



BOXING
SOUTH AFRICA



Annual Report

2023|24



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PART A

GENERAL INFORMATION

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME	Boxing South Africa
PHYSICAL ADDRESS	Hatfield Forum East, 1077 Arcadia Street, Hatfield, Pretoria
POSTAL ADDRESS	PO Box 1347, Southdale, 2135
TELEPHONE NUMBER	+27 012 765-9600
EMAIL ADDRESS	mail@boxingsa.co.za
WEBSITE ADDRESS	www.boxingsa.co.za
EXTERNAL AUDITORS	Auditor-General South Africa
BANKERS	ABSA Bank

2. LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General of South Africa
BSA	Boxing South Africa
MEC	Member of Executive Council
CEO	Chief Executive Officer
CFO	Chief Financial Officer
PFMA	Public Finance Management Act
TR	Treasury Regulations
MTEF	Medium Term Expenditure Framework
GRAP	Generally Recognised Accounting Practice
SCM	Supply Chain Management
DSAC	Department of Sport, Art and Culture
NDP	National Development Plan
PSA	Public Service Act
SANABO	South African National Amateur Boxing Organisation
CATHSSETA	Culture Arts Tourism Hospitality and Sport Sector Education Training Authority
SAIDS	South African Institute for Drug-Free Sport
SASCOC	South African Sport Confederation and Olympic Committee
SABC	South African Broadcasting Corporation
WBA	World Boxing Association
WBC	World Boxing Council
WBO	World Boxing Organisation
IBF	International Boxing Federation
WBF	World Boxing Federation
ABU	African Boxing Union
NLC	National Lotteries' Commission



3. FOREWORD BY THE CHAIRPERSON

SIFISO SHONGWE

The 2023-2024 financial year has been underscored by challenges and opportunities for Boxing South Africa (BSA). The year kicked off with significant momentum, driven by the implementation of the Renewal, Growth, and Transformation agenda put forth by the Board. This strategic focus set the tone for sustained progress throughout the year, aligning the organization with its goals for expansion and development in the sport of boxing. The board set about our mission of fostering the growth and development of the sport while remaining committed to the highest standards of governance, transparency, and accountability. Significant milestones have marked our journey over the past year, this Annual Report, reflects progress and the strategic direction we are taking.

Boxing South Africa's strategic objectives are centred on promoting and regulating the sport of boxing, ensuring its sustainability, and increasing its appeal globally. Our efforts have focused on enhancing the quality of events, ensuring the welfare of athletes, and fostering grassroots development. The year under review saw us making strides in these areas, despite facing significant challenges, particularly related to financial constraints and the lingering effects of the global pandemic on sporting events.

Our performance has been underpinned by a commitment to operational excellence and a focus on key outcomes, such as improving the visibility of boxing in South Africa and expanding abroad to reach new audiences. We have successfully hosted a number of high-profile events, which have not only elevated the sport but also contributed to the economic upliftment of the communities involved.

The strength of Boxing South Africa lies in the strategic partnerships and collaborations we have cultivated over the years. Our relationship with the Department of Sport,

Arts, and Culture remains pivotal, providing the necessary support to achieve our mandate. Additionally, we have strengthened our ties with provincial sports authorities, promoters, and international boxing bodies, which has enabled us to leverage resources and expertise for the betterment of the sport.

Our partnerships with broadcasters and sponsors have been instrumental in ensuring that boxing remains a popular and accessible sport. These relationships are critical as we continue to navigate the complex landscape of sports management in a post-pandemic world.

We are also committed to the development of women in boxing. This commitment led to the launch of the Women In Boxing Series, a program established solely for women practitioners. This initiative is a testament to our dedication to fostering inclusivity and providing equal opportunities for all athletes in the sport.

The 2023-2024 financial year presented a particularly testing period for the entity, especially in the last quarter. We were faced with a series of litigations that caused instability within the organization. The Board's term expired on 11 December 2023, and the period that followed saw a succession of legal challenges until the appointment of the current Board on 14 May 2024.

Additionally, we faced a significant loss in February 2024 with the passing of our Chief Financial Officer, Mr. Kenneth Mamosadi, who played a key role in repositioning the entity's financial standing. His departure created a substantial gap within the organization, one that we are still working to fill. May his soul rest in peace.

The former Minister of Sport, Arts, and Culture took decisive action to stabilize the organization by appointing The Acting Chief Executive Officer with powers of the

“Our partnerships with broadcasters and sponsors have been instrumental in ensuring that boxing remains a popular and accessible sport.”

Accounting Authority from February to May 2024, ensuring that the activities of Boxing South Africa continued without interruption. During this period, critical committees, including the Sanctioning and Ratings Committees, were appointed, leading to South Africa producing three World Champions.

Looking ahead, our strategic focus will be on ensuring financial sustainability, enhancing the governance framework, and expanding the reach of boxing across all demographics. We aim to build on our successes by intensifying our grassroots development programs, improving the quality of coaching, and increasing the number of events nationwide.

Moreover, we will continue to advocate for the welfare of our athletes, ensuring they receive the necessary support to excel both in and out of the ring. Our medium to long-term vision includes the development of a comprehensive digital strategy to engage with younger audiences and the global boxing community more effectively.

Having received a qualified audit opinion from the Auditor-General for this period under review, we are confident that in the 2024/25 reporting audit, we will achieve an improved unqualified opinion as we work towards a clean audit.

I wish to express my deepest gratitude to the Department of Sport, Arts, and Culture, and the Ministry for their unwavering support during this challenging period. We have engaged in a series of stakeholder interactions in our quest to reposition the entity for a better future. I also extend my appreciation to our sponsors, partners, and the boxing community at large for their continued belief in the potential of this sport.

A special thanks to the Board members for their dedication and to the management and staff of Boxing South Africa for their tireless efforts in ensuring the success of our

operations. Your hard work and commitment are the cornerstones of our achievements.

As we close the chapter on the 2023-2024 financial year, I am filled with optimism for the future of Boxing South Africa. While challenges remain, our strategic direction is clear, and our resolve is stronger than ever. Together, we will continue to work towards a future where boxing thrives, our athletes shine, and the sport contributes meaningfully to the social and economic fabric of our nation.

We are confident that we will turn the corner as we are committed to corporate governance and ethical leadership in this current administration. Let us move forward with the same passion and dedication that has brought us this far, and let us continue to make Boxing South Africa a beacon of excellence in the sporting world.



Mr. Sifiso Shongwe

Board Chairperson

Boxing South Africa

31 August 2024



4. OVERVIEW OF THE ACTING CHIEF EXECUTIVE OFFICER

MANDLA NTLANGANISO

The 2023-2024 financial year has been a period of both significant achievement and considerable financial strain for Boxing South Africa. Despite the financial challenges that we faced, we have continued to execute our mandate to promote, develop, and regulate boxing in South Africa. The organization's financial performance was impacted by several factors, including budget constraints, increased operational costs, and outstanding debts carried over from the previous financial year. However, through prudent financial management and strategic decision-making, we were able to maintain our core activities and achieve several key milestones.

The former Minister of Sport, Arts, and Culture Mr. Goodenough "Zizi" Kodwa took decisive action to stabilize the organization by appointing an Accounting Authority from February to May 2024, ensuring that the activities of Boxing South Africa continued without interruption. During this period, critical committees, including the Sanctioning and Ratings Committees, were appointed.

During the year under review, our spending was primarily focused on operational activities, athlete welfare programs, and the organization of major boxing events. Despite a constrained budget, we managed to allocate funds effectively to ensure the continuation of critical programs. A significant portion of our expenditure was directed towards servicing outstanding debts from the previous financial year, which included payments to service providers and settling travel-related costs that had been deferred.

One of the major challenges facing Boxing South Africa is the limited financial resources at our disposal, which has constrained our ability to expand our activities and invest in long-term development projects. Additionally, the suspension of services by key service providers due to unpaid invoices posed a significant operational challenge, affecting our ability to execute planned activities efficiently.

The limited capacity within our financial management and supply chain units further exacerbated these challenges, making it difficult to navigate the complexities of our financial obligations.

Given the financial constraints, certain non-core activities had to be scaled back or discontinued altogether. This included reducing the number of regional boxing events and postponing certain grassroots development initiatives. These decisions were not taken lightly but were necessary to ensure the sustainability of our critical programs and the overall financial health of the organization.

Despite the challenges, we are committed to introducing new initiatives aimed at revitalizing the sport and expanding our reach. In the coming financial year, we plan to launch a digital engagement strategy to attract younger audiences and foster greater community involvement in the sport. Additionally, we will be exploring partnerships with private sector entities to secure additional funding streams, which will be crucial for the sustainability of our activities.

We are also deeply committed to the development of women in our sport. This commitment was demonstrated through the launch of the Women In Boxing Series, a program established exclusively for women practitioners. This initiative aims to provide women in boxing with the platform and resources needed to excel in the sport, fostering inclusivity and growth.

During the year under review, Boxing South Africa licensed a total of 1,025 boxing practitioners, including three world champions. Additionally, we sanctioned 60 tournaments, ensuring that the sport continued to thrive at both national and international levels. These achievements are a testament to our ongoing commitment to developing boxing talent and providing a platform for athletes to excel.

“During the year under review, our spending was primarily focused on operational activities, athlete welfare programs, and the organization of major boxing events.”

The Auditor-General of South Africa (AGSA) issued a qualified audit opinion for the 2023-2024 financial year. The key findings that contributed to this outcome included:

- Revenue from Exchange Transactions: The AGSA was unable to obtain sufficient appropriate audit evidence to verify whether all revenue from exchange transactions was accurately recorded due to inadequate systems of internal control for recording transactions.
- General Expenses (Travel Expenses): The AGSA identified an overstatement in general expenses, particularly related to travel-local expenses, where supporting evidence was not provided, resulting in an overstatement of R1,453,781.
- Receivables from Exchange Transactions: Inadequate systems were noted for maintaining proper records of trade receivables, leading to overstated receivables and an incorrect provision for impairment.
- Consequence Management: The AGSA found insufficient evidence to confirm that disciplinary actions were taken against officials who incurred irregular, fruitless, and wasteful expenditures. Investigations into these expenditures were not performed as required by the PFMA.

These findings underscore the need for stronger internal controls, better financial management practices, and more rigorous oversight to prevent such issues from recurring in the future.

The year under review highlighted the need for a more robust and efficient supply chain management (SCM) system. While we have made progress in implementing better controls and processes, there are still areas that require improvement, particularly in terms of contract management and supplier engagement. No unsolicited bid proposals were concluded during the year under review. However, the challenges we faced in SCM emphasize the need for ongoing training and capacity building within this unit to ensure compliance and efficiency.

Boxing South Africa has SCM processes and systems in place, but there is room for improvement. Our focus moving forward will be on enhancing these systems to ensure greater transparency, efficiency, and compliance with regulations. We are committed to strengthening our internal controls and providing additional training to our SCM personnel to mitigate the risks associated with procurement processes.

The primary challenges experienced during the financial year included cash flow constraints, delayed payments to service providers, and the resultant impact on our operations. To address these challenges, we have instituted more rigorous financial planning and monitoring processes, which will help us manage our cash flow more effectively in the future. Additionally, we are actively seeking alternative funding sources to supplement our budget and reduce our reliance on government allocations.

The audit report for the previous financial year raised several concerns, particularly regarding irregular expenditures and weaknesses in our financial controls. We have taken these findings seriously and have developed an action plan to address each of the identified issues. This includes the implementation of stricter financial controls, enhanced oversight mechanisms, and improved documentation practices to ensure full compliance with audit requirements in the future.

Looking ahead, our primary focus will be on stabilizing our financial position and ensuring the sustainability of our operations. We plan to achieve this through a combination of cost-cutting measures, the introduction of new revenue-generating activities, and the establishment of stronger financial management practices. We are confident that with these measures in place, we will be able to overcome our current challenges and place Boxing South Africa on a stronger financial footing.

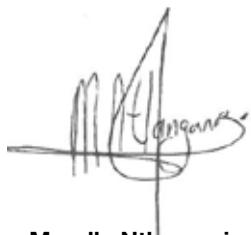
Subsequent to the reporting date, Boxing South Africa has secured a commitment for additional funding from a private

sector partner, which will be instrumental in supporting our operations in the coming year. This partnership represents a significant step forward in our efforts to diversify our funding sources and reduce our reliance on government funding.

The economic viability of Boxing South Africa remains a key concern. While we continue to face financial challenges, the steps we are taking to improve our financial management and explore new revenue streams are aimed at ensuring the long-term viability of the organization. Our focus on operational efficiency, combined with strategic partnerships, will be critical in achieving our financial sustainability goals.

I would like to extend my heartfelt thanks to the Department of Sport, Arts, and Culture for their ongoing support and to our sponsors and partners for their unwavering commitment to the sport of boxing. I also want to acknowledge the hard work and dedication of the Boxing South Africa team, whose efforts have been instrumental in navigating the challenges of the past year. Together, we will continue to work towards a brighter future for boxing in South Africa.

As we move forward, it is essential to communicate clearly with all stakeholders about the financial realities we face and the steps we are taking to address them. Transparency will remain a cornerstone of our operations, and we are committed to keeping our stakeholders informed of our progress and challenges.



Mandla Ntlanganiso

Chief Executive Officer

Boxing South Africa

31 August 2024



“Despite the challenges, we are committed to introducing new initiatives aimed at revitalizing the sport and expanding our reach.”



5. STATEMENT OF RESPONSIBILITY

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor General.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the GRAP standards applicable to the public entity.

The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The accounting authority is responsible for establishing and implementing a system of internal control 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 2024.

Yours faithfully



Mr. Mandla Ntlanganiso
Chief Executive Officer
Date: 24 August 2024



Mr. Sifiso Shongwe
Chairperson
Date: 24 August 2024

6. STRATEGIC OVERVIEW

6.1. VISION

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

The vision of BSA represents its futurist, long-term and idealistic state. This vision is aimed at rallying and inspiring the entire South African boxing community to make efforts to take boxing to new heights.

6.2. MISSION

To regulate the administration of professional boxing in South Africa by focusing on licensing of boxing practitioners across various categories, sanctioning of quality tournaments, rating boxers, training of licensees and promoting the sport of boxing in the country.

6.3. VALUES

Our values are encapsulated as follows.

PROFESSIONALISM

Throughout the code BSA will endeavour to promote and entrench the virtue of professionalism. This means BSA, the licensees and all other stakeholders within boxing must strive to exert them-selves expertly and with authoritative knowledge in their chosen areas of operation. In the con-text of South African boxing, there will be greater expectations for transparency and openness by all role-players.

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 collaboration and success of the sport code and for every stakeholder to exercise leadership in their respective areas of operation without encroaching on the rights of others.

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 legislative mandate to carry out their responsibility, respect each other's role and to Act with integrity at all times.

DIVERSITY

In promoting the sport, we will endeavour to take the sport to every part and corner of our coun-try and ensure that all communities and athletes have an equal opportunity to partake and excel in the game without regard to their cultural, linguistic, religious, social and economic status, and/ or any other form of discrimination whatsoever.

Our values will guide the actions and behaviours of all at BSA, the licensees and all other stakeholders in the broader boxing fraternity. At the core of our values is the belief and reality that boxing starts and ends with a boxer and hence our values are boxer centric. Accordingly, BSA will promote and champion these values to ensure the promotion and advancement of boxing nationally and that the sport is restored to its previous glory and receives the respect of practitioners and the public alike.

7. LEGISLATIVE AND OTHER MANDATES

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

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
South African Boxing Act, 2001	Act 11 of 2001
Protected Areas Act 57, 2003	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

7.1. 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 programmes regarding sport and recreation in the country. Within this constitutional provision SRSA further ensured 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 of early days. It is mandated to accomplish 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;
- recognize open boxing;
- create synergy between professional and open boxing, and
- promote interaction between associations of boxers, managers, promoters, trainers, officials and BSA.

7.3. POLICY MANDATES

BSA in its endeavour to regulate and promote boxing in South Africa, 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, and
- Boxing SA Policies and Procedures.

7.4. NATIONAL DEVELOPMENT PLAN

The National Development Plan (NDP) recognizes 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 (5) 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 their differences, where their shared experiences will cut across divisions of race, gender, space, and class. BSA has heeded the call to prioritize 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 2021/2022 Annual Performance Plan and will be reviewed annually.

7.5. GOVERNMENT OUTCOMES

Outcome 14, 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 services continues to be affected by who you are and where you live. Attitudinal, physical and communication barriers continue to exclude and marginalize 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 emphasizes 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 is 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 (5) strategic outcome-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 reflecting historically where we come from and some of the significant milestones 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 three (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 creating an enabling environment for all licensees to participate equally in the sport and for opening avenues for the broadcasting of tournaments across the lengths and breadths 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 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 Sport, 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.

7.9. 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, is also bound by the rules and the regulations of the following international sanctioning bodies that are recognised by Boxing SA:

- 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 recognize any other world boxing sanctioning bodies that may come into existence in near future.

7.10. THE CONSOLIDATED MANDATE OF BSA

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
Boxing development in South Africa	To facilitate the establishment and effective coordination of all boxing structures (associations of licensees).
	To establish and maintain good and productive relations with international boxing control bodies.
	To promote and market the activities of Boxing SA as a leading brand.
	To champion the development of boxing infrastructure for recreational and competitiveness purposes.
Being a regulatory body for professional boxing in South Africa	To facilitate and coordinate the skills development programmes amongst the licensees within the boxing fraternity.
	To establish effective dispute resolution mechanisms and to mitigate all disputes that may arise amongst the licensees within the boxing fraternity.
	To develop the skills development framework and foster partnerships with relevant stakeholders for its realisation and implementation.
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.	

7.11 BSA FUNCTIONS

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

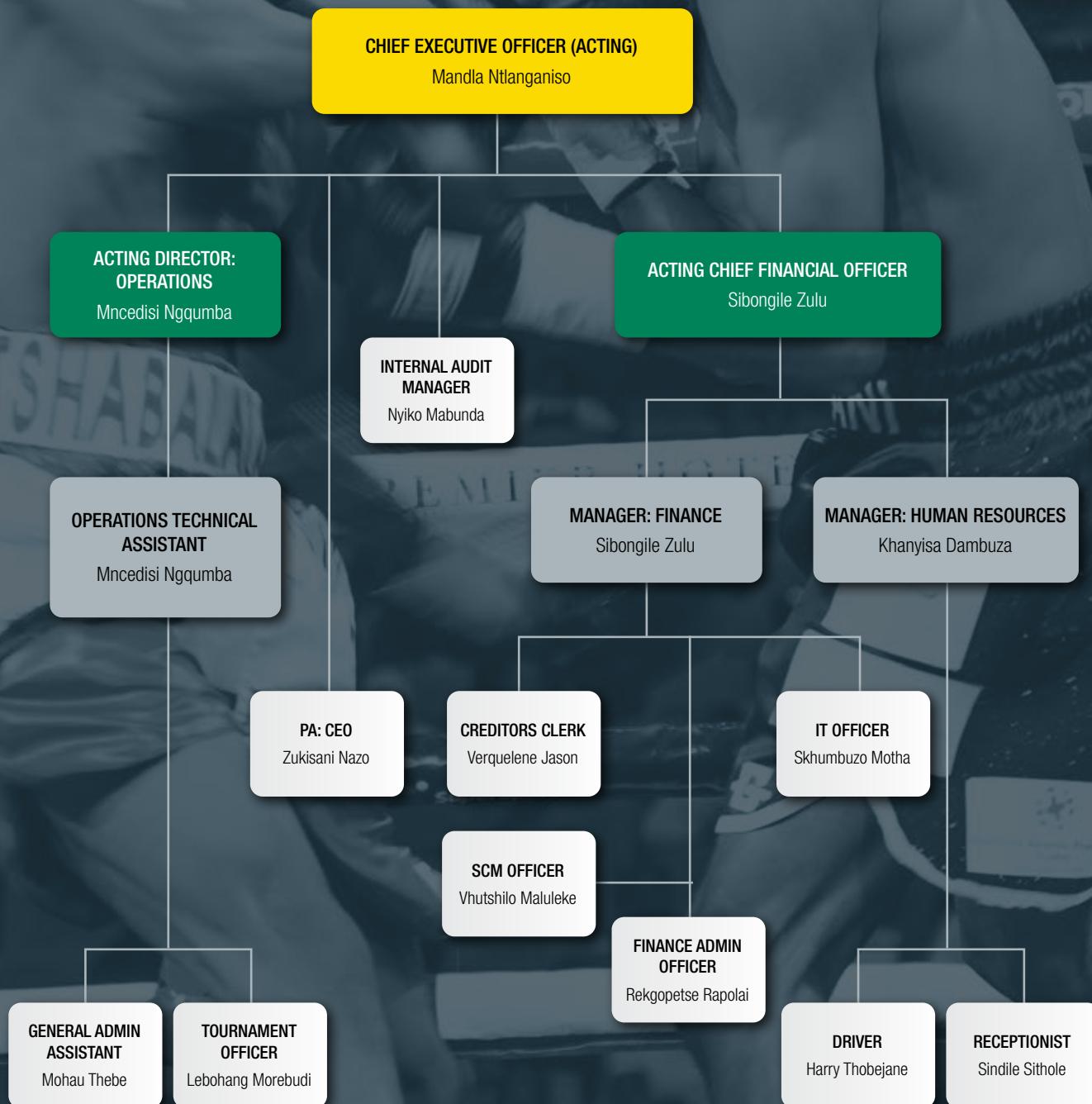
NO.	CORE FUNCTIONS
1.	To undertake the registration and licensing of all practitioners in the professional boxing fraternity, and to always maintain a reliable data base.
2.	To sanction the staging of professional boxing tournaments based on the rules and regulations of BSA.
3.	To promote and recognize good talent, outstanding performance and exemplary behaviour by boxing licensees, 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 an 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.

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 dramatically.

8. ORGANISATIONAL STRUCTURE

BSA is a 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. To service the provinces, Boxing SA has appointed provincial managers who are not employees of BSA, but rather service providers appointed through contracts to serve as agencies of Boxing SA at provincial level, as well as tournament supervisors whenever there are tournaments taking place at their respective provinces.





PART B **PERFORMANCE INFORMATION**

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA/auditor 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 no 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 paragraph 21 of the Report of the Auditors Report, published as Part F: Financial Information.



2. OVERVIEW OF PERFORMANCE

2.1 SERVICE DELIVERY ENVIRONMENT

In the preparation for the 2023/2024 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 underpin 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 which 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 itself as the accounting authority 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 need to place itself at the cutting edge of the renewal of boxing by proving

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

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 to progress. The upshot of this process led to the following milestones amongst others:

- Development and implementation of the turnaround plan
- Stabilisation of Boxing SA governance and administration
- Regression in audit outcomes during the 2023/2024

- 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
- Rising profile of boxing locally and internationally

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

2.2. ORGANISATIONAL ENVIRONMENT

Notwithstanding the strong pronouncement of the South African Boxing Act of 2001 on Boxing South Africa's relations with international boxing bodies, Boxing SA'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, 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 international boxing bodies.

BSA LICENSEE ASSOCIATIONS

BSA has created a Newly Elected National Professional Promoters Association (NPPA), which acts as the voice for duly elected promoters, provincial affiliates, athletes and the government. Boxing as a legislated sport managed according to an act of parliament is in the process of being re-invigorated according to our current sporting climate so that it is relevant and actionable in South Africa's social and economic climate. We are all interrelated and can thrive as a cohesive unit for the betterment of boxing.

INTERNAL ENVIRONMENT ANALYSIS

Cabral made this point as far back as 1966 when he stated 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 placing boxing on an upward trajectory and thus catapulting it into its rightful place amongst the elite sports in the motherland, South Africa. That is Boxing South Africa's vista. That is Boxing South Africa's horizon.

For that reason, Boxing South Africa 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.

Boxing South Africa is therefore called upon to study the patterns, relationships and context within which it enacts its mandate and proffer appropriate responses and carefully select choices that will place professional boxing to an advantageous position in relation to its strategic posture and imaginations. Within that Boxing South Africa need to commit itself to utilise 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 with respect to the management of finances as evidenced specifically by the audit outcomes of 2022/2023.
- Inadequate or inefficacious stakeholder management, particularly relationships 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.

ADMINISTRATION CAPACITY

Since the 2020/2021 financial year, Boxing South Africa has faced ongoing leadership instability, with three different Acting Chief Executive Officers (CEOs) holding the position during this time. As of this report, the CEO position remains vacant. The tragic murder of the Chief Financial Officer (CFO) in February 2024 has further exacerbated the leadership

challenges, leaving all three critical executive positions—CEO, Director of Operations, and CFO—occupied by acting personnel.

While the organization has made efforts to maintain continuity in operations, several divisions are struggling with inadequate capacity. Key operational functions such as Information Technology (IT), Internal Audit & Risk Management, and Human Resources are each staffed by only one employee, which places a considerable strain on these units. This lack of adequate staffing has hindered the organization's ability to function optimally, as each of these critical divisions is severely stretched in managing day-to-day responsibilities and broader strategic objectives.

The limited capacity in these divisions, combined with the acting status of the executive team, has delayed decision-making processes and created operational bottlenecks. The absence of sufficient personnel in key departments also limits the organization's agility in responding to emerging issues and fulfilling its regulatory mandate.

Filling the vacant executive roles and addressing the staffing shortages in these essential units are critical steps toward restoring Boxing SA's full administrative capacity and operational efficiency.

PARTNERSHIPS

BSA believes in establishing and leveraging off solid partnerships with members, affiliations, athletes, promoters, broadcasters, provincial government and parliament. Therefore, BSA has concluded Memorandums of Understanding (MOUs) with provincial departments, which have been welcomed with open arms into the boxing fraternity.

LABOUR DISPUTES

In August 2023, Boxing South Africa's Director of Operations was suspended due to a labor-related matter. This suspension impacted the operational leadership within the organization, contributing to the challenges faced during this period. The Director of Operations was subsequently reinstated in December 2023, following the appointment of the then New board appointed on the 12 December 2024. The temporary absence of a key executive further highlighted the organization's need for stable and consistent leadership to ensure seamless operations and strategic execution.

LITIGATION

In October 2023, the Boxing South Africa board resolved to settle a long-standing legal dispute with the dismissed former CEO. This legal battle, which had been in the courts for over 10 years, had drained both organizational resources and focus. After careful consideration, the board decided to settle the matter out of court, aiming to bring closure to the marathon case and allow Boxing SA to redirect its attention and resources toward its core operations and future growth.

PRIORITY INTERVENTIONS: 2020-2025

to enhance the performance of BSA the organization seeks to prioritize the following:

- Building the capacity of the organization to regulate the boxing sector and this will include increasing the compliance inspections;
- Increasing awareness of promoters about 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 organizational structure with the strategic plan and to maximize efficiencies;
- Reviewing the funding model for BSA; and
- Supporting the establishment of associations to ensure the equitable boxing environment exist for all stakeholders.

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



CAPACITY AT PROVINCIAL LEVEL

During the 2023/2024 financial year, Boxing South Africa (Boxing SA) appointed five provincial managers to enhance its operational effectiveness and provincial representation. The appointed managers and their areas of responsibility are as follows: one Provincial Manager for the Eastern Cape, one Provincial Manager for Gauteng, North West, and Free State provinces, one Provincial Manager for Limpopo and Mpumalanga provinces, one Provincial Manager for the Western Cape and Northern Cape provinces, and one Provincial Manager for KwaZulu-Natal. This strategic appointment aims to ensure more efficient management and promotion of boxing activities across these regions.

2.3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Boxing South Africa has made notable strides in the 2023-2024 financial year towards achieving the impacts and outcomes outlined in our Strategic Plan, which align with the broader objectives of the 2019-2024 Medium Term Strategic Framework (MTSF) and, where applicable, the Provincial Growth and Development Strategy (PGDS).

STRATEGIC PLAN ALIGNMENT AND KEY OUTCOMES

Our Strategic Plan has been centered on the promotion, development, and regulation of boxing in South Africa, with specific focus areas including athlete development, event quality, and the sustainability of the sport. Throughout the five-year period, we have aimed to achieve the following key outcomes:

INCREASED PARTICIPATION AND DEVELOPMENT IN BOXING

Outcome Indicator: Increase in the number of licensed boxing practitioners.

Progress: As of the 2023-2024 financial year, Boxing South Africa licensed 1,025 boxing practitioners, including three world champions. This represents significant progress toward our target of expanding the sport's reach and increasing participation, particularly at the grassroots level.

ENHANCED VISIBILITY AND POPULARITY OF BOXING

Outcome Indicator: Number of tournaments sanctioned and broadcasted.

Progress: During the year under review, we successfully sanctioned 60 tournaments, which not only elevated the profile of the sport but also contributed to the economic upliftment of the communities involved. Our efforts to increase the visibility of boxing through partnerships with broadcasters and promoters have been pivotal in achieving this outcome.

GENDER INCLUSIVITY AND WOMEN EMPOWERMENT IN BOXING

Outcome Indicator: Establishment of women-centered programs.

Progress: We are committed to the development of women in our sport, which is evidenced by the launch of the Women In Boxing Series. This program, established solely for women practitioners, marks a significant step towards gender inclusivity and empowerment within the sport.

AMENDMENTS TO THE STRATEGIC PLAN

During the year under review, there were no significant amendments to the Strategic Plan. However, in response to emerging challenges and opportunities, we have made minor adjustments to our operational strategies to ensure alignment with our long-term goals and the dynamic environment in which we operate. These adjustments were necessary to enhance our responsiveness to financial constraints and to capitalize on new opportunities for growth and development in the sport.

Overall, Boxing South Africa has made substantial progress towards achieving the five-year targets set out in our Strategic Plan. Our commitment to operational excellence, inclusivity, and strategic partnerships has enabled us to contribute meaningfully to the MTSF and PGDS, ensuring that boxing remains a vibrant and growing sport in South Africa. We remain focused on building on these successes as we continue to drive the sport forward in the years to come.

CONTRIBUTION TO THE MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) AND PGDS

Boxing South Africa's efforts have contributed directly to several priority areas of the MTSF, including social cohesion, nation-building, and economic transformation through sport. The increase in licensed practitioners and the successful execution of multiple tournaments have directly supported the broader goals of fostering unity and promoting a healthy lifestyle among South Africans. Additionally, the economic impact of our events, particularly in rural and underserved areas, aligns with the objectives of the PGDS, where applicable, by contributing to local economic development.



3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

BSA's outcomes will be measured over three programme areas which will enable the organisation to coordinate the delivery of services based on its mandate and further provide the basis for budgeting and allocation of resources. The three program areas are,

Program 1: Governance and Administration

Program 2: Boxing Development

Program 3: Boxing Promotion

3.1 DASHBOARD: OVERALL PERFORMANCE

DASHBOARD: OVERALL PERFORMANCE

PROGRAMME 1: GOVERNANCE AND ADMINISTRATION			
OUTPUT INDICATORS	ACHIEVED	NOT ACHIEVED	OUTPUT INDICATORS NOT ACHIEVED
6	3	3	Percentage of Board resolutions actioned Percentage of internal and external audit findings resolved. External Audit outcome
PROGRAMME 2: BOXING DEVELOPMENT			
OUTPUT INDICATORS	ACHIEVED	NOT ACHIEVED	OUTPUT INDICATORS NOT ACHIEVED
6	6	0	None
PROGRAMME 3: BOXING PROMOTION			
OUTPUT INDICATORS	ACHIEVED	NOT ACHIEVED	OUTPUT INDICATORS NOT ACHIEVED
4	4	0	None

3.1 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 mobilization and lobbying

PERFORMANCE OVERVIEW

This programme area has six (6) output indicators and during the period under review, three (3) indicator targets were achieved. The table below outlines each output indicator and its targets.

PROGRAMME 1: GOVERNANCE AND ADMINISTRATION								
OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2020/2021	AUDITED ACTUAL PERFORMANCE 2021/2022	PLANNED ANNUAL TARGET 2023/2024	ACTUAL ACHIEVED 2023/2024	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT	REASON FOR REVISIONS TO THE OUTPUT INDICATORS
Governance and Oversight	Board meetings	Percentage of board resolutions actioned	N/A	65%	100%	0%	-100%	Inability to calculate the percentage due to the movement of due dates. None
	Audit Committee Meetings	Percentage of internal and external audit findings resolved	N/A	38%	100%	61%	-39%	Action plans not fully implemented None
		External audit outcome on previous year's financial statements	N/A	Unqualified audit with no material findings	Unqualified audit with no material findings	Qualified audit	Unqualified audit with no material findings	Material Findings and Non-Compliance None
Improved Administrative Capacity	Policies and Procedures	Procurement percentage on an affirmative basis	N/A	94%	65%	100%	+35%	Procurement was obtained from suppliers who were BBBEE compliant None
		Number of Policies and Procedures reviewed and approved	7	10	6	7	+1	Management identified a new policy that needed to be implemented and other policies needed to be reviewed.
	Performance Management and Development	Number of Performance Management and Development Reports approved	2	2	2	2	0	None None

STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

BOARD RESOLUTIONS:

Action Plan: Streamline the board resolution process by ensuring timely submission of documentation, setting clear deadlines for board decision-making, and improving coordination between the board and management.

Monitoring: Implement a tracking system to monitor progress on resolutions and ensure timely follow-ups.

EXTERNAL AUDIT OUTCOME ON PREVIOUS YEAR FINANCIAL STATEMENTS

Action Plan: Focus on addressing key audit findings by enhancing financial management practices, ensuring compliance with applicable regulations, and rectifying prior issues flagged by AGSA.

Audit Preparation: Establish an internal audit review mechanism prior to the external audit to identify and resolve potential issues early.

PERCENTAGE OF EXTERNAL AND INTERNAL AUDIT FINDINGS RESOLVED

Action Plan: Assign clear responsibilities for implementing the AG Action Plan, and allocate resources to critical areas. Develop a detailed timeline with milestones to ensure each action point is addressed.

Monitoring: Conduct monthly progress reviews to ensure the AG Action Plan is being implemented effectively and address any delays promptly.

CHANGES TO PLANNED TARGETS

There were no changes made in the 2023/2024 APP to the output indicators or adjustments to the budget.

LINKING PERFORMANCE WITH BUDGETS:

PROGRAMME 1: GOVERNANCE AND ADMINISTRATION	2022/2023			2023/2024		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	OVER/UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	OVER/UNDER EXPENDITURE R'000
Compensation	7 273	7 273	-	8 904	17 578	(8 674)
Goods & Services	12 487	12 564	(77)	11 994	18 973	(6 979)
Total	19 760	19 837	(77)	20 898	36 551	(15 653)

3.2 PROGRAMME 2: BOXING DEVELOPMENT

The purpose of this program is 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 the following sub-programmes:

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

PERFORMANCE OVERVIEW

This programme area is the most important one in the life of BSA since it relates to boxing development and focuses on activities related to tournaments and training and development. This programme has six (6) output indicator targets and achieved all (6) of these targets. which accounts to 100% performance achievement.

PROGRAMME 2: BOXING DEVELOPMENT									
OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2021/2022	AUDITED ACTUAL PERFORMANCE 2022/2023	PLANNED ANNUAL TARGET 2023/2024	ACTUAL ACHIEVED 2023/2024	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	REASON FOR REVISIONS TO THE OUTPUT INDICATORS
Trained and Developed Boxing Practitioners	Trained licensees	Number of boxing practitioners trained	100	150	200	201	+1	None	None
	Licensed boxing practitioners	Number of boxing practitioners licensed	800	1098	800	1025	+ 225	None	None
Effective and Easy to Understand Licensing	Licensing of women boxing practitioners	Number of women licensed	50	123	80	128	+48	None	None
	Monthly boxers' ratings	Number of ratings compiled	6	12	12	12	0	None	None
Credible and Regular Boxers' Ratings	Sanctioned tournaments	Number of sanctioned tournaments	30	86	60	60	0	None	None
	Safe and compliant tournament and training venues	Number of tournaments venues inspected	30	86	60	60	0	None	None

STRATEGY TO OVERCOME AREAS OF UNDER-PERFORMANCE

N/A.

CHANGES TO PLANNED TARGETS

There were no changes made in the 2023/2024 APP to the output indicators or the budget.

LINKING PERFORMANCE WITH BUDGETS:

PROGRAMME 2: BOXING DEVELOPMENT	2022/2023			2023/2024		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	OVER/UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	OVER/UNDER EXPENDITURE R'000
Compensation	3 117	3 117	0	1 824	1 824	0
Goods & Services	2 551	2 551	0	1 906	1 906	0
Total	5 668	5 668	0	3 730	3 730	0



3.3 PROGRAMME 3: BOXING PROMOTION

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 the sport's further development. It comprises of the following sub-programmes:

- a. Marketing and branding
- b. Communication
- c. Events Coordination
- d. Revenue generation

PERFORMANCE OVERVIEW

Programme 3 comprises of three (3) output indicators, and all these were achieved. The table below outlines each output indicator and its targets.

PROGRAMME 3: BOXING PROMOTION									
OUTCOME	OUTPUT	OUTPUT INDICATOR	AUDITED ACTUAL PERFORMANCE 2021/2022	AUDITED ACTUAL PERFORMANCE 2022/2023	PLANNED ANNUAL TARGET 2023/2024	ACTUAL ACHIEVED 2023/2024	DEVIATION FROM PLANNED TARGET TO ACTUAL ACHIEVEMENT	REASONS FOR DEVIATIONS	REASON FOR REVISIONS TO THE OUTPUT INDICATORS
Implementation of boxing's marketing and communication strategy	Boxing publications and articles	Number of published boxing publications	4	4	4	4	N/A	N/A	N/A
Implementation of the Revenue Generation Strategy Initiatives	Increased budget and revenue	Number of Revenue-Generation Strategy initiatives implemented	2	2	2	2	N/A	N/A	N/A
Improved Administrative Capacity	Partnerships and collaborations	Number of stakeholder relations engagement held	0	2	5	5	N/A	N/A	N/A
Implementation of boxing flagship programmes	Boxing awards	Number of boxing awards hosted	N/A	N/A	1	1	0	N/A	N/A

STRATEGY TO OVERCOME AREAS OF UNDER PERFORMANCE

N/A.

CHANGES TO PLANNED TARGETS

There were no changes made in the 2023/2024 APP to the output indicators or adjustments to the budget.

LINKING PERFORMANCE WITH BUDGETS:

PROGRAMME 3: BOXING PROMOTION	2022/2023			2023/2024		
	BUDGET R'000	ACTUAL EXPENDITURE R'000	OVER/UNDER EXPENDITURE R'000	BUDGET R'000	ACTUAL EXPENDITURE R'000	OVER/UNDER EXPENDITURE R'000
Compensation	0	0	0	0	0	0
Goods & Services	2 833	2 833	0	2 727	2 727	0
Total	2 833	2 833	0	2 727	2 727	0



4. REVENUE COLLECTION

During the 2023/2024 financial year, Boxing South Africa sanctioned 60 tournaments, generating revenue through these events. The tournaments, which showcased both male and female boxers, contributed to the organization's income while promoting the sport at various levels. The table below provides estimates of the revenue collected from these tournaments, along with a list of male and female champions who emerged from the sanctioned events during the year.

SOURCES OF REVENUE	2022/2023			2023/2024		
	ESTIMATE R'000	ACCRUED AMOUNT R'000	OVER/UNDER COLLECTION R'000	ESTIMATE R'000	ACCRUED AMOUNT R'000	OVER/UNDER COLLECTION R'000
Sanctioning fees	1 453	1 453	0	1 100	1 100	0
Licensing fees	842	842	0	713	713	0
Fines, Penalties and Forfeits	0	0	0	0	0	0
Interest	715	715	0	912	912	0
Sport, Art & Culture: Transfer	19 668	19 668	0	19 918	24 463	(4545)
Application Fees	50	50	0	28	28	0
Safety & Public Liability	447	447	0	321	321	0
Other income: Sponsorship	4 991	4 991	0	4 805	4 805	0
Total	28 261	28 261	0	27 797	32 342	(4545)

	WEIGHT DIVISION	SA CHAMPIONS	INTERNATIONAL/ WORLD
1.	Heavyweight	Potgieter Shaun	Lerena Kevin
2.	Junior Heavyweight	Mchunu Thabiso	-
3.	Light Heavyweight	Vacant	Sizani Luvuyo
4.	Super Middleweight	Vellel Asemahle	-
5.	Middleweight	Bopape John	-
6.	Junior Middleweight	Koopman Shervantaigh	Knapp Roarke
7.	Welterweight	Mbenge Thulani	-
8.	Junior Welterweight	Ntethelolo Nkosi	Kuse Siyakholwa
9.	Lightweight	Busakwe Khaya	-
10.	Junior Lightweight	Gingqi Asanda	Sitemela Lunga
11.	Featherweight	Batyi Zolisa	Dlamini Lerato
12.	Junior Featherweight	Mahlangu Bongani	Bonokoane Thato
13.	Bantamweight	Ngxeke Landile	Ngxeke Landile
14.	Junior Bantamweight	Cafu Phumelela	Malajika Richardo
15.	Flyweight	Sibisi Nkosingiphile	Chauke Jackson
16.	Junior Flyweight	Tshabalala Mpumelelo	Nontshinga Sivenathi
17.	Mini Flyweight	Kuse Siyakholwa	-



SOUTH AFRICAN NATIONAL CHAMPIONS AS OF 31 MARCH 2024

FEMALE


	WEIGHT DIVISION	SA CHAMPIONS	INTERNATIONAL/ WORLD
1.	Heavyweight	Vacant	-
2.	Junior Heavyweight	Mohammed Razel	-
3.	Light Heavyweight	Vacant	-
4.	Super Middleweight	Vacant	-
5.	Middleweight	Ngubane Mapule	Ngubane Mapule
6.	Junior Middleweight	Vacant	-
7.	Welterweight	Vacant	-
8.	Junior Welterweight	Vacant	-
9.	Lightweight	Van Jaarsveldt	-
10.	Junior Lightweight	Ngema	-
11.	Featherweight	Vacant	-
12.	Junior Featherweight	Bell Nozipho	Bell Nozipho
13.	Bantamweight	Fortuin Sharadene	-
14.	Junior Bantamweight	Zuma	Ziqubu Bathabile
15.	Flyweight	Hadebe Simangele	Hadebe Simangele
16.	Junior Flyweight	Mathonsi Nozwelethu	-
17.	Mini Flyweight	Thobela Nyanda	-



PART C GOVERNANCE

1. INTRODUCTION

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

On 12 December 2020, the Minister of Sport, Arts and Culture, 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.

2. PORTFOLIO COMMITTEES

During the period under review, BSA appeared once before the Portfolio Committee of Sport to present the 2022/2023 Annual Report as well as the 2023/2024 Annual Performance Plan.

3. EXECUTIVE AUTHORITY

The support and guidance which BSA continues to enjoy from the Department of Sport, Arts and Culture and the Minister in particular, is highly commendable. BSA had several engagements with the Executive Authority through his involvement and direct support to various boxing programmes and active participation in boxing promotion activities.

In the period under review BSA, held update meetings with the Minister.

4. THE ACCOUNTING AUTHORITY / BOARD

Board Composition: (1 April 2023 to 11 December 2023)

i.	Mr. Luthando Jack	Chairperson
ii.	Mr. Gilberto Martins	Member
iii.	Mr. Khulile Radu	Member
iv.	Mr. Sakhile Sodo	Member
v.	Dr. Azwitamisi Nthangeni	Member
vi.	Mr. Erick Nsikayezwe Sithole (Acting CEO from January 2022)	Member
vii.	Mr. Suren Maharaj	Member

4.1 THE ROLE OF THE BOARD IS AS FOLLOWS:

The Board of Boxing South Africa plays a crucial role in the governance and strategic oversight of the organization. The Board's responsibilities are multifaceted and are designed to ensure that Boxing South Africa operates effectively, ethically, and in alignment with its mandate to promote and regulate the sport of boxing within the country. The key roles and responsibilities of the Board include:

1. STRATEGIC DIRECTION AND OVERSIGHT

Setting the Strategic Vision: The Board is responsible for setting the long-term strategic direction of Boxing South Africa, ensuring that the organization's goals and objectives align with its mission to promote, develop, and regulate boxing in South Africa.

Approval of Strategic Plans: The Board reviews and approves the organization's Strategic Plan, Annual Performance Plans, and key policies that guide the operations of Boxing South Africa.

2. GOVERNANCE AND COMPLIANCE

Ensuring Good Governance: The Board ensures that Boxing South Africa adheres to the principles of good governance, including transparency, accountability, and ethical conduct. It oversees the implementation of governance frameworks and compliance with applicable laws and regulations.

Oversight of Management: The Board provides oversight to the management team, ensuring that the organization's activities are conducted in line with the approved strategic plans and that management operates within the agreed policies and frameworks.

3. FINANCIAL OVERSIGHT

Approval of Budgets: The Board is responsible for reviewing and approving the organization's budget, ensuring that financial resources are allocated efficiently and effectively to meet strategic goals.

Financial Performance Monitoring: The Board monitors the financial performance of Boxing South Africa, including reviewing financial statements, ensuring proper financial controls are in place, and overseeing the audit process.

4. RISK MANAGEMENT

Risk Identification and Mitigation: The Board oversees the identification and management of risks that could impact the organization. It ensures that appropriate risk management strategies and controls are in place to mitigate these risks.

Crisis Management: In times of crisis or instability, such as financial distress or legal challenges, the Board plays a key role in guiding the organization through these challenges and ensuring continuity of operations.

5. STAKEHOLDER ENGAGEMENT

Building Relationships: The Board is responsible for building and maintaining relationships with key stakeholders, including the Department of Sport, Arts, and Culture, sponsors, broadcasters, promoters, and the broader boxing community.

Public Representation: The Board represents Boxing South Africa in public forums, ensuring that the organization's interests are well-represented and that it maintains a positive public image.

6. ETHICAL LEADERSHIP AND CULTURE

Promoting Ethical Standards: The Board is tasked with promoting a culture of ethical behavior and integrity within Boxing South Africa. It ensures that the organization's values are upheld at all levels.

Fostering Inclusivity: The Board is committed to fostering inclusivity within the sport, ensuring that initiatives such as the Women In Boxing Series and other development programs receive the necessary support and resources.

7. PERFORMANCE EVALUATION

Evaluating Organizational Performance: The Board regularly evaluates the performance of Boxing South Africa against its strategic goals and objectives, making adjustments where necessary to improve outcomes.

Management Performance Review: The Board conducts regular reviews of the performance of the CEO and senior management to ensure that leadership is effective and aligned with the organization's strategic direction.

8. SUCCESSION PLANNING

Leadership Continuity: The Board is responsible for ensuring that there is a succession plan in place for key leadership positions within the organization, including the CEO, to maintain stability and continuity in leadership.

9. DECISION-MAKING

Major Decisions: The Board is responsible for making key decisions that impact the direction and operations of Boxing South Africa, including the approval of major initiatives, partnerships, and investments.

4.2 BOARD CHARTER BOARD CHARTER OVERVIEW

The Board Charter of Boxing South Africa is a critical governance document that outlines the roles, responsibilities, and functioning of the Board. It serves as a guide for the Board members in the execution of their duties and ensures that the Board operates in a manner consistent with the principles of good governance, transparency, accountability, and ethical leadership.

The key elements of the Board Charter include:

- Purpose and Scope:** The Charter defines the purpose of the Board and its scope of authority. It sets out the Board's responsibility for providing strategic direction, overseeing the management of the organization, and ensuring the sustainability and success of Boxing South Africa.
- Roles and Responsibilities:** The Charter clearly outlines the roles and responsibilities of the Board, including strategic planning, financial oversight, risk management, governance, and stakeholder engagement. It also delineates the duties of individual Board members, including the Chairperson, and the expectations for their conduct and performance.
- Board Composition and Structure:** The Charter specifies the composition of the Board, including the mix of skills, experience, and diversity required to effectively govern the organization. It also outlines the procedures for the appointment, induction, and evaluation of Board members.
- Meetings and Decision-Making:** The Charter details the procedures for Board meetings, including the frequency of meetings, quorum requirements, and the process for decision-making. It emphasizes the

importance of informed, timely, and effective decision-making to fulfill the Board's duties.

5. Committees of the Board: The Charter provides for the establishment of various committees, such as the Audit and Risk Committee, which assist the Board in carrying out its responsibilities. It defines the mandate, composition, and reporting requirements of these committees.
6. Code of Conduct and Ethics: The Charter includes a code of conduct for Board members, emphasizing the importance of integrity, transparency, and accountability. It sets expectations for ethical behavior and the management of conflicts of interest.
7. Review and Amendments: The Charter stipulates that it should be reviewed periodically to ensure it remains relevant and effective in guiding the Board's activities. It allows for amendments to be made as necessary to address changing circumstances or governance best practices.

Progress on Compliance with the Board Charter

During the 2023-2024 financial year, Boxing South Africa made significant progress in complying with the provisions of the Board Charter. Key areas of compliance include:

1. Strategic Planning and Oversight: The Board effectively fulfilled its role in providing strategic direction and oversight. The Board's involvement in the development and approval of the Strategic Plan and Annual Performance Plans ensured that the organization's activities were aligned with its long-term goals.
2. Governance and Risk Management: The Board demonstrated strong governance practices by regularly reviewing and updating governance policies and frameworks. The effective functioning of key committees, such as the Audit and Risk Committee, further strengthened the Board's oversight of risk management and financial controls.
3. Board Meetings and Decision-Making: The Board adhered to the meeting schedule outlined in the Charter, with all required meetings being held and quorum achieved. Decisions were made in accordance with the procedures set out in the Charter, ensuring transparency and accountability in the Board's actions.

4. Ethical Leadership and Conduct: The Board maintained a high standard of ethical conduct throughout the year. Board members adhered to the code of conduct, and there were no significant issues related to conflicts of interest or breaches of ethical standards.
5. Board Evaluation and Development: The Board conducted a self-evaluation process to assess its effectiveness and identify areas for improvement. Additionally, induction programs were provided for new Board members to ensure they were fully informed of their roles and responsibilities.
6. Stakeholder Engagement: In line with the Charter, the Board engaged actively with key stakeholders, including the Department of Sport, Arts, and Culture, sponsors, and the boxing community. This engagement was crucial in aligning the organization's objectives with the needs and expectations of its stakeholders.

AREAS FOR IMPROVEMENT

While significant progress has been made, there are areas where further improvement is required to ensure full compliance with the Board Charter:

1. Timely Review of the Charter: Although the Charter is reviewed periodically, there is a need to establish a more structured schedule for its review and update, ensuring it reflects the latest governance best practices and regulatory requirements.
2. Enhanced Monitoring of Compliance: The Board should implement a more robust system for monitoring ongoing compliance with the Charter's provisions, particularly in areas related to risk management and ethical conduct.
3. Continuous Development: The Board should continue to invest in the development and training of its members to ensure they remain equipped to handle the evolving challenges facing the organization.

4.3 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
Luthando Jack	Chairperson	Dec 2020	In-Active	<ul style="list-style-type: none"> - National Diploma: Public Management & Admin - BTech. Public Management - Bachelor of Philosophy: Information and Knowledge Management - Masters: Commerce 	<ul style="list-style-type: none"> Strategy Development Project Management Monitoring and Evaluation 	N/A	Renew, Grow & Transform	13
Gilberto Martins	Member	Dec 2020	In-Active	<ul style="list-style-type: none"> - B Arch (Wits) Arch SA, - MI Arch, - BA (UNISA), Philosophy, Economics 	<ul style="list-style-type: none"> Governance and Administration Finance Management Strategy Development Monitoring and Evaluation 	N/A	<ul style="list-style-type: none"> Finance, Organisational Development and Resource Mobilisation Audit Committee 	13
Sakhiwe Sodo	Member	Dec 2020	In-Active	<ul style="list-style-type: none"> - HDE - BA Hons - BA - Diploma: Labour Law 	Boxing Administration	N/A	Sanctioning Committee	12
Dr. Azwitamisi Nthangeni	Member	Dec 2020	In-Active	<ul style="list-style-type: none"> - Doctoral Degree: Organizational Change Management - Master's Degree in Sport 	Sports Administration	N/A	Women in Boxing Committee	13
Mr. Erick Nsikayezwe Sithole	Member: from 4th Jan 2022, member was seconded to act in the position of CEO within the entity.	Dec 2020	In-Active	<ul style="list-style-type: none"> - Master's Degree in Business Administration - Post Graduate Diploma: Business Management and Administration - Post Graduate Qualification: Professional Accountant - BCom Degree: Internal Auditing - National Diploma: Financial Management 	Audit and Risk Management	N/A	<ul style="list-style-type: none"> Finance, Organisational Development and Resource Mobilisation 	Acting CEO
Mr. Suren Maharaj	Member	Dec 2020	In-Active	<ul style="list-style-type: none"> - Executive Finance Management Course - Fellow Member of the Institute of Directors Southern Africa - Green Belt Digital Six Sigma Professional - CA(SA) South African Institute of Chartered Accountant - Hons. BCompt Degree - BCom Degree 	<ul style="list-style-type: none"> Finance and Operations Management Supply Chain Management Auditing and Risk Management 	N/A	<ul style="list-style-type: none"> Finance, Organisational Development and Resource Mobilisation Audit Committee 	13
Mr. Khulile Radu	Member	October 2022	In-Active	N/A	Boxing Expert	N/A	Back-to-Basic Committee	13

4.4 COMMITTEES

4.4.1 SANCTIONING COMMITTEE

This Committee oversees the approval of tournaments in line with the prescripts of the Act and regulations. As of 31 March 2021, the Sanction Committee was constituted by three (3) members. The Board that took office on 12 December 2020 appointed the new committee in line with section 7 (1)(y) of Act.

NAME	INTERNAL OR EXTERNAL	POSITION IN THE PUBLIC ENTITY	DATE APPOINTED	STATUS OR DATE OF RESIGNATION	NO. OF MEETINGS ATTENDED
Mr. Sakhile Sodo (Chairperson)	Internal	Board Member	January 2021	Term ended on the 12 December 2023	3
Mr. Bongani Magasela	External	N/A	January 2021	Term ended on the 12 December 2023	3
Mr. Irvin Buhlulu	External	N/A	January 2021	Active	3

4.4.2 RATINGS COMMITTEE

The primary mandate of the Ratings Committee is to generate and issue boxer's monthly ratings. The Committee was constituted by three (3) members till the reconstitution of the Committee by the Board in January 2021. The same number of Committee members were appointed to comply with the Act and ensure effectiveness.

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	N/A	January 2021	Active	3
Mr. Mesuli Zifo	External	N/A	January 2021	Term ended on the 12 December 2023	3
Mr. Thabo Tutu	External	N/A	January 2021	Resigned in October 2023	3

4.4.3 FINANCE, ORGANISATIONAL DEVELOPMENT AND RESOURCE MOBILISATION COMMITTEE

The Finance, Organisational Development and Resource Mobilisation Committee is responsible for overseeing the financial management, organizational development, and resource mobilization strategies of Boxing South Africa. This committee ensures the financial sustainability of the organization by monitoring budgeting, financial performance, and reporting. It also guides the development of organizational capacity, including human resources and operational efficiency, while actively seeking and securing funding and resources necessary to support the strategic objectives and long-term growth of Boxing South Africa.

NAME	INTERNAL OR EXTERNAL	POSITION IN THE PUBLIC ENTITY	DATE APPOINTED	STATUS OR DATE OF RESIGNATION	NO. OF MEETINGS ATTENDED
Mr. Suren Maharaj (Chairperson)	Internal	Board Member	January 2021	December 2023	5
Mr. Gilberto Martins	Internal	Board Member	January 2021	December 2023	5
Adv. Matefo Majodina	External	N/A	April 2023	December 2023	5

4.4.4 MEDICAL COMMITTEE

The Medical Advisory Committee was first established in November 2017. It is constituted by a national committee of five (5) members across four (4) provinces with the most tournament activities. The Committee members are medical doctors with different expertise and skills.

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	January 2021	Active	4
Dr. Amanda Sihlobo	External	N/A	January 2021	Active	0
Dr. Leopoldt Erasmus	External	N/A	January 2021	Active	1
Dr. Buyi Mabaso	External	N/A	January 2021	Active	4
Dr. Malefetsane Ngatane	External	N/A	January 2021	Active	4

4.4.5 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 two (2) members, whom one is a Board member, and the other member is an external member. The work of this commission has been very instrumental in the implementation of the Women in Boxing programme, particularly the second leg of this programme, 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	January 2021	December 2023	3
Ms. Lebogang Motsoeli	External	N/A	August 2021	December 2023	3

4.5 BOARD REMUNERATION

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

NAME	REMUNERATION	OTHER ALLOWANCE	OTHER REIMBURSEMENTS	TOTAL
Mr. G. Martins	R 61 814	R 4 000		R 65 814
Ms. Z. Kabini	0	0		0
Mr. L. Jack	R 118 214	R 5 600	-	R 123 814
Dr. A. Nthangeni	R 52 065	R 13 940		R 66 005
Mr. S. Sodo	R 52 065	R 5 361		R 57 426
Mr. S. Maharaj	R 77 618	R 16 313		R 93 913
Mr. K. Radu	R 50 070	R 4 228		R 54 298
Total	R 411 846	R 49 442		R 461 270

5. RISK MANAGEMENT

5.1 BOXING SOUTH AFRICA'S RISK DASHBOARD AND SCORE CARD

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

During the financial period under review, the entity has approved the following Risk Management Documents:

- Enterprise Risk Management Framework
- Risk Management Policy
- Enterprise Risk Management Strategy
- Fraud Prevention Policy
- Fraud Prevention Plan
- Disaster Recovery Policy
- Business Continuity Policy
- Business Continuity Plan

These risks are monitored, and their progress and ratings



are presented by Management to BSA Board and all its sub-committees throughout the financial year.

BSA's Audit and Risk Management Committee held a special Risk Management meeting during the financial year under the review to update and reassess its risks to ensure alignment with its strategic objectives and 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 2023/2024	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	Internal Audit conducted on tabling of approved Strategic plan, APP and Annual Reports	A	SGO
	Non-compliance with Risk Management Process including Fraud Prevention Plan	L	The documents have been approved.	A	SGO



BRAND AND COMMUNICATION

RISK	DESCRIPTION	RISK RATING	MITIGATION ACTIONS	PROGRESS IN 2021/2022	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 2021/2022	STRATEGIC OBJECTIVE
Going Concern	Insufficient financial resources to continue as a going concern	L	The Department of Sports, Arts and Culture has assisted the BSA with a baseline adjustment of R 5 Million Rands to deal with imminent financial pressures	A	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	M	To create and stream more boxing content		
Revenue Generations	Non-compliance to the debtor's collection policy	M	Continuous monitoring and tracking long outstanding debtors. Implemented 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 2021/2022	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' level	M	On-going engagements with key stakeholders	B	SEF

OPERATIONAL

RISK	DESCRIPTION	RISK RATING	MITIGATION ACTIONS	PROGRESS IN 2021/2022	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. Additional funds were provided by the department.	A	SGO

The total number of risks is 71, with no high/ critical risks, 18 of the medium risk and 53 of the low risks

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



6. INTERNAL CONTROL UNIT

Boxing South Africa, 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 Boxing SA 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 of the Board and its sub-committees of the Finance, ICT Governance and Resource Mobilisation Committee.

7. INTERNAL AUDIT AND RISK MANAGEMENT COMMITTEE

Boxing SA, during the 2020/2021 financial period has partially outsourced the internal audit and risk management function to an external service provider. The scope of work included high level review of financial information, whilst the recently appointed Internal Audit is responsible for but not limited to quarterly performance information, Risk Management and Fraud Implementation processes and any additional ad-hoc 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 regulatory audit.

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 provides technical advice and quality assurance on strategic and operational matters, this includes amongst others planning documents such as the Strategic Plan and the Annual Performance Plan, reporting documents such as the Annual Financial Statement, Annual Report and extend their expertise on any other matter which falls within the scope and ambit of the committee.

NAME	QUALIFICATIONS	INTERNAL OR EXTERNAL	POSITION IN THE PUBLIC ENTITY	DATE APPOINTED	DATE RETIRED	NO. OF MEETINGS ATTENDED
Ms. Sizo Mzizi	BTech Cost and Management Accounting BCom Hons: Financial Management CIMA CGISA	External	Audit Committee Chair	September 2022	Active	9
Ms. Matefo Majadina	PGD: Compliance Management; PGC: Money Laundering Control; PGC: Statutory Interpretation; PGC: Corporate Governance; Master's in Business Leadership	External	Audit Committee Member	September 2022	Active	9
Ms. Velile Ndlovu	Honours Bachelor of Accounting Science Master's in Business Administration (In-Progress)	External	Audit Committee Member	September 2022	Active	9
Mr. Gilberto Martins	B Arch (Wits) Arch SA, MI Arch, BA (UNISA), Pol, Philos, Econ	External	Board Member	June 2019 (Seconded by BSA Board)	Term ended December 2024	9
Mr. Suren Maharaj	MBA Executive Finance Management Course Fellow Member of the Institute of Directors Southern Africa Green Belt Digital Six Sigma Professional CA (SA) South African Institute of Chartered Accountant Hons. BCompt Degree BCom Degree Finance and Operations Management Supply Chain Management Auditing and Risk Management	External	Board Member	January 2021	Term ended December 2023	9





8. COMPLIANCE WITH LAWS AND REGULATIONS

Boxing South Africa has implemented a system of internal controls to monitor compliance monthly 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 permeated as part of the corporate culture.

Boxing South Africa 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 always executed and implemented in compliance with the Boxing Act and its regulations.

9. FRAUD AND CORRUPTION

Boxing South Africa 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 with strategy clearly defines:

Mechanism and systems to deal with allegations of fraud and corruption:

- i. Internal investigations

- ii. Matters referred to external or another law enforcement agency
- iii. Recovery of losses because of fraudulent activities
- iv. Feedback to reporters of fraud and corruption
- v. Confidentiality
- vi. Protection of whistle blowers

10 MINIMISING CONFLICT OF INTEREST

All officials and Management of Boxing South Africa sign and submit to Human Resources declaration forms annually to declare direct and indirect interest. All officials partaking in the 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 to participate in different forms and levels within the boxing environment to the extent that their participation may lead to possible conflict 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 disputes resolution matters.

11. CODE OF CONDUCT

All officials and management working for Boxing South Africa 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.

12. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Boxing South Africa 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, and officials from Boxing SA have been seconded to serve as fire marshals and safety officers to cover the health and safety issues.

13. SOCIAL RESPONSIBILITY

BSA can state that almost every weekend during the financial year under the review, a boxing match has taken place, proving that boxing as a sporting discipline is being re-engineered and enthusiastically received by our fellow citizens. A milestone achieved that has not been reached for several years in the past.

BSA's sole focus and drive has been on renewing, growing, and transforming the sport of boxing.

We are focused on harnessing burgeoning young talent and developing them as athletes from participation, identification, competing and sponsoring to becoming a champion of the discipline long after their retirement. Therefore, we are focusing on the mentorship of athletes not just inside the ring but outside as well, ranging from pension funds, medical aid etc. It is seen too many times in sports that our national talent becomes forgotten in time and sadly become financially ruined as well. BSA is a solid partner that endeavours to remain with our athletes – from cradle to grave.

14. AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

MS. SIZO MZIZI

We are pleased to present our report for the financial year ended 31 March 2022.

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

THE EFFECTIVENESS OF INTERNAL CONTROL

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:

- Quarterly Performance Information Reviews:
Conducted across all four quarters to ensure accuracy, validity, and completeness of reported performance data.
- Follow-Up Audits on AG Management Letter Action Plan:
Regular follow-ups to assess the implementation of corrective actions on audit findings from the Auditor-General.
- Leave Management Review:
A detailed review to evaluate the adequacy and effectiveness of internal controls surrounding leave management.
- Budget & Expenditure Management Audit:

Audited the controls and processes related to budget management and expenditure.

- Tournament Management Review:
Assessed the management and regulatory compliance of boxing tournaments.
- Internal Audit Findings Follow-Up Audits:
Conducted twice during the year (July 2023 and April 2024) to determine the extent to which management implemented corrective actions to address previously reported deficiencies.
- AFS High-Level Review:
A high-level review of the Annual Financial Statements (AFS) was conducted to ensure that the financial statements were prepared in compliance with the applicable standards and accurately reflected the financial position of Boxing South Africa

The following were areas of concern:

- Inadequate Controls Over Debtors Management:
Weaknesses were identified in the debtors management policy, including a lack of proper procedures for debt collection and follow-up on outstanding debts.
- Sanctioning Tournaments with Outstanding Documentation:
Several tournaments were sanctioned despite incomplete or missing essential documents, such as contracts and affidavits.
- Inconsistent Implementation of Corrective Actions:
Although some actions were taken to address previous audit findings, several critical areas, including debtors management and tournament management, remain unresolved or only partially resolved.

IN-YEAR MANAGEMENT AND MONTHLY/QUARTERLY

REPORT

Boxing South Africa has complied with the PFMA requirements by reporting monthly and quarterly to the Treasury. These reports provided insights into financial performance, budget utilization, and key operational metrics.

EVALUATION OF FINANCIAL STATEMENTS

We have reviewed the annual financial statements prepared by Boxing South Africa. The financial statements were found to be consistent with the underlying records and financial policies of the entity. However, the Auditor-General's report issued a qualified opinion, highlighting issues related to revenue from exchange transactions, general expenses, and receivables from exchange transactions.

AUDITOR'S REPORT

We reviewed the entity's implementation plan for addressing audit issues raised in the period under review. While some issues have been adequately resolved, significant unresolved matters include:

- Revenue Management:
There were deficiencies in the controls over revenue from exchange transactions, leading to an inability to verify that all revenue was accurately recorded.
- Receivables from Exchange Transactions:
Inadequate systems were noted for maintaining proper records of trade receivables, leading to overstated

receivables and an incorrect provision for impairment.

- General Expenses (Travel Expenses):
The Auditor-General was unable to obtain sufficient appropriate audit evidence for general expenses, particularly related to travel-local expenses, resulting in an overstatement of R1,453,781.
- Consequence Management:
The Auditor-General identified that sufficient appropriate audit evidence was not available to confirm that disciplinary steps were taken against officials who incurred irregular, fruitless, and wasteful expenditures as required by the PFMA. This was due to the fact that investigations into these expenditures were not performed

The Audit Committee concurs with the conclusions of the Auditor-General on the annual financial statements and recommends that the audited financial statements be accepted and read together with the report of the Auditor-General.



Ms. Sizo Mzizi

Chairperson of the Audit Committee

Boxing South Africa

Date: 31 March 2024

15. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
CRITERIA	RESPONSE YES / NO	DISCUSSION
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	
Developing and implementing a preferential procurement policy?	Yes	
Determining qualification criteria for the sale of state-owned enterprises?	Yes	
Developing criteria for entering into partnerships with the private sector?	No	
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	

PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Human Resource Management of Boxing SA is the function within the organization that focuses on recruitment and selection processes, training and development, performance management, and providing direction to the people who work in the organization. The primary priority of the HR function of the entity continues to focus on developing and maintaining competent workforce to achieve the strategic goals of the organization 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 seven (07) policies reviewed and approved. The entity continues to operate with budgetary constraints that adversely impacts human resources' matters that includes, but not limited to, things such as employee training, wellness, and organizational review. In the past year, the entity continued to manage and stabilize the human resources in terms of staff retention and management of conflicts.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

PERSONNEL COST BY PROGRAMME

NAME	TOTAL EXPENDITURE FOR THE ENTITY (R'000)	PERSONNEL EXPENDITURE (R'000)	PERSONNEL EXPENDITURE AS A % OF TOTAL EXPENDITURE (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Program 1	19 837	7 273	37%	11	727
Program 2	5 668	3 117	55%	4	532
Program 3	2 833	0	0%	0	-

PERSONNEL COST BY SALARY BAND

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXPENDITURE TO TOTAL PERSONNEL COST (%)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Management	4 945	54%	4	1 204
Skilled	5 276	44%	6	654
Semi-skilled	169	2%	1	164
Unskilled		0%	0	-
TOTAL	10 390	100%	11	809

PERFORMANCE REWARDS

LEVEL	PERFORMANCE REWARDS	PERSONNEL EXPENDITURE (%)	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COST (R'000)
Management	0	0	0%
Skilled	0	0	0%
Semi-skilled	0	0	0%
Unskilled	0	0	0%
TOTAL	0	0	0%

Note: No performance rewards were paid out during the financial year.

TRAINING COSTS

NAME	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST (R'000)	NO. OF EMPLOYEES TRAINED	AVERAGE TRAINING COST PER EMPLOYEE (R'000)
Program 1	30 429	13 723	45%	11	1 247
Program 2	7 390	5 882	55%	4	1 470
Program 3	5 651	0	0%	0	-



EMPLOYMENT AND VACANCIES

PROGRAMME	NO. OF EMPLOYEES AS OF 1 APRIL 2023	APPROVED POSTS FOR 2023/2024 FINANCIAL YEAR	NO. OF EMPLOYEES AS OF 31 MARCH 2024	2022/2023 VACANCIES	% OF VACANCIES
Program 1	10	12	10	1	8%
Program 2	4	4	4	0	0%
Program 3	0	0	0	0	0%

LEVEL	NO. OF EMPLOYEES AS OF 1 APRIL 2023	APPROVED POSTS FOR 2023/2024 FINANCIAL YEAR	NO. OF EMPLOYEES AS OF 31 MARCH 2024	2022/2023 VACANCIES	% OF VACANCIES
Management	4	6	4	2	33%
Skilled	8	8	8	0	0%
Semi-skilled	2	2	2	0	0%
Unskilled	0	0	0	0	0%
TOTAL	14	16	14	2	13%

Due to structural gaps in the BSA approved structure, it is challenging to fill vacant senior management positions with internal staff. The position of the CEO remains vacant. No attempts were made to fill this position as there is a litigation at the labour court against the former CEO. BSA has a staff retention policy which outlines all that can be done to retain staff.

EMPLOYMENT CHANGES

SALARY BAND	EMPLOYEES AS OF 1 APRIL 2023	APPOINTMENTS	TERMINATIONS	EMPLOYEES AS OF 31 MARCH 2024
Management	4	1	1	4
Skilled	8	0	0	8
Semi-skilled	2	0	0	2
Unskilled	0	0	0	0
Total	14	1	1	14

REASONS FOR STAFF TURNOVER: NO STAFF TURNOVER WAS RECORDED DURING THE FINANCIAL YEAR.

REASON	NUMBER	% OF TOTAL NO. OF STAFF TURNOVER
Death	1	1%
Resignation	0	0%
Dismissal	0	0%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	1	1%



LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

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





A composite image featuring a boxer in yellow and green trunks, a green bottle, and a blue bottle.

PART E PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1. IRREGULAR EXPENDITURE

A) RECONCILIATION OF IRREGULAR EXPENDITURE

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Opening balance	12 616	10 294
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	238	1 508
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	12 854	12 616

RECONCILING NOTES

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	238	1 508
Total	238	1 508

B) DETAILS OF IRREGULAR EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION)

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	-	-

C) DETAILS OF IRREGULAR EXPENDITURE CONDONED

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Irregular expenditure under investigation	-	-
Total	-	-

D) DETAILS OF IRREGULAR EXPENDITURE REMOVED - (NOT CONDONED)

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

E) DETAILS OF IRREGULAR EXPENDITURE RECOVERABLE

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Irregular expenditure recoverable	-	-
Total	-	-

F) DETAILS OF CURRENT AND PREVIOUS YEAR IRREGULAR EXPENDITURE WRITTEN OFF (IRRECOVERABLE)

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

ADDITIONAL DISCLOSURE RELATING TO INTER-INSTITUTIONAL ARRANGEMENTS

G) DETAILS OF NON-COMPLIANCE CASES WHERE AN INSTITUTION IS INVOLVED IN AN INTER-INSTITUTIONAL ARRANGEMENT (WHERE SUCH INSTITUTION IS NOT RESPONSIBLE FOR THE NON-COMPLIANCE)

None

H) DETAILS OF IRREGULAR EXPENDITURE WHERE AN INSTITUTION IS INVOLVED IN AN INTER-INSTITUTIONAL ARRANGEMENT (WHERE SUCH INSTITUTION IS RESPONSIBLE FOR THE NON-COMPLIANCE)

None

I) DETAILS OF DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF IRREGULAR EXPENDITURE

None

1.2. FRUITLESS AND WASTEFUL EXPENDITURE

A) RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Opening balance	2 559	2 559
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Fruitless and wasteful expenditure confirmed	-	-
Less: Fruitless and wasteful expenditure recoverable	-	-
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Closing balance	2 559	2 559

RECONCILING NOTES

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	-	-
Total	-	-

B) DETAILS OF FRUITLESS AND WASTEFUL EXPENDITURE (UNDER ASSESSMENT, DETERMINATION, AND INVESTIGATION)

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Fruitless and wasteful expenditure under assessment	2 559	2 559
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	-
Total	2 559	2 559

C) DETAILS OF FRUITLESS AND WASTEFUL EXPENDITURE RECOVERABLE

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Fruitless and wasteful expenditure recoverable	-	-
Total	-	-

D) DETAILS OF FRUITLESS AND WASTEFUL EXPENDITURE NOT RECOVERABLE AND WRITTEN OFF

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

E) DETAILS OF DISCIPLINARY OR CRIMINAL STEPS TAKEN AS A RESULT OF FRUITLESS AND WASTEFUL EXPENDITURE

None

1.3. ADDITIONAL DISCLOSURE RELATING TO MATERIAL LOSSES IN TERMS OF PFMA SECTION 55(2)(B)(I) &(III))

A) DETAILS OF MATERIAL LOSSES THROUGH CRIMINAL CONDUCT

DESCRIPTION	2023/2024	2022/2023
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	-	-

B) DETAILS OF OTHER MATERIAL LOSSES

DESCRIPTION	2023/2024	2022/2023
	R'000	R'000
	-	-
Total	-	-

C) OTHER MATERIAL LOSSES RECOVERABLE

DESCRIPTION	2023/2024	2022/2023
	R'000	R'000
	-	-
Total	-	-

D) OTHER MATERIAL LOSSES NOT RECOVERABLE AND WRITTEN OFF

DESCRIPTION	2023/2024	2022/2023
	R'000	R'000
	-	-
Total	-	-

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

DESCRIPTION	2023/2024 R'000	2022/2023 R'000
Valid invoices received	-	-
Invoices paid within 30 days or agreed period	-	-
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-
Closing balance	-	-

3. SUPPLY CHAIN MANAGEMENT

3.1. PROCUREMENT BY OTHER MEANS

PROJECT DESCRIPTION	NAME OF SUPPLIER	TYPE OF PROCUREMENT BY OTHER MEANS	CONTRACT NUMBER	VALUE OF CONTRACT R'000

3.2. CONTRACT VARIATIONS AND EXPANSIONS

PROJECT DESCRIPTION	NAME OF SUPPLIER	CONTRACT MODIFICATION TYPE (EXPANSION OR VARIATION)	CONTRACT NUMBER	ORIGINAL CONTRACT VALUE R'000	VALUE OF PREVIOUS CONTRACT EXPANSION/S OR VARIATION/S R'000	VALUE OF CURRENT CONTRACT EXPANSION OR VARIATION R'000



PART F
ANNUAL FINANCIAL
STATEMENTS

ACCOUNTING AUTHORITY'S RESPONSIBILITIES AND APPROVAL

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

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 GRAP standards applicable to the public entity.

The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The accounting authority is responsible for establishing and implementing a system of internal control 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.

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 2024.



Mr S Shongwe

Chairperson of the Board

Date: 31 August 2024

REPORT OF THE AUDITOR-GENERAL ON BOXING SA

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

QUALIFIED OPINION

1. I have audited the financial statements of the Boxing South Africa set out on pages 70 to 107, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Boxing South Africa as at 31 March 2024 financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

BASIS FOR QUALIFIED OPINION

REVENUE FROM EXCHANGE TRANSACTIONS

3. I was unable to obtain sufficient appropriate audit evidence of whether all revenue from exchange transactions was recorded due to the status of the accounting records. The public entity did not have adequate systems of internal control for the recording of all transactions and events and could not reconcile the transactions and events to the financial statements. I could not confirm whether all revenue from exchange transactions was recorded by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to revenue from exchange transactions stated at R3 646 925 in the financial statements.

GENERAL EXPENSES

4. I was unable to obtain sufficient appropriate audit evidence for general expenses, as supporting evidence was not provided for certain travel-local expenses. I was unable to confirm the expenditure by alternative means. Consequently, general expenses, travel-local expenses as stated in note 26 are overstated by at R1 453 781.

RECEIVABLES FROM EXCHANGE TRANSACTIONS

5. The public entity did not have adequate systems to maintain records of trade receivables from exchange transactions as the public entity did not have proper record to support the existence of receivables in the annual financial statements. Consequently, trade receivables from exchange transactions are overstated by R6 560 252.
6. The provision for impairment of debtors was not calculated in accordance with the Standards of GRAP 104, Financial Instruments. A rate used to determine the allowance for impairment on receivables from exchange transactions is not supported by reasonable assumptions that are in line with the accounting policy and GRAP 104 requirements. I was unable to determine the value of the misstatement of debtors from exchange transactions and provision for impairment, as it was impracticable to do so.

CONTEXT FOR OPINION

7. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
8. I am independent of the Boxing South Africa in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

9. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

EMPHASIS OF MATTER

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

IMPAIRMENTS – TRADE DEBTORS

11. Impairments – trade debtors disclosed in note 9 to the financial statements, material impairments amounting to R7 508 448 (2023: R6 282 856) were incurred as a result of the provision for doubtful debts.

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE FINANCIAL STATEMENTS

12. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (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.

13. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations or has no realistic alternative but to do so.

RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE FINANCIAL STATEMENTS

14. 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.

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 68, forms part of my auditor's report.

REPORT ON THE ANNUAL PERFORMANCE REPORT

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

17. I selected the following material performance indicators related to boxing development presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of boxing practitioners trained
- Number of boxing practitioners licenced
- Number of women licenced
- Number of ratings compiled
- Number of tournaments sanctioned
- Number of tournament venues inspected

18. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

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

21. I did not identify any material findings on the reported performance information for the selected indicators.

REPORT ON COMPLIANCE WITH LEGISLATION

22. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.

23. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is

not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

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

25. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

ANNUAL FINANCIAL STATEMENTS

26. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and/or supported by full and proper records, as required by section 55(1)(a) and (b) of the PFMA.

27. Material misstatements of current assets, current liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.

REVENUE MANAGEMENT

28. Effective and appropriate steps were not taken to collect all revenue due, as required by section 51(1)(b) (i) of the PFMA.

CONSEQUENCE MANAGEMENT

29. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure, as required by section 51(1)(e)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.

30. 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 because investigations into fruitless and wasteful expenditure were not performed.

OTHER INFORMATION IN THE ANNUAL REPORT

31. The accounting authority is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
32. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
33. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
34. I did not receive the other information prior to the date of this auditor's report. When I do receive and 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

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
36. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, and the findings on the selected material indicators included in the annual performance report and the material findings on compliance with legislation included in this report.
37. Management did not implement sufficient and effective internal controls to ensure that the annual financial statements are prepared in compliance with the applicable laws and regulations. Effective and appropriate measures were not implemented to prevent and detect material errors in the submitted annual financial statements as well as to prevent and detect non-compliance with legislation.
38. Management did not always implement proper record keeping in a timely manner to ensure that complete, relevant, and accurate information is accessible and available to support financial and performance reporting.
39. Accounting authority and management did not always implement sufficient controls to ensure that on revenue owed to the public entity is collected.

Auditor-General

Pretoria

1 August 2024



Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

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

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

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

FINANCIAL STATEMENTS

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

- identify and assess the risks of material misstatement of the 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

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

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

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

COMPLIANCE WITH LEGISLATION – SELECTED LEGISLATIVE REQUIREMENTS

The selected legislative requirements are as follows:

LEGISLATION	SECTIONS OR REGULATIONS
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); Section 55(1)(a); 55(1)(b); Section 55(1)(c)(i); 56(1); 57(b)
Treasury Regulations, 2005	Regulation 8.2.1; 8.2.2; 16A3.2; 16A3.2(a); Regulation 16A6.1; 16A6.2(a); 16A6.2(b); Regulation 16A6.3(a); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; Regulation 16A6.6; Regulation 16A8.3; 16A8.4; 16A9.1(b)(ii); Regulation 16A9.1(d); 16A9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); Regulation 30.1.3(b); 30.1.3(d); 30.2.1 Regulation 33.1.1; 33.1.3
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Instruction No. 1 of 2021/22	Paragraph 4.1
National Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; Paragraph 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 9.2; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	NOTE(S)	2024 R	2023 R
ASSETS			
CURRENT ASSETS			
Prepayments	7	44 652	36 582
Claim advances	8	169 695	10 000
Receivables from exchange transactions	9	3 724 342	2 882 959
Cash and cash equivalents	10	2 854 018	6 252 131
		6 792 707	9 181 672
NON-CURRENT ASSETS			
Property, plant and equipment	3	465 548	737 149
Intangible assets	4	398 434	414 818
		863 982	1 151 967
Total Assets		7 656 689	10 333 639
LIABILITIES			
CURRENT LIABILITIES			
Finance lease obligation	11	2 221	12 871
Operating lease liability	5	-	46 729
Payables from exchange transactions	6	12 516 582	3 486 442
Unspent conditional grants and receipts	12	800 000	-
Provisions	13	530 696	2 556 464
Unallocated deposits	14	178 490	514 710
		14 027 989	6 617 216
NON-CURRENT LIABILITIES			
Finance lease obligation	11	6 362	711
Total Liabilities		14 034 351	6 617 927
Net Assets		(6 377 662)	3 715 712
Accumulated surplus		(6 377 662)	3 715 712
Total Net Assets		(6 377 662)	3 715 712

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2024

	NOTE(S)	2024 R	2023 R
REVENUE			
REVENUE FROM EXCHANGE TRANSACTIONS			
Sanctioning fees	15	1 100 483	1 453 093
Safety & public liability	15	320 358	447 335
Licence fees	15	713 380	841 683
Application fees	15	28 249	49 950
Other income	15	571 754	-
Profit/loss on Momentum investment	15	58 165	94 867
Interest received - investment	18	854 536	714 918
Total revenue from exchange transactions		3 646 925	3 601 846
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
TRANSFER REVENUE			
Government grants & subsidies	19	24 463 000	19 668 000
Sponsorship income	20	2 287 453	1 650 643
Other income Prior year surplus	13	2 517 875	3 340 321
Total revenue from non-exchange transactions		29 268 328	24 658 964
Total revenue	15	32 915 253	28 260 810
EXPENDITURE			
Employee related costs	21	(20 916 794)	(10 389 636)
Transfer payments - Other		(327 059)	(228 662)
Depreciation and amortisation	22	(461 210)	(450 392)
Finance costs	23	(1 051)	(1 335)
Bad debts written off	25	(1 195 318)	(5 691)
(Decrease)/Increase in provision on doubtful debts		(1 225 593)	1 654 524
General Expenses	26	(18 881 602)	(18 916 531)
Total expenditure		(43 008 627)	(28 337 723)
Deficit for the year		(10 093 374)	(76 913)

STATEMENT OF CHANGES IN THE NET ASSETS

FOR THE YEAR ENDED 31 MARCH 2024

	Accumulated surplus / deficit R	Total net assets R
Balance at 01 April 2022	3 792 625	3 792 625
<i>Changes in net assets</i>		
Deficit for the year	(76 913)	(76 913)
Total changes	(76 913)	(76 913)
Balance at 01 April 2023	3 715 712	3 715 712
<i>Changes in net assets</i>		
Surplus /(Deficit) for the year	(10 093 374)	(10 093 374)
Total changes	(10 093 374)	(10 093 374)
Balance at 31 March 2024	(6 377 662)	(6 377 662)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	NOTE(S)	2024 R	2023 R
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Grants		24 463 000	19 668 000
Interest income		854 536	714 918
Other receipts		9 574 863	2 141 064
		34 892 399	22 523 982
PAYMENTS			
Employee costs		(19 621 829)	(10 389 636)
Suppliers		(17 992 442)	(16 940 591)
Finance charges		(1 051)	(36 882)
		(37 615 322)	(27 367 109)
Net cash flows from operating activities		(2 722 923)	(4 843 127)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(10 038)	(113 802)
Proceeds from sale of property, plant and equipment		-	5 691
Purchase of intangible assets		(163 187)	-
Net cash flows from investing activities		(173 225)	(108 111)
CASH FLOWS FROM FINANCING ACTIVITIES			
Movement in unallocated deposits		(336 220)	(440 535)
Movement in claim advances		(159 695)	(10 000)
Finance lease payments		(6 050)	(1 335)
Net cash flows from financing activities		(501 965)	(451 870)
Net increase/(decrease) in cash and cash equivalents		(3 398 113)	(5 403 108)
Cash and cash equivalents at the beginning of the year		6 252 131	11 655 239
Cash and cash equivalents at the end of the year		2 854 018	6 252 131

The accounting policies on pages **XX** to **XX** and the notes on pages **XX** to **XX** form an integral part of the annual financial statements.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

	Approved budget R	Adjustments R	Final Budget R	Actual amounts on comparable basis R	Difference between final budget and actual R	Ref
STATEMENT OF FINANCIAL PERFORMANCE						
REVENUE						
REVENUE FROM EXCHANGE TRANSACTIONS						
Sanctioning fees	900 000	-	900 000	1 100 483	200 483	
Safety and public liability	434 000	-	434 000	320 358	(113 642)	
License fees	763 000	-	763 000	713 380	(49 620)	
Application fees	33 000	-	33 000	28 249	(4 751)	
Other income	-	-	-	571 754	571 754	
Interest received	762 000	-	762 000	912 700	150 701	
Total revenue from exchange transactions	2 892 000	-	2 892 000	3 646 925	754 925	
REVENUE FROM NON- EXCHANGE TRANSACTIONS						
TRANSFER REVENUE						
Government grants and subsidies	19 918 000	4 545 000	24 463 000	24 463 000	-	
Sponsorship income	3 200 000	-	3 200 000	2 287 453	(912 547)	
Prior year surplus	-	-	-	2 517 875	2 517 875	
Total revenue from non- exchange transactions	23 118 000	4 545 000	27 663 000	29 268 328	1 605 328	
Total revenue	26 010 000	4 545 000	30 555 000	32 915 253	2 360 253	
EXPENDITURE						
Personnel	(9 808 226)	(4 545 000)	(14 353 226)	(20 916 794)	(6 563 568)	
Transfer payments - Other	(327 000)	-	(327 000)	(327 059)	(59)	
Depreciation and amortisation	(430 489)	-	(430 489)	(461 210)	(30 721)	
Impairment loss/ Reversal of impairments	(1 200 000)	-	(1 200 000)	(1 225 593)	(25 593)	
Finance costs	(1 000)	-	(1 000)	(1 051)	(51)	
Bad debts written off	(1 195 000)	-	(1 195 000)	(1 195 318)	(318)	
General expenses	(13 048 285)	-	(13 048 285)	(18 881 602)	(5 833 317)	
Total expenditure	(26 010 000)	(4 545 000)	(30 555 000)	(43 008 627)	(12 453 627)	
Surplus/ (deficit) for the year	-	-	-	(10 093 374)	(10 093 374)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	(10 093 374)	(10 093 374)	

Variance between approved budget and final budget - The National Treasury approved a budget of R19.9 million for the period 1 April 2023 to 31 March 2024. An additional Grant of R4.5 million was received from the Department of Sport, Arts and Culture to assist Boxing SA to fullfil its significant obligations.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

	Approved budget R	Adjustments R	Final Budget R	Actual amounts on comparable basis R	Difference between final budget and actual R	Ref
STATEMENT OF FINANCIAL POSITION						
ASSETS						
CURRENT ASSETS						
Claim advances	169 695	-	169 695	169 695	-	
Receivables from exchange transactions	3 724 342	-	3 724 342	3 724 342	-	
Prepayments	44 652	-	44 652	44 652	-	
Cash and cash equivalents	2 854 018	-	2 854 018	2 854 018	-	
	6 792 707	-	6 792 707	6 792 707	-	
NON-CURRENT ASSETS						
Property, plant and equipment	465 548	-	465 548	465 548	-	
Intangible assets	398 434	-	398 434	398 434	-	
	863 982	-	863 982	863 982	-	
Total Assets	7 656 689	-	7 656 689	7 656 689	-	
LIABILITIES						
CURRENT LIABILITIES						
Finance lease obligation	2 221	-	2 221	2 221	-	
Payables from exchange transactions	12 516 582	-	12 516 582	12 516 582	-	
Unspent conditional grants and receipts	800 000	-	800 000	800 000	-	
Provisions	530 696	-	530 696	530 696	-	
Unallocated deposits	178 490	-	178 490	178 490	-	
	14 027 989	-	14 027 989	14 027 989	-	
NON-CURRENT LIABILITIES						
Finance lease obligation	6 362	-	6 362	6 362	-	
Total Liabilities	14 034 351	-	14 034 351	14 034 351	-	
Net Assets	(6 377 662)	-	(6 377 662)	(6 377 662)	-	
NET ASSETS						
NET ASSETS ATTRIBUTABLE TO OWNERS OF CONTROLLING ENTITY						
RESERVES						
Accumulated surplus	(6 377 662)	-	(6 377 662)	(6 377 662)	-	

SIGNIFICANT ACCOUNTING POLICIES

1. SIGNIFICANT ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION

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

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

These accounting policies are consistent with the previous period.

1.2 PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand, which is the functional currency of the entity. The amounts in the annual financial statements are rounded off to the nearest one Rand.

1.3 GOING CONCERN ASSUMPTION

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

1.4 MATERIALITY

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

1.5 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 13 - Provisions.

USEFUL LIVES ASSESSMENT

The entity's management determines the estimated useful lives and related depreciation charges for property, plant and equipment. This estimate is based on the pattern in which an asset's future economic benefits or services potential are expected to be consumed. Management will decrease the depreciation charge where useful lives is more than previously estimated useful lives.

ALLOWANCE FOR DOUBTFUL DEBTS

The provision for doubtful debts is provided for tournaments and other receivables older than twelve months based on management's assumptions, management will also assess the debtors individually and other receivables of similar nature will be assessed collectively.

ACCOUNTING BY PRINCIPALS AND AGENT

The entity makes assessments on whether it is the principal or agent in principal-agent relationships. Significant judgements applied to determine Boxing SA is the principal are as follows:

- The other entity undertakes transactions with third parties for the benefit of Boxing SA.
- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

1.6 PROPERTY, PLANT AND EQUIPMENT

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and

- the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

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

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

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

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

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

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses which are carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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's 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.

1.7 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.

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

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

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

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

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	AMORTISATION METHOD	AVERAGE USEFUL LIFE
Computer software	Straight-line	1 - 10 years

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 intangible assets is included in surplus or deficit when the asset is derecognised.

1.8 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 equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost

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

CLASS	CATEGORY
Payables from exchange transactions	Financial liability measured at amortised cost
Unallocated deposits	Financial liability measured at amortised cost
Finance lease obligation	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 UNCOLLECTIBILITY 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. 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.

1.9 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 the entity'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 of on the remaining balance of the liability.

OPERATING LEASES - LESSOR

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis. The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis. Income for leases is disclosed under revenue in statement of financial performance.

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.

1.10 CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

Some equity investments are included in cash equivalents when they are, in substance, cash equivalents.

Bank overdrafts which are repayable on demand forms an integral part of the entity's cash management activities, and as such are included as a component of cash and cash equivalents.

1.11 IMPAIRMENT OF CASH-GENERATING ASSETS

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use. Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets, are as follows:

[Specify judgements made]

1.12 EMPLOYEE BENEFITS IDENTIFICATION EMPLOYEE BENEFITS

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

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

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

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

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

CLASSIFICATION OF PLANS

A binding arrangement is an arrangement that confers enforceable rights and obligations on the parties to the arrangement as if it were in the form of a contract. It includes rights from contracts or other legal rights.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a 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.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Multi-employer plans are defined contribution plans (other than state plans) or defined benefit plans (other than state plans) that: (a) pool the assets contributed by various entities that are not under common control; and (b) use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees.

State plans are plans established by legislation that operate as if they are multiemployer plans for all entities in economic categories laid down in legislation.

SHORT-TERM EMPLOYEE BENEFITS RECOGNITION AND MEASUREMENT

ALL SHORT-TERM EMPLOYEE BENEFITS

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- (a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
- (b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

SHORT-TERM PAID ABSENCES

The entity recognises the expected cost of short-term employee benefits in the form of paid absences as follows:

- (a) in the case of accumulating paid absences, when the employees render service that increases their entitlement to future paid absences; and
- (b) in the case of non-accumulating paid absences, when the absences occur.

The entity measures the expected cost of accumulating paid absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

BONUS, INCENTIVE AND PERFORMANCE RELATED PAYMENTS

The entity recognises the expected cost of bonus, incentive and performance related payments when, and only when:

- (a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and
- (b) a reliable estimate of the obligation can be made. A present obligation exists when, and only when, the entity has no realistic alternative but to make the payments.

POST-EMPLOYMENT BENEFITS: DEFINED CONTRIBUTION PLANS

RECOGNITION AND MEASUREMENT

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- (a) as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- (b) as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset. When contributions to a defined contribution plan are not expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service, they are be discounted using the discount rate as specified.

1.13 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.

Provision 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.

1.14 COMMITMENTS

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

Disclosures are required in respect of unrecognised contractual commitments.

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

- Contracts should be non-cancellable and cancellable (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.

1.15 REVENUE FROM EXCHANGE TRANSACTIONS

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

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

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

MEASUREMENT

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

RENDERING OF SERVICES

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

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

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

significant act is executed.

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

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

1.16 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.

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.

1.17 INTEREST

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

1.18 UNAUTHORISED EXPENDITURE

Unauthorised expenditure means:

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

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

1.19 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.

1.20 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):

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.

1.21 BUDGET INFORMATION

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

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

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

The approved budget covers the fiscal period from 2023/04/01 to 2024/03/31.

1.22 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 those family members who may be expected to influence, or be influenced by that person 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 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.

1.23 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.

1.24 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. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS ISSUED, BUT NOT YET EFFECTIVE

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2024 or later periods:

STANDARD/ INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER		EXPECTED IMPACT:
	01 April 2025	01 April 2025	
iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025		Unlikely there will be a material impact
GRAP 104 (as revised): Financial Instruments	01 April 2025		Unlikely there will be a material impact

3. PROPERTY, PLANT AND EQUIPMENT

	2024			2023		
	Cost / Valuation R	Accumulated depreciation and accumulated impairment R	Carrying value R	Cost / Valuation R	Accumulated depreciation and accumulated impairment R	Carrying value R
Furniture and fixtures	506 725	(355 728)	150 997	506 515	(307 985)	198 530
Motor vehicles	618 190	(435 467)	182 723	618 190	(339 007)	279 183
Office equipment	222 766	(220 197)	2 569	222 766	(187 515)	35 251
IT equipment	828 725	(707 618)	121 107	828 725	(624 534)	204 191
Leased assets	91 159	(86 177)	4 982	81 120	(66 392)	14 728
Scales	13 110	(9 940)	3 170	13 320	(8 054)	5 266
Total	2 280 675	(1 815 127)	465 548	2 270 636	(1 533 487)	737 149

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2024	Opening balance R	Additions R	Depreciation R	Total R	
Furniture and fixtures	198 530	-	(47 533)	150 997	
Motor vehicles	279 183	-	(96 460)	182 723	
Office equipment	35 251	-	(32 682)	2 569	
IT equipment	204 191	-	(83 084)	121 107	
Leased assets	14 728	10 038	(19 784)	4 982	
Scales	5 266	-	(2 096)	3 170	
Total	737 149	10 038	(281 639)	465 548	

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2023	Opening balance	Additions	Disposals	Depreciation	Total
	R	R	R	R	R
Furniture and fixtures	246 184	1 999	(1 811)	(47 842)	198 530
Motor vehicles	375 644	-	-	(96 461)	279 183
Office equipment	60 061	-	-	(24 810)	35 251
IT equipment	200 906	87 941	(3 880)	(80 776)	204 191
Leased assets	1 676	23 862	-	(10 810)	14 728
Scales	7 450	-	-	(2 184)	5 266
	891 921	113 802	(5 691)	(262 883)	737 149

PLEDGED AS SECURITY

The entity does not have any asset(s) that have been pledged as security.

ASSETS SUBJECT TO FINANCE LEASE (NET CARRYING AMOUNT)	2024	2023
	R	R
Community	4 982	14 728
REPAIRS AND MAINTENANCE		
Property, plant and equipment	-	11 763

4. INTANGIBLE ASSETS

	2024			2023		
	Cost / Valuation R	Accumulated amortisation and accumulated impairment R	Carrying value R	Cost / Valuation R	Accumulated amortisation and accumulated impairment R	Carrying value R
Computer software	1 168 884	(770 450)	398 434	1 147 762	(732 944)	414 818
RECONCILIATION OF INTANGIBLE ASSETS - 2024						
RECONCILIATION OF INTANGIBLE ASSETS - 2023	Opening balance		Additions	Amortisation		Total
	R	R	R	R	R	R
Computer software	414 818	163 187	(179 571)	398 434		
RECONCILIATION OF INTANGIBLE ASSETS - 2023						
Computer software	Opening balance		Amortisation	Total		
	R	R	R	R	R	
Computer software	602 327	(187 509)	414 818			

PLEDGED AS SECURITY

Carrying value of intangible assets pledged as security:

5. OPERATING LEASE ASSET (LIABILITY)	2024 R	2023 R
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Current liabilities

-

46 729

The operating lease liability is related to the lease agreement for the rental of the office premises:

Boxing SA entered into a lease agreement for the rental of the office premises with Delta Property Fund Ltd. The lease was signed on the 1st April 2021 and is effective from 1st April 2021 until 31 March 2024. The agreement includes an escalation clause of 5.5% per year in rental payments. The agreement provides for an option to renew for a further period of 3 years if written notice is provided prior to the termination date.

6. PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables	4 436 533	1 501 531
Accrued expenses	7 532 686	1 730 538
Prepaid license fees	547 363	254 373
	12 516 582	3 486 442

The accrued expenses mainly consists of travel agent, consultants' fees, travel claim, sub-committee fees, sparring and other accruals.

7. PREPAYMENTS

SUBSCRIPTIONS		
Pastel and Caseware licenses	44 652	36 581

Prepayments related to the subscription of Pastel evolution which is renewed annually, in the month of January.

8. CLAIM ADVANCES

At beginning of the year	10 000	-
Advances	159 695	10 000
	169 695	10 000

9. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Trade debtors	11 232 791	9 165 815
Provision for doubtful debts	(7 508 449)	(6 282 856)
	3 724 342	2 882 959

RECONCILIATION OF PROVISION FOR DOUBTFUL DEBTS

Balance at the beginning of year	6 282 856	7 937 380
Movement in provision	1 225 592	(1 654 524)
	7 508 448	6 282 856

AGE ANALYSIS	120 Days +	90 Days	60 Days	30 Days	Current	Total
Customers	8 490 903	616 033	307 666	116 750	1 701 439	11 232 791

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 2024, R1 040 449 (2023: R 1 170 762) were past due but not impaired.

9. RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)	2024 R	2023 R
The ageing of amounts past due but not impaired is as follows:		
1 month past due	116 750	100 369
2 months past due	307 666	86 378
3 months past due	616 033	984 015

The entity does not have any receivables that have been pledged as security.

10. CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS CONSIST OF:

Bank balances	1 871 559	3 541 073
Netcash	286 315	251 787
Momentum Investment	696 144	2 459 271
	2 854 018	6 252 131

CASH AND CASH EQUIVALENTS HELD BY ENTITY COMPRIZE THE FOLLOWING:

Purse account	1 742 302	2 964 039
Boxer's benovolent fund	861	359 649
Savings account	115 850	91 615
Main account	12 545	125 770
	1 871 558	3 541 073

NETCASH RECONCILIATION

Opening balance	251 786	571 328
License paid	686 980	788 323
Transfer received	(1 179 191)	(801 252)
Service fee	(29 341)	(24 161)
Refunds	189 050	6 360
License payables	-	249 463
Unallocated deposits	256 030	(538 275)
	175 314	251 786

MOMENTUM INVESTMENT RECONCILIATION

Opening balance	2 459 271	2 188 386
Contributions	110 000	120 000
Interest income	107 261	98 693
Administration fee	(38 553)	(42 675)
Profit/Loss on investment	58 165	94 867
Withdrawals	(2 000 000)	-
	696 144	2 459 271

Netcash is a payment solution used for payments of online license system.

Total cash and cash equivalent	2 743 018	6 252 131
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The entity does not have any cash and cash equivalents that have been pledged as security.

11. FINANCE LEASE OBLIGATION

2024
R

2023
R

MINIMUM LEASE PAYMENTS DUE

- within one year	7 123	13 536
- in second to fifth year inclusive	2 264	711
	9 387	14 247
less: future finance charges	(803)	(665)
Present value of minimum lease payments	8 584	13 582
Non-current liabilities	6 362	711
Current liabilities	2 221	12 871
	8 583	13 582

It is entity policy to lease certain cell phones under finance leases.

The average lease term was 1-2 years and the average effective borrowing rate was 7.75% (2023: 7.75%).

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

12. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

Unspent conditional grants and receipts comprises of:

UNSPENT CONDITIONAL GRANTS AND RECEIPTS

Unspent grants	800 000	-
MOVEMENT DURING THE YEAR		
Balance at the beginning of the year	-	2 450 643
Grants received	2 050 000	-
Income recognition during the year	(1 250 000)	(2 450 643)
	800 000	-

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the entity has directly benefited the organisation.

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

Boxing SA received an amount of R1850 000 during 2023/2024 from the Department of Sports, Arts, Culture and Recreation: Eastern Cape Provincial Government for the purpose of hosting Boxing tournaments. All the tournaments were hosted during the financial year under review.

These amounts are invested in a ring-fenced investment until utilised.

13. PROVISIONS

RECONCILIATION OF PROVISIONS - 2024	Opening balance	Additions	Utilised during the year	Total
	R	R	R	R
Leave pay	410 067	380 036	(410 067)	380 036
Provision service bonus	102 039	175 273	(126 652)	150 660
Surrender of surpluses	2 044 358	473 517	(2 517 875)	-
	2 556 464	1 028 826	(3 054 594)	530 696

RECONCILIATION OF PROVISIONS - 2023	Opening balance	Additions	Utilised during the year	Reversed during the year	Total
	R	R	R	R	R
Leave pay	341 656	410 067	(132 841)	(208 815)	410 067
Provision service bonus	126 652	102 039	(126 652)	-	102 039
Surrender of surpluses	3 340 322	2 044 358	(3 340 322)	-	2 044 358
	3 808 630	2 556 464	(3 599 815)	(208 815)	2 556 464

14. UNALLOCATED DEPOSITS

	2024	2023
	R	R
Opening balance	514 710	955 245
Amount reversed/claimed from opening balance	-	(560 885)
Amount reversed/claimed during the year	(404 697)	(501 100)
Addition: Other	68 477	621 450
	178 490	514 710

15. REVENUE

Sanctioning fees	1 100 483	1 453 093
Safety and public liability	320 358	447 335
License fees	713 380	841 683
Application fees	28 249	49 950
Other income 1	571 754	-
Profit/loss on Momentum investment	58 165	94 867
Interest received - investment	854 536	714 918
Government grants & subsidies	24 463 000	19 668 000
Sponsorship income	2 287 453	1 650 643
Prior year surplus	2 517 875	3 340 321
	32 915 253	28 260 810

	2024	2023
	R	R

15. REVENUE (CONTINUED)

THE AMOUNT INCLUDED IN REVENUE ARISING FROM EXCHANGES OF GOODS OR SERVICES ARE AS FOLLOWS:

Sanctioning fees	1 100 483	1 453 093
Safety and public liability	320 358	447 335
License fees	713 380	841 683
Application fees	28 249	49 950
Other income 1	571 754	-
Profit/loss on Momentum investment	58 165	94 867
Interest received - investment	854 536	714 918
	3 646 925	3 601 846

THE AMOUNT INCLUDED IN REVENUE ARISING FROM EXCHANGES OF GOODS OR SERVICES ARE AS FOLLOWS:

TRANSFER REVENUE		
Government grants & subsidies	24 463 000	19 668 000
Sponsorship income	2 287 453	1 650 643
Prior year surplus	2 517 875	3 340 321
	29 268 328	24 658 964

16. AGENCY SERVICES

Water and Sanitation	320 358	447 335
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17. OTHER REVENUE

Administration and management fees received - third party	28 249	49 950
Other income 1	571 754	-
Other income 3	58 165	94 867
	658 168	144 817

18. INTEREST INCOME

INTEREST REVENUE		
Interest income	854 536	714 918

Interest income includes interest received from the bank, Momentum investment and interest charged on long outstanding trade debtors.

19. GOVERNMENT GRANTS AND SUBSIDIES

OPERATING GRANTS		
Government grant - Sports, Arts and Culture	24 463 000	19 668 000

	2024 R	2023 R
20. SPONSORSHIP INCOME		

Sponsorships received	2 287 453	1 650 643
RECONCILIATION OF CONDITIONAL CONTRIBUTIONS		
Current-year receipts	887 455	1 650 643
Conditions met - transferred to revenue	(887 455)	(1 650 643)
	-	-

Conditions still to be met - remain liabilities (see note 12).

	2024 R	2023 R
Basic	13 375 835	7 686 091
UIF	6 210 467	1 875 130
Leave pay provision charge	107 638	68 411
Provident fund contributions - post employment benefits	1 222 854	760 004
	20 916 794	10 389 636

	2024 R	2023 R
Property, plant and equipment	281 639	262 883
Intangible assets	179 571	187 509
	461 210	450 392

	2024 R	2023 R
Finance leases	1 051	1 335

Capitalisation rates used during the period were -% on specific borrowings for capital projects and -% being the weighted average cost of funds borrowed generally by the entity.

Total interest expense, calculated using the effective interest rate, on financial instruments not at fair value through surplus or deficit amounted to - (2023: -).

	2024 R	2023 R
Fees - external	870 726	926 518

	2024 R	2023 R
Bad debts written off	1 195 318	5 691

The current year write-offs relates to all the debts that were uncollectible, during the period under review. The prior year write-offs were for a stolen laptop and damaged furniture.

26. GENERAL EXPENSES

	2024 R	2023 R
Provision on surplus	-	2 044 358
Advertising	627 434	348 583
Auditors remuneration	870 726	926 518
Bank charges	43 583	35 549
Administration fee	39 113	45 825
Computer expenses	297 725	593 320
Consulting and professional fees	773 530	2 154 547
Donations and sponsorship expenses	2 387 455	14 500
Insurance	189 615	194 382
Conferences and seminars	2 155 192	987 344
Fuel and oil expenses	142 911	243 835
Lease rentals	1 068 430	869 584
Postage and courier	10 919	14 594
Printing and stationery	311 617	186 048
Repairs and maintenance	44 325	57 291
Subscriptions and membership fees	210 863	171 864
Telephone and fax	495 310	605 655
Training	191 814	50 005
Travel - local	3 944 315	5 500 707
Electricity and water	346 393	491 494
Board and sub-committee fees	1 323 039	1 628 438
Legal expenses	3 115 996	1 373 029
Boxing materials	271 797	141 220
Sparring sessions	17 500	53 053
Cleaning materials	2 000	9 338
Laboratories	-	175 450
	18 881 602	18 916 531

26. GENERAL EXPENSES

Deficit	(10 093 374)	(76 913)
<i>Adjustments for:</i>		
Depreciation and amortisation	461 210	450 392
Bad debts written off	1 225 593	(1 654 524)
Movements in operating lease	(46 729)	826
Movements in provisions	(2 025 768)	(1 252 166)
Assets write offs	1 195 317	5 691
Other non-cash items	(2 517 875)	-
Other non-cash items	(2 517 875)	-
<i>Changes in working capital:</i>		
Receivables from exchange transactions	(793 413)	(650 996)
Prepayments	(8 070)	73 409
Payables from exchange transactions	9 080 186	711 797
Unspent conditional grants and receipts	800 000	(2 450 643)
	(2 722 923)	(4 843 127)

	2024 R	2023 R
28. OPERATING DEFICIT		
Operating deficit for the year is stated after accounting for the following:		
Amortisation on intangible assets	179 571	187 509
Depreciation on property, plant and equipment	281 639	262 883
Employee costs	20 916 794	10 389 636

29. FINANCIAL INSTRUMENTS DISCLOSURE

CATEGORIES OF FINANCIAL INSTRUMENTS	At amortised cost	Total
	R	R
FINANCIAL ASSETS: 2024		
Trade and other receivables from exchange transactions	6 217 602	6 217 602
Cash and cash equivalents	2 743 018	2 743 018
	8 960 620	8 960 620
FINANCIAL LIABILITIES: 2024		
Trade and other payables from exchange transactions	13 774 021	13 774 021
Lease obligation	8 583	8 583
Unallocated deposits	178 490	178 490
	13 961 094	13 961 094
FINANCIAL ASSETS: 2023		
Trade and other receivables from exchange transactions	2 882 959	2 882 959
Cash and cash equivalents	6 252 131	6 252 131
	9 135 090	9 135 090
FINANCIAL LIABILITIES: 2023		
Trade and other payables from exchange transactions	3 486 441	3 486 441
Lease obligation	12 871	12 871
Unallocated deposits	514 710	514 710
	4 014 022	4 014 022

30. COMMITMENTS

AUTHORISED OPERATIONAL EXPENDITURE	2024	2023
	R	R
OFFICE RENTAL		
• Minimum lease payments within 1 year	75 516	-
• Lease payments in second to fifth year	-	-
	75 516	-
CELL PHONES		
• Payments within 1 year	7 123	-
• Payments in second to fifth year	2 264	-
	9 387	-

30. COMMITMENTS (CONTINUED)	2024 R	2023 R
TOTAL OPERATIONAL COMMITMENTS		
Already contracted for but not provided for	75 516	-
Not yet contracted for and authorised by members	9 387	-
	84 903	-
TOTAL COMMITMENTS		
Authorised operational expenditure	84 903	-

For operating lease commitments refer to below and for finance lease commitments refer to note 11. Operating lease payments represent rentals payable by the entity for certain of its office properties. 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.

31. CONTINGENCIES

At year end Boxing SA had contingent liabilities as a result of the cases listed below. No provision has been raised at year end and the matters were not finalised as at 31 March 2024.

Boxing SA has taken a decision to reimburse boxers for injury and potential death which could occur during a boxing tournament. Consequently the Momentum investment was taken out to enable payment of such claims. The claims are limited to a maximum of R50 000 if the boxer is a champion and R 25 000 for other boxers.

32. RELATED PARTIES

RELATIONSHIPS

Controlling entity Department of Sport, Arts and Culture

RELATED PARTY TRANSACTIONS

GRANTS RECEIVED FROM RELATED PARTIES

Departments of Sports, Arts and Culture	24 463 000	19 668 000
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REMUNERATION OF MANAGEMENT

MANAGEMENT CLASS: EXECUTIVE MANAGEMENT: 2024

	Basic salary R	Bonuses and performance related payments R	Post-employment benefits R	Termination benefits R	Other benefits received R	Total R
Chief Executive Officer - Mr. E Sithole	-	1 080 000	-	-	-	1 080 000
Chief Financial Officer - Mr K Mamosadi	1 060 952	93 027	85 114	88 715	37 345	1 365 153
Director Operations - Mr. M Ntlanganiso	1 149 476	212 990	92 852	-	40 740	1 496 058
Mr. M Ngqumba (Acting Director of Operations)	35 849	30 000	-	-	1 700	67 549
Ms. S Zulu (Acting Chief Financial Officer)	67 630	-	-	-	1 691	69 321
	2 313 907	1 416 017	177 966	88 715	81 476	4 078 081

32. RELATED PARTIES

REMUNERATION OF MANAGEMENT

MANAGEMENT CLASS: EXECUTIVE MANAGEMENT: 2024

	Basic salary R	Bonuses and performance related payments R	Post-employment benefits R	Other benefits received R	Total R
Chief Executive Officer - Mr. E Sithole	-	1 590 747	-	26 400	1 617 147
Chief Financial Officer - Mr K Mamosadi	794 817	-	43 269	40 740	878 826
Director Operations - Mr. M Ntlanganiso	1 105 383	310 566	76 527	40 740	1 533 216
Mr. T Moses (Chief Financial Officer)	160 128	-	12 010	2 947	175 085
	2 060 328	1 901 313	131 806	110 827	4 204 274

Mr Eric Sithole was appointed as acting Chief Executive Officer (CEO) from 1 December 2022, until the end of his contract on the 11th of December 2023. Mr Mandla Nthlanganiso was appointed as acting CEO from the 14 of December 2023. Mr Kenneth Mamosadi was appointed as Chief Financial Officer (CFO) on the 1 March 2023, following the resignation of the former CFO, Mr Thabang Moses. Mr Mncedisi Ngqumba was appointed as Acting Directors of Operations, from 1 March 2024. Mr Kenneth Mamosadi passed away in February 2024, and on March 15, 2024, Ms Sibongile Zulu, was appointed as acting CFO.

33. MEMBERS' EMOLUMENTS

BOARD AND SUB COMMITTEE	Members' fees R	Committees fees R	Total R
Mr. L Jack (Chairperson)	118 214	5 600	123 814
Mr. M Sodo	52 065	5 361	57 426
Dr. S Nthangeni	52 065	13 940	66 005
Mr. G Martins	61 815	4 000	65 815
Mr. S Maharaj	77 618	16 313	93 931
Mr. K Radu	50 070	4 228	54 298
	411 847	49 442	461 289

BOARD EMOLUMENTS: 2023

Mr. L Jack (Chairperson)	188 545	11 059	199 604
Mr. M Sodo	100 125	9 051	109 176
Dr. S Nthangeni	109 517	12 018	121 535
Mr. G Martins	144 063	6 426	150 489
Mr. S Maharaj	163 607	7 060	170 667
Ms. Z Kabini	52 065	6 561	58 626
Mr. E Sithole (Acting CEO from Jan 2022)	36 045	6 943	42 988
	793 967	59 118	853 085

33. MEMBERS' EMOLUMENTS (CONTINUED)

Other benefits comprise cell phone and travel allowance benefits.

Mr. G Martins and Mr. S Maharaj serves as Audit committee members. Mr. S Maharaj is also serving as Chairperson of ICT, Governance, Finance and Resource Mobilisation committee other members are Mr. G Martins and Mr. E Sithole who served on the board until 31 December 2021, was appointed as Acting CEO until his term of office ended on the 11th of December 2023. Mr. S Sodo serve as Chairperson of Sanctioning committee. Ms. Z Kabini serves as Chairperson of Woman in Boxing Committee and she resigned as Board member during the month of August 2022, other member is Dr. S Nthangeni and he was appointed as Chairperson during the month of August 2022. Ms. Kabini was replaced by Mr. K Radu during the month of October 2022. With the exception of the audit committee, the term of the board and its sub-committees ended on December 11, 2023.

AUDIT COMMITTEE: 2024	Members' fees	Other benefits	Total
	R	R	R
Mr. S Maharaj	5 396	-	5 396
Mr. G Martins	5 396	-	5 396
Ms. S Mzizi	39 573	-	39 573
Ms. V Ndlovu	13 490	-	13 490
Adv. M Majodina	22 807	-	22 807
	86 662	-	86 662

AUDIT COMMITTEE: 2023

Mr. D Moodley Mr. D Moodley (Chairperson until August 2022)	44 460	-	44 460
Adv. F vd Westhuizen (until August 2022)	16 188	-	16 188
Mr. S Maharaj	8 015	-	8 015
Mr. G Martins	8 094	-	8 094
Ms. S Mzizi (Chairperson from September 2022)	49 714	-	49 714
Ms. V Ndlovu (from September 2022)	5 396	-	5 396
Adv. M Majodina (from September 2022)	5 396	-	5 396
	137 263	-	137 263

RATINGS COMMITTEE: 2024

RATINGS COMMITTEE: 2024	Members' fees	Other benefits	Total
	R	R	R
Mr. A de Vries (Chairperson)	32 322	-	32 322
Mr. M Zifo	36 045	-	36 045
Mr. T Tutu	28 035	-	28 035
Mr Buhlalu	4 005	-	4 005
Mr Magasela	4 005	-	4 005
Mr Radu	40 332	-	40 332
Mr Saayman	10 776	-	10 776
Mr Shikwamba	16 020	-	16 020
My Moabelo	36 045	-	36 045
	207 585	-	207 585

33. MEMBERS' EMOLUMENTS (CONTINUED)

Members' fees R	Other benefits R	Total R
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RATINGS COMMITTEE: 2023

Mr. A de Vries (Chairperson)	64 644	-	64 644
Mr. M Zifo	48 060	-	48 060
Mr. T Tutu	48 060	-	48 060
	160 764	-	160 764

SANCTIONING COMMITTEE: 2024

Mr. M Sodo (Chairperson)	32 040	-	32 040
Mr. I Buhlalu	48 485	-	48 485
Mr. B Magasela	64 080	-	64 080
	144 605	-	144 605

SANCTIONING COMMITTEE: 2023

Mr. M Sodo (Chairperson)	64 644	-	64 644
Mr. I Buhlalu	48 060	-	48 060
Mr. B Magasela	48 060	-	48 060
	160 764	-	160 764

MEDICAL COMMITTEE: 2024

Dr. R Selepe (Chairperson)	26 935	-	26 935
Dr. Ngatane	4 005	-	4 005
Dr. Mabaso	4 005	-	4 005
	34 945	-	34 945

RENEW, GROW & TRANSFORM COMMITTEE: 2024

Mr. K Radu (Chairperson)	188 127	-	188 127
Mr. L Mtya	147 090	-	147 090
	335 217	-	335 217

RENEW, GROW & TRANSFORM COMMITTEE: 2023

Mr. K Radu (Chairperson)	140 062	-	140 062
Mr. L Mtya	96 120	-	96 120
	236 182	-	236 182

WOMEN IN BOXING COMMITTEE: 2024

Dr. S Nthangeni	41 724	-	41 724
Mr. L Mtya Ms. L Motsoeli	51 061	-	-
	92 785	-	-

WOMEN IN BOXING COMMITTEE: 2023

Ms. Z Kabini (Chairperson)	16 161	-	16 161
Ms. L Motsoeli	22 789	-	22 789
Dr. S Nthangeni	16 020	-	16 020
	54 970	-	54 970

34. PRIOR-YEAR ADJUSTMENTS

2024	2023
R	R

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: 2023	Correction of error		Restated R
	R	R	
Inventories	468 308	468 308	
Loans to economic entities	7 132 947	7 132 947	
	7 601 255	7 601 255	

STATEMENT OF FINANCIAL PERFORMANCE : 2023		
General expenditure	9 497 502	9 497 502

35. RISK MANAGEMENT

LIQUIDITY RISK

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

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

AT 31 MARCH 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	R	R	R	R
Trade and other payables	13 774 021	-	-	-
Lease liabilities	2 221	6 362	-	-
Unallocated deposits	178 490	-	-	-

AT 31 MARCH 2023				
Trade and other payables	3 486 441	-	-	-
Lease liabilities	12 871	711	-	-
Unallocated deposits	514 710	-	-	-

CREDIT RISK

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

Trade receivables comprise of promoters. Management evaluated credit risk relating to promoters on an ongoing basis. If promoters are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the promoter, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

35. RISK MANAGEMENT (CONTINUED)	2024	2023
	R	R
Financial assets exposed to credit risk at year end were as follows:		
Cash and cash equivalents	2 743 018	6 252 131
Receivables from exchange transactions	6 217 602	2 882 959
Claim advances	169 695	10 000

MARKET RISK

INTEREST RATE RISK

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

36. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies 1.3 applicable to a going concern. This basis presumes that funds in note 10 will be available to finance future operations and that the realisation of assets in note 9 and settlement of liabilities in note 6 &13 &14, contingent obligations in note 31 and commitments in note 11 will occur in the ordinary course of business.

The ability of the entity to continue as a going concern is dependent on support of the National Department of Sports, Arts and Culture as per note 32.

37. EVENTS AFTER THE REPORTING DATE

The Accounting Authority is not aware of any material event which occurred after the reporting date up to the date of this report.

38. IRREGULAR EXPENDITURE

Irregular expenditure	2 407 055	1 508 047
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The following were confirmed or unconfirmed Irregular expenditure identified by the AGSA during the year under review: Boxing SA confirmed an irregular expenditure to the value of R2 407 055 that was incurred in this current financial year. Boxing SA is awaiting an approval of the ongoing condonation application that was filed with the National Treasury, about a potential irregular expenditure of R2 418 621 related to legal fees paid to Maake Attorneys in the previous financial year. Upon the completion of the audit for the current financial year, the aforementioned legal fees were not yet confirmed as irregular expenditure.

- Maake Attorneys (Not confirmed), at R2 418 621
- Maake Attorneys (Confirmed), at R1 200 000.
- JHB Class sign (Confirmed), at R 11 385.
- Yes Direct (Confirmed), at R26 565.
- Qakaza for woman; and Black Dreams (Confirmed), at R200 425.
- Variances between the Budget and the actual spending (Confirmed), at R968 680.

39. FRUITLESS AND WASTEFUL EXPENDITURE	2024	2023
	R	R
Add: Fruitless and wasteful expenditure identified - current	-	-
Less: Amount written off - current	-	-
Closing balance	-	-

40. ACCOUNTING BY PRINCIPALS AND AGENTS

Boxing SA is a party to a principal-agent arrangement. Netcash is a payment solution.

There are binding arrangements in which Netcash collects the License revenue on behalf of the Boxing SA.

Boxing SA is the principal. The significant judgements applied in making the assessment have been disclosed on the accounting policy number 1.4 (Significant judgements and sources of estimation uncertainty).

Netcash is charging Boxing SA for these services. For more details on the fees paid as compensation to Netcash, refer to Note 10.

The purpose of the principal-agent relationship is mainly to reduce collection costs and there are no significant risks to this arrangement and benefits associated with the relationship are cost reduction on Boxing SA as there is no need to employ more employees for the revenue department.

There are no cost implications for the Boxing SA if the principal-agent arrangement is terminated.

NOTES



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