

NATIONAL GAMBLING BOARD
ANNUAL REPORT
2008/2009



Vision

“To be a world-class organisation, providing a national regulatory framework in the gambling industry.”

Mission

National Gambling Board is a catalyst in creating a credible South African gambling environment

ADMINISTRATION

Acting Chief Executive Officer
MAF Moja

Chief Financial Officer
Emily Ntsowe

Chief Operations Officer
Themba Marasha

Physical Address
the dti Campus
Block G, Ground Floor
Mapungubwa Building
77 Meintjies Street
Sunnyside
Pretoria

Postal Address
Private bag X27
Hatfield
0028

Telephone
+27 12 394 3800

Fax
+27 12 394 4800

E-mail
info@ngb.org.za

Website
www.ngb.co.za

Principal Bankers
ABSA Bank

ISBN: 978-0-621-38770-4
RP: 174/2009

National Gambling Board

CONTENTS

Part One

CHAIRPERSON'S REPORT

BOARD MEMBERS

CHIEF EXECUTIVE OFFICER'S REPORT

CORPORATE GOVERNANCE REPORT

PERFORMANCE REPORT

Part Two

REPORT OF THE AUDIT COMMITTEE

REPORT OF THE AUDITOR-GENERAL

BOARD MEMBER'S REPORT

STATEMENT OF FINANCIAL PERFORMANCE

STATEMENT OF FINANCIAL POSITION

STATEMENT OF CHANGES IN NET ASSETS

CASHFLOW STATEMENTS

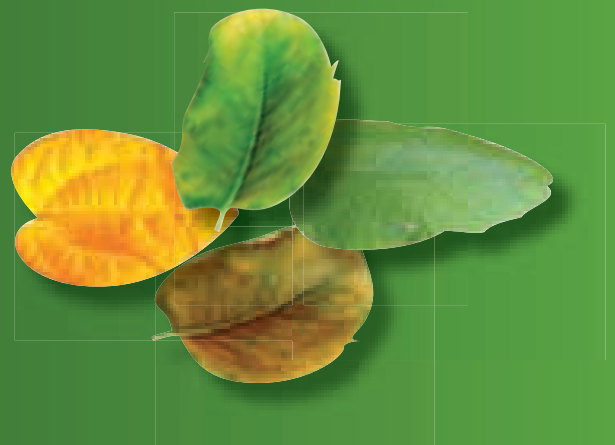
NOTES TO THE ANNUAL FINANCIAL STATEMENT

Part Three

NATIONAL ESTIMATE GAMBLING STATISTICS

CASINOS IN SOUTH AFRICA

ILLEGAL GAMBLING STATISTICS







Part One

Contents

CHAIRPERSON'S REPORT	5
CHIEF EXECUTIVE OFFICER'S REPORT	9
CORPORATE GOVERNANCE REPORT	12
BOARD MEMBERS	16
PERFORMANCE REPORT	18

Chairperson: CL Fismer



THE YEAR UNDER REVIEW

The year under review proved to be the most challenging for the National Gambling Board with the Board being an interim Board and with most of the Board supporting structures also being of an interim nature as well, i.e. the CEO and Board Committees, including the Audit Committee. As a result, the Board could not take long-term views on certain activities; however, much was still achieved (under these challenging circumstances).

THE INTERNATIONAL BIENNIAL CONFERENCE:

The NGB hosted the international Biennial Conference in April 2008. The conference was one of the successful deliverables of the NGB, with all the preparation and management of the event being conducted in-house by management and staff guided by the Board. The conference was over-subscribed, but with the assistance of our sponsors, all the enthusiastic delegates were accommodated comfortably.

The conference was hosted alongside the plenary mid-year meetings of the International Association of Gambling Regulators (IAGR) and Gaming Regulators Africa Forum (GRAF) respectively. Both these events enriched our conference with the participation of their delegates. Many issues pertinent to the gambling community (regulators, operators and gamblers) were openly discussed.

The NGB is always appreciative of participation of all people and organisations, i.e. organisers, delegates and generous sponsors that make our biennial conferences a success.

NATIONAL REGISTRIES

We have reached the stage where we can execute the full mandate as legislated with transitional provisions uplifted. All five national registry systems; that is, self-exclusions, probity, information sharing, gambling machines and devices and central monitoring are fully developed. The new systems will be implemented in phases until the third quarter of the new year. The effective date for full implementation of the self-exclusion system will be announced by the Minister in the new year.

The NGB was encouraged by the co-operation and willingness of the industry to see to the completion and effective implementation of the self-exclusion system. We all believe that this system will take public protection of the vulnerable gamblers to the next level. However, its ultimate success requires full co-operation and willingness of gamblers as well as the public.

LIMITED PAYOUT MACHINES

The LPM industry continue to gain momentum. During the year the industry began to identify the bottleneck caused by trying to build the small gambling sector over an existing and matured liquor industry, which has its unique challenges, and are now beginning to address the problems with regulators seeking inclusive and encompassing solutions. It is only now during the year ended March 2009 that just over 10% (5 149) LPM machines are rolled out and remain operational since the promulgation of 50 000 machines country-wide. LPMs are not yet rolled out in: Gauteng, North West, Free State and Northern Cape provinces. However, each province has promulgated their relevant legislative policy framework and the process of implementation is at various stages.

The NGB, through Zonke Monitoring Systems provides central monitoring services to the industry. The system gets to be upgraded with the latest system versions as and when released by the South African Bureau of Standards throughout the year.

INTERACTIVE GAMBLING

Parliament adopted amendments to the National Gambling Act that sought to legalise participation and offering of internet gambling by South African licensed operators and the President acceded to the Act in July 2008. The NGB commenced on the processing of planning and development of administering the amendments. In addition, we assisted the Department of Trade and Industry to draft secondary legislation related to the amendments (IG regulations).

The NGB Board is fully aware of the challenges that are inherent in legalising interactive gambling and maintain that the problems of regulating it can be mitigated by enabling legislation to an acceptable level, rather than controls to ensure complete prohibition of participation of international and local operators and players.

In the new year the Board will be involving itself with training and research to build monitoring capacity. This includes procuring appropriate infrastructure and building human capital.

OTHER CHALLENGES

The impact of technology remains a challenge like in any other sector, but for regulators the challenge is exacerbated by the lead period of implementing changes to legislation that would enable proactive regulation.

The process of formulating policy that would guide effective regulation of technologically advanced Bingo halls seems to be dragging, especially in the light of the Court rulings on matters before them. The matter is further complicated by provinces holding different views and policies on the matter.

CHANGE OF GUARD

The new Board of the NGB was appointed with effect from January 2009. This saw three members including the chairperson being re-appointed to assist with a smooth transition that would ensure effective delivery on the mandate. Of critical importance is that the skills capacity brought in is very rich and of a high standard so as to lead the organisation effectively.

Further, there was a change in the political leadership in the country and inherently political leadership of the NGB. The new Minister was previously the Deputy Minister within the Department of Trade and Industry who needed no briefing on the mandate of the department, including the NGB as an agency of the Department.

REVIEW OF GAMBLING WITHIN SOUTH AFRICA

The Minister undertook to pursue the NGB's recommendation that it is an opportune time that the gambling sector is reviewed, with the prospect of informing gambling policy for the future. This will direct the focus and future decisions regarding new forms of gambling and the impact of technology on gambling.

CONCLUSION

In conclusion, I would like to thank the political leaders I have served under for their guidance and support that they provided to me to enable me to lead the National Gambling Board as well as the industry role players who have always been co-operative and supportive in participating to help shape the gambling industry in South Africa.

To the past and present fellow Board members and staff of NGB, I thank you for your support that enabled me to guide and lead you in the sometimes daunting, yet challenging task of delivering on the NGB mandate.

To my past and present provincial colleagues, I thank you for your co-operation and team work in regulating this challenging industry.

To the past and present members serving on the South African Responsible Gambling Trust, I thank you for the wealth of support given to me in guiding the good cause of ensuring responsible gambling within the country.



C L FISMER
CHAIRPERSON

Acting CEO: MAF Moja



The NGB's Role and Vision

The Role of the National Gambling Board is:

- ♦) To provide regulatory control over gambling activities;
- ♣) To provide control systems that will ensure the integrity of the South African gambling industry;
- ♠) To promote the development of a responsible gambling culture in the Republic of South Africa;
- ♥) To provide control systems that will ensure that all gambling activities are conducted responsibly, fairly and honestly;
- ♦) To ensure that all players are treated fairly and that the privacy of players is maintained;
- ♣) To protect minors and vulnerable persons from the negative effects of gambling;
- ♠) To protect and advance the interest of historically disadvantaged persons;
- ♥) To protect the broader society against over-stimulation of the demand for gambling;
- ♦) To employ control systems that will deter gambling being a source of or associated with crime or disorder, or being used to support crime, disorder or money laundering.

With the responsibility bestowed on the NGB, the NGB is committed to the effective regulation and supervision of the gambling industry by upholding internationally recognised standards of compliance; thereby positioning the organisation as the pre-eminent gambling regulatory body.

The report on performance of the NGB against objectives set for the year is detailed on pages 18 to 27. However, it is worth elaborating on some areas reported hereunder.

Racing and Betting:

The Racing and Betting Department spent considerable time in ensuring that uniform norms and standards are applied within the industry. The NGB as a member of the wagering software standards committee, participated in the review of the wagering software standard (SANS 1718 part 4), which was subsequently implemented with effect from July 2008. In line with ensuring uniformity the NGB in consultation with Provincial Gambling Boards developed uniform regulatory systems for compliance and revenue audit.

The proposal on the zero rating of tax on sports betting was endorsed by all provinces, however only Gauteng, KwaZulu-Natal and Western Cape met the July 2008 implementation date. The other provinces are continuing to address the matter through their respective legislative processes.

FICA inspections were conducted in the bookmaking industry and the inspections findings indicated that there was a need for training. The NGB will conduct formal training sessions in preparation for the next round of inspections and it is anticipated that training will commence in the first quarter of the new year.

Compliance Department:

By the end of the financial year, the NGB had four outstanding national registry systems developed and tested for acceptance and implementation and the systems are ready for implementation. During the system testing period the NGB and **the dti** realized the enormous bandwidth that the system will require in order to cater for all users. This challenge will be addressed in the new year by hosting the servers outside **the dti** campus. Further advantage to this situation is that the server and backup will be housed at remote locations from the NGB offices.

The regularity audits were conducted on the CEMS system to ensure punter protection and that accurate taxes and levies are collected. Although the system was designed to have 50 000 machines connected, by March 2009 only 5 149 machines were active. The North West, Gauteng, Free State and Northern Cape provinces have not yet issued any site licences. However, each one is engaged in a process of implementing a LPM policy framework and are all at different stages.

The NGB as a member of the technical committee on standards, participated in the accreditation process that saw BMM and GLI succeed and become accredited as gambling equipment laboratories compliant with ISO 9000 standards. Technical standards and compliance of gambling is critical to ensure consumer protection and the integrity of the industry. The process has already commenced to design a standard for interactive gambling (draft standard SANS 1718-11) which will be released for public comments in the new year.

The NGB closed the year with pride when the Financial Action Task Force (FATF) gave South Africa a clean report in the areas of combating money laundering and financing terrorism activities. It was a process of preparation for two years, which commenced with training, designing minimum compliance standards for operators followed by inspections and reports on findings that highlighted areas that required improvement.

In the new year the process will commence with incorporating recommendations from FATF to enhance our systems and strengthen our controls.

Information Management:

The NGB researchers continue to work closely with the service providers serving on the Responsible Gambling Programme. The South African Responsible Gambling Programme is still a world leader, offering a comprehensive solution that integrates research and monitoring, broad public education and awareness, training, treatment and counselling.

Broad Public Education:

The education programmes are now included in the school curriculum: life orientation for grades 7 to 9, aimed to be taken further to grade 12 in the new year. The teaching and learning resource packages named "Taking Risks Wisely" are distributed widely at schools. The Gauteng and Western Cape departments of education have joined in to ensure accelerated and broad coverage of the programmes at schools. Consequently, 27 822 and 16 042 learners have been reached in the respective provinces.

Research:

The National Centre for the Study of Gambling (NCSG), through the Universities of Cape Town and KwaZulu-Natal, ensures that South Africa's capacity to study and understand gambling behaviors with the view to improve prevention mechanisms and treatment of problem gambling is sustained. The current work includes a study of the relationship between poverty and gambling. The NGB commissioned a national follow-up research study to determine the socio-economic impact of legalized gambling in South Africa.

Training:

Staff members at operator and regulator levels were trained on problem gambling aspects. Staff trained includes 1 681 from casinos, 317 from the racing and betting industry, 27 LPMs, 351 from the health sector and all NGB staff. The counselling toll-free telephone line provided assistance to 3 632 callers.

Information:

In an effort to provide comprehensive and user-friendly gambling statistics, the NGB developed a database system that provides consolidated national data on turnover, gross gambling revenue (GGR), taxes and levies over a period.

Industry Overview:

For the year ended March 2009, the gambling industry was not severely affected by the economic melt down. The effect was a shift of revenue influenced by a change in gambling patterns from one gambling mode to the other, e.g. casino. GGR decreased, whilst betting, bingo and LPM industry GGR's increased in various proportions. This was positive to retain jobs in the industry.

Support staff:

The support staff provided sterling service to external and internal stakeholders. The well-designed systems, policies and procedures employed made management of the NGB affairs smooth and of high standard.

Appreciation:

In conclusion, on behalf of the old and new Boards and staff of the NGB, I want to express my appreciation for the support that the NGB receives from the Ministers and Administration Authority of the Department of Trade and Industry, and colleagues from all nine provinces. It is only through the joint efforts of all the parties that the NGB is able to deliver on the mandate to the extent reported.



Mmathebe Moja

Acting Chief Executive Officer



Chris Fisser

Chairperson

The National Gambling Board (“board”) is committed to conduct business in compliance with statutory requirements as well as development and adherence to the organizational policies, regulations and procedures. It subscribes to the principles contained in the Code of Corporate Practices and Conduct recommended by the King II Report on Corporate Governance for South Africa, which details the importance of corporate governance in achieving financial objectives and fulfilling corporate responsibilities.

The board continuously assesses its policies relating to its duties and responsibilities and the delegation of powers with a view to ensuring that governance requirements are met and that the core principles of accountability, integrity and transparency are adhered to.

Board Charter

The Board operates under an approved charter, which regulates its business in line with the principles of sound corporate governance. The Board Charter model is based on the principles as recommended by King II, which incorporates the powers of the board, providing a clear division of responsibilities and accountability of the Board members, collectively and individually to ensure a balance of power and authority. The charter of the Board and that of its committees are reviewed annually.

Roles and Responsibilities

The Board’s primary roles extend to giving strategic direction. To ensure accountability to stakeholders, the Board monitors progress and ensures the achievement of objectives outlined in the business plan through set key performance indicators and annual budgets. It reviews the entity’s internal controls and risk management policies and approve its governance structure and Code of Ethics. The roles of the Chairman and Chief Executive Officer (CEO) are separate, and the chairman has no executive responsibilities.

Board Members (“the Board”)

As at 31 March 2009, the Board was fully constituted with nine members, being the independent Chairperson and Deputy Chairperson, respective representatives from the South African Police Service (“SAPS”), South African Revenue Services (“SARS”), **the dti** and the Department of Social Development & Welfare and three other independent non-executive members.

1. The CEO is a non-voting member of the Board. The new Board was appointed by the Minister in terms of section 67 of the National Gambling Act (Act No 7 of 2004) with effect from 01 January 2009.
2. The Board in consultation with the Minister of Trade and Industry appoints the CEO. All members are non-executive and the Board has implemented a process of eliminating any actual or potential conflict of interest that may arise.

Induction and orientation training were provided to the new Board to ensure that the members understand the business of the entity extensively and to enable them to take appropriate strategic decisions. The Board meetings follow a formal agenda ensuring that significant matters are properly addressed, and all relevant information is provided timeously. Senior Management attends the meetings by invitation to give members an opportunity to interact with them so as to obtain first-hand information on operational matters. Furthermore, open dialogue between individual members of the board and other staff members is encouraged to enable Board members to gain a better understanding of the business. The Board demands that matters placed under discussion be properly researched and motivated.

The Board members hold office of high responsibility in departments and private organisations, and are able to utilize independent judgement to evaluate strategy, performance, resources, transformation, diversity and employment equity, standards of conduct, as well as to act in the NGB's best interests in their respective capacities. In the challenging regulatory environment, the present compliment of experience and skill of the members will ensure that the NGB can meet the challenges that it faces.

The Board has Executive, Audit, Human Resource and Risk management committees to assist in executing its responsibilities. Each committee operates within the terms of reference under which certain functions of the board are assigned with defined purposes, constitution of membership, duties and reporting procedures.

The Board meets regularly, retains full and effective control over the entity and monitors and evaluates executive management in implementing Board plans and strategies. Meetings are held six times per annum and additional special meetings are arranged, when the need arises.

Code of Ethics

The Board and all employees are required to sign a Code of Ethics to ensure maintenance of the highest ethical standards and that business practices are conducted in a manner which is honest and fair and, which, in all reasonable circumstances, is above reproach.

Board Committees

Executive Committee

The Executive Committee is responsible for assisting and advising the CEO in implementing the strategies and policies determined by the Board, managing the business and affairs of the entity, and establishing best management practices. It comprises four board members and senior executive staff, under the chairmanship of Mr Chris Fisser, the Chairperson of the Board.

Human Resource and Investment Committee

The Human Resource Committee is responsible for strategic human resource issues such as succession planning, human resource policies, including employment equity, and fulfils the role of remuneration committee. It comprise three Board members, senior executives and the Human Resources Manager. Professor Linda de Vries chairs this committee. Performance evaluation and remuneration of Senior Executive is considered by the full Board.

Audit Committee

The role of the Audit Committee (AC) is to assist the Board in evaluation and monitoring of internal control systems, risk and financial management systems to ensure that efficient and effective, compliance with applicable legal and regulatory requirements, compliance by management with constraints imposed by the Board, the appointment, remuneration, qualifications, independence and performance of the internal and external auditor and the integrity of the audit processes as a whole.

The Audit committee is chaired by an independent non-executive member, Mr. Kobus Scheepers, and comprise five non-executive members. Representatives from the external auditors, internal auditors and management attend the Audit Committee meetings by invitation. The committee meets at least four times a year to review the audit plan, interim and annual financial results and other significant audit matters. It is the responsibility of the AC to review the annual financial statements of the Board and to make appropriate recommendations regarding their approval by the Board. The AC also reviews the scope of the audits and the accounting policies.

Risk Management Committee

The Risk Management Committee is responsible for the identification and evaluation of actual and potential risk areas as they pertain to the business of the entity. Further, it evaluates exposure to significant risks and the appropriateness of internal controls. A risk register is maintained, identifying significant risks and defining appropriate risk strategies to mitigate those risks that could impact significantly on the business. Risk management and assessing the effectiveness of the system of internal controls were previously issues addressed by the AC. A recommendation was made for the establishment of the Risk Management Committee to deal with the issues and report to AC. The committee is yet to convene and is to be chaired by the Risk Officer; it will comprise of management.

Communication

The Board subscribes to the principle of timeous, balanced, relevant and understandable communication with all relevant parties.

Board Secretary

The Board Secretary is responsible for ensuring that the Board conduct the business in accordance with the pertinent laws and regulatory requirements and that the proceedings and affairs of the Board and the entity are properly administered. Furthermore, it ensures that the Board and its committees conduct business in terms of approved Terms of References and decisions are taken by appropriate authority.

Going Concern

The annual financial statements set out on page 30 to 64 have been prepared on the going concern basis since the Board have every reason to believe that the entity has adequate resources with which to continue operating in the foreseeable future.

Board members as at 31 March 2009

Chris Fismer	Chairperson
Mmathebe Moja	Deputy Chairperson
Adv Tayoob Aboobaker	
Prof Linda de Vries	
Matimba Macebele	
Nomfundo Maseti	
Vuyelwa Nhlapo	
August Keyser	
Comm. Willem Meiring	

ATTENDANCE AT BOARD MEETINGS

During the year under review, five board meetings were held. Attendance, by Board member, was as follows:

Board Member	Number of Board Meetings Attended
C Fismer *	5
T Moja *	5
T Aboobaker *	4
L De Vries **	2
M Macebele **	1
A Keyser **	2
N Maseti **	2
W Meiring **	1
V Nhlapo **	1
V Masola ***	2
Z Mdhladhla ***	4
LJ Kganyago **	3
E Masotja ****	1

Note:

- * Reappointed 01 January 2009
- ** Appointed 01 January 2009
- *** Resigned 31 December 2008
- **** Resigned 31 July 2008

Board Members



C.L. Fisser



M.A.F Moja



A.C. Keyser



V. Nhlapo



M.C. Macebele



N. Maseti



J.W. Meiring



Prof. L. de Vries



T. Aboobaker

Strategic Performance Report For the year ended March 31, 2009



Front Row Left to Right: Mankwele Mangwanatala, Nthabiseng Bogoshi, Pamela Makamo, Keletso Makopo;
Middle Row Left to Right: Estelle Jonkheid, Surgeon Mthombeni, Beatrice Leola, Sakhi Mhlongo, Adv. Tlotliso Polaki, Khalid Khan, Lungi Mazibuko;
Back Row Left to Right: Emily Ntsowe, Denzil J. Pillay, Themba Marasha, Thebi Moja, Michael Burns, Veronica Northmore, Edwin Machabaphala

Performance Report

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
1.	Provide reliable information on gambling activities	Maintain & monitor CEMS to record LPM activities	Monthly	<ul style="list-style-type: none"> Less than 3 % downtime per month; SDL upgraded within 30 days of release of new SABS standards 	<ul style="list-style-type: none"> Reported downtime of 1% throughout the year; Upgrades performed during the year are; Software – April 2008 CEMS - July 2008 and March 2009 	None
		Implement national self exclusion systems with all regulators and operators connected to load and utilise the system	System fully rolled out to 9 PGBs by March 2009	<ul style="list-style-type: none"> Registration of self exclusion, disabling individual from activities within seven days notice, country wide 	<ul style="list-style-type: none"> Completed consultation with all stakeholders Three month pilot study completed in April 2009 Amendments to the regulation drafted 	<ul style="list-style-type: none"> NGB could not implement the overall system due to limited bandwidth granted by the dti. Our need was underestimated. Service provider to host national database servers outside the dti has been sought. Enabling regulations need to be promulgated prior to system implementation System will be implemented in the new year

Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
		Implement national information systems to record all operator shareholders in the gambling industry	System fully rolled out to 9 PGBs by March 2009	<ul style="list-style-type: none"> Credentials of key role players verified within seven days of recording on the system Records, reconciled with CIPRO records within seven days of registration 	System not implemented	<ul style="list-style-type: none"> This database will be maintained on the same system as self exclusion tabled same band-width problems as above were experienced
		Implement national probity information systems to record personal data of industry key role players (i.e. shareholders, directors and employees)	System fully rolled out to 9 PGBs by March 2009	<ul style="list-style-type: none"> Credentials of key role players verified within seven days of recording on the system. Records reconciled with CIPRO records within seven days of recording 	System not implemented	This database will be maintained on the same system as self exclusion tabled, hence same bandwidth problems as above were experienced
		Establish national register of all gambling machines and devices within the industry	System fully developed by March 2009	<ul style="list-style-type: none"> System developed and ready to roll out to industry 	The system is fully developed and ready for implementation	The system will be implemented on a server hosted outside the dti campus
		Record national statistics on gambling activities i.e. GGR, RTP, taxes/levies per province for each gambling mode.	Annual approved statistics report.	<ul style="list-style-type: none"> Quarterly analysis reports 	First to third quarter statistics are presented	Fourth quarter statistics will be published in the AFS applying audited PBGs data

Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
2.	Evaluate the compliance monitoring of licensees by PGBs	To evaluate compliance monitoring reports from PGB's	<ul style="list-style-type: none"> Evaluation reports Report on Industry compliance status Approved regulators uniform Audit programme for casinos and LPMs. 	<ul style="list-style-type: none"> Evaluation reports and industry compliance status reports Industry compliance status report 	<p>Uniform Audit programmes have been designed for the bookmaker industry and accepted by PGB's, PGB's will conduct compliance monitoring of licensees in similar manner</p> <p>From our evaluation reports NGB will be able to provide an environmental scan of compliance status within the country</p>	<p>The process of review, consultation and consolidation of programmes currently used by PGB's into a uniform accepted programme, took longer than anticipated.</p> <p>Implementation will commence in the new year</p>
		Establish a uniform audit programme to be followed by Provincial Gambling Boards in monitoring compliance in the bookmaker industry	Uniform bookmakers audit programme accepted by PGB's	Uniform bookmakers audit programme	<ul style="list-style-type: none"> Uniform Audit programmes have been designed for the bookmaker industry and accepted by PGB's, PGB's will conduct compliance monitoring of licensees in similar manner 	<ul style="list-style-type: none"> Implementation will commence in the new year
3.	Advise the Minister on gambling policy related matters	Review IG draft regulations. Review regulations to ensure no loopholes to bring P2P by default	September 2008	Enabling regulations implemented without attracting litigation	Drafting from NGB was completed in January 2009	Legal Manager went on emergency leave in September 2008

Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
		Initiate memorandums to serve before the Policy Council	November 2008 March 2009	Effective NGPC resolutions	<ul style="list-style-type: none"> • NGB proposed the following matters to NGPC i) Appointment of the gambling commission to study the potential proliferation of gambling in the country ii) B-BBEE level 2 by 2015 for the gambling industry 	
	Advise NGPC on matters relating to uniform norms and standards	Review industry requests for amendments to operational rules of betting	Proposed amendments and/or NGPC ruling not to amend.	Proposed amendment and/or NGPC ruling not to amend	Process only complete up to recommendation from the nominated Committee	<ul style="list-style-type: none"> • NGB need to consult all stakeholders • Anticipated NGPC meeting to be held in March 2009, but held in February
		Review provincial gambling legislation with a view to standardise licensing terminology within procedures and the Racing and Betting industry	Inform PGB of the differences in terminology adopted by respective provinces. February 2009	Propose common terminology for adoption by NGPC	Not complete	The Racing and Betting Department experience capacity challenges
		Develop a uniform approach toward new developments within the industry.	Provide opinion on new gambling developments at March 2009 NGPC	Consolidated regulators' opinion regarding new gambling developments	NGB and PGB reached consensus on treatment of TV advertising and gambling related games	Respective Boards have to adopt the proposed approach. Matter will be tabled at the November 2009 NGPC meeting

Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
4.	Combat money laundering and financing of terrorism activities	Ensure compliance with FICA within the industry	Report on compliance status of gambling industry by March 2009	Report signed off by FIC.	FIC agreed to inform us about the impact of NGB monitoring approach. 44 FICA inspections were conducted in the bookmaker industry	Awaiting FIC internal assessment report
		Ensure gambling industry meets Financial Task Action Force requirements	Financial Task Action Force report signed off by March 2009	FATF Report for RSA	Whereas FATF released final RSA Review report in April 2009, NGB attended a session to present RSA status of FICA compliance before the Review Panel in Paris in January 2009. RSA Gambling Industry has been granted a satisfactory report	
5.	Monitor socio-economic patterns of legalised gambling activities in South Africa	<ul style="list-style-type: none"> Report on the research findings regarding regulation of greyhound racing in SA Report on the research findings regarding socio-economic impact Conduct study on the socio- economic impact of legalized gambling in SA, with emphasis on the youth 	First draft Research Report presented by March 2009	Research report	Report will be completed in June 2009	Research study commissioned in September 2008 due to budgetary constraints it was difficult to procure service provider for the amount of R1,2m which was considered too low by the research industry. The final report will be ready by end June 2009

Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
		<ul style="list-style-type: none"> Publish and launch research reports: Gender equity, Perception of Bingo, and Electronic Gaming measures to promote responsible gambling. 			All three reports were published and launched at the Biennial International Conference held in April 2008	
6.	Monitor market conduct	Report on statistics of gambling modes and related devices to demonstrate market tendencies	Year-end analysis report included in AFS	Analysis report	First to third quarter data is presented Fourth quarter data is gathered	Fourth quarter report will be included in the AFS
7.	Monitor market share within the industry to detect potential monopolies	Report on stakeholder market share within the industry	Report included in AFS	Market share report	A macro status report was submitted and presented as part of socio-economic research study	<p>NGB reviewed the approach to conduct research with the services of service provider.</p> <p>Only one company tendered a proposal, but on deliberations of the approach, they withdrew the proposal due to lack of capacity</p>
8.	Advise Minister and NGPC on gambling activities	Monitor and report on local and global media regarding trends in matters of concern to stakeholders	Monthly	Media analysis report	Media reports were analyzed daily, then summarized for the month. No report was presented at NGPC because media throughout concentrated on IG which is already receiving attention from regulators and authorities	

Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
9.	Provide broad-based public education and awareness on the odds of gambling and potential negative socio-economic impact	As a member of SARGT, guide the activities of NRGPs regarding awareness and public education	Provide guidance to NRGPs activities through participation and secretarial services.	NRGP activities report	<p>NGB continue to provide secretarial services to SARGT and occupy two trustee positions.</p> <p>The trustees reviewed and approved activities of NRGPs for the year ending February 2010. The February 2009 financial report is due for distribution.</p>	
10.	Ensure that NGB's reputation is not at risk due to litigation and ensure that the NGB legislation is not undermined by third parties	Defend NGB's interest in all litigation without attracting extraordinary costs	Seek legal advice and appear in court on NGB cases	Appropriate defence to litigious matters	<p>NGB is cited in cases involving Bingo and interactive gambling against provinces. The NGB signed an MoU with Provinces on its participation in cases relating to both parties.</p>	
11.	Ensure that the Board enters into well-articulated contract and MoUs that are fully monitored	Review contracts and ensure that all clauses remain relevant as circumstances change.	Analyse and revise office lease contracts. MoUs and contracts as per register	NGB commitments are to be signed off on contracts and MoU initiated from NGB (NGB templates)	<p>NGB developed a system to review contracts and MoUs annually, to ensure compliance and validity of the agreement and relevance of clauses</p>	<p>NGB contract templates include standing NGB protective salient features</p>
12.	To comply with the recommended actions in the King II Report and the general perceptions of good corporate governance	To ensure that the NGB operates in a fair and transparent manner	Revised Board's Terms of Reference and revised Board Code of Ethics	NGB Governance report vs. authorities good practice	<p>With the new Board being in office with effect from January 2009, all Board and Committee Terms of Reference were reviewed and adopted. Committees have been reconstituted</p>	

Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
13.	Evaluate issuance of national licences by PGBs	To ensure that national licences are issued in terms of the National Gambling Act	Within 30 days of receipt of application from PGBs	Licence applications Evaluation reports	None	<ul style="list-style-type: none"> The process of issuing national licences is initiated by respective provinces then communicated to the rest of us. In the case of objections lodged the NGB mediate and evaluate the process. Otherwise the process gets to be evaluated by NGB within the oversight approach adopted by NGB over PGBs monitoring of licensees. No objections were lodged against issued national licenses.
14.	To ensure the board remain an efficient and effective statutory regulator and fulfils its core and peripheral functions in an economic manner	<ul style="list-style-type: none"> Maintain appropriate human capital resources Manage risks arising from organisational operations 	Approved and implemented policies by March 2009	Appropriate HR and finance policies and procedures Disposal of unused assets	<ul style="list-style-type: none"> The NGB employs a system of reviewing operational policies annually The HR and Finance policies were reviewed, new ones developed, all for approval by the Board The NGB submitted final Employment Equity plan to the Department of Labour in December 2008 To ensure effective financial management The organisational budget was reviewed in September and amendments were effected in November with the Board's approval 	

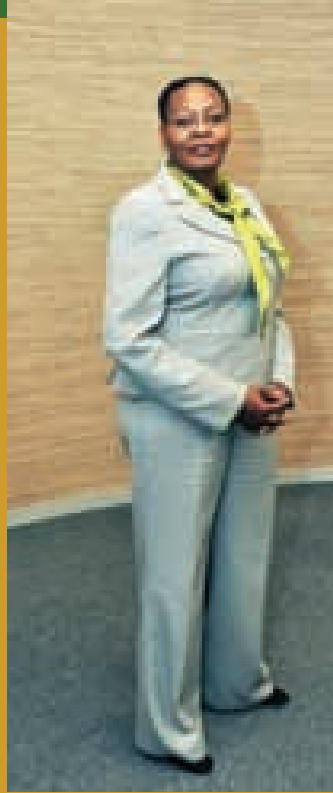
Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
		Effective financial management and cost efficiencies	Approved management accounts	Approved budget	Management accounts are submitted for Board approval	
		Ensure strict compliance with PFMA requirements	ENE and MTEF submitted on time schedule predetermined	Submission of all reports prescribed by PFMA and National Treasury.	<ul style="list-style-type: none"> The year-end audit for 2008/9 will be conducted by the Auditor-General. The 2007/8 annual report was published and tabled following timelines outlined in the PFMA. 	
15.	Ensure skill development of staff and Board on the Board's business	<ul style="list-style-type: none"> To conduct orientation sessions to new staff and Board members To ensure appropriate training at all levels 	Within 30 days of completing Performance Management cycle	<ul style="list-style-type: none"> Developed orientation programme Approved individual developmental plans 	<p>An orientation session was held with the Board, within 30 days of being in office. New staff members were oriented within same time lines. Due to limited financial resources, NGB staff members attended group training session on presentation skills</p> <p>Management members attended King III workshop</p>	
16.	To facilitate the transformation of the gambling industry by ensuring full compliance with the Employment Equity Act and BBBEE Act	<ul style="list-style-type: none"> To determine the need for the industry charter To fulfill the imperatives of BEE skills developments within the industry 	Once per annum	<p>Industry report to NGPC and recommendation for Charter (if necessary)</p> <p>Training of BBBEE Codes by the dti.</p>	<p>The NGPC approved level two of BBBEE Codes of good practice for the gambling industry to be achieved by 2015.</p> <p>PGB will approve licensee plans to reach the target and monitor them accordingly</p> <p>Empowerment and structure of employees will be included in the plans</p>	<p>The NGB did not conduct oversight evaluation of PGBs over Licensees (which would include licensee's compliance with labour law) due to the lengthy process of developing a common approach for all provinces</p>

Performance Report (Continued)

No	Objective	KPA	Target	KPI	Actual Output	Reason for deviation/ Comment
17.	To strengthen the Board's enforcement capacity	Foster relations with other national law enforcement agencies	Develop communication strategy by December 2008	MoUs and records of regular communication	The Board approved communication protocol of NGB to ensure effective communication with stakeholders.	
18.	To ensure public protection and awareness	To address issue of public protection and awareness in operations	Quarterly March 2009	<ul style="list-style-type: none"> Report of NRGF activities IG regulations acceptable to civil society 	<p>NGB attended and scribed at all SARGT meetings during the year</p> <p>The programme for public education and protection is included in NRGF activities</p> <p>The findings in research study conducted on perception of punters towards electronic warnings were shared with the public at the Biennial Conference hosted by the NGB in April 2008</p>	





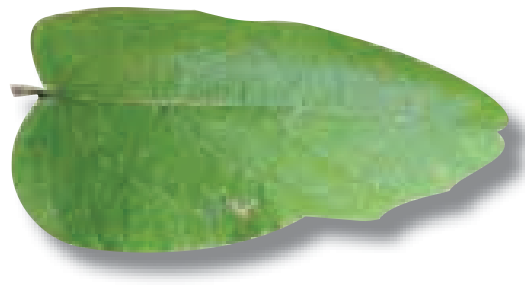
CEO: M.A.F. Moja



CFO: M.E. Ntsowe



COO: D.T. Marasha



Part Two

Contents

REPORT OF THE AUDIT COMMITTEE	30
REPORT OF THE AUDITOR-GENERAL	32
BOARD MEMBER'S REPORT	36
STATEMENT OF FINANCIAL PERFORMANCE	37
STATEMENT OF FINANCIAL POSITION	38
STATEMENT OF CHANGES IN NET ASSETS	39
CASHFLOW STATEMENTS	40
NOTES TO THE ANNUAL FINANCIAL STATEMENT	41

Report of the Audit Committee

Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2009.

Audit Committee Members and Attendance

The Audit Committee consists of the members listed hereunder and should meet at least four times per annum as per its approved terms of reference. For the period under review the Audit Committee met five times and attendance was as tabled hereunder.

Name of Member:	Number of Meetings Attended
JFJ. Scheepers (Chairperson)	5
T. Mahlali	4
D.Tshabalala (appointed 31 May 2007)	4
V.Masola (resigned 31/12/2008)	0
A. Keyser (appointed 14/02/2009)	1
M. Macebele (appointed 14/02/2009)	1

Audit Committee Responsibility

We report that we have adopted appropriate formal terms of reference in our charter in line with the requirements of the PFMA and Treasury Regulation 27.1.6. We further report that we have conducted our affairs in compliance with this charter.

The effectiveness of internal controls

The system of internal control applied by the entity over financial and risk management is effective, efficient and transparent.

The system of controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the PFMA and the King II Report on Corporate Governance requirements, an Internal Audit function provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the audit report on the financial statements and the management letter of the Auditor-General of South Africa, it was noted that no matters of material deficiencies were reported apart from the financial misconduct disclosed in the financial statements (note 15). Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

The quality of in-year management and monthly/quarterly reports submitted in terms of the PFMA

We are satisfied with the content and quality of monthly and quarterly reports prepared and issued by the management of the entity during the year under review. It was however noted that November and December 2008 Management Accounts were not presented timeously due to system failure. Management has since implemented sustainable corrective action to ensure non-recurrence.

The Audit Committee is satisfied that the policies and procedures implemented by management were sufficient to ensure that the accounting information systems and related controls are adequate and effective to meet expectations with regard to reports required.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Accounting Officer;
- Reviewed the Auditor-General's management letter and management's response thereto;
- Reviewed changes in accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit.

The Committee concurs and accepts the conclusions of the Auditor-General and is of the opinion that these financial statements be approved and read together with the report of the Auditor-General.



J. F. J. Scheepers
Chairperson

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the National Gambling Board which comprise the statement of financial position as at 31 March 2009, and the statement of financial performance, the statement of changes in net assets and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 37 to 63.

The accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 to the financial statements and in the manner required by the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA) and the National Gambling Act, 2004 (Act No. 7 of 2004) 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.

The Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 75(2) of the National Gambling Act, 2004, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion the financial statements present fairly, in all material respects, the financial position of the National Gambling Board as at 31 March 2009 and its financial performance and its cash flows for the year then ended, in accordance with the basis of accounting as determined by the National Treasury, as set out in accounting policy note 1.1 to the financial statements and in the manner required by the PFMA.

Basis of accounting

8. Without qualifying my opinion, I draw attention to note 1.1 to the financial statements, which prescribes the accounting policy. The public entity's policy is to prepare financial statements on the basis of accounting determined by the National Treasury.

Other matters

Without qualifying my opinion, I draw attention to the following matter that relates to my responsibilities in the audit of the financial statements:

Governance framework

10. The governance principles that impact the auditor's opinion on the financial statements are related to the responsibilities and practices exercised by the accounting authority and executive management and are reflected in the key governance responsibilities addressed below:

Key governance responsibilities

The PFMA tasks the accounting authority with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of key governance responsibilities, which I have assessed as follows:

No.	Matter	Y	N
Clear trail of supporting documentation that is easily available and provided in a timely manner			
1.	No significant difficulties were experienced during the audit concerning delays or the availability of requested information.	X	
Quality of financial statements and related management information			
2.	The financial statements were not subject to any material amendments resulting from the audit.		X
3.	The annual report was submitted for consideration prior to the tabling of the auditor's report.	X	
Timelines of financial statements and management information			
4.	The annual financial statements were submitted for auditing as per the legislated deadlines (section 55 of the PFMA).	X	
Availability of key officials during audit			
5.	Key officials were available throughout the audit process.	X	
Development and compliance with risk management, effective internal control and governance practices			
6.	Audit committee		
	The public entity had an audit committee in operation throughout the financial year.	X	
	The audit committee operates in accordance with approved, written terms of reference.	X	
	The audit committee substantially fulfilled its responsibilities for the year, as set out in section 77 of the PFMA and Treasury Regulation 27.1.8.	X	
7.	Internal audit		
	The public entity had an internal audit function in operation throughout the financial year.	X	
	The internal audit function operates in terms of an approved internal audit plan.	X	
	The internal audit function substantially fulfilled its responsibilities for the year, as set out in Treasury Regulation 27.2.	X	

No.	Matter	Y	N
8.	There are no significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	X	
9.	There are no significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	X	
10.	The information systems were appropriate to facilitate the preparation of the financial statements.	X	
11.	A risk assessment was conducted on a regular basis and a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in Treasury Regulation 27.2.	X	
12.	Powers and duties have been assigned, as set out in section 56 of the PFMA.	X	
Follow-up of audit findings			
13.	The prior year audit findings have been substantially addressed.	X	
Issues relating to the reporting of performance information			
14.	The information systems were appropriate to facilitate the preparation of a performance report that is accurate and complete.	X	
15.	Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.	X	
16.	A strategic plan was prepared and approved for the financial year under review for purposes of monitoring the performance in relation to the budget and delivery by the National Gambling Board against its mandate, predetermined objectives, outputs, indicators and targets (Treasury Regulation 30.1).	X	
17.	There is a functioning performance management system and performance bonuses are only paid after proper assessment and approval by those charged with governance.	X	

11. The misstatements corrected by management were not prevented or detected by the National Gambling Board's system of internal control.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on performance information

12. I have reviewed the performance information as set out on pages 18 to 27.

The accounting authority's responsibility for the performance information

13. The accounting authority has additional responsibilities as required by section 55(2)(a) of the PFMA to ensure that the annual report and audited financial statements fairly present the performance against predetermined objectives of the public entity.

The Auditor-General's responsibility

14. I conducted my engagement in accordance with section 13 of the PAA read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008.

15. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.
16. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the findings reported below.

Findings on performance information

Usefulness and reliability of reported performance information

17. The following criteria were used to assess the usefulness and reliability of the information on the entity's performance with respect to the objectives in its strategic plan:
- **Consistency:** Has the entity reported on its performance with regard to its objectives, indicators and targets in its approved strategic plan?
 - **Relevance:** Is the performance information as reflected in the indicators and targets clearly linked to the predetermined objectives and mandate. Is this specific and measurable, and is the time period or deadline for delivery specified?
 - **Reliability:** Can the reported performance information be traced back to the source data or documentation and is the reported performance information accurate and complete in relation to the source data or documentation?

The following audit findings relate to the above criteria:

Inconsistently reported performance information

18. The National Gambling Board reported on indicators and targets in addition to those as per the approved strategic plan. Furthermore, the additional indicator was not approved subsequent to the strategic planning process. The following indicator was additional to the strategic plan:
- Establish a national register of all gambling machines.

APPRECIATION

19. The assistance rendered by the staff of the National Gambling Board during the audit is sincerely appreciated.

Auditor-General

Pretoria
21 August 2009



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

1. INTRODUCTION

The Board is fairly new, appointed with effect from 01 January 2009, for a term of five years, except for the Chairperson who will serve until December 2009. This is the second Board appointed in terms of Section 67 of the National Gambling Act (Act No 7 of 2004).

2. THE BOARD MEMBERS' MANDATE

The mandate of the NGB is clearly outlined in Act No 7 of 2004, which further details the functions and responsibilities of the Board.

3. COMPOSITION OF THE BOARD

The Minister appointed a full Board, comprising representation as stipulated in the Act.

The Board is enriched with complementary skills that include policy determination, advisory legal and financial background, academic and social and welfare development, etc. The members collectively have a fair amount of experience in advising on government policy and the gambling industry.

4. TRANSITION

The Board has been in office for three months to year end, but was fortunate to take over from a competent Board with continuity provided by three members, including the Chairperson who served on the previous Board.

The transition to the new Board was fairly seamless with a solid foundation, a culture of accountability and with good management systems in place.

The Board undertakes to grasp the proverbial baton firmly and lead the organisation with enhanced delivery systems and policies.

APPRECIATION

The Board is appreciative of the work of the previous Board and the hand- over report they provided to make the transition within the entity smooth.

**NATIONAL GAMBLING BOARD
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	2008/09 R'000	2007/08 R'000 Restated
Revenue			
Government Grant	2.1	18,195	18,855
Interest Income	2.2	662	615
Other Income	2.3	565	56
Total Revenue		19,422	19,526
Expenses			
Amortisation - Software	3.1	125	41
Depreciation	3.2	186	154
Auditors' Remuneration	3.3	505	616
Board and Executive members' Remuneration	3.4	3,071	3,200
Professional and Consulting Fees	3.5	2,590	1,365
Personnel Costs	3.6	7,990	6,665
Traveling and Subsistence	3.7	1,172	1,443
Other Operating Expenses	3.8	2,119	2,341
Operating Leases	3.9	1,187	1,090
Finance Charges	3.10	22	21
Impairment Loss	3.11	235	2,032
Total Expenses		19,202	18,969
Net Surplus for the year		220	557

**NATIONAL GAMBLING BOARD
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2009**

		2008/09 Notes R'000	2007/08 R'000 Restated
ASSETS			
Current Assets			
Accounts Receivable and Prepayments	4	28	287
Inventories	5	33	30
Cash and Cash Equivalents	6	5,103	4,283
		5,164	4,600
Non-current Assets			
Plant, Property and Equipment	7	870	549
Intangible Assets	8	767	512
		1,637	1,061
Total Assets		6,801	5,661
LIABILITIES			
Current Liabilities			
Trade and other Payables	9	1,916	1,554
Provisions	10	1,452	913
Finance Lease	11	51	26
		3,419	2,493
Non-current Liabilities			
Finance Lease	11	11	17
Total Liabilities		3,430	2,510
NET ASSETS			
Accumulated Surplus		3,371	3,151
Total Liabilities and Reserves		6,801	5,661

**NATIONAL GAMBLING BOARD
STATEMENT CHANGES IN NET ASSETS
FOR THE YEAR ENDED 31 MARCH 2009**

**Accumulated
Surpluses
R'000**

Balance at 1 April 2007	2,484
Prior year restatement	110
Restated Balance at 31 March 2007	2,594
Net Surplus as previously reported	532
Prior year restatement	25
Net Surplus for the year as restated	557
Restated Balance at 31 March 2008	3,151
Net Surplus for the year	220
Balance at 31 March 2009	3,371

NATIONAL GAMBLING BOARD CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	Notes	2008/09 R'000	2007/08 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Grants		18,195	18,855
Interest Received	2.2	662	615
Other Receipts		552	55
Payments			
Employee Costs		(11,043)	(9,865)
Suppliers		(6,669)	(8,176)
Interest Paid	3.10	(22)	(21)
Net cash flows from operating activities	12	1,675	1,463

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property, Plant and Equipment		(439)	(40)
Proceeds from Sale of Property, Plant and Equipment		14	10
Purchase of Intangible Assets		(381)	(448)
Net cash flows from investing activities		(806)	(478)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of Lease Liability		(49)	(26)
Net cash flows from financing activities		(49)	(26)
Net increase in cash and cash equivalents		820	959
Cash and cash equivalents at beginning of year		4,283	3,324
Cash and cash equivalents at end of year	6	5,103	4,283

I ACCOUNTING POLICIES

The annual financial statements have been prepared on the historical cost basis and include the following principal accounting policies of the National Gambling Board which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated.

I.1 Basis of preparation

The financial statements have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practice (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board, with the effective Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standard Board replacing the equivalent GAAP Statement as follows:

Standard of GRAP

GRAP 1: Presentation of financial statements
GRAP 2: Cash flow statements
GRAP 3: Accounting policies, changes in accounting estimates and errors

Replaced Statement of GAAP

AC101: Presentation of financial statements
AC118: Cash flow statements
AC103: Accounting policies, changes in accounting estimates and errors

Currently the recognition and measurement principles in the above GRAP and GAAP Statements do not differ or result in material differences in items presented and disclosed in the financial statements. The implementation of GRAP 1, 2 & 3 has resulted in the following changes of terminology in the presentation of the financial statements:

I.1.1. Terminology differences:

Standard of GRAP

Statement of financial performance
Statement of financial position
Statement of changes in net assets
Net assets
Surplus/deficit
Accumulated surplus/deficit
Contributions from owners
Distribution to owners

Replaced Statement of GAAP

Statement of Comprehensive Income
Statement of financial position
Statement of changes in equity
Equity
Profit/loss
Retained earnings
Share capital
Dividends

I.1.2. The cash flow statement can only be prepared in accordance with the direct method.

I.1.3 Specific information has been presented separately on the statement of financial position, such as:

- a) Receivables from non-exchange transactions, including taxes and transfers;
- b) Taxes and transfers payable;
- c) Trade and other payables from non-exchange transactions;

I.1.4. Amount and nature of any restrictions on cash balances is required.

Paragraph 11 - 15 of GRAP1 has not been implemented due to the fact that the local and international budget reporting standard is not effective for this financial year. Although the inclusion of budget information would enhance the usefulness of the financial statements, non-disclosure will not affect the objective of the financial statements.

I.2 Significant Accounting Judgements and Estimates

In preparing the financial statements, management makes estimates and assumptions that affect the amounts presented in the 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 : provision for doubtful debts, bonus provision, leave provision, useful lives and depreciation methods and asset impairment. Notes relating to the subject are included under the affected areas of the financial statements.

1.3 Presentation currency

These financial statements are presented in South African Rands since that is the currency in which the majority of the National Gambling Board transactions are denominated.

1.4 Rounding

Unless otherwise stated all financial figures have been rounded off to the nearest one thousand rand (R'000).

1.5 Revenue recognition

Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the National Gambling Board and can be reliably measured.

Government grants are recognised when there is reasonable assurance that such grant will be received and all related conditions are complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of financial performance over the expected useful life of the relevant asset by equal annual instalments.

Interest is recognised on a time proportion basis that takes into account the effective yield on assets.

1.6 Unauthorised, Irregular, Fruitless and Wasteful expenditure

In terms of section 55(2)(b)(i) of the Public Finance Management Act, 1999 the financial statements must include particulars of any irregular and fruitless and wasteful expenditure.

Fruitless and Wasteful expenditure means expenditure incurred in contravention of or not in accordance with PFMA or any legislation or policy providing for procurement.

All unauthorised, irregular, fruitless and wasteful expenditure is charged against income in the period in which they are incurred.

1.7 Inventory

Inventory is stated at the lower of cost or net realisable value while cost is determined on a first-in-first-out basis. Net realisable value represents the estimated selling price in the ordinary course of business less any costs incurred in selling and distribution.

Inventory comprise of stationery that shall be consumed within a short-term period in the normal business of the board and not held for sale.

1.8 Property, plant and equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if and only if: -(a) it is probable that that future economic benefits or service potential associated with the item will flow to the entity, and (b) the cost or fair value of the item can be measured reliably.

All property, plant and equipment are initially recorded at cost. Assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. They are written off over the estimated useful life of the asset. Cost exclude day to day service costs.

Property, Plant and Equipment Assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses, and are written off over the estimated useful life of the asset.

Furniture and office equipment	10 years
Computer equipment	5 years
Motor vehicle	5 years
Leased assets	over the period of lease

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is immediately written down to its recoverable amount. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Gains or losses arising from the disposal or retirement of assets are determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised in or charged against income in the statement of financial performance.

1.9 Intangible assets

Costs associated with research or maintenance of software programs are recognised as an expense and are charged to the statement of financial performance when incurred. Identifiable development costs are recognised as an asset when it is probable that it will give rise to an asset that will generate future economic benefits for the organisation.

Development costs are only recognised as assets if they meet the following conditions:

- An asset is created that can be identified;
- It is probable that the asset created will generate future economic benefits; and
- The development costs of the asset can be measured reliably.

Expenditure that enhances or extends the performance of computer software programs beyond their original specifications is recognised as a new acquisition.

Internally Generated Software

Internally generated software programs are initially recognised at cost. Intangible assets with indefinite useful lives, if any, are not amortised but tested for impairment annually and impaired if necessary.

National databases with a finite useful life are amortised over their useful life (5 years) using a straight line basis and tested for impairment at each reporting date. A database is amortised only once it is complete.

Purchased Software

Software licenses are carried at cost less accumulated amortisation and impairment. Software is amortised in 3 years on a straight- line basis.

1.10 Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or circumstances indicate that the carrying values may not be recoverable. If any such indicators exists and where the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is written down to its recoverable amount through the statement of financial performance.

1.11 Leased assets

Finance Lease

Assets held under finance leases are recognised as assets at their fair value at the inception of the lease or, if lower, at 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. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the statement of financial performance.

Operating Lease

Leases under which the lessor effectively retains the risks and benefits of ownership are classified as operating leases. Obligations incurred under operating leases are charged against income in equal installments over the period of the lease.

1.12 Financial instruments

Financial instruments are recognised on the statement of financial position when the Board becomes party to the contractual provisions of the instrument. Financial instruments include cash and bank balances, receivables and trade payables. These financial instruments are generally carried at their estimated fair value, which is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

Financial Assets

The organisation's principle financial instruments are cash at bank and cash, trade receivables and other receivables.

Financial Liabilities

The organisation's principle financial liabilities are trade and other payables.

Recognition

Financial instruments are initially recognised using the trade date accounting method. The organisation classifies the financial instruments on their component parts on initial recognition in accordance with the substance of the contractual arrangement.

Measurement

Financial instruments are initially measured at cost or fair value net of transaction costs when the Board is a party to contractual arrangement. Subsequent to initial recognition these instruments are measured as set out below.

Trade and other payables

Trade and other payable are stated at their nominal value. The carrying amount of these payables approximates fair value because of the short period to maturity of these instruments.

Cash and cash equivalents

Cash and cash equivalents are measured at fair value. The carrying amount approximates fair value because of the short period of maturity.

Cash and cash equivalents comprise cash at bank, cash on hand and short-term investments (32 days) held to maturity.

Trade and other Receivables

Trade and other receivables are stated at the nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The carrying amount of these receivables approximate fair value because of the short period to maturity of these instruments.

Gains and losses

Gains and losses arising from a change in the fair value of financial instruments are included in net surplus or deficit in the period in which they arise.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when the Board 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.

Financial Risk Management

In running its operations the organisation is exposed to interest rate, liquidity, credit and market risks. NGB has developed a comprehensive risk management process which monitors and controls the impact of such risks on the organisation's daily operations. The risk management process relating to each of these risks is discussed under the headings below.

Credit Risk and Market Risk

Credit risk consist mainly of accounts receivable and cash and cash equivalents. This is the risk of the entity being exposed to counter party failures. Although this risk is unlikely to occur in the short term, it is mitigated as follows:

- Cash and short-term deposits are placed with well established financial institutions of high quality and credit standing and also approved by National Treasury.
- Transactions are entered into with reputable financial institutions which are approved by National Treasury
- Funds are invested in short-term facilities; and
- The organisation does not raise debtors in its ordinary course of business.

Credit risk with respect to accounts receivable is limited due to the nature of the organisation's business and its reliance on government grant as the main source of funding.

Market risk is the risk that the value of an investment will decrease due to moves in market factors. The above stated mitigating factors apply to market risk as well.

Interest Rate Risk Management

This is the risk that adverse changes in interest rates will have a negative impact on net income of the organisation. The inherent interest rate risk is concentrated in short term investments and deposits which are highly liquid. This risk is managed by:

- a) investing in short term deposit accounts
- b) by transacting with well established financial institutions of high quality credit standing and the accounts bear interest at prevailing market rates.
- c) the organisation does not hold significant finance leases with fluctuating interest rates.

Liquidity Risk

This is the risk that the organisation may encounter difficulties in raising funds to meet its statutory commitments. Liquidity risk is managed by:

- a) Investing in short term deposit facilities with a maturity period between 14 and 32 days.
- b) Timely request and release of funds by the dti to the NGB.
- c) The nature of the organisation's business is on a 30 days cash cycle.

Fair Value

The entity's financial instruments consist mainly of cash and cash equivalents, receivables and trade payables. No financial asset was carried at an amount in excess of its fair value and fair values could be reliably measured for all financial assets. The carrying amounts of financial assets and liabilities approximate their fair values due to their short-term maturity period.

1.13 Foreign currency transactions

Transactions in foreign currencies are recorded at the rate of exchange ruling at the transaction date. Gains and losses arising on translation are credited to or charged against income in the Statement of Financial performance.

1.14 Provisions

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when there is a present legal or constructive obligation as a 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 can be made of the amount of the obligation.

Employees entitlement to annual leave is recognized when it accrues. A provision is made on the estimated liability for annual leave as a result of services rendered by employees up to the amount of the obligation

Employees entitlement to performance bonus is recognised when the Board has approved a percentage of the annual package as bonus for the year. The provision becomes actual after being qualified by the results of the performance measurement tool applied.

Payment of performance bonuses is the sole discretion of the Board.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date.

1.15 Employee benefits

Short term employee benefits

The cost of all short term employee benefits is recognised during the period in which the employee renders the related service.

The provisions for employee entitlements to salaries, and annual leave represent the amount which the organisation has a present obligation to pay as a result of employees' services provided for at the reporting date. The provisions have been calculated at undiscounted amounts based on current salary rates.

Retirement benefits

Provident Fund

Both the entity and employees contribute to a defined contribution fund. Benefits are provided to all eligible employees. Contributions to the Provident fund operated for employees are charged against income as incurred. The funds are externally managed.

1.16 Comparative figures

Prior period comparative information has been presented in the current year financial statements. Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

1.17 Taxation

The Board's income is exempt from taxation in terms of Section 10(1)(cA) of the Income Tax Act.

1.18 Contingent Liabilities

Contingent liabilities are possible obligations that arose from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the entity; or

A present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

1.19 Capital Commitments

Capital commitments are disclosed in respect of contracted amounts for which delivery by the contractor is outstanding at the accounting date, and for amounts which the Board's approval has been obtained but not yet contracted for.

1.20 Related Parties

Related parties disclosure represents transactions which have been entered into between the organisation and related parties. These transactions also include transactions which have not been entered into at an arms-length.

NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)

	2008/09	2007/08
	R'000	R'000
2 REVENUE		
2.1 Grants, Receipts and Transfers		
Department of Trade and Industry	18,195	18,855
	<u>18,195</u>	<u>18,855</u>
2.2 Interest Income		
Bank Deposits	662	615
	<u>662</u>	<u>615</u>
2.3 Other Income		
Profit on Disposal of Equipment	13	1
Central Electronic Monitoring System(CEMS) Contract Fee	85	54
Gain on foreign Exchange	-	1
Conference registration Fees	432	-
Tender Fees(sale of documents)	35	-
	<u>565</u>	<u>56</u>
3 EXPENSES		
3.1 Amortisation of Intangible Assets		
Computer Software - Licensed	35	41
National Registers--Internally Generated	90	-
	<u>125</u>	<u>41</u>
3.2 Depreciation		
Furniture and Office Equipment	15	15
Computer Equipment	117	117
Vehicles	21	35
Leased Cellular Phones	20	-
Leased Office Equipment	13	13
	<u>186</u>	<u>180</u>
3.3 Auditors' Remuneration		
External Audit Fee	505	616
	<u>505</u>	<u>616</u>
3.4 Directors Emoluments		
Board Members' Remuneration		
Mr CL Fismer (re-appointed 1/1/09)	338	754
-Board Allowance	33	447
-Kilometer Claims	0	2
- Infrastructure	305	305

**NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

In terms of the agreement, Mr. Fisser received R25,390 per month as payment for use own of premises and facilities to perform duties as the Board's Chairperson.

Ms Moja (Appointed as Acting CEO 1 October 2007)

	-	163
-Board Allowance	-	131
-Kilometer Claims	-	2
- Infrastructure	-	30

Ms LJN Kganyago (resigned 31/12/08)

	22	94
-Board Allowance	20	87
-Kilometer Claims	2	7

Adv TN Aboobaker (re-appointed 1/1/09)

	50	53
-Board Allowance	48	50
-Kilometer Claims	2	3

Z. Mdhladhla (resigned 31/12/08)

	21	85
-Board Allowance	20	81
-Kilometer Claims	1	4

A.C Keyser (appointed 1/1/09)

	18	-
-Board Allowance	16	-
-Kilometer Claims	2	-

L. De Vries (appointed 1/1/09)

	17	-
-Board Allowance	16	-
-Kilometer Claims	1	-

Acting Chief Executive Officer - Ms. T. Moja

	1,078	419
-Basic Salary	930	419
-Pension	-	-
-Medical Aid	-	-
-Bonus	148	-
-Payment in lieu of leave	-	-

Chief Financial Officer - ME Ntsowe

	759	796
-Basic Salary	639	582
-Pension	91	82
-Medical Aid	29	22
-Bonus	-	86
-Payment in lieu of leave	-	24

NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)

	2008/09 R'000	2007/08 R'000
Chief Operations Officer - Mr T Marasha	768	764
-Basic Salary	650	555
-Pension	90	81
-Medical Aid	28	39
-Bonus	-	89
-Payment in lieu of leave	-	-
Acting Chief Executive Officer - Mr T Marasha (1 April 2007 to 30 September 2007)	-	72
-Basic Salary (Acting allowance)	-	72
	3,071	3,200

Bonuses relating to the 2007/2008 Financial year were paid out during the current year.
This was disclosed as a Provision for performance bonuses for the year ending 31 March 2008.
Chief Financial Officer - ME Ntsowe- R114 008
Chief Operations Officer - Mr T Marasha- R91 772

3.5 Professional and Consulting Fees

Legal Fees	-	363
Research	1,251	21
SAACREG	3	-
Other Consulting Fees	777	499
Internal Auditors' Fees	523	435
Audit Committee Fees	36	47
	2,590	1,365

3.6 Personnel Costs

Wages and Salaries		
Salaries, Bonuses and Overtime - excl CEO, CFO & COO	7,473	6,111
Contract and Temporary Staff	62	64
Payment in Lieu of Leave	4	122
UIF	79	36
Insurance & Administration of the Provident Fund	241	237
Other Salary Related Costs	131	95
	7,990	6,665

**NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

	2008/09 R'000	2007/08 R'000
3.7 Travel and Subsistence		
Local	463	624
Overseas	709	819
	<u>1,172</u>	<u>1,443</u>
3.8 Other Operating Expenses		
Communication costs	331	1,226
Conference, Forum, and Workshop expenses	724	116
Administrative Expenses	224	375
Maintenance, Repairs and Running costs	116	131
Other	724	493
	<u>2,119</u>	<u>2,341</u>
3.9 Operating Lease		
Current year		
Premises	1,187	1,090
	<u>1,187</u>	<u>1,090</u>
The future minimum lease payments under non-cancellable operating leases for the Board's offices are as follows:		
Within 1 year	883	829
1 to 5 years	5,027	4,720
Thereafter	10,310	11,446
	<u>16,220</u>	<u>16,995</u>
<i>Lease Period: 24 March 2006 to 24 March 2021</i>		
	2008/09	2007/08
	R'000	R'000
3.10 Finance Charges		
Interest Paid - Finance Lease	22	21
	<u>22</u>	<u>21</u>
3.11 Impairment Loss		
Probity and Exclusions National Database written off	-	2,032
Impairment of Debtor (refer to Note 15)	235	-
	<u>235</u>	<u>2,032</u>

NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)

		2008/09 R'000	2007/08 R'000
4	ACCOUNTS RECEIVABLE AND PREPAYMENTS		
	Deposits and Payments in Advance	-	274
	Other Receivables	11	16
	Less: Provision for doubtful debts	-	(3)
	Accrued interest income	17	-
		28	287

5	INVENTORY		
	Stationery on Hand	33	30
		33	30

No discounts or rebates were received from the purchase of inventory during the year.

6	CASH AND CASH EQUIVALENTS		
	Cash at Bank	1,703	4,281
	Cash on Hand	-	2
	Short-term Investments	3,400	-
	Total	5,103	4,283

**NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

7 PROPERTY, PLANT AND EQUIPMENT	Office Equipment (Leased)	Furniture & Office Equipment	Computer Equipment	Motor Vehicles	Cellular Phones (Leased)	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Year Ended 31 March 2008						
Net Book Value 1 April 2007	98	96	344	134	-	672
Cost at beginning of Year	129	177	591	173	-	1,040
Accumulated Depreciation	(31)	(81)	(247)	(39)	-	(388)
Additions	-	-	40	-	-	40
Disposals	-	(7)	(1)	-	-	(8)
Cost	-	(15)	(4)	-	-	(19)
Accumulated Depreciation	-	8	3	-	-	11
Depreciation Charge	(12)	(16)	(106)	(21)	-	(154)
Cost	129	161	596	173	-	1,061
Accumulated Depreciation	(43)	(89)	(320)	(60)	-	(512)
Net Carrying Amount 31 March 2008	86	73	276	113	-	548
Year Ended 31 March 2009						
Net Book Value 1 April 2008	86	73	276	113	-	548
Cost at beginning of Year	129	161	596	173	-	1,061
Accumulated Depreciation	(43)	(89)	(320)	(60)	-	(512)
Additions	-	5	434	-	68	507
Disposals	-	-	-	-	-	-
Cost	-	(1)	-	-	-	(1)
Accumulated Depreciation	-	1	-	-	-	1
Depreciation Charge	(13)	(15)	(117)	(21)	(20)	(186)
Cost	129	165	1,032	173	68	1,567
Accumulated Depreciation	(56)	(103)	(437)	(81)	(20)	(697)
Net Carrying Amount 31 March 2009	73	62	595	92	48	870

NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)

8 INTANGIBLE ASSETS

	Internally Generated (National Database)	Computer Software- Licensed	Total
	R'000	R'000	R'000
Year Ended 31 March 2008			
Net Book Value 1 April 2007	2,032	106	2,138
Cost	2,032	265	2,297
Accumulated Amortisation	-	(159)	(159)
Additions	448	-	448
Disposals:	-	(1)	(1)
Cost	-	(4)	(4)
Accumulated Amortisation	-	3	3
Impairment	(2,032)	-	(2,032)
Amortisation	-	(41)	(41)
Cost	448	261	709
Accumulated Amortisation	-	(197)	(197)
Net Carrying Amount 31 March 2008	448	64	512
Year Ended 31 March 2009			
Net Book Value 1 April 2008	448	64	512
Cost	448	261	709
Accumulated Amortisation	-	(197)	(197)
Additions	347	34	381
Disposals:	-	-	-
Cost	-	(28)	-
Accumulated Amortisation	-	28	-
Impairment	-	-	-
Amortisation	(90)	(35)	(125)
Cost	795	266	1,061
Accumulated Amortisation	(90)	(204)	(294)
Net Carrying Amount 31 March 2009	705	62	767

**NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

9 TRADE AND OTHER PAYABLES	2008/09	2007/08
	R'000	R'000
Trade Creditors and Accruals	1,664	731
SARS for PAYE and UIF, and Penalties	249	152
Deposits held in Trust	3	432
Registration fees for April 2008 Bi-ennial Conference	-	239
	<u>1,916</u>	<u>1,554</u>

NGB did not discount trade creditors since these are paid within 30 days, thus their fair value approximates their actual cost .

10 PROVISIONS	Performance Bonuses	Leave Pay	Total
	R'000	R'000	R'000
Opening Balance - 01 April 2007	1,094	350	1,444
Reverse Unutilised Provision	(486)	-	(486)
Additional Provisions and Adjustments	636	277	913
Utilisation of Provision	(608)	(350)	(958)
Closing Balance - 31 March 2008	<u>636</u>	<u>277</u>	<u>913</u>
Opening Balance - 01 April 2008	636	277	913
Adjustment of previous year's (07/08) provision	164	-	164
Reverse Unutilised Provision	-	-	-
Additional Provisions and Adjustments	1,194	258	1,452
Utilisation of Provision	(800)	(277)	(1,077)
Closing Balance - 31 March 2009	<u>1,194</u>	<u>258</u>	<u>1,452</u>

The adjustment to the 07/08 Provision for performance bonus relates to the payment of the acting CEO's performance bonus. This was disclosed as a contingent liability in the Notes to the Annual Financial Statements for the year ending 31 March 2008. The Board has subsequently signed a performance contract with the acting CEO , resulting in a bonus payment of R148 000.

Provision for bonus is calculated at 12% of total annual salary package for staff members below senior management. Bonus provision for senior managers is calculated at 20% of total annual salary package. The bonus liability is anticipated to be paid within the next twelve months. Provision for leave is calculated at going salary rate multiplied by number of available leave credits. There are no uncertainties envisaged that may affect the above provisions.

NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)

	2008/09 R'000	2007/08 R'000
11 FINANCE LEASE COMMITMENTS		
There are two Finance lease commitments:		
A) Finance lease relates to a photo copier and there are no restrictions imposed in terms of this lease.		
The lease covers the periods 30 November 2004 to 30 November 2009.		
Total Future Lease Payments	31	78
Future Finance Charges	(14)	(35)
	17	43
Up to 1 year	17	26
2 to 5 years	-	17
Present Value	17	43
B) Finance lease relates to Cellular phones and there are no restrictions imposed in terms of this lease.		
The lease covers the periods 01 August 2008 to 31 July 2010.		
Total Future Lease Payments	45	-
Future Finance Charges	-	-
	45	-
Up to 1 year	34	-
2 to 5 years	11	-
Present Value	45	-

12 Reconciliation of Net Surplus for the year to Net Cash From Operating Activities

Surplus/ (Deficit)	220	532
adjusted for :		
Non-cash Movements		
Depreciation	186	180
Amortisation: Computer software	125	41
Impairment Loss--National Database	-	2,032
Impairment of Debtors	235	-
Adjustment for Fraud during the year	(235)	-
Gains on Sale of Property, Plant and Equipment	(14)	(1)
Operating Cash before Working Capital changes	517	2,784
Working Capital	1,158	(1,321)
(Increase) / Decrease in Receivables	259	(180)
Increase (Decrease) in payables	362	(579)
Increase in Provisions relating to employees costs	540	(532)
Decrease/(Increase) in inventory	(3)	(30)
Cash generated from operating activities	1,675	1,463

**NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

		2008/09	2007/08
		R'000	R'000
13	Related Parties		
Related Party	Relationship		
The Department of Trade and Industry	National department in National Sphere		
SA Revenue Services	Public Entity in National Sphere		
National Responsible Programme	Private Entity		
NGB Trust	Trust established in terms of Section 16(3) of NGA		
Zonke Monitoring Systems	Agent monitoring CEMS		
Related Party Balances			
Balances included in Trade Payables regarding related parties			
SA Revenue Services		164	152
		<u>164</u>	<u>152</u>
Related Party Transactions			
Department of Trade and Industry (the dti)			
Grant Received from the dti		18,195	18,855
Payment to the dti for the financial year:			
Diginet Line		(93)	(49)
Telephone		(31)	(35)
		<u>18,071</u>	<u>18,771</u>
South African Revenue Services (SARS)			
Payment in respect of PAYE and UIF		1,899	2,118
		<u>1,899</u>	<u>2,118</u>
Zonke Monitoring Systems			
License fees received for LPM connection to CEMS.		85	
		<u>85</u>	<u>0</u>
National Responsible Gambling Program (NRGP)			
Payment in respect of conducting the National Gambling Awareness Campaign		-	816
		<u>-</u>	<u>816</u>
NGB Trust			
Monies held in trust account from unlawful winnings		478	-
		<u>478</u>	<u>-</u>

The National Gambling Board further registered a Trust to administer unlawful winnings affairs in anticipation of Section 14 of the the National Gambling act No. 7 of 2004 coming into effect soon.

The detailed unaudited financial statements of the NGB Trust do not form an integral part of these financial statements.

NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)

		2008/09 R'000	2007/08 R'000
14	Losses		
	SARS penalties (read in conjunction with note 16.2)	85	—
	Other Losses Written Off	2	3
		87	3

Unavoidable operating losses totalling R1,596 were written off during the year under review.

15	Material Losses Through Criminal Conduct		
	Misappropriation of funds by an ex-employee	235	-
		235	-

16 Unauthorised, Irregular, Fruitless and Wasteful Expenditure

16.1 Irregular Expenditure

No irregular expenditure realised during the year under review.

16.2 Fruitless and Wasteful Expenditure

Interest and penalties for late payment to SARS
 Impairment of Probity and Exclusions Database
 Contract cancellation fee

	85	-
	-	2,032
	-	63
	85	2,095

16.3 Unauthorised Expenditure

There was no unauthorised expenditure during the year under review.

- -

17 Criminal or Disciplinary Actions

A case of fraud relating to misappropriated funds referred to in note 15 above was reported to the police, resulting in an arrest of a former employee. At the time of reporting, the case had not been finalised by the court.

18 Changes to the Accounting Policies

No changes to the accounting policies were made during the year under review.

19 Assets Held for Disposal

These assets are carried at zero value.

	Office Furniture	Computer Equipment	Total
	R'000	R'000	R'000
Cost	-	63	63
Accumulated Depreciation	-	(63)	(63)
	-	-	-
Net Carrying Amount 31 March 2009	-	-	-

**NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

2008/09
R'000

2007/08
R'000

20 Change of Accounting Estimate

The remaining useful lives of all assets were assessed and during the year. A change in accounting estimate was effected in relation to fully depreciated assets still in use. The effect of the change in accounting estimate on the current year's results was a decrease in the current year's surplus by R2,287.15.

21 Prior Year Error

The assesment of useful lives in relation to Property, Plant and Equipment (refrrred to above) resulted in a restatement of prior year figures. The effects of the prior year error on the 2006/07 and 2007/08 results are shown below.

Statement of Financial Performance:

	2007/08	2006/07
Surplus for 2007/08 previously stated	532	-
Decrease in Depreciation	26	-
Surplus for 2007/08 restated	557	-

Statement of Financial Position:

Increase in Property, Plant and Equipment	26	110
---	----	-----

Adjustement against retained earnings at the beginning of April 2007		110
---	--	------------

22 Contingent Liabilities

A contingent liability relating to the retaining of the surplus funds at year end.

A request to retain accumulated surplus for 2008/09 was submitted to National Treasury through the dti in May 2009. At the reporting date no approval was granted as yet.

	1,674	-
--	-------	---

23 Events after Reporting Date

It has been brought to managements attention by SARS that due to late submission of the EMP 501 reconciliation.

A penalty may be levied or waived subject to the outcome of the application for waiver.

24 Net Surplus Adjusted to reflect Roll-over Funds

Revenue for the year	19,422	19,526
Approved roll-over funds	532	2,900
Total Revenue Available for the year	19,954	22,426
Less: Total Expenses for the year	(19,202)	(18,969)
Net Results (including roll-over funds)	753	3,458

While inclusion of roll-over funds as income may be considered double-accounting, the related expenses do appear in the statement of financial performance. This reconciliation serves to illustrate the fact that there were sufficient funds to carry out projects for the year.

Expenses for the year include special projects funded by the roll-over granted by National Treasury.

A request to retain accumulated surplus for 2008/09 was submitted to National Treasury through the dti in May 2009. At the reporting date no approval was granted as yet.

25 Accounting Standards not Adopted

At the date of authorisation of the financial statements, the following accounting standards were in issue but not yet effective:

- GRAP 18 - Segment Reporting
- GRAP 23 - Revenue from Non-exchange Transactions
- GRAP 24 - Presentation of Budget Information in Financial Statements
- GRAP 103 - Heritage Assets

Management believes that the adoption of these standards in future periods will have no material impact on the financial statements of the National Gambling Board as majority of them are not applicable and those that are applicable are to a greater extent similar in application and disclosure as the GAAP standards applied currently.

The date of application of the above as determined by the Minister of Finance is for financial periods beginning on or after 1 April 2009.

26 Financial risk management

In conducting its business the organisation's financial instruments are exposed to market risk, credit risk, liquidity risk and interest rate risk.

NGB has developed a comprehensive risk management process which monitors and controls the impact and likelihood of such risks on the organisation's daily activities.

The risk management process relating to each of these risks is discussed under the headings below.

Credit Risk and Market Risk.

Credit risk arise mainly from receivables and cash and cash equivalents. The Board's exposure to credit risk arises because of default of counterparties with the maximum exposure equal to the carrying amount of these instruments. Market risk refers to the risk that the value of an investment will decrease due to moves in market factors. These risks are mitigated as follows:

- a) Cash and Cash equivalents are placed with high credit quality financial institutions thus rendering the credit risk with regard to cash and cash equivalents limited.
- b) Transactions are entered into with reputable institutions approved by National Treasury.
- c) With regard to accounts receivables credit risk is limited by the fact that the organisation does not issue loans to staff or raise debtors in its day to day operations
- d) Funds are invested in short term facilities which are highly liquid.
- e) The organisation does not offer credit facilities either to employees or any other person except where a debtor may be raised due to advance on travel and subsistence.

Exposure to Credit Risk

Maximum exposure to credit and market risk at the reporting date from financial assets was

R'000	2009	2008
Cash and Cash equivalents	5,103	4,283
Other receivables	11	13
Total	5,114	4,296

**NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

Concentration of credit risk

The maximum exposure to credit risk for financial assets at the reporting date by credit rating category was as follows:

2009		AAA /Gov	Unrated
Cash and Cash equivalents		5,103	-
Other receivables		-	11

2008		AAA /Gov	Unrated
Cash and Cash equivalents		4,283	-
Other receivables		-	13

The following table provides information regarding the credit quality of assets which may expose the Board to credit risk.

2009	not past due nor impaired	Past due not impaired less than 2 months	Past due not impaired more than 2 months	Carrying Amount
R'000				
Cash & Cash equivalents	5,103	-	-	5,103
Other receivables	11	-	-	11

2008	not past due nor impaired	Past due not impaired less than 2 months	Past due not impaired more than 2 months	Carrying Amount
R'000				
Cash & Cash equivalents	4,283	-	-	4,283
Other receivables		-	13	13

Market risk is the risk that changes in market prices, such as interest rates will affect the value of the financial assets of the Board.

Interest rate risk

The organisation is exposed to interest rate risk in respect of returns on investments with financial institutions and interest payable on finance leases contracted with outside parties.

Interest rate risk is a risk that adverse changes in interest rates will negatively impact on the net income of the organisation.

This exposure to interest rate risk is mitigated by investing on short term basis in fixed deposits. The other factor is that NGB does not hold significant finance leases with fluctuating interest rates.

**NATIONAL GAMBLING BOARD
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009 (Continued)**

Sensitivity Analysis

A change in the market interest rate at the reporting date would have increased/(decreased) the surplus for the year by amounts below:-

31/03/2009	Change in Investments	Increase/(decrease) in net surpluses for the year	
		Upward Change	Downward Change
Cash and Cash Equivalents	1%	(51)	(51)
Finance Lease	1%	(1)	(1)
31/03/2008			
Cash and Cash Equivalents	1%	43	(43)
Finance Lease	1%	-	-

Liquidity risk

Liquidity risk is the risk that the organisation would not have sufficient funds available or may encounter difficulties in raising funds to meet its future commitments. This risk is regarded as low considering the Board's current funding structures and management of available cash resources.

The table below illustrates the Board's exposure to liquidity risk from financial liabilities.

2009	Carrying Amount	Total Cash Flow	Contractual Cashflow 1 year	Contractual Cashflow 1-5 years
Other financial liabilities	3,430	3,430	3,430	11

2008	Carrying Amount	Total Cash	Contractual cashflow 1 year	Contractual Cashflow 1-5 years
Other financial liabilities	2,510	2,510	2,489	17

Financial Instruments

The following table shows the classification on the Board's Principle instruments together with their carrying values

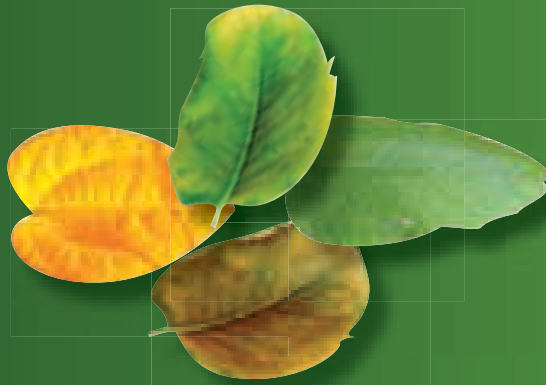
Financial Instrument	Classification	Carrying Amount 2008 (R'000)	Carrying Amount 2008 (R'000)
Cash & Cash Equivalents	Loans and receivable	5,103	4,283
Receivables	Loans and receivable	-	-
		11	13
Trade Payables	Financial Liabilities	1,916	1,554
Finance Lease	Financial Liabilities	62	43

Net gains and Losses on Financial Instruments

The following table presents the total net gains or losses for each category of financial liabilities.

2009	Loans & receivables R'000	Financial liability at amortised cost R'000	Total R'000
Interest Income	662	-	662
Finance Charges	-	(22)	(22)
Total net gains recognised in the statement of financial performance	662	(22)	639

2008	Loans & receivables R'000	Financial liability at amortised cost R'000	Total R'000
Interest Income	615	-	615
Finance Charges	-	(21)	(21)
Total net gains recognised in the statement of financial performance	615	(21)	594





Gambling Statistics

Contents

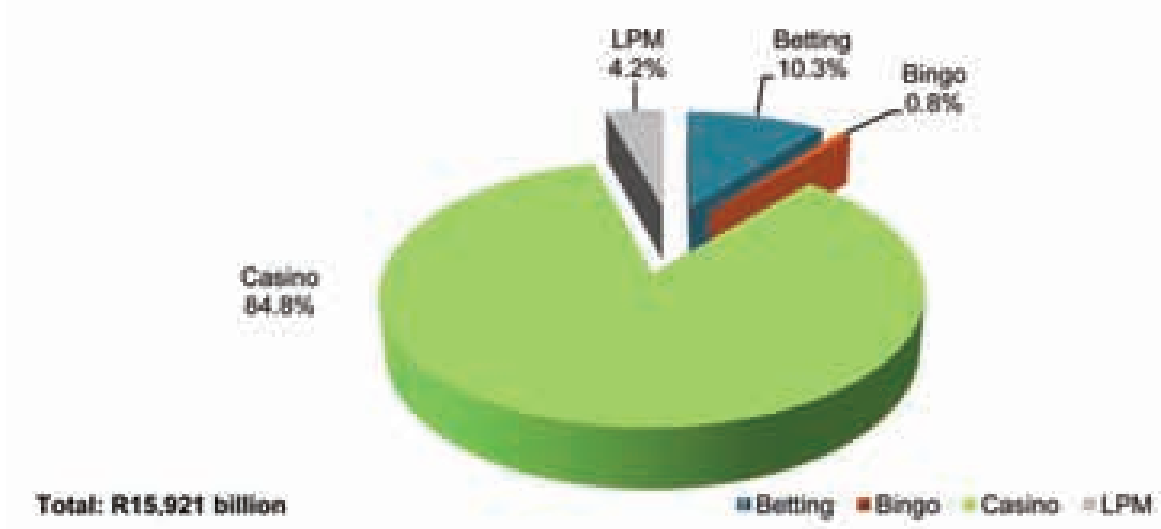
NATIONAL ESTIMATE GAMBLING STATISTICS	66
CASINOS IN SOUTH AFRICA	69
ILLEGAL GAMBLING STATISTICS	71

National Estimate: Gambling Statistics

The NGB maintains national database that contains information on primary statistics such as turnover, gross gambling revenue (GGR), gambling tax and return to player/punters. Provincial gambling boards are required to submit the primary statistics to the Board on a quarterly basis for consolidation and reporting on national status. The data presented below is based on annual audited data, except for the Northern Cape (based on quarterly submitted figures). The results for 2008/2009 continued to show an increase in GGR around the country. The GGR increased by 1.94% from R15,618 billion (2007/2008) to R15,921 billion (2008/2009).

However, real growth, i.e. growth excluding inflation is negative as depicted in the graph.

GGR PER GAMBLING MODE – F2009

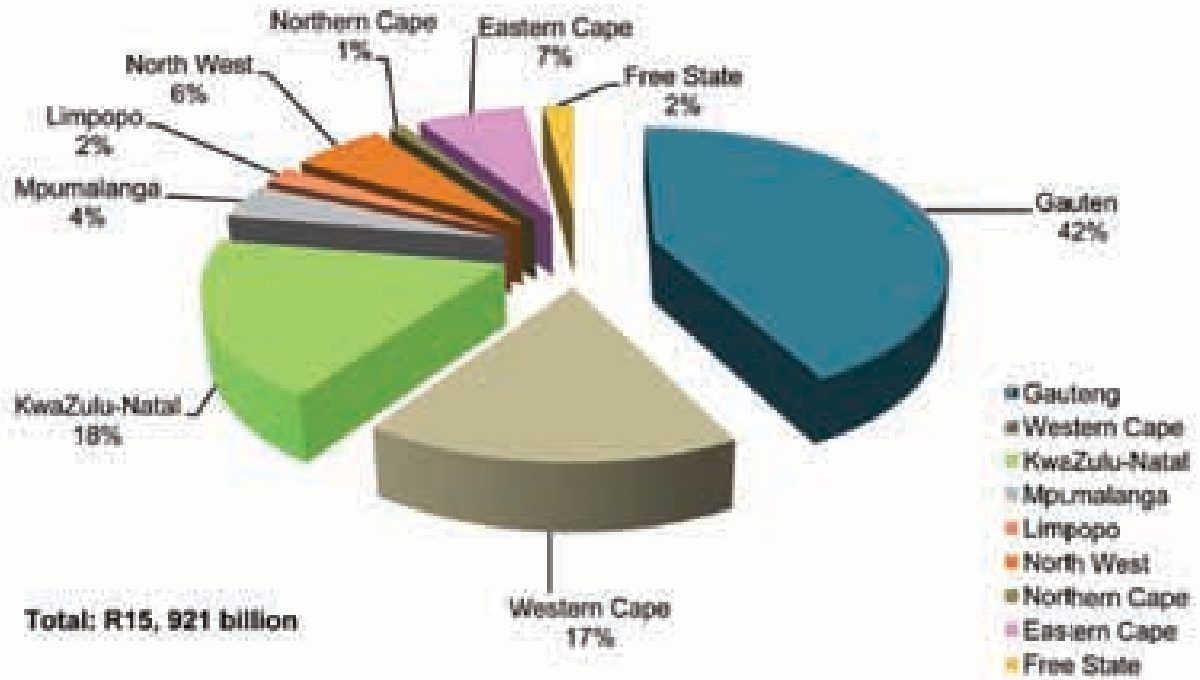


TAX/LEVY CONTRIBUTION PER GAMBLING MODE – F2009

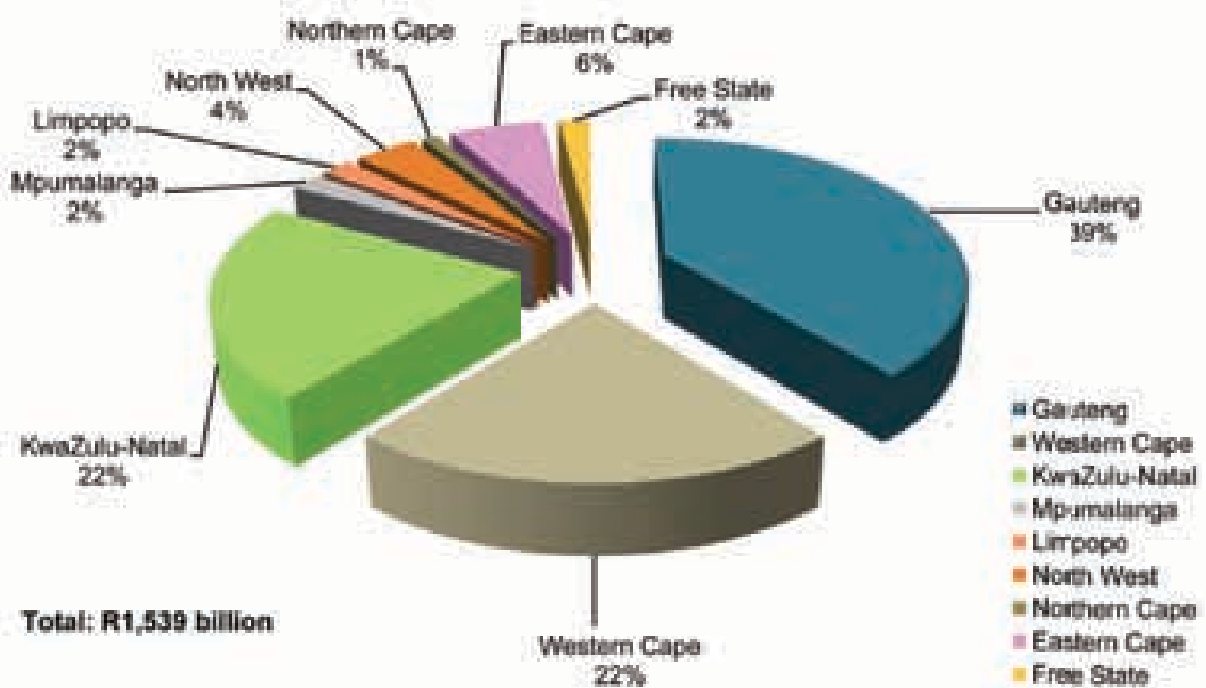


**National Estimate:
Gambling Statistics (Continued)**

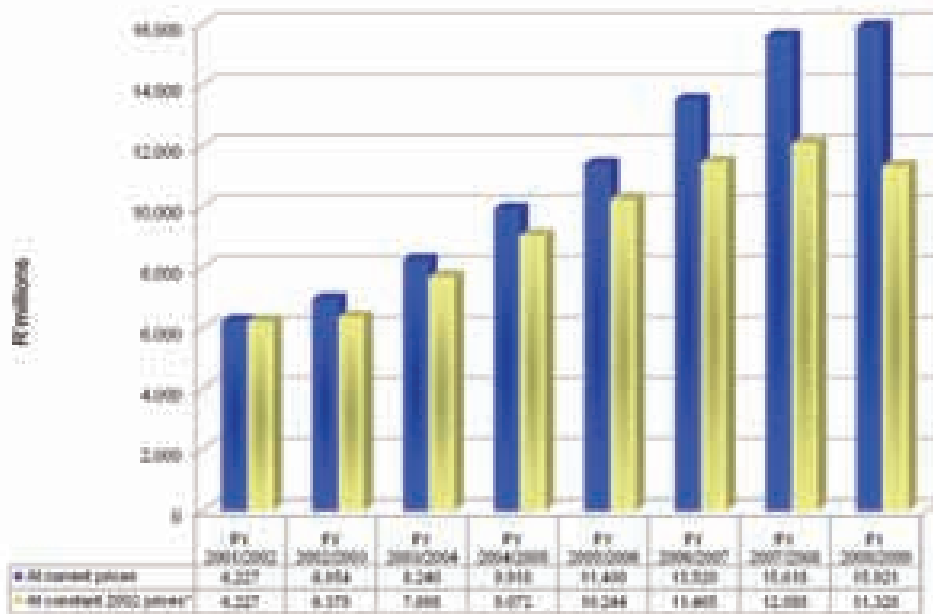
GGR PER PROVINCE – F2009



TAX/LEVY CONTRIBUTION PER PROVINCE – F2009

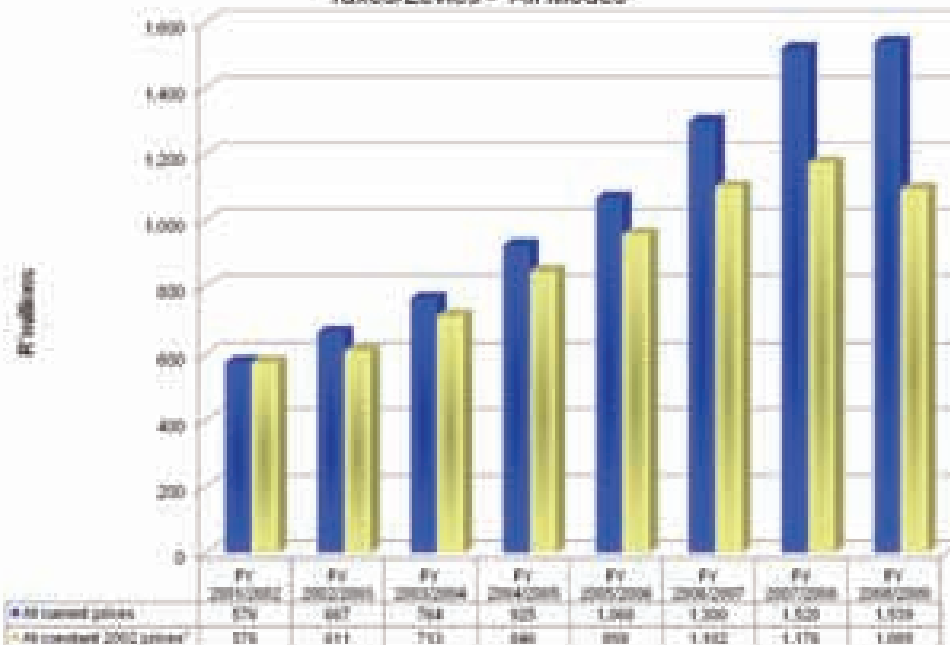


Trend in GGR – F01/02 to F08/09
GGR – All Modes



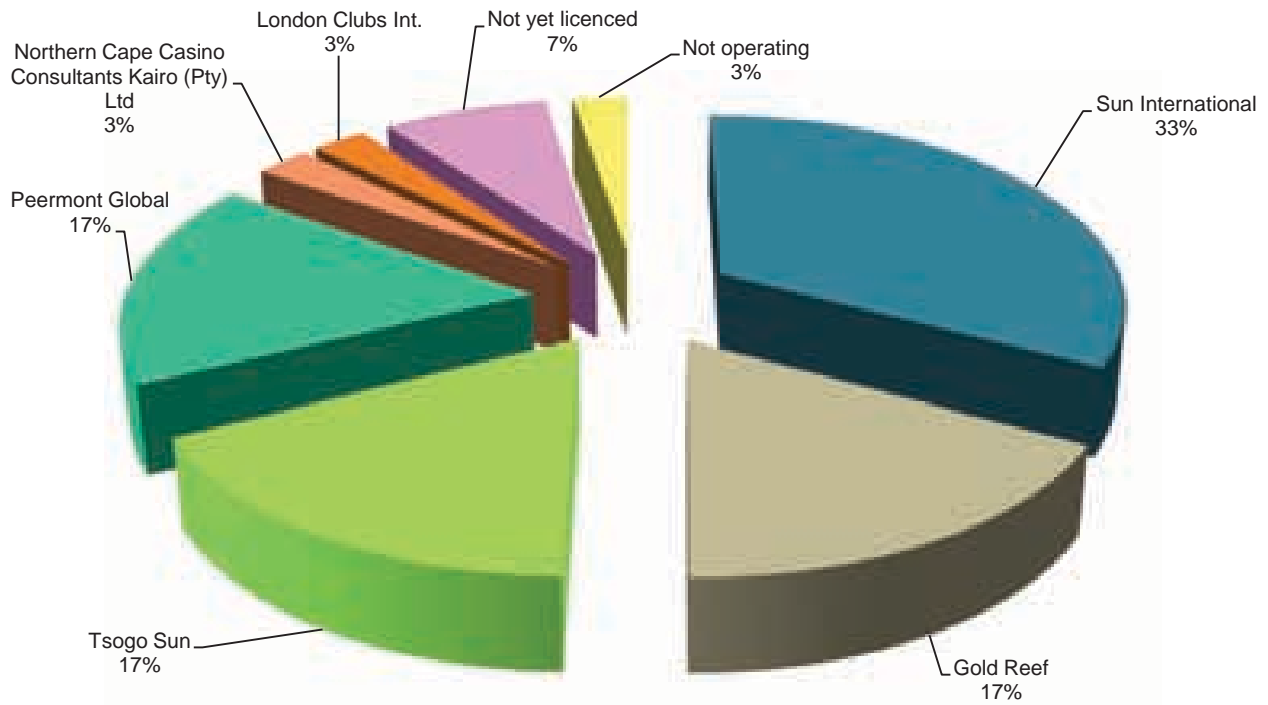
* Source: GGR is deflated with the 2008 released Consumer Price Indexes of Stats SA

Trend in Taxes/Levies – F01/02 to F08/09
Taxes/Levies - All Modes



* Source: Taxes/Levies are deflated with the 2008 released Consumer Price Indexes of Stats SA

Casino groups operating in South Africa - F2009
(expressed as percentage of total number)



CASINOS IN SOUTH AFRICA

CASINOS IN SOUTH AFRICA

PROVINCE	AREA	LOCATION	NAME OF RESORT	DATE OPENED	CASINO OPERATOR	MANAGEMENT CO.	TOTAL CAPITAL INVESTMENT		TEMPORARY or PENDING		PERMANENT CASINOS		CURRENT STATUS (Mar 09)
							Rands	US\$	Tables	SLOTS	Tables	SLOTS	
Eastern Cape	Jan1	Pletizabath	Phakamisa Casino & Entertainment World	02/01	Entertainment	Entertainment	5132000	774	23			Permanent casino - Oct 02	
Eastern Cape	Jan2	East London	Herby's Casino	Sep/01	Repco Subrent	Repco Subrent	2220000	290	12			Permanent casino - Mar 02	
Eastern Cape	Jan3	Durban	Durban Casino	Dec/07	Liberty Leisure	Liberty Leisure	1830000	180	6			Permanent license issued by 08 No license issued	
Eastern Cape	Jan4	Stellenbosch	Stellenbosch Casino	Dec/01	Stellenbosch	Stellenbosch	15276000	438	16			Operating period - suspended Dec 01, license suspended Dec 09	
Free State	Jan1	Beaufort West	Beaufort West Casino	Mar/99	Stellenbosch	Stellenbosch	1538000	159	0			Permanent casino - Mar 99	
Free State	Jan1	Beaufort West	Beaufort West Casino	Oct/06	Stellenbosch	Stellenbosch	1900000	200	13			Permanent casino - Oct 06	
Free State	Jan2	Beaufort West	Beaufort West Casino	Dec/03	Stellenbosch	Stellenbosch	1900000	200	9			Permanent casino - Oct 07	
Free State	Jan3	Beaufort West	Beaufort West Casino	Nov/06	Stellenbosch	Stellenbosch	1020000	139	12			Permanent casino - Nov 06	
Gauteng	Jan1	Johannesburg	Johannesburg Casino	Sep/98	Repco Subrent	Repco Subrent	22700000	174	75			Permanent casino - Mar 00	
Gauteng	Jan2	Johannesburg	Johannesburg Casino	Nov/98	Repco Subrent	Repco Subrent	15000000	160	50			Permanent casino - Mar 00	
Gauteng	Jan3	Johannesburg	Johannesburg Casino	Dec/98	Repco Subrent	Repco Subrent	5000000	60	33			Permanent casino - Mar 00	
Gauteng	Jan4	Johannesburg	Johannesburg Casino	Nov/98	Repco Subrent	Repco Subrent	10000000	124	74			Permanent casino - Mar 00	
Gauteng	Jan5	Johannesburg	Johannesburg Casino	Dec/98	Repco Subrent	Repco Subrent	10000000	150	40			Permanent casino - Oct 99	
Gauteng	Jan6	Johannesburg	Johannesburg Casino	Nov/97	Stellenbosch	Stellenbosch	1970000	50	12			Permanent casino	
Gauteng	Jan7	Johannesburg	Johannesburg Casino	Dec/07	Stellenbosch	Stellenbosch	11000000	784	24			Permanent casino - Feb 09	
Gauteng	Jan8	Johannesburg	Johannesburg Casino	Nov/02	Repco Subrent	Repco Subrent	14000000	103	50			Permanent casino - Mar 00	
Gauteng	Jan9	Johannesburg	Johannesburg Casino	Feb/01	Repco Subrent	Repco Subrent	7894400	100	37			Permanent casino - Mar 00	
Gauteng	Jan10	Johannesburg	Johannesburg Casino	Mar/02	Repco Subrent	Repco Subrent	2200000	200	7			Permanent casino - Oct 02	
Gauteng	Jan11	Johannesburg	Johannesburg Casino	Sep/98	Repco Subrent	Repco Subrent	1184600	20	3			Permanent casino license issued Dec 04	
Gauteng	Jan12	Johannesburg	Johannesburg Casino	Sep/01	Repco Subrent	Repco Subrent	3000000	60	23			Permanent casino - Sep 01	
Gauteng	Jan13	Johannesburg	Johannesburg Casino	Mar/98	Repco Subrent	Repco Subrent	2000000	45	17			Permanent casino - Sep 02	
Gauteng	Jan14	Johannesburg	Johannesburg Casino	Oct/97	Repco Subrent	Repco Subrent	2700000	250	16			Permanent casino - Jul 98	
Gauteng	Jan15	Johannesburg	Johannesburg Casino	Oct/97	Repco Subrent	Repco Subrent	1100000	25	11			Permanent casino - Mar 99 No license issued	
Limpopo	Jan1	Polokwane	Polokwane Casino	Mar/02	Repco Subrent	Repco Subrent	2500000	204	16			Permanent casino - Mar 02	
Limpopo	Jan2	Polokwane	Polokwane Casino	Jul/05	Repco Subrent	Repco Subrent	1500000	160	7			Request for application issued, application pending	
Limpopo	Jan3	Polokwane	Polokwane Casino	Mar/02	Repco Subrent	Repco Subrent	1900000	200	9			Permanent casino - Jul 05	
Northern Cape	Jan1	Kimberley	Kimberley Casino	Mar/01	Repco Subrent	Repco Subrent	1436300	154	6			Permanent casino - Mar 02	
Northern Cape	Jan2	Kimberley	Kimberley Casino	Mar/01	Repco Subrent	Repco Subrent	6000000	154	6			Permanent casino - Mar 02	
Northern Cape	Jan3	Kimberley	Kimberley Casino	Mar/01	Repco Subrent	Repco Subrent	2000000	155	8			License issued Jan 03, temporary operating license issued by 09	
Northern Cape	Jan4	Kimberley	Kimberley Casino	Dec/97	Repco Subrent	Repco Subrent	23837200	601	38			Permanent casino	
Northern Cape	Jan5	Kimberley	Kimberley Casino	Sep/04	Repco Subrent	Repco Subrent	4900000	274	11			Permanent casino - Transfer from Repco Subrent	
Northern Cape	Jan6	Kimberley	Kimberley Casino	Nov/01	Repco Subrent	Repco Subrent	3026000	70	20			Permanent casino - Dec 00	
Northern Cape	Jan7	Kimberley	Kimberley Casino	Dec/01	Repco Subrent	Repco Subrent	12000000	200	30			Permanent casino - Dec 01	
Northern Cape	Jan8	Kimberley	Kimberley Casino	Dec/02	Repco Subrent	Repco Subrent	1470000	170	16			Permanent casino - Dec 02	
Northern Cape	Jan9	Kimberley	Kimberley Casino	Nov/04	Repco Subrent	Repco Subrent	1900000	200	0			Permanent casino - No license issued, license applied for in operation	
Northern Cape	Jan10	Kimberley	Kimberley Casino	Oct/08	Repco Subrent	Repco Subrent	19370000	370	8			Permanent casino - Oct 08	
Northern Cape	Jan11	Kimberley	Kimberley Casino	Nov/00	Repco Subrent	Repco Subrent	10700000	300	0			Permanent casino - Oct 00	
Northern Cape	Jan12	Kimberley	Kimberley Casino	Nov/00	Repco Subrent	Repco Subrent	10700000	300	0			Permanent casino - Oct 00	
							101000000	261	111	27,048	376		

CASINOS		TEMPORARY or PENDING		PERMANENT CASINOS	
Total	Operating	Total	Operating	Total	Operating
36	36	1	1	35	35
1	1				
3	3				
40	40				

CASINOS		TEMPORARY or PENDING		PERMANENT CASINOS	
Total	Operating	Total	Operating	Total	Operating
261	261	1	1	35	35
21,944	21,944				
27,035	27,035				

CASINOS		TEMPORARY or PENDING		PERMANENT CASINOS	
Total	Operating	Total	Operating	Total	Operating
10	10				
798	798				
808	808				

Total Capital Investment is defined as:
 - Total initial costs including land, buildings and furnishings/equipment
 - Costs for additional infrastructure development on the same basis as above (casino development includes any development which the casino licensee is obliged to develop in terms of its bid commitments and conditions of licence)

Information as provided by Management Companies and Provincial Gambling Boards

Effective Date: 31 Mar 09

Illegal Gambling Statistics

ILLEGAL GAMBLING STATISTICS IN THE REPUBLIC OF SOUTH AFRICA										
Activities	Provincial Licensing Authority									TOTAL
	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	
Number of raids/closures	4	32	92	15	5	3	3	5	7	166
Number of raids (fahfee)	0	0	0	2	387	2	0	0	0	391
Confiscated gambling machines	4	28	270	54	7	6	26	56	14	465
Confiscated gambling tables	0	0	2	3	4	0	0	0	0	9
Confiscated computer devices	0	0	0	0	0	0	0	0	0	0
Case convictions	0	24	0	14	8	0	0	0	0	46
Acquittals	0	0	0	4	3	0	0	0	0	7
Admission of guilt	2	24	92	14	413	0	1	0	3	549
Withdrawals	3	4	0	0	25	0	0	0	2	34
Forfeited gambling machines	46	28	270	54	0	9	10	580	7	1004
Forfeited gambling tables	1	0	2	11	0	0	0	0	0	14
Forfeited computer devices	0	0	0	0	0	0	0	0	0	0
Returned gambling machines	0	0	0	0	0	0	0	17	0	17
Returned gambling tables	0	0	0	0	0	0	0	0	0	0
Returned computer devices	0	0	0	0	0	0	0	0	0	0
Destroyed gambling machines	170	40	239	262	3	8	36	669	0	1427
Destroyed gambling tables	0	0	0	0	0	0	0	0	0	0

