2 Eastern Cape Promoters Association

On 15-17 July 2019 Eastern Cape Promoters Association held their General Elective Conference at Cintsa, just outside East London. The provincial department of Sport, Arts and Culture in the Eastern Cape was extremely helpful in assisting to mediate the difference between the then-warring factions in the province. The Conference was attended by the BSA CEO and Board member, Mr. Khulile Radu. BSA assisted the conference financially, and also assisted by conducting workshops on identified pertinent issues.

- On 31 December 2018, Hekkie Budler lost his WBA Super World Light Flyweight Title to Hiroto Kyoguchi, at Wynn Palace, Macao, China through a TKO.
- On 11 January 2019, after a clean sheet of 24 fights with zero losses, Xolisani Ndongeni experienced his first defeat against Devin Haney in a title fight for the vacant WBC International and vacant WBO Inter-Continental Lightweight title fight at Stageworks, Shreveport, Louisiana, USA. Shortly after that, he then had to relinquish his WBF World Title.
- On 18 January 2019, after going undefeated in over eight fights, Bukiwe Nonina was defeated by Sarah Mahfoud through a Unanimous points' decision, in a vacant IBF Inter-Continental featherweight title fight at Nykoebing Fasltor Hallen, Denmark. Fortunately, this loss didn't affect Bukiwe's title as the WBF Bantamweight World Champion.
- On 6 July 2019, Thulani Mbenge lost his IBO Welterweight World title through unanimous points' decision, against Sebastian Formella at CU Arena, Hamburg, Germany.
- On 17 July 2019, within four months of winning her world title, Nozipho Bell was defeated by Terri Haper through a TKO, in a vacant IBO Super Featherweight world title fight at Magna Centre, Rotherham, Yorkshire, UK. Fortunately, this loss didn't affect Nozipho's title as the WBF Featherweight World Champion.

### 3.3. PROGRAMME 3: BOXING PROMOTION

#### 3.3.1. Strategic Objective: Marketing and Communication Strategy

##### 3.3.1.1 Boxing Broadcast by the SABC

- 27 October 2019 marked exactly 24 months since the last live boxing tournaments had been broadcast on SABC TV. The last live tournament which SABC broadcast was on 27 October 2017 at Ngoako Ramatlhodi Sport Complex, Seshego, where Tsiko Mulovhedzi was outpointed through an unanimous decision by Laszio Toth of Hungary, in an IBF International Welterweight fight.
- Notwithstanding this sad reality, in June 2020, the newly appointed Head of Sport at SABC has once more reached out to BSA, with a request for the revival of talks around the National Boxing Broadcast Strategy. There is therefore once more hope that boxing will return to the television screens of the national broadcaster, but BSA is rather cautious in its pronouncement on this possibility, due to its previous experience when dealing with the SABC.

##### 3.3.1.2 Boxing Broadcast by Supersport

- Emanating from partnership discussions with Supersport, BSA has put together a concept document around a possible direct partnership between BSA and Supersport in the delivery of boxing tournaments. The conceptual outlook was not to replace or do away with the current model, where promoters are still able to apply to and contract directly with Supersport in terms of their broadcast content, but rather for the two entities (BSA and Supersport) to work together to pilot and develop a sustainable boxing broadcast delivery template, which can be rolled out on a larger scale.
- The intention is therefore to maximise direct control and handling by BSA over at least four tournaments that would be delivered through this model, if all goes well. The finalisation of this brilliant initiative was however intercepted by the Covid-19 pandemic, and is therefore yet to be signed off in the current financial year of 2020/2021.

#### 3.3.2. Strategic Objective: Events Coordination

##### 3.3.2.1 South African Boxing Awards

Leading up to the SA Boxing Awards of 2018, all developments were pointing to the North West becoming the host province. Discussions between the North West Department of Sport, Arts & Culture and Boxing South Africa were underway, and while these discussions remained constructive and positive, the pace became rather slack and time was running out for Boxing South Africa.

When the month of February 2019 came and there was still no firm commitment from the North West, Boxing South Africa then started discussions with the Gauteng Department of Sport and Culture. The proposal was basically for Boxing Awards to piggy-back on the annual Arnolds Classic Africa boxing tournament, which traditionally takes place in May.

While Gauteng was keen to host this prestigious sporting event, because it is in line with their stated objectives of being the home of champions and the true destination for major competitive sporting event, the process was however not without its hiccups. Gauteng's main interest was to have a boxing tournament, while Boxing South Africa's main interest was to deliver the 3rd Boxing Awards event, since the re-launch in 2017.

In the attempt to reconcile these two interest points, the two partners then came up with an even more appealing and impactful product. The two partners designed a combo package that includes the awards element as well as the tournament element. On the structural side, the two parties then extended the partnership to also include the Gauteng Promoters Association, as well as the Arnolds Classic Africa Multi-Sport Festival.

On Monday, 29 April 2019 at Uncle Tom's Hall in Orlando West, Gauteng was therefore announced as the host province for the SA Boxing Awards 2018. This was done at the media briefing to announce the nominees in the fifteen categories of the awards.

On 17 May 2019 Boxing South Africa hosted the 2018 South African Boxing Awards in partnership with the Gauteng Department of Sport, Arts & Culture, Arnolds Classic Africa and the Gauteng Promoters Association, held at Sandton Convention Centre. The event was a major success, which continued to build on the positive momentum of these premium brands.

### 3.3.2.2 South African Sport Awards

At the South African Sport Awards 2019 that took place in Durban, KwaZulu-Natal, the boxing sector was fortunate to scoop two major awards. Former WBC Super middleweight champion and boxing veteran, Thulani 'Sugarboy' Malinga received the Steve Tshwete Lifetime Achievement Award, and the IBF Flyweight World Champion Moruti 'Babyface' Mthalane scooped the elusive Sportsman of the Year Award.

- The boxing sector also received two awards at the Andrew Mlangeni Green Jacket Ceremony hosted by Minister Nathi Mthethwa, on 14 October 2019. Former South African Bantamweight champion, the late Anthony Morodi, and former South African Featherweight Champion, Levi Madi were among the five recipients of the Andrew Mlangeni Green Jacket, at the ceremony which the Minister honoured this year.
- At provincial level of the Sport Awards, it is also worth noting that in the Kwa-Zulu Natal provincial Sport Awards, our retired provincial manager in Kwa-Zulu Natal, Mr Les Andreason, was honoured by the province as the sole recipient of the Lifetime Achievement Award presented by the Premier, Hon. Sihle Zikalala, and the MEC for Arts, Culture, Sport and Recreation, Hon. Hlengiwe Mavimbela.
- In the North-West province, Boxing South Africa's referee and judge, Ms. Sylvia Mokaila, was also honoured at the provincial sport award ceremony, and presented by the MEC for Arts, Culture, Sport and Recreation, Hon. Tsotso Virginia Tlhape, with the Excellence Award.

### 3.3.2.3 Other initiatives to honour Boxing Legends

#### Central West Jabavu Boxing Club honours Norman Hlabane

On 13 June 2019, Central West Jabavu Boxing Club, sponsored by manufacturers Damascus Boxing Equipment & Apparel, bestowed an honour on the legendary Norman Hlabane. The event was a community initiative to honour a local hero and boxing legend, an outstanding trainer and manager who has been behind the success of many boxing greats like Nika Khumalo, Dingaan Thobela, Lehlohonolo Ledwaba and David Potsane, to mention but a few.

In 2018, bro Noks, as Mr Norman Hlabane is affectionately known in boxing circles, was also honoured with a Lifetime Achievement by the Gauteng Provincial Government, during the 2018 Gauteng Sport Awards. The recognition ceremony in his honour, hosted at CWJ Boxing Club, was a small and intimate session with lots of laughter and reminiscing about Mr Hlabane's journey in boxing. Damascus Boxing Equipment & Apparel also seized the opportunity to announce its partnership with the CWJ Boxing Club and donation of boxing equipment, in order to assist Bro Noks to discover and nurture even more talent in the boxing fraternity. Among the people who attended were Nika Khumalo, Jan Bergman, Moruti Mthalane, Lehlohonolo 'Hands of Stone' Ledwaba, Gregory Clark, Melisa Muller, Dingaan 'The Rose of Soweto' Thobela, David Potsane, Jerry 'Sticker' Mbitsa, Ditau 'Di a Rora' Molefyane, Khaya 'The Destroyer' Busakwe, Azinga Fuzile and Colin Nathan, among others. BSA was represented by our CEO.



## PERFORMANCE AGAINST PRE-DETERMINED OBJECTIVES

4

In terms of its Annual Performance Plan, Boxing SA has twenty-seven (27) performance indicators located across its three programme areas. During the period under review only ten (10) out of twenty-seven (27) targets were achieved. In a nutshell, our performance per programme area for the year under review can be characterised as follows:

### 4.1 The Dashboard: Overall Performance

#### Programme 1: Governance and Administration

Total Indicators	Achieved	Not achieved	Targets not achieved
8	5	3	<ul style="list-style-type: none"> <li>Number of agreements or MoUs signed or reviewed.</li> <li>Number of reports on implementation of Stakeholder Engagement Framework</li> <li>Number of reports on the implementation of the amended areas of the Regulations.</li> </ul>

#### Programme 2: Boxing Development

Total Indicators	Achieved	Not achieved	Targets not achieved
12	5	7	<ul style="list-style-type: none"> <li>Number of Licensees trained and developed</li> <li>Number of site inspections conducted per year</li> <li>Number of compliance reports</li> <li>Number of tournaments sanctioned</li> <li>Number of associations assisted</li> <li>Number of Medical Committee meetings held</li> <li>Number of Memoranda of Understanding with other boxing sanctioning bodies</li> </ul>

#### Programme 3: Boxing Promotion

Total Indicators	Achieved	Not achieved	Targets not achieved
7	0	7	<ul style="list-style-type: none"> <li>Number of marketing initiatives implemented</li> <li>Number of boxing activities and information communicated to the public</li> <li>Number of sponsorships secured</li> <li>Number of SA Boxing Awards hosted</li> <li>Number of Women in Boxing programmes hosted</li> <li>Number of Revenue Generation Strategy initiatives implemented</li> <li>Number of implemented funding model strategies</li> </ul>

## 4.2 PROGRAMME 1: GOVERNANCE AND ADMINISTRATION

The purpose of this programme is to provide strategic leadership, good corporate governance and the overall administration (including Finance, HR, ICT, etc.) of boxing. It comprises of the following sub-programmes:

- a) The Board
- b) Office of the CEO and Corporate Services
- c) Stakeholder mobilisation and lobbying

### 4.2.1 Performance Overview

This programme area has eight (8) indicators and during the period under review, five (5) of these indicator targets were achieved, equating to 63% achievement. The table below outlines each performance indicator and targets.

The two targets which were not achieved are highly dependent on third party participation, and thus operational challenges with those stakeholders resulted in delays; and ultimately in BSA not being able to deliver on the targets.

Strategic Objective: Strengthened Governance and Oversight					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of Board meetings held	N/A	4	4	0	N/A
Number of Audit Committee meetings held	N/A	4	5	+1	A special joint Audit Committee meeting was held in quarter one to finalise the financial year-end processes.

Strategic Objective: Improved Administrative Capacity					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of Policies and Procedures reviewed and approved	14	6	11	+5	Policies were developed and reviewed on needs basis which were not anticipated.
% of approved funded posts filled	80%	80%	80%	80%	N/A
Performance Management and Development reports adopted	2	2	2	0	N/A

Strategic Objective: Stakeholder Engagement Framework					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of reports on implementation of stakeholder engagement framework	4	4	3	-1	
Number of agreements or MoU's signed or reviewed	N/A	2	0	-2	The MoU with SANABO could not be signed due to change in their leadership in February 2020. The MoU with Botswana could also not be signed because the scheduled meeting of February 2020 was postponed following the bereavement of their President's wife.

Strategic Objective: Legislation (Amendment of Boxing Act)					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of reports on the implementation of the amended areas of the Regulations	N/A	1	0	-1	The amendment of the Regulations process has not been finalised.

#### 4.2.1.1 Strategy to overcome areas of under performance

A tracking and control system has been developed, to ensure that all areas of concern raised by the Auditor General are addressed.

#### 4.2.1.2 Changes to planned targets

There were no changes made in the 2019/2020 APP to the performance indicators, nor were any adjustments to the budget made.

#### 4.2.1.3 Linking performance with budgets:

Programme 1:	2018/2019			2019/2020			
	Governance and Administration	Budget	Actual Expenditure	Over/Under Expenditure	Budget	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Compensation	4 910	4 904	6	6 395	5 751	644	
Goods & Services	7 484	6 342	1 142	7 646	6 013	1 633	
<b>Total</b>	<b>12 394</b>	<b>11 246</b>	<b>1 148</b>	<b>14 041</b>	<b>11 764</b>	<b>2 277</b>	

## 4.3 PROGRAMME 2: BOXING DEVELOPMENT

**Purpose:** To ensure that the capacity development programmes are developed and implemented in the sector, particularly amongst the licensees, in order for them to meet compliance requirements. It comprises of the following sub-programmes:

- a) Licensing, sanctioning and ratings
- b) Licensees' training and development
- c) Regulations compliance and enforcement

### 4.3.1 Performance Overview

This programme area is the most important one in the life of BSA, since it relates to boxing development. This programme area focuses directly on licensees. In this program area BSA achieved 42% of its targets, i.e. five (5) out of twelve (12) targets.

The main reasons for most of the indicators which were not achieved in this program area were as a result of cancellation of tournaments and related activities, as a result of the global pandemic, i.e. Covid-19 which led to a national lockdown. The table below outlines each performance indicator and targets and reasons for areas of non-achievements.

<b>Strategic Objective: Systems and Protocols</b>					
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target for 2019/2020</b>	<b>Comment on deviations</b>
Number of Standard Operating Manuals developed	N/A	1	1	0	N/A

<b>Strategic Objective: Licensees' Training and Development</b>					
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target for 2019/2020</b>	<b>Comment on deviations</b>
Number of licensees trained and developed	300	300	158	-142	Various sector challenges, which also include communication challenges, as well as challenges faced by licensees in getting to training venues.
Number of capacity building sessions	N/A	4	5	+1	Additional training workshop was conducted, in response to licensee and sector requirement.

<b>Strategic Objective: Women in Boxing</b>					
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target for 2019/2020</b>	<b>Comment on deviations</b>
Number of women licensed per year	100	100	100	0	N/A

Strategic Objective: Compliance and Enforcement					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of site inspections conducted per year	110	110	89	-21	Tournaments scheduled for quarter 4 were cancelled as a result of Covid-19, and restrictions on travel and operations impacted plans in place to meet the target.
Number of compliance reports	110	110	59	-51	Tournaments scheduled for quarter 4 were cancelled as a result of Covid-19, and restrictions on travel and operations impacted plans in place to meet the target. Validation of compliance could only be performed on Tournament venues instead of Gyms

Strategic Objective: Sanctioning and Rating					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of tournaments sanctioned	N/A	60	59	-1	Seven tournaments scheduled for quarter 4 were either cancelled or postponed as a result of Covid-19.
Number of ratings conducted	12	12	12	0	N/A

Strategic Objective: National Coverage					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of Licensees	1 073	1 000	1 169	+169	Renewals and applications are now considered throughout the financial year.

Strategic Objective: Associations Assisted					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of Associations assisted	4	4	1	-3	Meetings with two provincial Officials Associations were cancelled as a result of restrictions to travelling, as well as the national lockdown, as a result of Covid-19.

<b>Strategic Objective: Health and Safety</b>					
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target for 2019/2020</b>	<b>Comment on deviations</b>
Number of Medical Committee meetings held	1	2	0	-2	Two meetings planned with the Medical Committee were cancelled as a result of restrictions to travelling, as well as the national lockdown as a result of Covid-19.

<b>Strategic Objective: Partnership Agreements MoU's with International Sanction Bodies</b>					
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target for 2019/2020</b>	<b>Comment on deviations</b>
Number of signed Memoranda of Understanding with other boxing sanctioning bodies	0	2	0	-2	MoUs from engagements can only be finalised in the next financial year.

#### **4.3.1.1 Strategy to overcome areas of under-performance**

BSA has revised its budget allocation in relation to training and development, so that all trainings and meetings are able to take place as planned for the next financial year. The risk of dependency on other parties for the achievement of BSA's goals will be considered, and such performance indicators will be revised; and control strictly placed within BSA's controls, to mitigate risk of non-achievement.

#### **4.3.1.2 Changes to planned targets**

There were no changes made in the 2019/2020 APP to the performance indicators or adjustments to the budget.

#### **4.3.1.3 Linking performance with budgets:**

<b>Programme 2: Boxing Development</b>	<b>2018/2019</b>			<b>2019/2020</b>		
	<b>Budget</b>	<b>Actual Expenditure</b>	<b>Over/Under Expenditure</b>	<b>Budget</b>	<b>Actual Expenditure</b>	<b>Over/Under Expenditure</b>
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation	2 241	2 240	1	2 000	1 814	186
Goods & Services	1 431	1 431	0	2 430	2 256	174
<b>Total</b>	<b>3 672</b>	<b>3 671</b>	<b>1</b>	<b>4 430</b>	<b>4 070</b>	<b>360</b>

## 4.4 PROGRAMME 3: BOXING PROMOTION

Purpose: The overall purpose and goal of this programme is to raise the public profile of BSA and boxing, and to increase its brand value to such an extent that the public and sponsors will compete for space in boxing programmes, and enlist their support and resources for its development further. It comprises of the following sub-programmes:

- a) Marketing and branding
- b) Communication
- c) Events coordination
- d) Revenue generation

### 4.4.1 Performance Overview

Programme 3 comprises of seven (7) indicators and none of the targets were achieved.

Strategic Objective: Marketing and Communications Strategy					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of marketing initiatives implemented	4	2	0	-2	Lack of human capital in implementing the target.
Number of boxing activities and information communicated to the public	0	2	0	-2	Lack of human capital in implementing the target.

Strategic Objective: Boxing Sponsorship					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of sponsorships secured	1	2	1	-1	No other sponsorship proposals to various stakeholders were successful.

Strategic Objective: Events Coordination					
Performance Indicator	Actual Achievement 2018/2019	Planned Target 2019/2020	Actual Achievement 2019/2020	Deviation from planned target for 2019/2020	Comment on deviations
Number of SA Boxing Awards hosted	0	1	0	-1	Although the Boxing Awards were hosted during the financial year, the reports for this had not been compiled by the time of this report.
Number of Women in Boxing programmes hosted	N/A	1	0	-1	The program could not be implemented because of BSA's financial challenges, which resulted in budget reprioritisation.

<b>Strategic Objective: Revenue Generation</b>					
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target for 2019/2020</b>	<b>Comment on deviations</b>
Number of Revenue Generation Strategy initiatives implemented	4	2	0	-2	Lack of human capital in implementing the target.

<b>Strategic Objective: Funding Model</b>					
<b>Performance Indicator</b>	<b>Actual Achievement 2018/2019</b>	<b>Planned Target 2019/2020</b>	<b>Actual Achievement 2019/2020</b>	<b>Deviation from planned target for 2019/2020</b>	<b>Comment on deviations</b>
Number of implemented funding model strategies	N/A	2	0	-2	Lack of human capital in implementing the target.

#### **4.3.1.1 Strategy to overcome areas of under-performance**

The biggest challenge to optimum performance in this programme is the absence of dedicated personnel focusing specifically on boxing promotion programmes and their activities. In order to mitigate this challenge, during the period under review, a contract worker at entry level was recruited, and this went a long way towards bringing visible change and improvement. There is however still a need to recruit personnel, or insource additional capacity at middle management level, in order to ensure that there is full time institutional capacity dedicated towards boxing promotion activities.

In the case of additional resources, which has been presented to the Executive Authority, this is one of the areas that has been flagged. The hope is therefore that, if the increment to Boxing South Africa's budget baseline can be approved, this shall be addressed on a long-term basis by strengthening personnel capacity in programme 3.

#### **4.3.1.2 Changes to planned targets**

There were no changes made in the 2019/2020 APP to the performance indicators or adjustments to the budget.

#### **4.3.1.3 Linking performance with budgets:**

<b>Programme 3: Boxing Promotion</b>	<b>2018/2019</b>			<b>2019/2020</b>		
	<b>Budget</b>	<b>Actual Expenditure</b>	<b>Over/Under Expenditure</b>	<b>Budget</b>	<b>Actual Expenditure</b>	<b>Over/Under Expenditure</b>
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation	0	0	0	0	0	0
Goods & Services	950	<b>948</b>	2	1200	1100	100
<b>Total</b>	<b>950</b>	<b>948</b>	<b>2</b>	<b>1200</b>	<b>1100</b>	<b>100</b>

## REVENUE COLLECTION | 5

The declarations made by promoters who were operational during the year under review indicate a marginal decline in the amounts declared, and this affects the amount of sanctioning fees calculated. This trend might indicate that there has been a decrease in broadcasting fees paid to promoters, to the extent that possible revenue is forgone on broadcast fees.

Over-collection on licensing fee is as a result of additional time provided to licensing.

The entity has a Debtors and Creditors Policy implemented to deal with matters pertaining to revenue collection. Boxing Act No. 11 of 2001 is an enabling Act governing BSA, and its Regulations deal with revenue collection. Measures to be taken in the collection of overdues are prescribed in Section 11 of the Regulations, along with the levying of interest on long outstanding debts. The entity has made structural improvements within the organisation to ensure that information pertaining to computation of debts to be recovered is updated on a monthly basis, and communicated through monthly statements to all debtors.

Financial Year Sources of Revenue	2018/2019			2019/2020		
	Estimate	Actual amount collected	Over/Under collection	Estimate	Actual Amount Collected	Over/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sanctioning fees	2 103	1 538	565	2 221	1 089	1132
Licensing fees	572	609	(37)	722	722	0
Fines, Penalties and Forfeits	26	41	(15)	27	2	25
Interest	47	696	(649)	51	625	(574)
Sport & Recreation: Grant	12 618	12 618	0	14 295	14 295	0
Application Fees	0	16	(16)	20	20	0
Safety & Public Liability	0	364	(364)	335	335	0
Other income: Sponsorship	0	2000	(2000)	2000	2000	0
<b>Total</b>	<b>15 366</b>	<b>17 882</b>	<b>(2 516)</b>	<b>19 671</b>	<b>19 088</b>	<b>583</b>



**PART C**

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**GOVERNANCE**

## INTRODUCTION

1

In line with the provisions of Public Finance Management Act, Act No.1 of 1999, each public entity must have a Board. The Board becomes the Accounting Authority, in terms of PFMA.

On the 14 December 2017, the Minister of Sport and Recreation, in line with the provisions of Section 9(2) of the South African Boxing Act, Act No. 11 of 2001, appointed a seven-member Board of Boxing SA. The responsibility of the Board is, among others, to guide and give strategic direction of the entity in line, *inter alia*, with the provisions of the Constitution of the Republic of South Africa Act, Act No. 108, of 1996 as amended, the South African Boxing Act, Act No.11 of 2001, and the Boxing Regulations of 2004.

## PORTFOLIO COMMITTEE

2

During the period under review, BSA appeared once before the Portfolio Committee. BSA appeared on the 10th of September 2019 to present the Annual Report for 2018/2019.

## EXECUTIVE AUTHORITY

3

The support and guidance which BSA continues to enjoy from Sport and Recreation South Africa and the Ministry in particular, is highly commendable. BSA had a number of engagements with the Executive Authority, through his involvement and direct support to various boxing programs, and active participation in boxing promotion activities.

The national elections took place on 8 May 2019, followed by the Presidential inauguration on 25 May 2019, and announcement by the President, of the new Cabinet, on the evening of 29 May 2019. Of importance to Boxing South Africa was the announcement by the President that the erstwhile departments of Sport and Recreation, as well as that of Arts and Culture, had been merged into one department called Sport, Arts and Culture, under the Executive Authority of Minister Nathi Mthethwa.

## THE ACCOUNTING AUTHORITY

4

- **Dr. Malefetsane Ngatane**
- **Mr. Luthando Jack**
- **Ms. Letlhogonolo Noge-Tungamirai**
- **Ms. Zandile Kabini**
- **Mr. Gilberto Martins**
- **Mr. Khulile Radu**
- **Adv. Mzamo Gumbi**

Board Chairperson
Board Member
Board Member (Resigned on 11/11/2019)

#### 4.1. Composition of the Board

Name	Designation	Date Appointed	Status/Date of Resignation	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No. of Meetings Attended
Malefetsane Ngatane	Chairperson	Dec 2017	Active	MBCHB	Medical	N/A	-	4
Luthando Jack	Board Member	Dec 2017	Active	National Diploma: Public Management & Admin. BTech. Public Management. Bachelor of Philosophy: Information and Knowledge Management. Masters in Commerce	Strategy Development Project Management Monitoring and Evaluation	N/A	HR,ICT & FINANCE Committee	4
Letlhogonolo Noge-Tungamirai	Board Member	Dec 2017	Active	Master's in Business Administration (MBA)	Business Strategic Advisor Information Technology and Human Capital.	N/A	HR, ICT & Finance Committee Women in Boxing Committee	2
Zandile Kabini	Board Member	Dec 2017	Active	BCom. Honours Informatics Diploma in Business Analysis Management Programme Development	Auditing	N/A	HR, ICT & Finance Committee Women in Boxing Committee	4
Gilberto Martins	Board Member	Dec 2017	Active	B Arch (Wits) Arch SA, MI Arch, BA (UNISA), Pol, Philos, Econ	Governance and Administration Finance Management Strategy Development Monitoring and Evaluation	N/A	HR,ICT & Finance Committee Audit Committee	4
Khulile Radu	Board Member	Dec 2017	Active	N/A	Boxing Administration	N/A	Sanctioning Committee	4
Mzamo Gumbi	Board Member	Dec 2017	Resigned - 11 Nov 2019	Diploma Juris B Juris LLB Honours LLM Diploma in Sport Management	Legal	N/A	Legal Committee	0

On 11 November 2019, one Board Member, Advocate Mzamo Gumbi resigned due to personal circumstances. Among the unfortunate incidents which he outlined was that he had recently lost a son and a brother, within two weeks of each other, and this had left him in a situation where he needed to allocate more time towards his personal health and well-being. The resignation was duly accepted by the Minister.

## 4.2. Board Sub-Committees

### 4.2.1. Sanctioning Committee:

The Sanction Committee is constituted by three (3) members. It is chaired by a Board member with the two (2) other members as external members. The Committee functions well, and sanctioned a total of fifty-nine (59) tournaments during the period under review.

Name	Internal or External	Position in the Public Entity	Date Appointed	Status or Date of Resignation	No. of Meetings Attended
Mr. Khulile Radu (Chairperson)	Internal	Board Member	February 2018	Active	2
Mr. Bongani Magasela	External	N/A	February 2018	Active	2
Dr. Muziwakhe Qobose	External	N/A	August 2014	Active	1

### 4.2.2. Ratings Committee:

The primary mandate of the Ratings Committee is to generate and issue a monthly ratings report of the top ten male and female boxers in all weight divisions in South Africa. The Committee is constituted by three (3) members and continues to function well. It has managed to produce the monthly rankings on a consistent and reliable basis. During the period under review a number of interventions were made by the Board, to strengthen the functioning of this committee as well as its accountability obligations.

Name	Internal or External	Position in the Public Entity	Date Appointed	Status or Date of Resignation	No. of Meetings Attended
Mr. Andre de Vries (Chairperson)	External	Board Member	October 2017	Active	0
Mr. G. V. Sangweni	External	N/A	March 2017	Active	0
Ms. Gloria Masipa	External	N/A	August 2014	Active	0

### 4.2.3. Finance, ICT Governance and Resource Mobilization

This committee is constituted by four (4) Board members as well as the Senior Management of BSA. This committee was reconstituted by the Board in February 2018, with a view to broadening its scope and strengthening its operations. The key mandate of this committee is to assist the Board by processing Human Resources, ICT Finance and resource mobilisation related matters, before reaching the attention of the Board.

Name	Internal or External	Position in the Public Entity	Date Appointed	Status or Date of Resignation	No. of Meetings Attended
Ms. Zandile Kabini (Chairperson)	Internal	Board Member	May 2015	Active	5
Mr. Luthando Jack	Internal	Board Member	May 2015	Active	4
Mr. Gilberto Martins	Internal	Board Member	February 2018	Active	5
Ms. Letlhogonolo Noge-Tungamirai	Internal	Board Member	February 2018	Active	3

#### 4.2.4. Medical Committee:

The Medical Committee was established for the first on the 17 November 2017, and is currently in the formation stages. The Committee is constituted by a national committee of three (3) medical doctors as well as two (2) ringside physicians from each province. Thus far the committee hasn't yet been fully functional, but its formation process is unfolding satisfactorily.

Name	Internal or External	Position in the Public Entity	Date Appointed	Status or Date of Resignation	No. of Meetings Attended
Dr. Robert Selepe (Chairperson)	External	N/A	November 2017	Active	0
Dr. Solly Skhosana	External	N/A	November 2017	Active	0
Dr. Luvuyo Baleni	External	N/A	November 2017	Active	0
Dr. Salem Gutta	External	N/A	November 2017	Active	0
Dr. Buyi Mabasa	External	N/A	November 2017	Active	0
Dr. Lapale Moipolai	External	N/A	November 2017	Active	0
Dr. Stanley Rammutla	External	N/A	November 2017	Active	0

#### 4.2.5. Women in Boxing Committee:

The Women in Boxing Committee is constituted by four (4) members. It is chaired by a Board member and the other three (3) members are female licensees. The work of this commission has been very instrumental in the implementation of the Women in Boxing programme, particularly the second leg of this program, which entailed training and counselling of female licensees.

Name	Internal or External	Position in the Public Entity	Date Appointed	Status or Date of Resignation	No. of Meetings Attended
Ms. Zandile Kabini (Chairperson)	Internal	Board Member	May 2015	Active	0
Ms. Letlhogonolo Noge-Tungamirai	Internal	Board Member	February 2018	Active	0
Ms. Sylvia Mokaila	External	Ring Official	February 2018	Active	0
Ms. Esther Mashiya	External	Former Boxer	February 2018	Active	0
Ms. Liz Butler	External	Former Boxer	May 2015	Active	0

#### 4.2.6. Board Remuneration:

The remuneration of the Board members is determined in accordance with the National Treasury Regulations.

Name	Remuneration	Other allowance	Other reimbursements	Total
Dr. M. Ngatane	R 36 610	-	R 6 311	R 42 921
Mr. G. Martins	R 31 104	-	R 7 992	R 39 096
Ms. Z. Kabini	R 45 590	-	R 3 264	R 48 854
Ms. L. Noge-Tungamirai	R 31 104	-	R 1 419	R 32 523
Mr. K. Radu	R 51 184	-	R 0	R 51 184
Adv. M. Gumbi	R 0	-	R 0	R 0
Mr. L. Jack	R 34 992	-	R 0	R 34 992
<b>Total</b>	<b>R 230 584</b>	<b>-</b>	<b>R 18 986</b>	<b>R 249 570</b>

## RISK MANAGEMENT

## 5

#### 5.1. Boxing South Africa's Risk Dashboard and Scorecard

The Board bears overall responsibility for BSA's risk management and, without abdicating its responsibility, the Board is assisted by the Audit and Risk Management Committee in discharging its duties.

Effectively managing our risks means we:

- Assess, measure and mitigate risks that threaten the pursuit of our strategic objectives
- Identify opportunities that these risks might present

The entity has, during the financial period under review, approved the following Risk Management documents:

- Risk management framework
- Risk management policy
- Fraud prevention policy with strategy

- Fraud prevention plan with strategy
- Fraud prevention implementation plan
- Disaster recovery plan
- Business continuity plan

These risks are monitored, and their progress and ratings are presented by Management to BSA's Board and all its sub-committees, throughout the financial year

BSA's management held a few workshops during the financial year, to update and reassess its risks and to ensure alignment with its strategic objectives, as well as internal and external factors impacting boxing administration. These risks are monitored across several broad risk areas: Strengthening Governance & Administration, Operational, Brand and Communication, Government and Stakeholder Management, and Financial Sustainability. Progress is measured against the previous year's annual assessment.

### Strengthening Governance & Administration

Risk	Description	Risk Rating	Mitigation Actions	Progress in 2018/2019	Strategic Objective
Approved Policies & Procedures	Non-Compliance with relevant laws and regulations and internal controls, policies and procedures	M	On-going compliance monitoring	C	SGO
			On-going training and development to keep abreast of change	C	
Governance at Board Level	Lack of improvement in governance	L	Regular engagements with members on governance and compliance best practices	B	SGO
PFMA	Non-adherence to the Act	L	Annual audits conducted on tabling of approved Strategic plan, APP and Annual Reports	A	SGO
	Non-compliance to Risk Management Process including Fraud Prevention Plan	M	The draft documents have been audited by Internal Audit and prepared for the audit committee and upon recommendation shall be tabled to the Board for approval	C	

### Brand and Communication

Risk	Description	Risk Rating	Mitigation Actions	Progress in 2018/2019	Strategic Objective
Image and reputational Management	Negative impact on maintaining and building BSA brand and public image.	M	Maintain good governance and internal control structures. Implement the long-term Communication Strategy. Strategic and transparent communication with all stakeholders	B	MCS

### Financial Sustainability

Risk	Description	Risk Rating	Mitigation Actions	Progress in 2018/2019	Strategic Objective
Going Concern	Insufficient financial resources to continue as a going concern	L	Management continues to put pressure on their outstanding debtors, whilst implementing cost containment measures	B	SGO
Funding Model	Ineffective/limited competition in domestic and international broadcasting market	M	Strengthen strategic relationships with key regional and world boxing bodies	B	FM
	Amendments to current tariff structure		To create and stream more boxing content		
	Changing landscape of the consumption of media, from analogue to digital and live streaming				
Revenue Generations	Non-compliance to the debtor's collection policy	M	Continuous monitoring and tracking long outstanding debtors. Implementing initiatives such as payment agreements	B	RG
Sponsorship and commercial partners	Insufficient sponsorship and commercial partners	M	Managing the length of sponsorship contracts. Maintaining good cash reserves for support during the low economic growth	B	BS

## Government and Stakeholder relations

Risk	Description	Risk Rating	Mitigation Actions	Progress in 2018/2019	Strategic Objective
Stakeholder Management	Breakdown in relations between BSA and stakeholders could lead to lack of government support, reputational risk, diminished prominence with world bodies, lack of trust between licensees, ineffective communication and decisions at Board and licensees' levels	M	On-going engagements with key stakeholders	B	SEF

## Operational

Risk	Description	Risk Rating	Mitigation Actions	Progress in 2018/2019	Strategic Objective
Human Capital	Non-delivery of strategic objectives due to inadequate human capital	L	Organisational review must be performed to identify structural and operational gaps in BSA	B	IAC
IT Technology	Inadequate expertise to adapt to modern IT systems	M	Implementation of the IT Governance Framework	B	IAC
Budget Administration	Failure to prevent overspending on their respective budgets as approved by the Executive Authority	M	Continuous on-going monitoring of the Budget projections	B	SGO

**M** = Medium; **L** = Low; **H** = High; **C** = Limited Progress/Objective not achieved; **B** = Substantial Progress; **A** = Substantially Achieved; **SGO** = Strengthened governance and oversight; **MCS** = Marketing & Communication Strategy; **BS** = Boxing Sponsorship; **FM** = Funding Model; **RG** = Revenue Generation; **IAC** = Improved administrative capacity; **SEF** = Stakeholder engagement framework



## INTERNAL CONTROL UNIT

6

BSA, due to its size, does not have an internal control unit. However, the entity's management remains primarily responsible for ensuring that a system of internal control is maintained throughout the entity. Management is also responsible for the development and implementation of standard operating procedures and policies. The quality assurance on the implementation of internal control is also provided by the Internal Auditors. During the period under review BSA is utilising the services of an external service provider, to perform the functions of internal audit and risk management. The third layer of quality assurance is provided by the Audit & Risk Management Committee, whilst the oversight is provided by the Board and its sub-committees for Finance, ICT Governance, and Resource Mobilisation.

## INTERNAL AUDIT & RISK MANAGEMENT COMMITTEE

7

During the 2019/20 financial period, BSA has outsourced the internal audit and risk management function to an external service provider. The scope of work has included but not been limited to quarterly performance information, Risk Management and Fraud Implementation processes, and any additional adhoc service which may be requested by the Audit & Risk Management Committee. The internal audit also included evaluation and audit of root causes on the action plans proposed by management, which emanated from audit findings raised by the Auditor General during the previous year's regulatory audit.

continued

The Audit Committee meets regularly on a quarterly basis, to consider the effectiveness of the system of internal control, governance and legislative environment. The following focus areas are evaluated, and quality assurance is provided as follows:

1. Quarterly performance information
2. Quarterly financial information
3. Internal audit reports
  - i. Quarterly reporting
  - ii. Other internal audit administration (i.e. IA Charter, IA Plans and rolling plans)
  - iii. Audit action plan
4. Risk Management
  - i. Risk Governance (i.e. Framework, policy, Anti-fraud and Business Continuity)
  - ii. Risk Register
  - iii. New emerging Risks
5. Audit General Issues
6. Finance related issues
  - i. SCM Reports
  - ii. PFMA and Treasury compliance checklists
7. Oversight Structures
  - i. Board Resolutions issues relating to Audit Committee
  - ii. Portfolio committee issues relating to Audit Committee

The Audit and Risk Management Committee consists of the members listed hereunder, and should meet at least four times per annum, as per its approved terms of reference. The committee's term ended on 10 Feb 2020, and was extended by just over three months to 31 May 2020. The committee was re-appointed for a three-year period, from 1 June 2020 to 31 May 2022. During the current year, four ordinary meetings were held, and one special meeting to review the annual report.

Name	Qualifications	Internal or External	Position in the Public Entity	Date Appointed	Date Retired	No. of Meetings Attended
Mr. Deenadayalan Moodley	B.Acc Degree Diploma in Accounting (DipAcc.) Chartered Accountant (SA) Master's in Business Leadership	External	None	June 2019	Active	5
Adv. Frans van der Westhuizen	Diploma JURIS B JURIS LLB	External	None	June 2019	Active	5
Mr. Gilberto Martins	B Arch (Wits) Arch SA, MI Arch, BA (UNISA), Pol, Philos, Econ	External	Board Member	June 2019 (Seconded by BSA Board)	Active	5

## COMPLIANCE WITH LAWS AND REGULATIONS

8

BSA has implemented a system of internal controls to monitor compliance on a monthly basis, through reports on management, and staff meetings. The emphasis is placed mainly on applicable legislation, such as the PFMA and its regulations. The entity also monitors compliance with employee-related legislation, such as the Labour Relations Act, basic condition of employment, etc. The developed and approved policies and Standard Operating Procedures are implemented and monitored to ensure that compliance with laws and regulations is promoted as part of the corporate culture.

BSA is governed through an enabling legislation, The Boxing Act No 11 of 2001, to direct its operations in regulating matters of professional boxing in South Africa. Internal control systems are implemented to ensure that boxing governance & administration, boxing promotions and boxing development are executed and implemented in compliance with the Boxing Act and its regulations at all times.

## FRAUD AND CORRUPTION

9

BSA has developed and approved the Fraud Prevention Plan, Fraud Prevention Policy, Fraud Prevention Strategy, and the Fraud Prevention Implementation Plan, during the financial period under review. Management has implemented a system of reporting fraud, through a mechanism defined in the fraud prevention policy which amongst others clearly specifies:

- i. Reporting mechanisms by employees on suspicion of fraud and corruption
- ii. Reporting by members of the public, fans, supporters of boxing, licensees or providers of goods and services, on suspicion of fraud and corruption

The Fraud Prevention plan and strategy clearly defines:

- i. Mechanisms and systems to deal with allegations of fraud and corruption
- ii. Internal investigations
- iii. Matters referred to external or another law enforcement agency
- iv. Recovery of losses as a result of fraudulent activities
- v. Feedback to reporters of fraud and corruption
- vi. Confidentiality
- vii. Protection of whistle-blowers

## MINIMISING CONFLICT OF INTEREST

10

All officials and Management of BSA sign and submit, to Human Resources, a declaration form annually; to declare direct and indirect interests. All officials partaking in procurement process are made to sign the code of conduct for officials working in supply chain management.

Boxing Act no 11 of 2001, and its regulations, prohibits officials and licensees and other stakeholders from participating in different forms and levels within the boxing environment, to the extent that their participation may lead to possible conflicts of interest. Dispute-resolution processes involving conflicts of interest for officials are treated internally, within the employee disciplinary framework. All disputes pertaining to stakeholders and licensees are treated by an appointed independent structure dealing with disciplinary and dispute-resolution matters.

## CODE OF CONDUCT

11

All officials and management working for BSA sign the code of conduct for employees, whilst licensees of the entity also have their own code of conduct governed by the Boxing Regulations.

Any breach of the code for employees results in the internal disciplinary framework being followed. In instances where licensees breach their code of conduct, a disciplinary process is followed, through the independent disciplinary structure created by the entity.

## HEALTH SAFETY AND ENVIRONMENTAL ISSUES

12

BSA is located in Hatfield, Pretoria, under a lease agreement, and it shares the building with other tenants. The entity utilises the shared Occupational Health and Safety plans already established by the landlord. Officials from BSA have been seconded to serve as fire marshals and safety officers, to cover the health and safety issues.

## SOCIAL RESPONSIBILITY

13

BSA often provides relief to its current and former stakeholders, by contributing to benevolence initiatives.



CEO

TSHOLOFELO  
LEJAKA

CFO

THABANG  
MOSES



## AUDIT COMMITTEE REPORT

14

We are pleased to present our report for the financial year ended 31 March 2020.

### Audit Committee Responsibilities

The Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a) (ii), Section 76 (4) (d) and Section 77 of the Public Finance Management Act 1 of 1999 and Treasury Regulations 27.1. The Committee reports according to appropriate formal terms of reference as its audit & risk management committee charter, has regulated its affairs in compliance with this charter, and has discharged its responsibilities as contained therein.

The Committee has met with the Auditor General twice in the year under review. The Audit & Risk Management Committee charter was reviewed during the period under review. The committees have reviewed the entity's compliance with legal and regulatory provisions.

### Internal Audit

The Committee co-ordinates and monitors the activities of the internal audit function. The internal audit function was outsourced, and not fully operational throughout the financial year under review. The Committee reviewed the Internal Audit Reports, and was satisfied with the improvement of the internal audit function. During the year under review, the internal audit function was limited to high level review of the annual financial statements, and annual report and performance information.

### Effectiveness of Internal Controls

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the public entity, revealed certain weaknesses, which were then raised with the public entity. The following internal audit work was completed during the year under review:

- Performance Information
- Annual Financial Statement Review
- Annual Report Review

The Committee further assessed the effectiveness of the internal controls, and reviewed the risk assessment process as follows:

- Considered the effectiveness of the Entity's risk assessment processes as on-going by management; with recommendations being made to management that risks should be aligned to objectives of the Entity, and the root cause analysis be used to develop mitigation strategies, and be informed by audit findings.
- Monitored the follow-up process on all findings by the both the Auditor General and Internal Audit, to ensure findings are dealt with. The Committee recommended that management address the root cause of the findings

- and;
- Sought assurance from management that action is being taken on related issues identified by auditors.

The committee emphasised to the entity the need to focus on performance management and consequences management, to improve internal controls.

### In-year Management and Quarterly Reporting

The public entity reports monthly and quarterly to the Treasury, as is required by the PFMA. The quarterly reports (i.e. financial information and pre-determined objectives) submitted were reviewed. After the adoption of recommendations by the Committee, the reports were sent to the Accounting Authority for adoption.

### Evaluation of Financial Statements

The Audit Committee has:

- Reviewed the audited annual financial statements;
- Reviewed the accounting policies and practices, including the appropriateness, adoption and consistent application of the South African Statement of Generally Recognised Accounting Practices, as adopted by the Accounting Authority;
- Reviewed the Annual Financial Statements for abnormal and/or significant transactions of the Entity and the disclosure thereof; and
- Sought explanations for all significant variances in the Annual Financial Statements, as compared to the prior year.
- Reviewed the Auditor-General South Africa's Audit Report, and Management Report, with management's responses.

### Auditor-General of South Africa

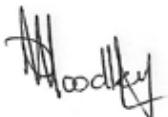
The Committee has reviewed the Entity's implementation plan for audit issues raised in the previous year, and noted that there are matters that need to be addressed on an ongoing basis. Recommendations raised:

- Policies and Procedures, including Standard Operating Manuals, should align with GRAP and guidance of management of pre-determined objectives by National Treasury
- Robust Implementation Plan to be effected with root cause analysis and consequences management

The Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-

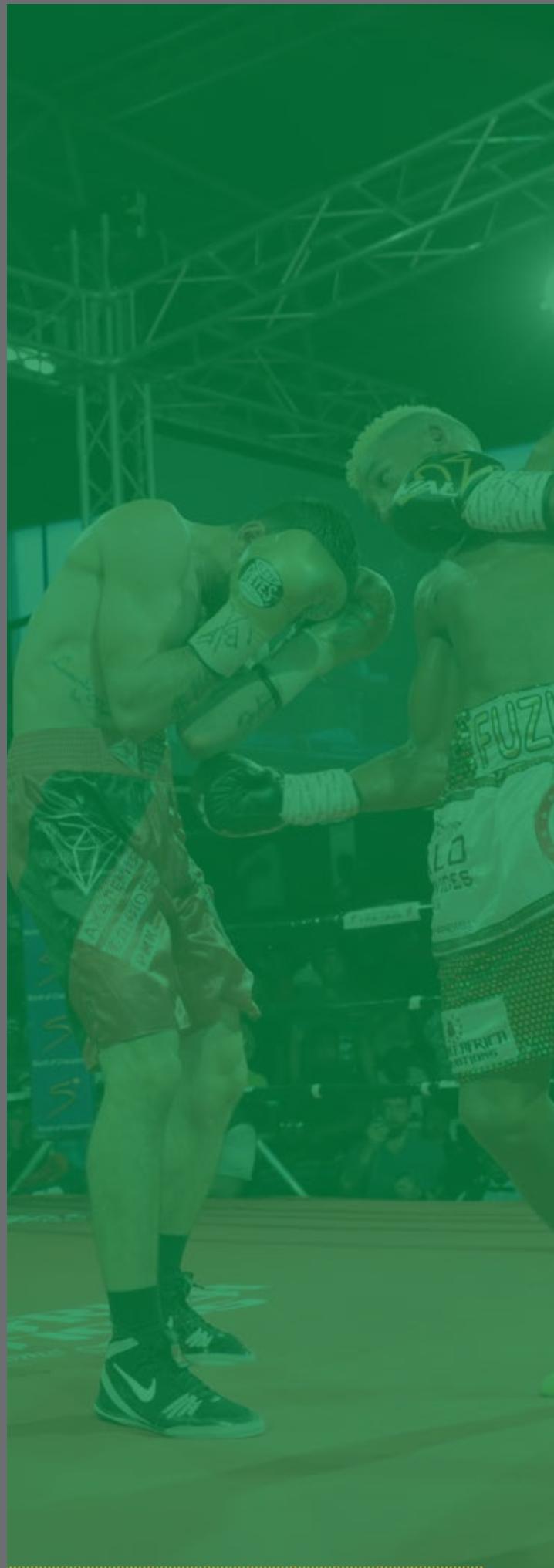
### General

The Audit Committee strongly recommends that the Management and Accounting Authority must prioritise performance management in monitoring of the audit action plans, for both internal and external audit, together with all other recommendations made by the Committee; in order to achieve clean administration.



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**Mr. Deenadayalan Moodley**  
Chairperson: Audit & Risk Management Committee  
Boxing South Africa  
31 March 2020



## B-BBEE COMPLIANCE PERFORMANCE INFORMATION

14

**Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificates 1- 8) with regards to the following:**

Criteria	Response Yes/No	Discussions
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity?	NO	Not applicable
Developing and implementing a preferential procurement policy?	NO	Not applicable
Determining a qualification criterion for the state -owned enterprise?	NO	Not applicable
Developing criteria for entering into partnerships with the private sector?	NO	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	NO	Not applicable



A blurred background image of a classroom or lecture hall. In the foreground, a person's shoulder and hair are visible. The background shows rows of desks and chairs, with several people sitting at them, suggesting a lecture or classroom setting.

PART D

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HUMAN RESOURCE MANAGEMENT

## INTRODUCTION

1

Human Resource Management of Boxing SA is the function within the organisation that focuses on recruitment and selection process, training and development, performance management and providing direction to the people who work in the organisation. The primary priority of the HR function of the Entity continues to focus on developing and maintaining a competent workforce, to achieve the Strategic goals of the organisation in an effective and efficient manner.

Performance Agreements were signed and reviewed bi-annually, to monitor performance and identify possible training gaps. During the period under review, no training was done. Boxing SA had 11 policies reviewed and approved. The entity continues to operate with budgetary constraints, which adversely impacts on human resources matters that include but are not limited to things such as employee training, wellness, and organisational review. In the past year, the Entity continued to manage and stabilise the human resources in terms of staff retention and management of conflicts.

## HUMAN RESOURCE OVERSIGHT STATISTICS

2

## 2.1 Personnel Cost by Programme

Programme	Total expenditure for the entity	No. of employees	Personnel expenditure	Personnel expenditure as a % of total expenditure	Average personnel cost per employee
	(R'000)		(R'000)	(R'000)	(R'000)
Program 1	11 764	10	5 751	49%	575
Program 2	4 070	4	1 814	45%	454
Program 3	1 100	0	-	0%	-

**Notes:** Two (2) contract appointments were paid a total amount of R 132 000.00 per annum, and the acting appointment of the HR Manager was paid a total amount of R 297 999 per annum.

## 2.2. Personnel Cost by Salary Band

Level	Personnel expenditure	No. of employees	% of personnel expenditure to total personnel cost	Average personnel cost per employee
	(R'000)		(R'000)	(R'000)
Management	4 495	4	60%	1 124
Skilled	2 906	6	38%	484
Semi-skilled	164	1	2%	164
Unskilled		0	0%	-
<b>TOTAL</b>	<b>7 565</b>	<b>11</b>	<b>100%</b>	<b>688</b>

### 2.3 Performance Rewards: No performance rewards were paid out during the financial year.

Level	Performance rewards	Personnel Expenditure	% of performance rewards to total personnel cost
	(R'000)	(R'000)	(R'000)
Management	0	0	0
Skilled	0	0	0
Semi-skilled	0	0	0
Unskilled	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 2.4 Training Costs: No training costs were incurred during the financial year.

Programme	Personnel expenditure	Training expenditure	Training expenditure as a % of personnel Cost	No. of employees trained	Average training cost per employee
	(R'000)		(R'000)	(R'000)	(R'000)
Program 1	0	0	0	0	0
Program 2	0	0	0	0	0
Program 3	0	0	0	0	0

### 2.5 Employment and vacancies

Programme	No. of employees as at 1 April 2019	Approved Posts for 2019/2020 financial year	No. of employees as at 31 March 2020	2019/2020 Vacancies	% of vacancies
	(R'000)		(R'000)	(R'000)	(R'000)
Program 1	7	10	7	3	30%
Program 2	4	4	4	0	0%
Program 3	0	0	0	0	0%

## 2.6 Employment and vacancies

Level	No. of employees as at 1 April 2019	Approved Posts for 2019/2020	No. of employees as at 31 March 2020	2019/2020 Vacancies	% of vacancies
Management	4	5	4	1	20%
Skilled	6	6	6	0	0%
Semi-skilled	1	3	1	2	66%
Unskilled	0	0	0	0	0%
<b>TOTAL</b>	<b>11</b>	<b>14</b>	<b>11</b>	<b>3</b>	<b>20%</b>

## 2.7 Employment Changes

Salary Band	Employees as at 1 April 2019	Appointments	Terminations	Employees as at 31 March 2020
Management	4	0	0	4
Skilled	6	0	0	6
Semi-skilled	1	0	0	1
Unskilled	0	0	0	0
<b>TOTAL</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>11</b>

## 2.8 Reasons for Staff Turnover: No staff turnover was recorded during the financial year.

Reason	Number	% of total no. of Staff Turnover
Death	0	0%
Resignation	0	0%
Dismissal	0	0%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
<b>TOTAL</b>	<b>0</b>	<b>0%</b>

## 2.9 Labour Relations: Misconduct and Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	1
Final Written warning	0
Dismissal	0
<b>Total</b>	<b>1</b>

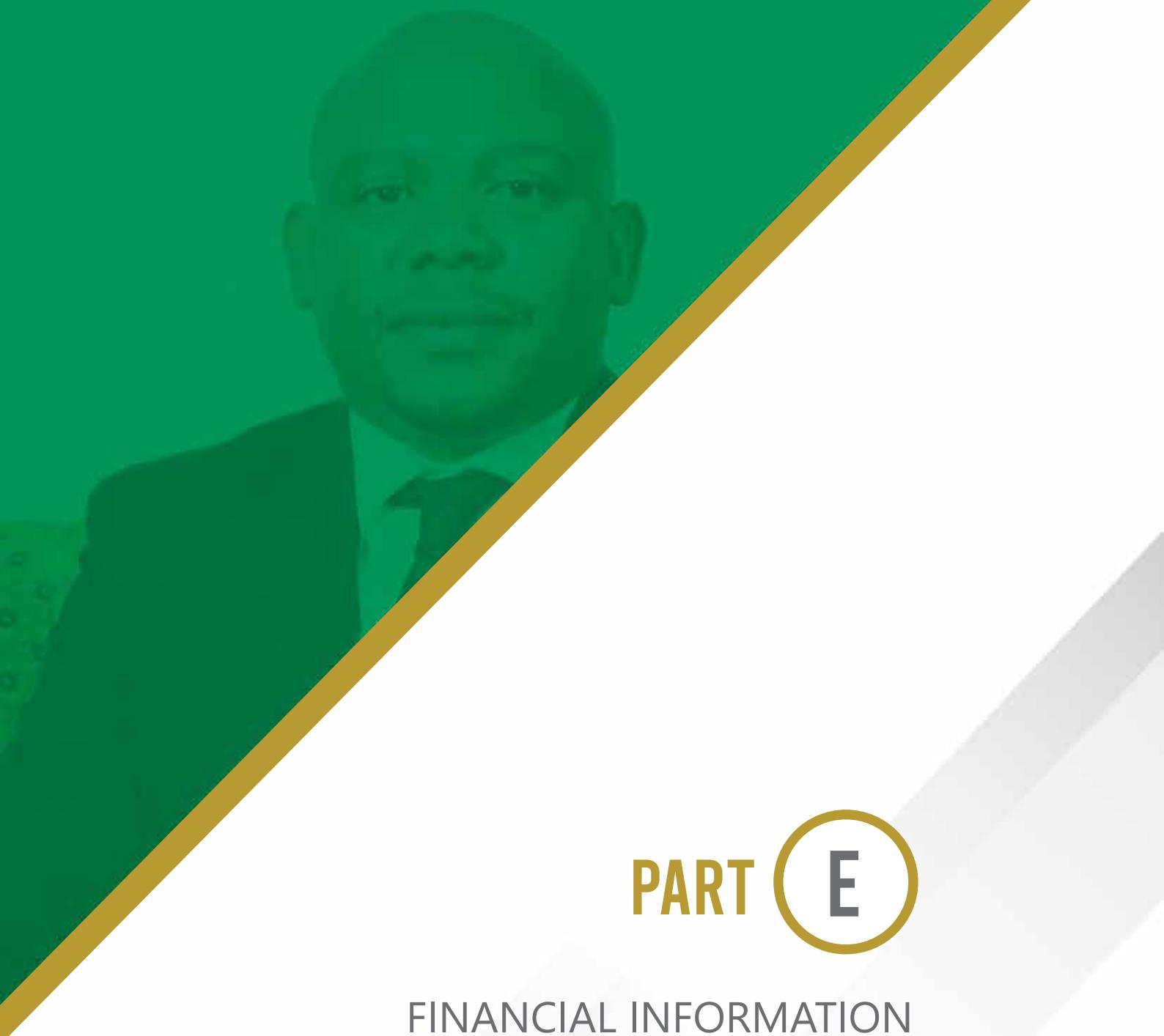
Boxing SA still has the following pending cases from the 2015/16 financial year:

### BSA vs. Mr. Qithi

On the 17th December 2018, the CCMA ruled in favour of the applicant, i.e. Mr. Qithi. BSA subsequently referred the matter to the Labour Court for review, and the status remains unchanged at the end of the financial year under review.

### BSA vs. Mr. Khambule

On the 27th November 2015, the CCMA issued a default judgement against BSA. Subsequently, BSA referred the matter to the Labour Court seeking a review of the default judgement, and the status remains unchanged at the end of the financial year under review.



# PART E

## FINANCIAL INFORMATION

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## Report of the Auditor-General to Parliament on Boxing South Africa

### Report on the audit of the financial statements

#### Opinion

- I have audited the financial statements of the Boxing South Africa set out on pages **74** to **102**, which comprise the statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
- In my opinion, the financial statements present fairly, in all material respects, the financial position of the Boxing South Africa as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

#### Basis for opinion

- 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.
- I am independent of the public entity in accordance with sections 290 and 291 of the *Code of ethics for professional accountants* and parts 1 and 3 of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA codes) as well as 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 codes.
- I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my unqualified opinion.

#### Emphasis of matters

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

#### Material impairments – trade debtors

- As disclosed in note 7 to the financial statements, material impairments to the amount of R7 242 943 (2019: R7 357 349) were incurred as a result of the provision for doubtful debts.

#### Uncertainty relating to the future outcome of exceptional litigation

- With reference to note 23 to the financial statements, the public entity is the defendant in a labour dispute lawsuit. The entity is opposing the claims as it believes that the dismissal of the employee was lawful. The ultimate outcome of the lawsuit could not be determined, and no provision for any liability that may result was made in the financial statements.

#### Responsibilities of accounting authority for the financial statements

- The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- 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.

#### Auditor-general's responsibilities for the audit of the financial statements

- 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.

12. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

### Report on the audit of the annual performance report

#### Introduction and scope

13. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
14. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
15. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the annual performance report of the public entity for the year ended 31 March 2020:

Programmes	Pages in the annual performance report
Programme 2 – boxing development	42 – 44

16. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
17. I did not identify any material findings on the usefulness and reliability of the reported performance information for this programme:
  - Boxing development

#### Other matters

18. I draw attention to the matter below.

#### Achievement of planned targets

19. Refer to the annual performance report on page **40** to **46** for information on the achievement of planned targets for the year and explanations provided for the under-/overachievement of a significant number of targets.

#### Adjustment of material misstatements

20. We identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of programme 2 - boxing development. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

## Report on the audit of compliance with legislation

### Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
22. The material findings on compliance with specific matters in key legislation are as follows:

### Procurement and contract management

23. Some of the goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by treasury regulation 16A 6.1. Similar non-compliance was also reported in the prior year.

### Expenditure management

24. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R1 114 220 as disclosed in note 33 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The irregular expenditure was caused by the entity procuring goods and services with a transaction value below R500 000 without obtaining the required number of price quotations. Irregular expenditure incurred relates to procurement for the boxing awards.

### Consequence management

25. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against some officials who had incurred irregular expenditure, as required by section 51(1)(e)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into irregular expenditure.
26. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred fruitless and wasteful expenditure, as required by section 51(1)(e)(iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into fruitless and wasteful expenditure.

## Other information

27. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
28. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
29. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
30. I have not yet read the other information received prior to this audit report. When I do read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the unqualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

32. The accounting authority did not exercise sufficient oversight responsibilities regarding compliance as well as the related internal controls. Some irregular and fruitless expenditure instances emanating from prior years were not investigated consequence management implemented.
33. Management did not monitor compliance with the PFMA and SCM treasury regulations.

*Auditor - General*

Pretoria

30 September 2020



*Auditing to build public confidence*

#### **Annexure – Auditor-general’s responsibility for the audit**

1. 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 programme and on the public entity's compliance with respect to the selected subject matters.

#### **Financial statements**

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
  - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority
  - conclude on the appropriateness of the accounting authority's 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 Boxing South Africa 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**

3. 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.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

# BOXING SOUTH AFRICA

## ANNUAL FINANCIAL STATEMENTS

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**RUNNING FIGHTERS**  
"Our fighters come

## ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

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

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor-General South Africa (AGSA).

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 have been prepared in accordance with the standards of Generally Recognised Accounting Practice (GRAP).

The accounting authority is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information, and the annual financial statements.

The AGSA is 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 Boxing SA for the year ended 31 March 2020.



**Chairperson of the Board**  
**Dr. Malefetsane Ngatane**  
**Date: 31 March 2020**



## STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

Figures in Rand	Note(s)	2020	2019 Restated*
<b>Assets</b>			
Current Assets			
Claim advances	6	651	-
Receivables from exchange transactions	7	667 117	193 348
Cash and cash equivalents	8	3 683 846	2 821 286
		<b>4 351 614</b>	<b>3 014 634</b>
Non-Current Assets			
Property, plant and equipment	3	313 294	418 203
Intangible assets	4	44 757	64 659
		<b>358 051</b>	<b>482 862</b>
<b>Total Assets</b>		<b>4 709 665</b>	<b>3 497 496</b>
<b>Liabilities</b>			
Current Liabilities			
Finance lease obligation	9	12 624	16 519
Operating lease liability	5	29 735	106 617
Payables from exchange transactions	12	2 463 876	3 591 567
Provisions	10	490 395	284 778
Unallocated deposit	11	458 670	374 670
		<b>3 455 300</b>	<b>4 374 151</b>
Non-Current Liabilities			
Finance lease obligation	9	2 338	8 655
<b>Total Liabilities</b>		<b>3 457 638</b>	<b>4 382 806</b>
<b>Net Assets</b>		<b>1 252 027</b>	<b>(885 310)</b>
Accumulated surplus		1 252 026	(885 309)

## STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2020	2019 Restated*
<b>Revenue</b>	<b>13</b>	<b>19 087 831</b>	<b>17 957 615</b>
<b>Expenditure</b>			
Employee related costs	17	(7 631 394)	(7 655 733)
Depreciation and amortisation	3&4	(162 978)	(148 105)
Finance costs		(2 319)	(1 645)
Write off		27 803	(418 426)
General Expenses	18	(9 181 607)	(9 638 413)
<b>Total expenditure</b>		<b>(16 950 495)</b>	<b>(17 862 322)</b>
Surplus for the year		2 137 336	95 293

## STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand	Accumulated surplus	Total net assets
<b>Balance at 01 April 2018</b>	<b>(980 602)</b>	<b>(980 602)</b>
Changes in net assets		
Surplus for the year	95 293	95 293
Total changes	95 293	95 293
<b>Restated* Balance at 01 April 2019</b>	<b>(885 310)</b>	<b>(885 310)</b>
Changes in net assets		
Surplus for the year	2 137 336	2 137 336
Total changes	2 137 336	2 137 336
<b>Balance at 31 March 2020</b>	<b>1 252 026</b>	<b>1 252 026</b>

Note(s)

## CASH FLOW STATEMENT

Figures in Rand	Note(s)	2020	2019 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Grants		12 810 000	12 268 000
Interest income		624 553	695 558
Other receipts		3 813 634	3 401 497
		17 248 187	16 365 055
<b>Payments</b>			
Employee costs		(7 505 730)	(7 297 588)
Suppliers		(8 833 070)	(9 809 778)
Finance costs		(2 319)	-
Finance charges		(75 150)	(59 132)
Cash flows of discontinued operations		-	(1 645)
		(16 416 269)	(17 168 143)
<b>Net cash flows from operating activities</b>	20	<b>831 918</b>	<b>(803 088)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(35 215)	(128 544)
Proceeds from sale of property, plant and equipment	3	-	161
Purchase of other intangible assets	4	(7 680)	(3 437)
Proceeds from sale of PPE		400	-
<b>Net cash flows from investing activities</b>		<b>(42 495)</b>	<b>(131 820)</b>
<b>Cash flows from financing activities</b>			
Movement in unallocated deposits		84 000	344 168
Movement in claim advances		(651)	-
Finance lease payments		(10 212)	5 291
<b>Net cash flows from financing activities</b>		<b>73 137</b>	<b>349 459</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>862 560</b>	<b>(585 449)</b>
Cash and cash equivalents at the beginning of the year		2 821 286	3 406 735
<b>Cash and cash equivalents at the end of the year</b>	8	<b>3 683 846</b>	<b>2 821 286</b>

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis						
Figures in Rand	Approved Budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Sanctioning fees	2 221 000	-	<b>2 221 000</b>	1 089 072	<b>(1 131 928)</b>	34 a
Other income: Insurance, Safety & Public Liabilities	-	334 928	<b>334 928</b>	334 928	-	
License fees	604 000	117 890	<b>721 890</b>	721 890	-	
Application fees	-	20 250	<b>20 250</b>	20 250	-	
Forfeit fees	27 000	-	<b>27 000</b>	2 400	<b>(24 600)</b>	34 c
Interest income	51 000	-	<b>51 000</b>	624 553	<b>573 553</b>	34 d
<b>Total revenue from exchange transactions</b>	<b>2 903 000</b>	<b>473 068</b>	<b>3 376 068</b>	<b>2 793 093</b>	<b>(582 975)</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Transfer revenue</b>						
Government grants & subsidies	12 810 000	1 484 738	<b>14 294 738</b>	14 294 738	-	
Other income: Sponsorship	-	2 000 000	<b>2 000 000</b>	2 000 000	-	
<b>Total revenue from non-exchange transactions</b>	<b>12 810 000</b>	<b>3 484 738</b>	<b>16 294 738</b>	<b>16 294 738</b>	<b>-</b>	
<b>Total revenue</b>	<b>15 713 000</b>	<b>3 957 806</b>	<b>19 670 806</b>	<b>19 087 831</b>	<b>(582 975)</b>	
<b>Expenditure</b>						
Personnel	(8 395 000)	-	<b>(8 395 000)</b>	(7 631 394)	<b>763 606</b>	34 b
Depreciation and amortisation	-	(160 000)	<b>(160 000)</b>	(162 978)	<b>(2 978)</b>	
Finance costs	-	(10 000)	<b>(10 000)</b>	(2 319)	<b>7 681</b>	
Debt Impairment	-	27 803	<b>27 803</b>	27 803	-	
General Expenses	(7 318 000)	(3 815 609)	<b>(11 133 609)</b>	(9 181 607)	<b>1 952 002</b>	34 e
<b>Total expenditure</b>	<b>(15 713 000)</b>	<b>(3 957 806)</b>	<b>(19 670 806)</b>	<b>(16 950 495)</b>	<b>2 720 311</b>	
<b>Surplus before taxation</b>	-	-	-	<b>2 137 336</b>	<b>2 137 336</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	-	-	-	<b>2 137 336</b>	<b>2 137 336</b>	

## ACCOUNTING POLICIES

### 1. Presentation of Annual Financial Statement

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

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

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

#### 1.1 Presentation currency

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

#### 1.2 Going concern assumption

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

#### 1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the annual financial statements. Significant judgements include:

##### Impairment testing

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

##### Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 10 - Provisions.

##### Allowance for doubtful debts

The provision for doubtful debts is provided for tournaments and other receivables older than one year based on management's assumptions

#### 1.4 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.

## 1.4 Property, plant and equipment (continued)

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, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

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

Item	Depreciation method	Average useful life
Leased asset	Straight line	2 - 5 years
Furniture and fixtures	Straight line	8 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	2 - 5 years
IT equipment	Straight line	4 - 6 years
Scales	Straight line	5 years

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

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

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

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

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

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

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

## 1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

An intangible asset is recognised when:

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

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

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

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

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

Item	Useful life
Computer software, other	1 - 10 years (straight line )

Intangible assets are derecognised:

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

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised.

## 1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

### 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
Momentum investment	Financial asset measured at amortised cost
Receivable from exchange transactions	Financial asset measured at amortised cost

## 1.6 Financial instruments (continued)

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

### Initial recognition

Boxing SA 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.

Boxing SA recognises financial assets using trade date accounting.

### Initial measurement of financial assets and financial liabilities

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

### Subsequent measurement of financial assets and financial liabilities

Boxing SA measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

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

### Gains and losses

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

### Impairment and uncollectability of financial assets

Boxing SA assess 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.

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

### Derecognition

#### Financial assets

Boxing SA derecognises financial assets using trade date accounting.

## **1.6 Financial instruments (continued)**

Boxing SA derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;

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.

### **Financial liabilities**

Boxing SA 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.

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.

## **1.7 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

### **Finance leases - lessee**

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.

The discount rate used in calculating the present value of the minimum lease payments is Boxing SA's incremental borrowing rate.

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

### **Operating leases - lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

## 1.8 Employee benefits

### Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service. Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

### Post-employment benefits; Defined contribution plans

Defined contribution plans are post-employment benefit plans under which Boxing SA pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contribution by Boxing SA is equivalent to 50% of total contribution made to the fund. The defined contribution plan is recognised in the statement of financial performance for the year in which the contribution was made.

## 1.9 Provisions and contingencies

Provisions are recognised when:

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

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

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

Contingent liabilities are included in the disclosures notes to the financial statements when it is possible that economic benefits will flow from Boxing SA, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

Provisions are recognised when Boxing SA has a present legal or constructive obligation as result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

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.

## 1.10 Commitments

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

## **1.10 Commitments (continued)**

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.

## **1.11 Revenue from exchange transactions**

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

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

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

### **Measurement**

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

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

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

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

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

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

## **1.12 Revenue from non-exchange transactions**

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

### **Recognition**

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

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

## 1.12 Revenue from non-exchange transactions (continued)

### Measurement

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

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

### Fines

Fines are recognised as revenue when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset.

Assets arising from fines are measured at the best estimate of the inflow of resources to Boxing SA.

Where Boxing SA collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

### Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to Boxing SA and the fair value of the assets can be measured reliably.

## 1.13 Interest

Investment income is recognised on a time-proportion basis using the effective interest method.

## 1.14 Comparative figures

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

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amount are reclassified. The nature and reason for the reclassification is disclosed.

## 1.15 Fruitless and wasteful expenditure

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

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

## 1.16 Irregular expenditure

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

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

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

## **1.16 Irregular expenditure (continued)**

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

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

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

## **1.17 Budget information**

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

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

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

The approved budget covers the fiscal period from 2019/04/01 to 2020/03/31.

Boxing SA consider the difference of more than 10% between budget and actual to be material and it will be explained on note 34.

## **1.18 Related parties**

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

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.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is

## 1.18 Related parties

reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

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

## 1.19 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

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

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

## 1.20 Conditional grants and receipts

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that Boxing SA has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 2. Presentation of Annual Financial Statement

#### 2.1 Standards and interpretations effective and adopted in the current year

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 18 (as amended 2016): Segment Reporting	01 April 2019	The impact of the is not material.
GRAP 20: Related parties	01 April 2019	The impact of the is not material.
GRAP 32: Service Concession Arrangements: Grantor	01 April 2019	The impact of the is not material.
GRAP 105: Transfers of functions between entities under common control	01 April 2019	The impact of the is not material.
GRAP 106 (as amended 2016): Transfers of functions between entities not under common control	01 April 2019	The impact of the is not material.
GRAP 107: Mergers	01 April 2019	The impact of the is not material.
GRAP 108: Statutory Receivables	01 April 2019	The impact of the is not material.
GRAP 109: Accounting by Principals and Agents	01 April 2019	The impact of the is not material.
IGRAP 11: Consolidation – Special purpose entities	01 April 2019	The impact of the is not material.
IGRAP 12: Jointly controlled entities – Non-monetary contributions by ventures	01 April 2019	The impact of the is not material.
IGRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	01 April 2019	The impact of the is not material.
IGRAP 18: Interpretation of the Standard of GRAP on Recognition and Derecognition of Land	01 April 2019	The impact of the is not material.

#### 2.2 Standards and interpretations issued, but not yet effective

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

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 2020 or later periods:

#### GRAP 34: Separate Financial Statements

The objective of this Standard is to prescribe the accounting and disclosure requirements for investments in controlled entities, joint ventures and associates when an entity prepares separate financial statements.

It furthermore covers Definitions, Preparation of separate financial statements, Disclosure, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's annual financial statements.

#### GRAP 38: Disclosure of Interests in Other Entities

The objective of this Standard is to require an entity to disclose information that enables users of its financial statements to evaluate:

- the nature of, and risks associated with, its interests in controlled entities, unconsolidated controlled entities, joint arrangements and associates, and structured entities that are not consolidated; and
- the effects of those interests on its financial position, financial performance and cash flows.

## 2. New standards and interpretations (continued)

It furthermore covers Definitions, Disclosing information about interests in other entities, Significant judgements and assumptions, Investment entity status, Interests in controlled entities, Interests in joint arrangements and associates, Interests in structured entities that are not consolidated, Non-qualitative ownership interests, Controlling interests acquired with the intention of disposal, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's annual financial statements.

## 3. Property, plant and equipment

Figures in Rand	2020			2019		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	299 344	(183 755)	115 589	295 445	(157 505)	137 940
Motor vehicles	141 520	(127 273)	14 247	141 520	(117 531)	23 989
Office equipment	165 005	(96 412)	68 593	142 306	(64 654)	77 652
IT equipment	485 622	(388 052)	97 570	485 622	(336 284)	149 338
Leased assets	50 242	(35 866)	14 376	42 025	(17 397)	24 628
Scales	10 921	(8 002)	2 919	10 921	(6 265)	4 656
<b>Total</b>	<b>1 152 654</b>	<b>(839 360)</b>	<b>313 294</b>	<b>1 117 839</b>	<b>(699 636)</b>	<b>418 203</b>

### Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	137 940	3 899	(4 326)	(21 924)	115 589
Motor vehicles	23 989	-	-	(9 742)	14 247
Office equipment	77 652	22 999	(300)	(31 758)	68 593
IT equipment	149 338	-	-	(51 768)	97 570
Leased assets	24 628	8 317	(100)	(18 469)	14 376
Scales	4 656	-	-	(1 737)	2 919
<b>Total</b>	<b>418 203</b>	<b>35 215</b>	<b>(4 726)</b>	<b>(135 398)</b>	<b>313 294</b>

### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	155 043	4 367	-	(21 470)	137 940
Motor vehicles	32 492	1 400	(161)	(9 742)	23 989
Office equipment	88 222	16 791	-	(27 361)	77 652
IT equipment	107 790	88 200	-	(46 652)	149 338
Leased assets	19 549	17 786	-	(12 707)	24 628
Scales	6 393	-	-	(1 737)	4 656
<b>Total</b>	<b>409 489</b>	<b>128 544</b>	<b>(161)</b>	<b>(119 669)</b>	<b>418 203</b>

**Repairs and Maintenance****The following amount included in Repairs and Maintenance relating to service of the Assets**

Property, plant and equipment	3 337	3 215
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**4. Intangible assets**

Figures in Rand	2020			2019		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Computer software	255 396	(210 639)	44 757	247 717	(183 058)	64 659

**Reconciliation of intangible assets - 2020**

	Opening balance	Additions	Amortisation	Total
Computer software	64 659	7 680	(27 582)	44 757

**Reconciliation of intangible assets - 2019**

	Opening balance	Additions	Amortisation	Total
Computer software	89 656	3 437	(28 434)	64 659

**5. Operating lease**

Current operating lease	(29 735)	(106 617)
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\* Further details are provided on note 22

**6. Claim advances**

Advances	651	-
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**7. Receivables from exchange transactions**

Trade debtors	7 910 060	7 550 697
Provision for doubtful debts	(7 242 943)	(7 357 349)
	667 117	193 348

**Reconciliation of debt provision**

	2020	2019
Balance at the beginning of year	7 357 349	5 669 046
Contributions to provision	(114 406)	1 999 355
Bad debts recovered/(written off) against provision	-	(311 052)
	7 242 943	7 357 349

Age Analysis	150 Days +	90 Days	60 Days	30 Days	Current	Total
Customers	6 641 088	813 471	28 164	(97 598)	524 935	7 910 060
Subtotal	6 641 088	813 471	28 164	(97 598)	524 935	7 910 060
	<b>6 641 088</b>	<b>813 471</b>	<b>28 164</b>	<b>(97 598)</b>	<b>524 935</b>	<b>7 910 060</b>

#### 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. At 31 March 2020, R 306 194 (2019: R 148 598) were past due but not impaired.

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

1 month past due	35 549	2 021
2 months past due	135 442	3 445
3 months past due	135 203	143 132

## 8. Cash and cash equivalents

Figures in Rand	2020	2019
Cash and cash equivalents consist of:		
Bank balances	2 113 978	2 058 871
Momentum Investment	1 569 868	762 415
	<b>3 683 846</b>	<b>2 821 286</b>
Cash and cash equivalents held by the entity comprises of the following:		
Purse account	1 312 701	1 874 616
Boxers benevolent fund	75 486	25 634
License account	471 030	109 277
Savings account	1 000	4 495
Main account	253 761	44 849
	<b>2 113 978</b>	<b>2 058 871</b>
<b>Momentum Investment reconciliation</b>		
Opening balance	762 415	1 400 909
Contribution	120 000	120 000
Interest income	74 882	87 769
Administration fees	(46 736)	(51 448)
L/P on Investment	(140 693)	5 185
Withdrawals/ Deposit	800 000	(800 000)
Closing balance	<b>1 569 868</b>	<b>762 415</b>

#### Momentum investment

The momentum investment has been taken for the purpose of boxers' injuries claims. Funds may only be withdrawn from this account when the funds in the Benevolent bank account is insufficient to pay boxers' claims. Therefore this investment is held by Boxing SA, but it is not available for use by Boxing SA for other use other than injury claims.

## 9. Finance lease obligation

### Minimum lease payments due

- within one year	12 624	16 519
- in second to fifth year inclusive	2 338	8 655
<b>Present value of minimum lease payments</b>	<b>14 962</b>	<b>25 174</b>
Non-current liabilities	2 338	8 655
Current liabilities	12 624	16 519
	<b>14 962</b>	<b>25 174</b>

It is Boxing SA policy to lease cell phones under finance leases.

The average lease term was 1-2 years and the average effective borrowing rate was 10% (2019: 10%).

Interest rates are linked to prime at the contract date. All leases have fixed repayments

## 10. Provisions

### Reconciliation of provisions - 2020

	Opening balance	Additions	Reversed during the year	Total
Leave pay	284 778	363 250	(284 778)	363 250
Provision service bonus	-	127 145	-	127 145
	<b>284 778</b>	<b>490 395</b>	<b>(284 778)</b>	<b>490 395</b>

### Reconciliation of provisions - 2019

	Opening balance	Additions	Utilised during the year	Reversed during the year	Total
Leave pay	254 248	284 778	(6 257)	(247 991)	284 778

## 11. Unallocated Deposits

Unallocated Deposits are amounts that are deposited into Boxing SA bank account without proper referencing, in 2018/19 financial year R374 670 this current financial year increased to R458 670.

## 12. Payables from exchange transactions

Trade payables	1 085 335	1 332 201
Sundry payables	-	32 129
Accrued expense	818 025	1 696 847
Prepaid License fees	560 516	530 390
	<b>2 463 876</b>	<b>3 591 567</b>

Figures in Rand	2020	2019
<b>13. Revenue</b>		
Sanctioning fees	1 089 072	1 537 605
Insurance, safety & public liability	334 928	363 516
License fees	721 890	685 680
Application fees	20 250	16 200
Forfeit fees	2 400	40 650
Interest income	14 624 553	695 558
Government grants & subsidies	15 14 294 738	12 618 406
Sponsorship	16 2 000 000	2 000 000
	<b>19 087 831</b>	<b>17 957 615</b>

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

Sanctioning fees	1 089 072	1 537 605
Safety & public liability	334 928	363 516
License fees	721 890	685 680
Application fees	20 250	16 200
Forfeit fees	2 400	40 650
Interest income	624 553	695 558
	<b>2 793 093</b>	<b>3 339 209</b>

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

**Taxation revenue**

**Transfer revenue**

Government grants & subsidies	14 294 738	12 618 406
Sponsorship	2 000 000	2 000 000
	<b>16 294 738</b>	<b>14 618 406</b>

**14. Interest income**

**Interest revenue**

Interest income	624 553	695 558
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Interest income for current year includes R 23 030 interest received from the bank, R 74 882 from Momentum investment, and R 526 641 interest charged on long outstanding trade debtors.

The Interest rate for momentum equals to 6.28% p.a. and interest charged on trade debtors is as per National Treasury instruction and for the period (10.25% from April until July 2019, 10% from August 2019 until February 2020 and 9.75% in March 2020).

**15. Government grants and subsidies**

**Operating grants**

Government grant - Sport and Recreation South Africa	14 294 738	12 618 406
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**16. Public contributions and donations**

Sponsorship	2 000 000	2 000 000
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**Figures in Rand****2020****2019****Reconciliation of conditional contributions**

Current-year receipts	2 000 000	2 000 000
Conditions met - transferred to revenue	(2 000 000)	(2 000 000)
	-	-

Boxing SA received an amount of R 2 000 000.00 from the Department of Sport, Art, Culture and Recreation: Gauteng Provincial Government for the purpose of hosting the Boxing Awards.

**17. Employee related costs**

Basic	5 025 965	5 198 748
UIF SDL PAYE	1 859 877	1 738 554
Leave pay provision charge	78 471	50 943
Provident fund contribution-Post employee benefits	667 081	667 488
	<b>7 631 394</b>	<b>7 655 733</b>

**18. General expenses**

Advertising	636 132	254 706
Auditors remuneration	948 098	872 268
Bank charges	75 150	59 132
Administration fee	48 274	50 033
Computer expenses	233 635	245 820
Consulting and professional fees	778 776	827 352
Sponsorship expenses	680 000	1 124 796
Insurance	186 189	107 802
Conferences and seminars	1 541 809	598 477
Fuel & Oil Expenses	124 348	57 539
Marketing	107 350	34 460
Lease rentals	639 893	664 886
Postage and courier	6 762	6 834
Printing and stationery	308 890	213 492
Repairs and maintenance	3 817	9 236
Subscriptions and membership fees	75 694	31 654
Telephone and fax	239 762	253 366
Training	-	2 500
Travel - local	1 144 401	1 231 240
Electricity & Water	323 266	325 220
Board and sub-committee fees	362 276	524 569
Legal expenses	639 370	420 696
Boxing materials	11 500	2 850
Sparring sessions	33 750	24 115
Other (General Exp & Office Removal)	6 178	7 945
Momentum expenses	140 693	(878)
(Decrease)/Increase in provision on doubtful debts	(114 406)	1 688 303
	<b>9 181 607</b>	<b>9 638 413</b>

**19. Auditors' remuneration**

Fees	948 098	872 268

Figures in Rand	2020	2019
<b>20. Cash generated from (used in) operations</b>		
Surplus	2 137 336	95 293
<b>Adjustments for:</b>		
Depreciation and amortisation	162 978	148 105
Finance costs - Finance leases	-	1 645
Debt impairment	(27 803)	418 426
Movement in operating lease	(76 882)	(40 578)
Movements in provisions	205 617	30 530
Assets write offs	(4 326)	(11 338)
Movement in bad debts provision	(114 404)	1 688 303
Other non-cash items	31 999	14 231
<b>Changes in working capital:</b>		
Receivables from exchange transactions	(354 906)	(1 222 154)
Payables from exchange transactions	(1 127 691)	(1 925 551)
	<b>831 918</b>	<b>(803 088)</b>
<b>21. Financial instruments disclosure</b>		
<b>Categories of financial instruments</b>		
<b>2020</b>		
<b>Financial assets</b>		
	<b>At amortised cost</b>	<b>Total</b>
Trade and other receivables from exchange transactions	667 117	667 117
Cash and cash equivalents	3 683 846	3 683 846
	<b>4 350 963</b>	<b>4 350 963</b>
<b>Financial liabilities</b>		
	<b>At amortised cost</b>	<b>Total</b>
Unallocated deposit	458 670	458 670
Trade and other payables from exchange transactions	2 463 876	2 463 876
	<b>2 922 546</b>	<b>2 922 546</b>
<b>2019</b>		
<b>Financial assets</b>		
	<b>At amortised cost</b>	<b>Total</b>
Trade and other receivables from exchange transactions	193 348	193 348
Cash and cash equivalents	2 821 286	2 821 286
	<b>3 014 634</b>	<b>3 014 634</b>
<b>Financial liabilities</b>		
	<b>At amortised cost</b>	<b>Total</b>
Unallocated deposit	374 670	374 670
Trade and other payables from exchange transactions	3 591 567	3 591 567
	<b>3 966 237</b>	<b>3 966 237</b>

Figures in Rand	2020	2019		
<b>22. Operating lease</b>				
<b>Authorised operational expenditure</b>				
<b>Total commitments</b>				
For operating commitments refer below and for capital commitments refer to note 9:				
<b>Operating leases - as lessee (expense)</b>				
<b>Minimum lease payments due</b>				
- within one year	244 729	716 774		
- in second to fifth year inclusive	-	244 729		
	<b>244 729</b>	<b>961 503</b>		
Operating lease payments represent rentals payable by the entity for certain of its office properties and office equipment (printers). Leases are negotiated for an average term of three years and rentals are fixed for an average of three years. No contingent rent is payable.				
<b>Rental expenses relating to operating leases</b>				
Minimum lease payments	244 729	961 503		
<b>23. Contingencies</b>				
At year end Boxing SA had contingent liabilities as a result of cases listed below. No provision has been raised at year end and the matters were not finalised as at 31 March 2020				
a. Boxing SA vs. Mr. Qithi - The matter has been to the CCMA since 2015 and was finalized in December 2018. The outcome of the CCMA was in favour of the applicant. Boxing SA was not satisfied with the outcome and then referred the matter to the Labour Court for review. Currently the matter is under review at the Labour Court. Boxing SA will pay R 3 780 000.00 if lose the case.				
b. BSA vs. Mr Khambule - The matter was referred to the CCMA by Mr. Khambule whereby a default judgement was issued against BSA. BSA then referred the matter to the Labour Court to review the default judgement, if Boxing SA loses the case it will pay an amount of R 140 000.				
c. The momentum investment has been taken for the purpose of boxers' injuries and death as a result of participation in boxing, the claims are limited to the maximum of R 50 000 if boxer is a champion and R 25 000 for other boxers.				
<b>24. Related parties</b>				
<b>Relationships</b>				
Parent Department	Department of Sport and Recreation South Africa			
Fellow Controlled entity	South African Institute for Drug Free Sport			
<b>Related party transactions</b>				
<b>Grant received from related parties</b>				
Department of Sport and Recreation South Africa	12 810 000	12 268 000		
<b>Additional grant from (expenses paid/ payable by) related parties</b>				
Department of Sport and Recreation South Africa	1 484 738	350 406		
Emoluments of Board member refer to note 25.				

**Key management information**

Class	Description	Number
Chief Executive Officer	Mr. Tsholofelo Lejaka	058
Chief Financial Officer	Mr. Thabang Moses	054
Director of Operations	Ms. Cindy Nkomo	055

**Remuneration of management**  
**Executive management****2020**

Name	Basic salary	Post-employment benefits	Other benefits received	Total
Chief Executive Officer	1 567 581	64 310	26 400	1 658 291
Chief Financial Officer	1 227 096	58 732	18 862	1 304 690
Director Operations	1 073 202	51 366	20 400	1 144 968
	<b>3 867 879</b>	<b>174 408</b>	<b>65 662</b>	<b>4 107 949</b>

**2019**

Name	Basic salary	Post-employment benefits	Other benefits received	Total
Chief Executive Officer	1 490 097	60 014	26 400	1 576 511
Chief Financial Officer	1 149 195	54 201	20 400	1 223 796
Director Operations	1 005 063	47 403	20 400	1 072 866
	<b>3 644 355</b>	<b>161 618</b>	<b>67 200</b>	<b>3 873 173</b>

Other benefits includes cell phone, medical and travelling allowance.

**25. Members' emoluments****Board emoluments****2020**

Name	Emoluments benefits	Other	Total
Dr. M Ngatane (Chairperson)	36 610	6 311	42 921
Ms. Z Kabini	45 590	3 264	48 854
Mr. L Jack	34 992	-	34 992
Mr. K Radu	51 184	-	51 184
Mr. G Martins	31 104	7 992	39 096
Mrs. L Tungamirai	31 104	1 419	32 523
	<b>230 584</b>	<b>18 986</b>	<b>249 570</b>

**Board emoluments****2019**

Name	Emoluments benefits	Other	Total
Dr. M Ngatane (Chairperson)	78 450	9 636	88 086
Adv. M Gumbi	32 649	515	33 164
Ms. Z Kabini	65 030	5 143	70 173
Mr. L Jack	54 432	-	54 432
Mr. K Radu	42 768	-	42 768
Mr. G Martins	57 118	12 386	69 504
Mrs. L Tungamirai	50 747	453	51 200
	<b>381 194</b>	<b>28 133</b>	<b>409 327</b>

Mr.G Martins serves as an Audit committee member from 12 December 2017. Ms. Z Kabini serves as the Chairperson of the ICT, Governance, Finance and Resource Mobilisation committee, other committee members are Mr. L Jack , Mrs. L Tungamirai and Mr G Martins. Mr. K Radu serves as the Chairperson of the Sanctioning committee from 12 December 2017.

**Audit Committee fees****2020**

Name	Member's fees	Other	Total
Mr. D Moodley(Chairperson)	38 853	1 926	40 779
Adv. F vd Westhuizen	15 714	592	16 306
Mr. G Martins	10 476	4 213	14 689
	<b>65 043</b>	<b>6 731</b>	<b>71 774</b>

**2019**

Name	Member's fees	Other	Total
Mrs. P Mvulane(Chairperson until October 2018)	17 268	1 688	18 956
Mr. D Moodley(Act Chairperson from November 2018)	23 427	1 409	24 836
Mr. G Martins	18 333	5 966	24 299
Adv. F vd Westhuizen	13 095	-	13 095
	<b>72 123</b>	<b>9 063</b>	<b>81 186</b>

**Ratings Committee****2020**

Name	Member's fees	Other	Total
Mr. A de Vries (Chairperson)	62 760	-	62 760

2019

Name	Member's fees	Other	Total
Mr. A de Vries (Chairperson)	26 150	-	26 150
Mr. B Magasela	3 888	-	3 888
Mr. K Radu	5 230	-	5 230
	<b>35 268</b>	-	<b>35 268</b>

## 26. Change in estimate

### Property, plant and equipment

The useful life of certain office equipment was estimated in 2018 to be 5 years. In the current period management have revised their estimate to 2 - 5 years. The effect of this revision has no financial impact but to include assets that depreciate over a two years.

Statement of financial position	Amount
Furniture & fixtures	43 925

## 27. Prior period errors

The Ratings committee was remunerated on incorrect tariffs during previous financial period. This has effect of general expenses being understated by R41 567 and also accrued expenses by the same amount, General expenses was overstated by R92 891 due to uncorrected misstatement, The admin fee of R2 512 which was not accounted for. The employee related cost were overstated by R47 262 due to overcharge on provident fund. This has the effect of decreasing employee related cost and increasing receivable from exchange transaction. Provident fund of R55 001 & Computer expenses of R29 280 were captured on a wrong period, General expenses were understated by R84 281. The assets were assessed during the financial year. The effect of the changes was increase in general expenses, net book value of PPE and prior year accrued expenses.

The correction of the error(s) results in adjustments as follows:

Figures in Rand	2020	2019
<b>Statement of financial position</b>		
Property, plant and equipment	-	37 650
Payables from exchange transactions	-	(125 849)
Accumulated Surplus	-	(128 207)
Receivable from exchange transaction	-	44 750
<b>Statement of Financial Performance</b>		
General Expenses	-	78 092
Depreciation and amortisation	-	(6 275)
Employee related cost	-	(7 739)

## 28. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

### Statement of financial position

2019

	As previously reported	Correction of error	Restated
Payables	3 465 718	125 849	3 591 567
PPE	380 553	37 650	418 203
Receivables from exchange transactions	148 598	44 750	193 348
	<b>3 994 869</b>	<b>208 249</b>	<b>4 203 118</b>

### Statement of financial performance

2019

	As previously reported	Correction of error	Restated
Employee related costs	(7 647 994)	(7 739)	(7 655 733)
General Expenses	(9 657 945)	19 532	(9 638 413)
Depreciation and amortisation	(141 830)	(6 275)	(148 105)
<b>Deficit for the year</b>	<b>(17 447 769)</b>	<b>5 518</b>	<b>(17 442 251)</b>

### Cash flow statement

2019

	As previously reported	Reclassification
<b>Cash flow from operating activities</b>		
Suppliers	(9 809 617)	161
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment	-	161

### Reclassifications

The proceeds from sale of PPE was included in payment to suppliers, this has been separated in the current year, this has the impact of increasing proceeds from sale of property, plant and equipment and decrease on payment to suppliers.

The following reclassifications adjustment occurred:

#### Reclassification 1

Proceeds from sale of property, plant and equipment has been reclassified

Incorrect disclosure for prior year financials.

## 29. Risk management

### Liquidity risk

Boxing SA'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.

### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. Boxing SA only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

### Market risk

#### Interest rate risk

Boxing SA has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

## 30. Going concern

The annual financial statements have been prepared on the basis of accounting policies 1.2 applicable to a going concern.

This basis presumes that funds in note 8 will be available to finance future operations and that the realisation of assets in note 7 and settlement of liabilities in note 10, 11 & 12 contingent obligations in note 23 and commitments in note 9 will occur in the ordinary course of business.

The ability of the entity to continue as a going concern is dependent on the continued support of the National Department of Sport and Recreation as per note 24.

## 31. Events after the reporting date

The 4th quarter is characterised by the advent of the Covid-19 pandemic in the form of a lockdown imposed towards the last part of the quarter. The lockdown interrupted operations towards the end of the financial year and it extended beyond the 2020/21 financial year. The quarter also represents end of year activities, however because of the lockdown all operations had to be halted and the activities of this year are relatively lower than last year.

Figures in Rand	2020	2019
<b>32. Fruitless and wasteful expenditure</b>		
Opening balance	2 558 778	2 520 887
Interest on overdue account	-	5 375
Rentals	-	34 385
Less: Amount written off	-	(1 869)
	<b>2 558 778</b>	<b>2 558 778</b>

## 33. Irregular expenditure

Opening balance	7 102 178	6 568 941
Computer expenses	-	64 746
Advertising	616 730	218 591
Contractors	497 490	249 900
	<b>8 216 398</b>	<b>7 102 178</b>

Current year Irregular expenditure is on an event management and advertising for not obtaining at least three quotations.

### Analysis of expenditure awaiting condonation per age classification

Current year	1 114 220	533 237
Prior years	7 102 178	6 568 941
	<b>8 216 398</b>	<b>7 102 178</b>

**Details of irregular expenditure – current year**

**Details of irregular expenditure condoned**

**Details of irregular expenditure recoverable (not condoned)**

**Details of irregular expenditure not recoverable (not condoned)**

## **34. Budget differences**

### **Material differences between budget and actual amounts**

Explanations for the material difference budget and actual performance are provided below.

- a. **Sanctioning fees** - Due to the decrease of the total number of tournaments during 2019/20.
- b. **Personnel** - This caused by vacancies which were not filled during the financial year.
- c. **Forfeit & Penalty fees:** - Relates to the amount charged on Licencees for non-compliance with Boxing regulations.
- d. **Interest income:** - Interest charged on trade debtors for overdue account.
- e. **General expenses** - The high spending on travelling is mainly caused by events that Boxing SA holds, such as Boxing Awards, Licencees seminars. Legal fees are attributable to any litigation against Boxing SA.



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