

Seek, Find, Strike



PRESENTATION TO THE PORTFOLIO COMMITTEE ON TRADE, INDUSTRY AND COMPETITION ON CASES INVOLVING THE NATIONAL LOTTERIES COMMISSION

**Presentation by the Acting National Head of the Directorate for Priority Crime Investigation: Lieutenant General (Adv) ST Nkosi
03 June 2026**



PRESENTATION OUTLINE

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- Mandate
- Extensive Document-Based Investigations
- Overview and status of cases investigated by the DPCI
- Modus Operandi and Case Linkages
- Conclusion

Introduction

- The Directorate for Priority Crime Investigation (DPCI) received an invitation from the Portfolio Committee on Trade, Industry and Competition to an engagement with the SAPS and the DPCI on 03 June 2026.
- The Committee has been monitoring progress made by the Specialised Investigation Unit (SIU) and the National Prosecuting Authority (NPA), regarding the SIU's investigation into alleged corruption and maladministration involving the National Lotteries Commission (NLC), as well as any subsequent referrals to the NPA and its prosecutions in this regard.
- The Committee requests the DPCI to provide it with an update on its investigations into allegations of maladministration and corruption involving the NLC cases.

Mandate of the DPCI

In terms of Section 17D of the South African Police Service Act, the Mandate of the DPCI is as follows:

(1) The functions of the Directorate are to **prevent, combat and investigate**—

(a) national priority offences, which in the opinion of the National Head of the Directorate need to be addressed by the Directorate;

(aA) offences referred to in Chapter 2 and Section 34 of the Prevention and Combating of Corrupt Activities Act (PRECCA), 12 of 2004;

(2) If, during the course of an investigation by the Directorate, evidence of any other crime is detected and the National Head of the Directorate considers it in the **interests of justice, or in the public interest**, he or she may extend the investigation so as to include any offence which he or she suspects to be connected with the subject of the investigation.

Section 17A of the Police Act defines “National Priority Offence” as organised crime; crime that **requires national prevention or investigation**; crime that **requires specialised skills** as referred to in section 16(1) of the SAPS Act. The priorities are cross-cutting. One cannot occur without affecting the other(s) and because of this, the DPCI specialises in **project investigations** which draws in the investigative expertise of multiple investigators in different environments.



Extensive Document-Based Investigations

- This presentation provides an update on the ongoing work undertaken by the DPCI.
- The volume of statements obtained during the investigation process underscores the extensive effort involved, particularly given that white-collar crimes are predominantly document-based. This work includes the collection and analysis of data, which is then incorporated into the content of witness statements.
- Witnesses themselves are also required to rely on substantial documentary evidence and data.
- It is further noted that these cases are investigated through a multi-disciplinary approach.
- This includes the application of the Prosecutor-Guided Investigation (PGI) methodology and collaboration with key stakeholders such as the Special Investigation Unit (SIU), the Department of Social Development (DSD), and the National Lotteries Commission (NLC).

Overview and status of the cases investigated by the DPCI

The following legend is used to depict the status of the cases:

Province	No. of Cases on hand	Court	Decision	Investigation
Gauteng	11	0	4	7
Limpopo	3	0	2	1
Northern Cape	6	2	4	-
Free State	1	0	1	0
Head Office	12	0	6	6
TOTAL	33	2	17	14

In the last briefing to the Portfolio Committee on 21 November 2024, three hundred and ninety two **(392)** statements were obtained. An additional two hundred and three **(203)** statements were obtained since the last reporting period, all statements obtained are totalling to five hundred and ninety five **(595)**.

Modus Operandi and Case Linkages

- There are eleven (11) cases **investigated** by the Serious Economic Offences Unit involving the fraudulent diversion of National Lotteries Commission (NLC) grant funds awarded to Non-Profit Organisations (NPOs)
- In each case, grant funds disbursed by the NLC were never applied to their stated purposes. Instead, funds were redirected to private individuals and associated entities — including, in multiple instances, to serving or former employees of the NLC itself. It is important to explain the following:
 - The investigations in these cases were finalised and submitted to the DPP for decision. However, they were returned with new queries requiring further investigation.
 - Of the eleven (11) cases, queries on five (5) were addressed and submitted to the DPP for decision.
 - Extensive investigative work has been conducted, and the evidence obtained includes an auditor's report that reveals a pattern of organised crime involving the same suspects across several cases.
 - Clear linkages have been identified in the modus operandi, particularly where certain applications relied on the same NPO constitution and identical sets of financial records.
 - According to regulatory requirements, each application must include independent supporting documents. Therefore, no legitimate NPO can have a constitution or financial records that are word-for-word identical to another organisation's.

NATIONAL LOTTERIES COMMISSION CASES

Case number	Kimberley CAS 748/08/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>The accused persons misrepresented their status as committee members of a Non Profit Organisation (NPO) in an application submitted to the NLC for funding.</p> <p>Based on this misrepresentation, the NLC approved funding totalling to R885,000.00 of which R500,000.00 was released as the first tranche, with a further R380,000.00 earmarked for a second tranche. Subsequent investigation revealed that the funds disbursed were not used for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • The accused persons appeared before the Kimberley Magistrates Court on 2024-08-21 for first appearance. • The case has been remanded to 2026-06-02 for outcomes of legal representations.
Offence	Fraud and money laundering	
Date reported	2023-08-16	
Date of referral to DPCI	2023-09-26	
Amount involved	R500,000.00	
NPO/Individual involved	2x Civilians (Mr JP Sedibe and Mr MJ Khoza)	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Kimberly CAS 580/09/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>The accused persons misrepresented their status as Directors of a NPO in an application submitted to the NLC for funding.</p> <p>Investigations revealed that the accused persons do not operate a Non Profit Organisation in Kimberley and resides in the Western Cape.</p> <p>The application submitted to the NLC was for funding in the amount of R1,300,000.00 of which R709,000.00 was approved. Subsequent findings revealed that the approved funds were not used for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • The accused persons appeared before the Kimberley Magistrates Court on 2025-11-20 for first appearance. • The case has been remanded to 2026-06-01 for plea trial conference.
Offence	Fraud and money laundering	
Date reported	2024-09-26	
Date of referral to DPCI	2024-10-29	
Amount involved	R1,300,000.00	
NPO/Individual involved	<p>1x NPO (Haseqwa Caring Network Projects)</p> <p>3x Directors (Ms N Ndevu, Mr NB Ramaile and Mr NB Scholtz)</p>	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 52/02/2022	<p><u>SYNOPSIS OF CASE</u></p> <p>The NPO through its Directors submitted a funding application to the NLC seeking R34,642,600.42 for the development of sporting facilities intended to benefit rural communities in Limpopo.</p> <p>The external NPOs were unprocedurally assisted by the officials within the department. Subsequent findings revealed that the Directors of the NPO misused the funds. An initial payment of R3,000,000.00 was released by the NLC to the NPO on 2019-07-22.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the Director of Public Prosecutions (DPP) for decision on 2025-11-11. The prosecutor is drafting the charge sheet.
Offence	Fraud and money laundering	
Date reported	2020-10-01	
Date of referral to DPCI	2022-02-04	
Amount involved	R34,642,600.42	
NPO/Individual involved	1x NPO 2x Directors 2x NLC Officials	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 397/10/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>A Non Profit Organisation (NPO) applied for funding through the NLC to the amount of R R4.5 million for a community based incentive in Atteridgeville to run a chess based league.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Investigation is finalised, docket was forwarded to the DPP for decision on 2026-04-22. • Awaiting decision by the DPP.
Offence	Fraud	
Date reported	2024-10-11	
Date of referral to DPCI	2024-10-11	
Amount involved	R 4.5 million	
Entity/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Polokwane CAS 738/05/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>According to the complainant [forensic investigator from NLC] on 2019-05-17, a NPO applied for funding of R7,128,500.00 from the NLC for theatre auditions and shows to be held around Limpopo province.</p> <p>The application was approved on 2019-10-23, and R987,000.00 was paid to the organisation. The project was allegedly not implemented as planned, and the funds disbursed was utilised to buy items not related to the auditions.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-03-26. Awaiting decision by the DPP.
Offence	Fraud	
Date reported	2023-05-25	
Date of referral to DPCI	2023-05-26	
Amount involved	R7,128,500.00	
NPO/Individual involved	1x NPO 1x Director	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Polokwane CAS 739/05/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>According to the complainant, on 2019-05-17, a NPO applied for a grant of R6,500,000.00 with the intention to fund a project that was aimed to assist in preventing road accidents caused by straying livestock in the rural areas.</p> <p>The application was approved on 2019-07-11 and R3,308,000,00 was paid to the NPO in two tranches of R2,500,000.00 and R808 000.00 respectively. According to the Grant Agreement, the funding was to be divided across the following Provinces for the payment of reflective belts, training, awareness and salaries</p> <ul style="list-style-type: none"> • Limpopo • Eastern Cape • North West • Mpumalanga <p>It is alleged that the project was never implemented as per the agreement and funds were not utilised for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Investigation is finalised, docket was forwarded to the DPP for decision on 2026-03-26. • Awaiting decision by the DPP.
Offence	Fraud	
Date reported	2023-05-25	
Date of referral to DPCI	2023-05-26	
Amount involved	R6,500,000.00	
NPO/Individual involved	1x NPO 1x Director	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Kimberley CAS 501/06/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>The three (3) NPOs submitted grant applications to the NLC requesting funding totalling R1,000,800.00.</p> <p>Subsequent allegations indicate that the NPOs misrepresented material information by submitting false committee member details and non-existent physical addresses. An internal investigation by the NLC failed to verify the addresses provided, resulting in an actual loss of R700,000.00 to the Commission.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the Director of Public Prosecutions (DPP) for decision on 2026-02-03. Awaiting decision by the DPP.
Offence	Fraud and money laundering	
Date reported	2024-06-21	
Date of referral to DPCI	2024-07-31	
Amount involved	R1,000,800.00	
NPO/Individual involved	3x NPOs 6x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Welkom 662/10/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant is employed in the Internal Audit and Advisory Services Division of the NLC. On 2022-08-04, the division received a request to investigate possible misappropriation and/or misuse of NLC funds granted to a NPO.</p> <p>On 2021-06-10, the NLC paid an amount of R1,327,935.00 to the NPO. The funds were intended for the procurement of equipment for designated beneficiaries. However, during a site visit conducted by officials from the NLC Monitoring and Evaluation Unit, some of the equipment could not be located. The NPO also failed to provide adequate supporting evidence, such as invoices or proof of payment, to demonstrate the proper use of the funds.</p> <p>As a result of the misappropriation of grant funds, the NLC was prejudiced and suffered a financial loss amounting to R874,000.00.</p> <p><u>STATUS OF INVESTIGATION</u></p> <p>Investigation is finalised, docket was forwarded to the DPP for decision on 2026-04-22. On 2026-04-30 the docket came back with a request for two additional statements.</p>
Offence	Fraud	
Date Reported	2024-10-04	
Date referred to DPCI	2025-12-23	
Amount involved	R1,327,935.00	
Entity/Individual involved	1x NPO 1x Civilian	

NATIONAL LOTTERY COMMISSION CASES

Case number	Kimberley CAS 730/12/2024 Kimberley CAS 731/12/2024 Kimberley CAS 732/12/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleges that during 2021 NLC received applications for grant from three (3) NPO's. The applications were all submitted by the same suspect on behalf of all the NPO's. The payments were made to three NPO's of R998,000.00, R489,000.00 and a further R767,000.00.</p> <p>The NLC conducted internal investigation, and it was discovered that, the quotations submitted on behalf of the three (3) NPO's to NLC were fraudulent documents, further funds received were not used for the intended purpose according to the grant applications.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-20. Awaiting decision by the DPP.
Offence	Fraud and money laundering	
Date Reported	2024-11-10	
Date of referral to DPCI	2024-11-10	
Amount involved	R2,2540,000.00	
Entity/Individual involved	3x NPOs	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 281/12/2020	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that a NPO applied for funding for an amount of R4,800,000.00 from the NLC during November 2017 to host a soccer tournament that was planned to take place in Phalaborwa during December 2017.</p> <p>The Directors of NPO received the funding from the NLC for the soccer tournament. Allegations indicated that the Directors submitted falsified documentation, falsely purporting to be legitimate members of the NPO in order to secure the funding. The funds were approved; however, the funds were not utilised for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-20. Awaiting decision by the DPP.
Offence	Fraud and money laundering	
Date reported	2020-12-08	
Date of referral to DPCI	2020-12-08	
Loss involved	R4,800,000.00	
NPO/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 282/12/2020	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that the Directors of a NPO applied for funding during 2016 for an amount of R10,106,800.00 for the purpose of the Youth Awards at the St Georges Hotel. According to the complainant, the funds disbursed by the NLC were not utilised for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-20. Awaiting decision by the DPP.
Offence	Fraud and money laundering	
Date reported	2020-12-10	
Date of referral to DPCI	2020-12-08	
Amount involved	R10,106,800.00	
NPO/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 318/06/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that the grant funding was allocated by the NLC to a NPO for building and renovating of community centres and schools in Mashau Village, Limpopo province.</p> <p>The agreement indicated that the funds are needed for the building of the Vhafamadi Secondary School. It was established that the amount of R28,589,736.41 was paid with no work performed at the intended sites. This indicates that the funds were not used for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-20. Awaiting decision by the DPP.
Offence	Fraud and money laundering	
Date reported	2023-06-07	
Date of referral to DPCI	2023-06-07	
Amount involved	R28,589,736.41	
NPO/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 191/06/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that the grant funding was allocated by NLC to a NPO for the purpose of constructing a library and museum in Magojaneng Village in Kuruman to showcase the work of Dr VC Mutwa.</p> <p>The NLC approved an amount of R20,182,588,74 for the project. Subsequent findings indicated that the construction was not completed due to the funds not being utilised for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-20. Awaiting decision by the DPP.
Offence	Fraud and money laundering	
Date reported	2023-06-07	
Date of referral to DPCI	2023-06-07	
Amount involved	R20,182,588.74	
NPO/Individual involved	1x NPO 2x NLC officials	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 629/07/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that the grant funding was allocated by the NLC to a NPO for an amount of R80 million for the purpose of hosting the Commonwealth Games to benefit the people of South Africa and boosting the economies of the City of Durban and Tshikovha Graduate Academy.</p> <p>The NPO was additionally awarded R55,250,000,00 for the drilling of 200 boreholes across multiple provinces in Limpopo, Mpumalanga, North West, Free State and Eastern Cape. Subsequent investigations revealed that a portion of the funds was allegedly laundered through four (4) separate NPOs and used to acquire a property/farm in Modimolle, which was registered under a business trust for the benefit of a NLC former official, involving an amount of R4,766,003.83.</p>
Offence	Fraud and money laundering	
Date reported	2024-07-15	
Date of referral to DPCI	2024-07-20	
Amount involved	R135,250,000,00	
NPO/Individual involved	1x NLC official 3x NPOs	
		<p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-20. Awaiting decision by the DPP.

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 77/05/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>On 2022-07-13, the Legal Division of the NLC received a referral from the NLC Delinquency Committee reporting a NPO that was awarded funding of R5,970,000.00 on 2017-10-16. The funding was intended to cover operational expenses and the acquisition of music speakers on heritage based events and R5,970,000.00 was paid into the organisation's account; however, the organisation failed to submit mandatory progress reports, and subsequent findings indicated that the funds were not used for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-22. Awaiting decision by the DPP.
Offence	Fraud	
Date reported	2023-05-03	
Date of referral to DPCI	2023-05-18	
Amount involved	R5,970,000.00	
NPO/Individual involved	1x NPO 4x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 540/05/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>On 2022-07-13, the Legal Division of the NLC received a referral from the NLC Delinquency Committee relating to the Directors of a NPO awarded funding amounting to R31,305,000.00. The funding was intended to cover operational costs and expenses related to trailer design, fittings, and installation. An initial payment of R6,525,000.00 was made to the organisation for the project.</p> <p>However, the organisation failed to submit mandatory progress reports, and subsequent findings indicated that the funds were not used for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-22. Awaiting decision by the DPP.
Offence	Fraud	
Date reported	2023-05-16	
Date of referral to DPCI	2023-05-18	
Amount involved	R31,305,000.00	
NPO/Individual involved	1x NPO 5x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 411/08/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>A Director of a NPO applied for grant funding for an amount of R7,941,300.00 from the NLC to implement a project aimed at supporting victims of Gender Based Violence (GBV) by raising awareness of available government and organisational support services.</p> <p>During the evaluation process, the NLC determined that the organisation did not exist and had no beneficiaries. Furthermore, the applicant failed to submit mandatory supporting documentation required to process the application. Consequently, the NLC classified the application as fraudulent and declined to approve the funding.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> Investigation is finalised, docket was forwarded to the DPP for decision on 2026-05-25. Awaiting decision by the DPP. This is the same suspect <i>vide</i> Sunnyside CAS 644/08/2023.
Offence	Fraud	
Date reported	2023-08-23	
Date of referral to DPCI	2023-08-25	
Amount involved	Funds not paid	
NPO/Individual involved	1x NPO 3x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 118/07/2022	<p><u>SYNOPSIS OF CASE</u></p> <p>It is alleged that the Directors of a NPO submitted applications for funding to the NLC for an amount of R1,500,000.00 to undertake community projects in various provinces namely, Free State, Limpopo, Mpumalanga and Gauteng. The funding was approved for purposes including accommodation for training and capacity building initiatives, the procurement of office equipment and Theatre Production and Festival Programme.</p> <p>Following the disbursement of funds into the NPO's bank accounts, the NLC conducted site visits to the listed premises and established that the addresses did not exist. The funds were not utilised for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> The case docket was submitted to the Specialised Commercial Crime Unit (SCCU) on 2023-01-18, and the prosecutor who was handling the matter retired and a new prosecutor was reassigned in November 2025. Additional bank statements of the identified bank accounts are to be obtained as the investigation progresses.
Offence	Fraud	
Date reported	2022-07-06	
Date of referral to DPCI	2022-09-16	
Amount involved	R1,500,000.00 potential	
NPO/Individual involved	1x NPO operating inter-provincially 3x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 644/08/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>On 2019-05-17, Directors of a NPO applied for funding to the NLC for an amount of R6,000,000.00 for the development of a sports complex. On 2019-10-23, the application was approved for an amount of R3,000,000.00. Site visits by the NLC revealed that the proposed development had not commenced and that no infrastructure had been erected on the designated site.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • During the investigation it was established that the suspect in this case is the same suspect <i>vide</i> Sunnyside CAS 411/08/2023. • The investigation is proceeding and an additional statement is to be obtained from the complainant together with the supporting outstanding documents as recently requested by the designated Prosecutor. • Additional bank statements of the identified bank accounts are to be obtained as the investigation progresses.
Offence	Fraud	
Date reported	2023-08-23	
Date of referral to DPCI	2023-08-25	
Amount involved	R6,000,000.00	
NPO/Individual involved	1x NPO 4x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 76/05/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>On 2015-02-26, a NPO made an application to NLC for a grant amounting to R7,000,000.00 to support sports development through education and sports management programmes to uplift women. The application was approved on 2015-10-14 and the funds were paid to the NPO in three (3) tranches. The NPO failed to submit utilisation evidence and progress reports as required by the grant conditions. It is alleged that the funds were not utilised for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional bank statements of the identified bank accounts are to be obtained as the investigation progresses. • Outstanding witness statements which amongst others, include the confirmation of registration of the NPO by the Department of Social Development (DSD) to be obtained. • The investigation is proceeding.
Offence	Fraud	
Date reported	2023-05-03	
Date of referral to DPCI	2023-05-18	
Amount involved	R7,000,000.00	
NPO/Individual involved	1x NPO 5x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 541/05/2023	<p><u>SYNOPSIS OF CASE</u></p> <p>On 2022-07-13, the Legal Division of the NLC received a referral from the NLC Delinquency Committee relating to the Directors of a NPO that was allocated a funding of R17,792,000.00. The approved funding was intended to support cycling-related equipment and trophies, salaries, promotional materials, and touring activities.</p> <p>However, the organisation failed to submit mandatory progress reports, and subsequent findings indicated that the funds were not used for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding.
Offence	Fraud	
Date reported	2023-05-16	
Date of referral to DPCI	2023-05-18	
Amount involved	R17,792,000.00	
NPO/Individual involved	1x NPO 4x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 107/11/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>A NPO applied for funding through the NLC amounting to R15 million for a project to provide anti-social elements and a community based incentive to fight against illiteracy, drug abuse, insurgency and education on HIV and AIDS.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding and it includes the financial investigation on the additional bank statements.
Offence	Fraud	
Date Reported	2024-05-16	
Date of Referral to DPCI	2024-05-18	
Amount involved	R 15 million	
Entity/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 170/03/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>A NPO applied for funding through the NLC to the amount of R7 million for a project to fund a community based incentive to impart skills in music, business, film and productions, dance and overall business in radio.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding and it includes the financial investigation on the additional bank statements.
Offence	Fraud and money laundering	
Date reported	2024-03-07	
Date of referral to DPCI	2024-03-13	
Amount involved	R 7 million	
Entity/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Makhado CAS 229/05/2022	<p><u>SYNOPSIS OF CASE</u></p> <p>On 2017-06-26, the entity submitted an application to the NLC requesting grant funding of R15,519,000.00 for the Limpopo Recreation Providers project. The stated purpose of the project was to promote cycling as a sport and a healthy lifestyle, recruit cyclists, foster sportsmanship, instil good morals, and establish a strong foundation for youth development.</p> <p>On 2017-08-30, the Sports and Recreation Distributing Agency approved a reduced grant amount of R9,500,000.00, which was subsequently disbursed in a single tranche on 2017-09-13 into the organisation's bank account. On 2018-02-23, a monitoring and evaluation officer from the Limpopo NLC regional office conducted a site visit. The officer discovered that the physical address listed in the application was occupied by a funeral parlour. The owner of the premises confirmed that no other organisation had operated from the site since its establishment.</p> <p>This finding indicated that the organisation had misrepresented its physical address during the application process. To date, the intended beneficiaries have not been located, and the funds have not been repaid to the NLC.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> The investigation has been finalised. Suspects are currently being traced for the purpose of obtaining warning statements.
Offence	Fraud	
Date Reported	2022-03-14	
Date of Referral to DPCI	2022-03-18	
Amount involved	R15 519 000,00	
Entity/Individual involved	1x NPO 5x Civilians	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 108/11/2024	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant, the Special Investigating Unit alleges that there is an alleged conflict of interest in the awarding of a NLC Grant to Samaritan Initiative. It is alleged that members of Samaritan Initiative were all related to a member of the NLC board and whom mediated the granting of funds for incentives. The members involved are alleged to be five (5) Directors of a NPO. The proposed funding application that was applied for was R21,000,000.00.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Awaiting original application forms and grant information documentation. • Contact details of the NLC employees who dealt with the application in order to obtain witness statements. • Warning statements from the Directors are outstanding.
Offence	Fraud	
Date Reported	2024-11-01	
Date of referral to DPCI	2024-11-01	
Amount involved	R 21 million	
Entity/Individual involved	5x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 48/09/2020	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that during 2016, a NPO applied for funding amounting to R701,619.00 from NLC and there was no response from NLC regarding the funding.</p> <p>Later, the particulars of the NPO were unlawfully utilised for an application of R31,638,000.00 and NLC approved the application for an amount of R27,585,625.29. The funding was intended for the construction of a rehabilitation centre, and sports facility in Gauteng province.</p> <p>However, less than R5 million was spent on the rehabilitation centre, and sports facility, and the balance of the funds was not utilised towards the intended purpose and used for personal benefits.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding and it includes the financial investigation on the additional bank statements. • On 2026-04-30, the investigators requested the contra account in electronic format on all accounts submitted to Standard Bank.
Offence	Fraud and money laundering	
Date reported	2020-09-03	
Date of referral to DPCI	2020-10-05	
Amount involved	R31,638,000.00	
NPO/Individual involved	1x NPO 3x Directors	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 283/12/2020	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that the Directors of a NPO applied for funding for an amount of R11,375,000.00 from NLC to erect and upgrade a sports facility in the Makhado, Limpopo province. According to the complainant, the organisation was subsequently hijacked from its original owners, and the funds received from the NLC were not utilised for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding and it includes the financial investigation on the additional bank statements.
Offence	Fraud and money laundering	
Date reported	2020-12-09	
Date of referral to DPCI	2020-12-09	
Amount involved	R11,375,000.00	
NPO/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 277/01/2021	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant, alleges that a NPO applied for funding to the NLC for an amount of R15,000,000.00 to erect an athletics stadium in Galeshewe Kimberley, Northern Cape province.</p> <p>The NLC application was approved and the amount of R15,000,000.00 was disbursed to the NPO. The complainant alleged that the NPO was instructed by Athletics South Africa to transfer R10,000,000.00 to a specific NPO. Subsequent allegations indicated that the funds were not utilised for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding and it includes the financial investigation on the additional bank statements. The investigation is in the process of requesting the contra account details from the bank in electronic format.
Offence	Fraud and money laundering	
Date reported	2021-01-20	
Date of referral to DPCI	2021-01-20	
Amount involved	R15,000,000.00	
NPO/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Vuwani CAS 61/12/2020	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that his personal details were used at NLC to secure funding amounting to R15,105,000.00 for a Non Profit Organisation (NPO).</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding and it includes the financial investigation on the additional bank statements. The investigation is in the process of requesting the contra account details from the bank in electronic format.
Offence	Fraud and money laundering	
Date reported	2020-12-09	
Date of referral to DPCI	2021-01-25	
Amount involved	R15,105,000.00	
NPO/Individual involved	1x NPO	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Makhado CAS 162/03/2020	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant, a Director of the NPO alleged that the NPO had a bank account at FNB which was closed and an attempt to re-open it was made in 2020. At that stage, FNB informed the complainant that an alternative account already existed under the same organisational name.</p> <p>The complainant was later approached by an unknown individual claiming to have received R5,500,000.00 in funding from the NLC. The individual allegedly attempted to induce the complainant to withdraw a SAPS case by offering a payment of R60,000.00.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding and it includes the financial investigation on the additional bank statements.
Offence	Fraud and money laundering	
Date reported	2020-03-12	
Date of referral to DPCI	2021-01-08	
Amount involved	R5,500,000.00	
NPO/Individual involved	1x NPO 1x Civilian	

NATIONAL LOTTERIES COMMISSION CASES

Case number	Sunnyside CAS 480/07/2020	<p><u>SYNOPSIS OF CASE</u></p> <p>The complainant alleged that a NPO applied for funding from the NLC to support charitable initiatives and the provision of sanitation facilities at schools.</p> <p>The NLC approved and disbursed funding totalling to R10,000,000.00 and paid in two (2) tranches on 6 November 2018 and 4 April 2019. Allegations indicated that the funds were not used for the intended purpose.</p> <p><u>STATUS OF INVESTIGATION</u></p> <ul style="list-style-type: none"> • Additional witness statements from the NLC with supporting documents to be obtained. • The investigation is proceeding and it includes the financial investigation on the additional bank statements.
Offence	Fraud and money laundering	
Date reported	2020-07-09	
Date of referral to DPCI	2023-06-15	
Amount involved	R10,000,000.00	
NPO/Individual involved	1x NPO	

Conclusion

- While steady progress is being made, several factors continue to influence the pace of finalisation, most notably the complex financial analyses that require extended review.
- To ensure effective oversight and timely resolution, robust accountability mechanisms remain in place.
- These mechanisms encompass regular reviews of case timelines, the escalation of bottlenecks to senior management, continuous monitoring of external dependencies, and strengthened collaboration with stakeholders.
- Collectively, these measures are designed to maintain momentum and safeguard the integrity of the process.



Thank You

Seek, Find, Strike