



GAUTENG PROVINCE

SOCIAL DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

21 June 2024

Kitso Lesedi Community Development
Per email: Kitso.Lesedi@Gmail.Com /
Alpheustm@Gmail.Com

Dear Ms Dimakatso Tshelapedi and Dr Refiloe Mabaso,

RE: APPLICATION FOR FUNDING SUBMITTED TO THE GAUTENG DEPARTMENT OF SOCIAL DEVELOPMENT (“THE DEPARTMENT”) ON BEHALF OF KITSO LESEDI COMMUNITY DEVELOPMENT (“KITSO LESEDI”)

1. We refer to the above matter, as well as the letter addressed to Kitso Lesedi dated 20 May 2024, which provided the outcome of Kitso Lesedi’s funding application for the 2024/25 financial year (“**the Letter**”).
2. We further refer to the order handed down on 22 May 2024, by the Honourable Judge Opperman (“**the Order**”) which is attached hereto for ease of reference.
3. We draw your attention to paragraph 2 of the Letter, wherein it is stated that the Department has embarked on an investigative process into the funding of Non-Profit Organisations (“**NPOs**”) and matters incidental thereto and that a forensic audit company has been engaged to conduct the investigation. The letter further states in paragraphs 3 and 4 that in view of Kitso Lesedi being the subject of the investigation, your application for funding for the 2024/25 period has unfortunately been unsuccessful.
4. The purpose of this letter is to provide further details regarding the outcome of the investigation and to provide reasons for the Department’s refusal of your organisation’s application in accordance with paragraph 4.2 of the Order.

REASONS FOR THE DEPARTMENT’S DECISION

5. FSG Africa (Pty) Ltd. (“**FSG Africa**”) was appointed by the Department to conduct the investigation contemplated in paragraph 2 above, and it subsequently submitted its findings to the Department. The findings of FSG Africa are as follows in relation to Kitso Lesedi:
 - 5.1. Kitso Lesedi failed to ensure the branding of the Nissan Navara with registration number **LF36VXGP**, funded by the GDSD, despite the requirement to do so per the provisions of the SLA.
 - 5.2. The NPO has failed to meet its targeted beneficiaries across all of its programmes, as stipulated in the SLA.
 - 5.3. The AFS for 2020/21 were not audited as required by the SLA. The NPO contravened clause 7.3.9.6.1 of the SLA by not soliciting a registered auditor to audit the NPO’s financial statements.
6. It is the Department’s understanding that FSG Africa provided Kitso Lesedi an opportunity to make representations in relation to the findings made.
7. In view of the above and considering that inadequate evidence was provided by Kitso Lesedi disputing the abovementioned findings during the investigation, the Department reached a decision not to approve Kitso Lesedi for funding in the 2024/25 period.

8. Should Kitso Lesedi wish to make any further representations in view of the Department's decision as indicated above, such representations may be made to the Department no later than close of business on Wednesday 26 June 2024.
9. We trust you find the above in order.
10. Please do not hesitate to contact me should you have any queries in relation to the above.

Yours faithfully,



Bongani Ngomane
Head of Department, Acting
Date: 24/06/2024