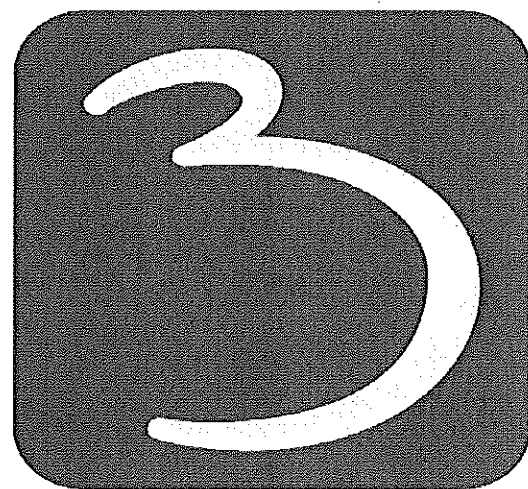


Revenue Policy



***Boxing
South
Africa***

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INDEX	PAGE
1. Introduction	3
2. Terms and definitions	3
3. Objective of the policy	3
4. Sponsorships	4
5. Government Grant	5
6. Licence Fees	6
7. Sanctioning Fees	7
8. Sundry Revenue	8
9. Approval and implementation	8
10. Level of approval	9

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1. Introduction

Boxing South Africa's revenue consists of sponsorships, grants, licence fees, sanctioning fees and sundry revenue.

2. Terms and definitions

Sponsorship - revenue that is generated through funds provided any organisation aiding the entity.

Grant - relates to funds that are provided by the government received from National Treasury.

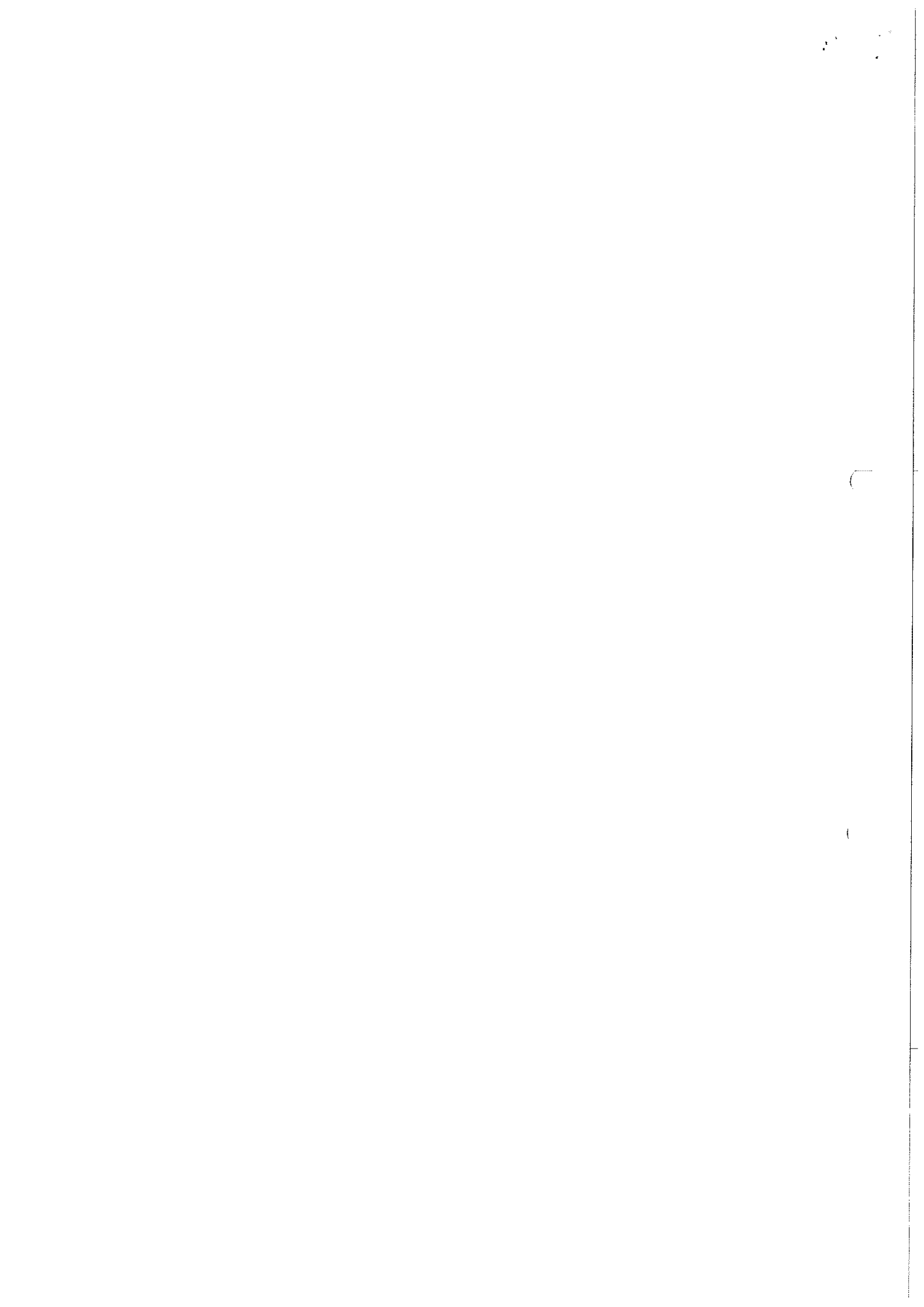
Licence fees - relates to funds generated through boxers, trainers and managers paying an annual fees to be able to perform the sport.

Sanctioning Fees - relate to revenue earned from tournaments that take place.

Sundry Revenue – relates to revenue earned through forfeits and penalties charged to overweight boxers.

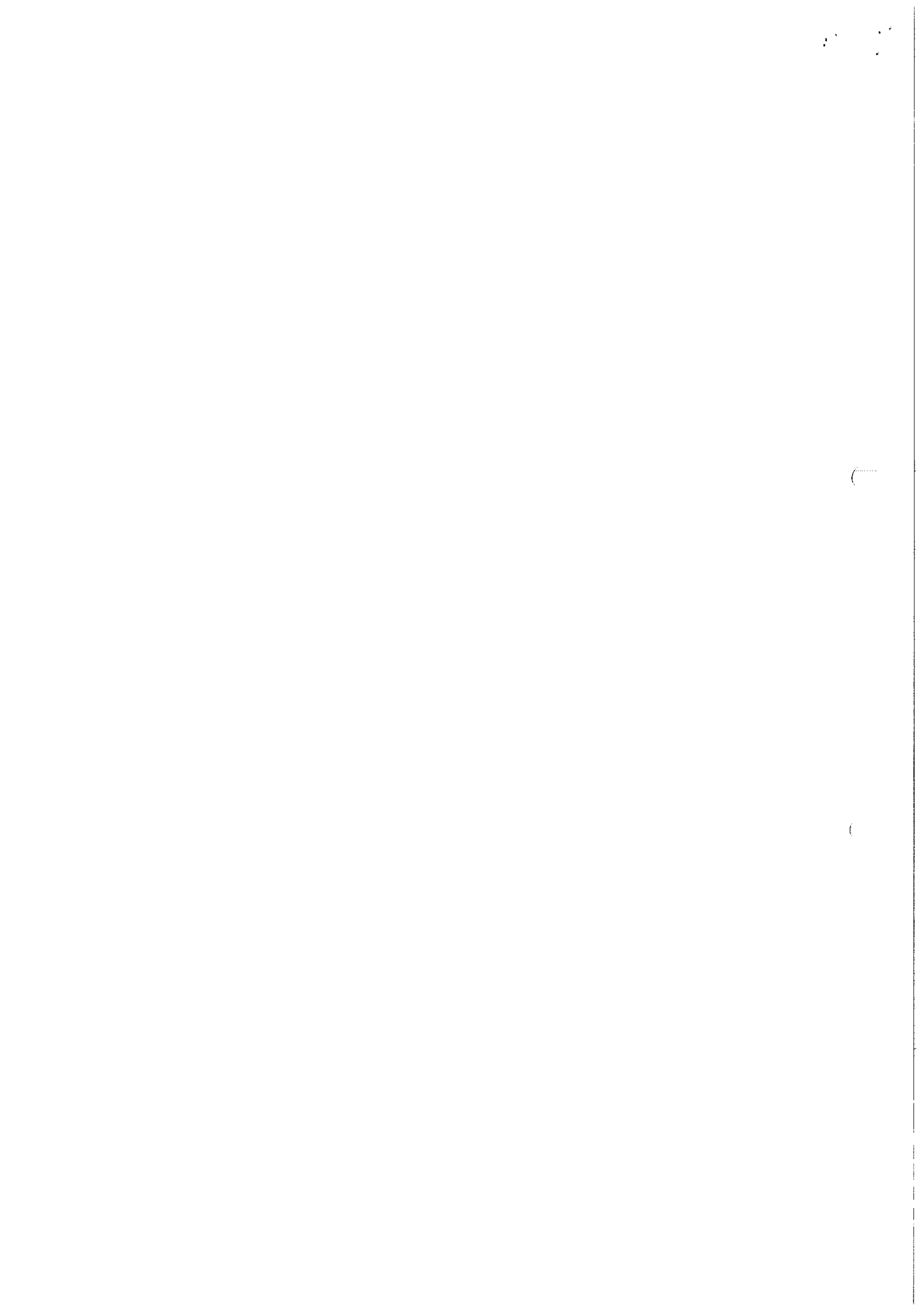
3. Objectives of the policy

The objectives of the policy are to manage revenue efficiently to ensure that the income is correctly recognised, accurately captured and complete.



4. Sponsorships

- 4.1 The approach to be used to approach an organisation for sponsorship is for the CEO to prepare a proposal letter on a BSA letterhead and submit it to the relevant organisation.
- 4.2 A Revenue file must be kept and in the sponsorship section of the file must include a list of proposals submitted and a column for the date submitted, the date the response was received and the outcome of the proposal.
- 4.3 The proposal letter and the response must be filed accordingly.
- 4.4 In the event of the organisation approving the sponsorship, the organisation will provide BSA with a detailed contract consisting of the purpose by which the funds are provided.
- 4.5 Boxing South Africa is bound by the contract to spend the sponsorship in accordance to the purpose as set out in the contract.
- 4.6 In the event of the sponsorship amount not being utilised in one year, it shall be deferred to the following year until utilised for its purpose.
- 4.7 The receipt of the sponsorship amount must be confirmed in the bank statement and a copy of the statement must be filed with the sponsorship contract, proposal letter and acceptance letter.



5. Government grant

5.1 The government grant will only be paid by National Treasury if the following is submitted:

- The strategic plan (in accordance to the performance information policy)
- The budget (in accordance to the performance information policy)
- The quarterly reports.

5.2 The grant is received in 4 equal instalments after submission of each quarterly report.

5.3 BSA management must ensure that the quarterly reports are prepared in accordance to the performance information policy and submitted within 30 days after the end of the quarter.

5.4 The receipt of the sponsorship amount must be confirmed in the bank statement and a copy of the statement must be filed in the Revenue file, in the grants section.

5.5 At the end of the month that the deposit was made, the finance department must capture the transaction at the correct amount, date and in the correct account.

5.6 The general ledger print out must be filed with applicable the bank statement in the Revenue file.

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6. Licence Fees

- 6.1 Licence fees must be paid annually by promoters, managers, trainers, boxers, ring officials, seconds and match makers.
- 6.2 Licence fee amounts must be paid in accordance to the Licence fee Schedule approved by the Board.
- 6.3 All licence fees must be paid within the first 2 months of the financial year ie. By 31 May.
- 6.4 Licence fees paid after 31 May shall incur a penalty amount of R50.
- 6.5 Licence fee payments are received through bank deposits, EFT transfers and only in exceptional circumstances shall BSA accept cash transactions.(Refer to the Receipt policy for detailed procedures regarding cash transactions)
- 6.6 A licence is only released to an individual once the licence fee is paid in full and all the other requirements as per Licence Fee schedule is met.
- 6.7 If a licensee cannot meet all other requirements as required by the licence fee schedule and the licence fee has been paid, BSA must refund the amount paid by the individual.
- 6.8 As soon as BSA confirms the payment received by the individual, a receipt is issued to the licensee and the receipt number is the licensee's licence number.
- 6.9 The licence fee register is updated immediately including the date of payment, licence number, province, licence category, amount, name and surname.
- 6.10 A licence file must be kept and the register must be included in the file, along with all the proof of payments.
- 6.11 On a monthly basis, the licence file is sent to the finance department.
- 6.12 The finance department must perform a monthly reconciliation of the licence fees received i.e. Agree the proof of payments to the bank statement and the register.
- 6.13 All variances as per reconciliation must be investigated and followed up.
- 6.14 After the reconciliation is performed, the financial controller captures the transactions for the month accordingly on the system.

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7. Sanctioning Fees

7.1 Sanctioning fees are earned on each tournament staged.

7.2 Sanctioning fees can only be calculated upon receipt of the affidavit declaring the income incurred for staging the tournament.

7.3 The sanctioning fees must be calculated as the total of the following:

- 5% of total gate levies
- 5% of total sponsorships received by the promoter
- 5% of advertising and income received thereto
- 10% of broadcasting fees received from the broadcaster.

7.4 A reconciliation is performed at the end of each tournament to calculate the amount owing to or from the promoter.

7.5 In the event of the promoter owing BSA, the amount owing is relating to sanctioning fees and the promoter is then treated as a debtor to BSA. (Refer to the BSA Debtor)

7.6 At the end of each month, the finance department must refer to the tournament list and the tournament reconciliations and capture all the sanctioning fees generated per tournament, even if they have not been paid in full.

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8. Sundry Revenue

8.1 Sundry Revenue amounts to forfeits and penalties earned by BSA for Boxers that are overweight.

8.2 The penalty on each overweight Boxer is 30% of the Boxer's total purse money which is processed as a deduction prior to paying out his purse money.

8.3 Of the 30% deducted, 20% is paid to the Boxers opponent and 10% is redeemed by BSA.

8.4 The weight limits per category are as follows:

MALE		FEMALE	
Category	Limit (kg)	Category	Limit (kg)
Heavy weight	86.18	Middle weight	72.58
Junior heavy weight	86.18	Junior middle weight	72.58
Light heavy weight	79.38	Welter weight	66.68
Super middle weight	76.2	Junior feather weight	55.34
Middle weight	72.58		
Junior middle weight	72.58		
Welter weight	66.68		
Junior welter weight	63.5		
Light weight	61.24		
Junior light weight	58.99		
Feather weight	57.15		
Junior feather weight	55.34		
Bantam weight	53.52		
Junior bantam weight	52.16		
Flyweight	50.8		
Junior fly weight	48.99		
Mini fly weight	47.63		

9. Approval and implementation

9.1 This policy is effective from the date of approval by the Chairperson of the Accounting authority.

9.2 The CEO will be responsible for implementation and monitoring of the policy.

9.3 The policy will be reviewed on an annual basis and revision thereto must be obtain Board approval.

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10. Levels of approval

Dr P Ngatane

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Board Chairperson

Signature

Date

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