



National Prosecuting Authority
South Africa

PRESENTATION TO THE TRADE, INDUSTRY AND COMPETITION PORTFOLIO COMMITTEE

**NATIONAL LOTTERIES COMMISSION
SIU REFERRALS TO NPA**

24 March 2026



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BACKGROUND

- The President issued SIU Proclamation 32 of 2020 (01 Jan 2014 - 06 Nov 2020).
- Allegations regarding misuse of National Lottery funding, with indications that certain officials of NLC had benefited improperly.
- The proclamation empowered SIU to investigate maladministration, unlawful or improper conduct by NLC employees and officials, the unlawful appropriation of funds, and to identify any related criminality. As a result of these investigations, referrals have been made and dockets opened.
- Criminal matters arising from SIU referrals are being pursued by the Serious Economic Offences Unit of the DPCI, while several additional cases are under investigation by SAPS.
- Suspects include former senior officials as well as former members of the NLC's Board.

NPA MANDATE

The NPA was established in terms of section 179 of the Constitution and bears the responsibility of providing a coordinated prosecuting service that:

- ensures justice is delivered to the victims of crime through general and specialised prosecutions;
- removes the profit from crime and recovers stolen funds; and
- protects certain witnesses in the process.

SIU LEGAL AND REFERRAL FRAMEWORK

- In terms of section 4(1)(d) of the SIU Act, the Special Investigating Unit must, during the course of any investigation where evidence points to the possible commission of an offence, refer the matter to the NPA as soon as practicable.
- Once referred, the NPA in turn channels such matters to the Directorate for Priority Crime Investigation (DPCI) for further criminal investigation. Employing the prosecutor-guided methodology, the allocated prosecutor provides direction throughout the investigative process.
- Upon completion of the investigations, the prosecutor will make a determination on whether or not to institute prosecution.

Progress on NLC SIU Referrals

SUMMARY OF REFERRALS

Total number of referrals from SIU: 16

Some dockets relating to the same NPOs were closed and added to the main docket, Sunnyside Cas 48/09/2020. This explains the 19 referrals reported by SIU vs the current 16 being accounted for

Total matters under investigation: 14

Total number of cases in court: 2 (OCC- Kimberly)

No matters were declined to be prosecuted.

REFERRALS UNDER INVESTIGATION

- | | |
|--|-----------------------|
| 1. Denzhe Primary Care NPO | Sunnyside 48/09/2020 |
| 2. Zibsimanzi NPC | Sunnyside 281/12/2020 |
| 3. Life for Impact in the 21 st Century NPO | Sunnyside 282/12/2020 |
| 4. I am Made for God's Glory NPO | Sunnyside 283/12/2020 |
| 5. Inqaba Yokulinda NPO | Sunnyside 277/01/2021 |
| 6. Zibsifusion NPC | Sunnyside 480/07/2020 |
| 7. Taung Cultural Music and Arts Expo NPO | Sunnyside 191/06/2023 |
| 8. Simba Community Development Foundation NPO | Sunnyside 318/06/2023 |
| 9. Vyeboom Youth Development NPO | Sunnyside 61/12/2020 |
| 10. Uprising Youth Development NPO | Makhado 162/03/2020 |
| 11. Tirhani Sebenzani Support group NPO | SEOUEng 1/11/2021 |
| 12. Lulamisa NPO | Sunnyside 629/07/2024 |

STATUS UPDATE ON INVESTIGATIONS

1. Denzhe Primary Care NPO

- Under investigation,
- 36 witness affidavits obtained;
- 20 bank account documents received (Section 236 statements).

Outstanding investigation:

- Forensic accountant appointment;
- Complete cash flow;
- Witness affidavits and further banking accounts.

2. Zibsimanzi NPC

- Under investigation

Outstanding investigation

- Forensic accountant report
- 3 Witness affidavits

STATUS UPDATE ON INVESTIGATIONS (cont.)

3. Life for Impact in the 21st Century NPO

- Under investigation,
- 22 witness affidavits obtained;
- 15 Section 236 (CPA) affidavits with accompanying bank documents obtained.

Outstanding investigation:

- Application and appointment of forensic accountant
- 1 Witness affidavit
- 4 Section 236 affidavits with accompanying bank documents obtained.

4. I am made for God's glory NPO

- Under investigation
- 13 witness affidavits obtained
- 8 Section 236 affidavits with accompanying bank documents obtained.

Outstanding investigation

- Application and appointment of forensic accountant

STATUS UPDATE ON INVESTIGATIONS (cont.)

5. Inqaba Yokulinda NPO

- Under investigation,
- 13 witness affidavits obtained;
- 3 Section 236 (CPA) affidavits with accompanying bank documents obtained.

Outstanding investigation:

- Application and appointment of forensic accountant

6. Tirhani Sebenzani Support Group NPO

- Under investigation
- 1 witness affidavit obtained
- 1 Section 236 statement obtained.

Outstanding investigation

- Witness statement from NLC
- No evidence could be found relating to any funds paid into the identified bank account of Tirhani NPO

STATUS UPDATE ON INVESTIGATIONS (cont.)

7. Vyeboom Youth Development NPO

- Under investigation,
- 12 witness affidavits obtained;
- 7 Section 236 (CPA) affidavits with accompanying bank documents obtained.

Outstanding investigations

- Application and appointment of forensic accountant
- Witness affidavits where they become necessary
- Outstanding bank statements where contra accounts were identified

8. Uprising Youth Development NPO

- Under investigation
- 13 witness affidavit obtained
- 45 Section 236 statement with accompanying bank documents obtained.

Outstanding investigations

- Application and appointment of a forensic accountant. Contra account payments (approx. R5m)
- 2 witness affidavits
- 4 Section 236 affidavits

STATUS UPDATE ON INVESTIGATIONS (cont.)

9. Zibsifusion NPC

- Under investigation,
- 5 witness affidavits obtained;
- 2 Section 236 (CPA) affidavits with accompanying bank documents obtained.

Outstanding investigation:

- Application and appointment of forensic accountant
- 3 Witness affidavits

10. Simba Community Development Foundation NPO

- Under investigation
- 12 witness affidavit obtained
- 5 Section 236 affidavits with accompanying bank documents obtained.

Outstanding investigation

- Application and appointment of a forensic accountant. 2 witness affidavits
- Witness statement from NLC
- 4 witness affidavits
- 1 Section 236 affidavits with accompanying bank documents obtained

STATUS UPDATE ON INVESTIGATIONS (cont.)

11. Taung Cultural Music and Arts Expo NPO

- Under investigation,
- 36 witness affidavits obtained;
- 20 Section 236 (CPA) affidavits with accompanying bank documents obtained.

Outstanding investigation:

- Application and appointment of forensic accountant
- Witness statements from NLC relating to the process, application and payments of grant funds
- 5 witness affidavits
- 7 Section 236 (CPA) affidavits with accompanying bank documents

12. Lulamisa NPO, Mosokodi NPO

- A new matter, investigations continue

Outstanding investigation

- Numerous affidavits from NLC, CIPC, DSD
- Forensic report and cash flow analysis

Matters in Court

CASE 1 IN COURT

Kgatelopele Foundation: NPO (Kimberly CAS 748/08/2023)

- **ACCUSED:** Peter Sedibe and Johannes Khoza
- The accused persons operated an NLC fraud scam by submitting falsified applications for funding to the NLC on the pretence that they were committee members of Kgatelopele NPO, based in Kimberley.
- The matter is in court in Kimberley and postponed to **02 June 2026** for trial.
- The accused are facing charges of fraud and money laundering.

CASE 2 IN COURT

Heseqwa Caring Networks: NPC (Kimberley CAS 580/09/2024)

- Matter in court in Kimberley and postponed to **15 April 2026** for trial.
- It is alleged that an NPC, Heseqwa Caring Networks, submitted through its director's application for funding to the NLC.
- Upon receiving the funds, the directors transferred funds to their personal use, including the purchase of vehicles, which is being used by one of the directors in Cape Town instead of Kimberley, as indicated in the funding proposal.
- The accused are facing charges of fraud and money laundering.
- Accused: Jerome Scolts, Mr Ramalaine, Ms Ndevu and Haseqwa Caring Network

The Charges

POSSIBLE CHARGES

Possible Offences:

- Racketeering: Section 2 Prevention of Organised Crime Act (POCA)
- Fraud – any misrepresentation made to the National Lottery Commission in order to facilitate the payment of the grants.
- Theft
- Corruption: Prevention and Combating of Corrupt Activities Act (PRECCA) offences.
- Money Laundering: Sections 4, 5 and 6 of the Prevention of Organised Crime Act (POCA).

Common purpose to be alleged: DOCKETS to be read together, showing more than two predicate offences committed by each of the accused we decide to prosecute.

POSSIBLE CHARGES

- Against other NLC officials:
 - Fraud, theft, corruption, money laundering:

Predicate offences:

- Fraud – any misrepresentation made to NLC attributable to NLC officials.
- Corruption. PRECCA offences:
- Money Laundering: POCA offences: Section 4, 5 and 6.

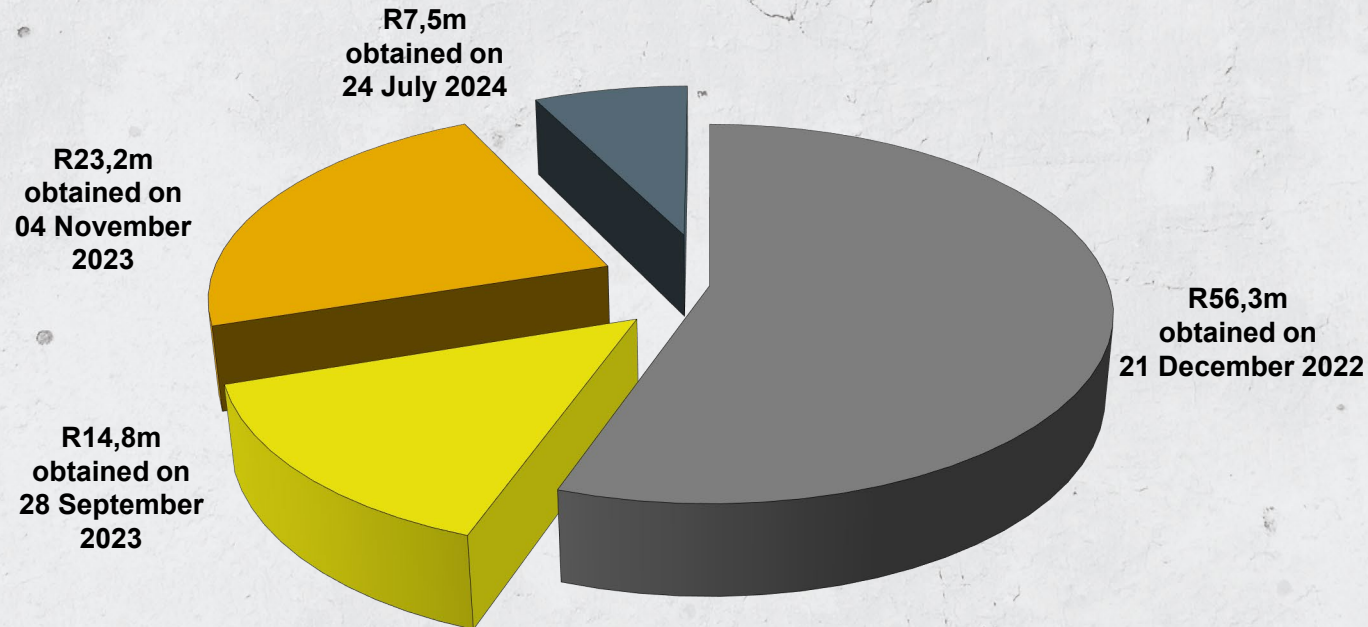
Statutory Offences:

- In terms of the National Lotteries Act, 57 of 1997
- Others to be identified on perusal of dockets and compilation of charge sheets.

Progress of Asset Forfeiture on NLC SIU Referrals

AFU RESULTS LINKED TO DOCKETS and FREEZING ORDERS TO DATE

The AFU has obtained four preservations in the NLC cases



- 1st Preservation Order: Dockets linked to Simba Community Development Foundation NPO
- 2nd Preservation Order: Dockets linked to Taung Cultural Music and Arts Expo NPO & I am made for God's Glory NPO
- 3rd Preservation Order: Dockets linked to Lulamisa NPO
- 4th Preservation Order: Dockets linked to Lulamisa NPO

AFU FREEZING ORDERS TO DATE

- Forfeiture applications have been filed in respect of all four preservations.
- Whilst the AFU would, in the ordinary course of events already have obtained a forfeiture order in the first matter, the matters are heavily contested. Of the 15 properties preserved, 13 are being disputed.
- The respondents have already launched several interlocutory applications.

INTERLOCUTORY APPLICATIONS

- The AFU has obtained four preservations in the NLC cases.
- In the first preservation, there have been four interlocutory applications from different respondents.
 - Three applications were brought for the exclusion of property from the operation of the preservation order.
 - One application in terms of Rule 30 of the Uniform Rules of Court was filed.
 - All were successfully opposed.
- In the second preservation, there have been two interlocutory applications
 - One application was filed to compel the AFU to submit information irrelevant to the application. The application was opposed. The respondent must file a replying affidavit or enrol the matter.
 - An application for reconsideration of the preservation order was successfully opposed.
- All the applications being brought is taking up a huge amount of time.

LEGAL CHALLENGES

- Mr Nevuthanda, the former chairman of the NLC has launched an application against the President of the Republic's Proclamation.
- He is challenging the validity of the proclamation given to the SIU to investigate the NLC.
- The presiding Judge in the forfeiture application has granted Nevuthanda a postponement *sine die* pending the outcome of the application against the President. The AFU can therefore not proceed with forfeiture applications in the first three legs of the case.
- In the fourth leg, the presiding judge allowed the respondent to file an additional affidavit.
- The AFU is proceeding to re-enrol the forfeiture application again.

CHAPTER 5 PROCESS TO BE CONSIDERED

- Confiscations, in terms of Chapter 5 of POCA, may be considered in the future, depending on the outcomes of the criminal investigations and prosecutions.

Challenges

CHALLENGES AND MITIGATION

Challenges	Mitigation of challenges
<ul style="list-style-type: none">• The delays in forensic firms being appointed to conduct financial analysis. Delays in the start of the JICC project. The case was selected as one of the JICC project cases in May 2025. Appointment is still pending.	<ul style="list-style-type: none">• Through joint engagement, NPA, SIU, and DPCI have resolved the matter. A forensic firm will be appointed in April 2026.
<ul style="list-style-type: none">• The legal challenge on the validity of the Proclamation	<ul style="list-style-type: none">• The State may use other evidence obtained by the DPCI/ SAPS in line with the CPA.
<ul style="list-style-type: none">• Continued employment of certain implicated individuals within the NLC.	<ul style="list-style-type: none">• Implicated persons must be removed from the environment so that they may not be in a position to interfere with investigations

CHALLENGES AND MITIGATION

Challenges	Mitigation of challenges
<ul style="list-style-type: none">• Some witnesses are suspects	<ul style="list-style-type: none">• Consider the use of section 204 of CPA to obtain evidence from these witnesses.
<ul style="list-style-type: none">• The age of the matter. Significant lapse of time between the commission of the alleged offences, issuance of the Proclamation: over 12 years ago.	<ul style="list-style-type: none">• Rely on documentary and forensic evidence.
<ul style="list-style-type: none">• Lapse of time may affect the availability of witnesses and documentary evidence.	<ul style="list-style-type: none">• Although delays may impact witness availability and documentation, South African law offers remedies—including admission of hearsay evidence in the interests of justice, acceptance of best evidence where originals are lost, and use of statutory affidavits under sections 212 and 236 of the CPA.

Concluding Remarks

Concluding Remarks

- The NPA remains firmly committed to expediting all matters arising from SIU Proclamation 32 of 2020. This commitment extends both to the vigorous pursuit of criminal charges where evidence supports prosecution and to the robust use of asset forfeiture mechanisms.
- All interlocutory applications aimed at obstructing asset forfeiture proceedings will be opposed with determination and resolve.
- The appointment of a forensic firm is anticipated to be finalised by the end of April 2026. Upon completion of the money-flow analysis and forensic investigations, the NPA will be positioned to make a decision in the matters. In the interim, the assigned prosecutor will continue to provide guidance on the outstanding investigative processes.

Thank you

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