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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 2556

**Mr. M J Cuthbert (DA) to ask the Minister of Trade, Industry and Competition:**

- (1) (a) Who has the authority to make investments for the National Lotteries Commission (NLC), (b) who manages the specified investments and (c) how often is their performance reviewed;
- (2) what (a)(i) quantum of investments have been written off and (ii) are the reasons that they were written off and (b) are the details of all non-performing investments;
- (3) how do the NLC's investments support the objectives and operation of the organisation? NW3227E

#### REPLY

I have been furnished with a reply to the question submitted, by Ms Thabang Mampane, Commissioner of the National Lotteries Commission, which is set out below. I advise that it has been clarified by the NLC that the (1)(b) below refers to the NLC Senior Manager : Financial Accounting.

Reply by Commissioner Mampane:

*“(1)(a) The NLC has an approved investment policy in compliance with Treasury Regulation 31.3.1. Investments are made in terms of the investment policy approved by the NLC Board.*

*(b) Investments are managed by the NLC.*

*(c) The performance of investments is monitored on a monthly basis.*

*(2)(a)(i) No investments have been written off. (ii) Not applicable*

*(b) Not applicable*

(3) *The National Lotteries Commission is a Public Finance Management Act, Act 1 of 1999, Schedule 3A entity. It does not receive funding from the fiscus. The investments support the organisation as follows –*

- *sustains the operations of the organization during licence transitions where the uptake in ticket sales demonstrates low performance (The reserve strategy is aimed at sustaining the organisation for a period of twelve months in instances where there is no revenue flowing into the organization);*
- *Supplements the grant allocations as the interest received from investments is utilized towards funding the operational expenditure of the organisation which means that more money is allocated towards grant allocations.”*

**-END-**