



( Imbobo App NPC )

NPC Reg No.: 2021/539541/08

## POLICY ON ALLOCATION OF DISTRIBUTABLE FUNDS

Version: 1.0, Dated: 04 April 2021

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### - PREAMBLE

It is foreseen that the organisation allocate funds solely from nett income received in the preceding financial year as well as amounts carried over as per this policy.

The policy on allocation of distributable funds stipulates that sections funding and other endeavours may be supported, as set out in the policy document (current version dated 04 April 2021), in order to further the interests, aims and objectives of the organisation.



## 1. INTRODUCTION

- 1.1 The iMbobo App NCP ("Organisation") has the following aims, goals, and objectives which require the allocation of funds-
  - 1.1.1 to allow a smooth and seamless transition into the fourth industrial revolution (4IR) self driving cars technology;
  - 1.1.2 to help make road networks safe and efficient for all users; and
  - 1.1.3 to establish and maintain various Sections in order to facilitate real-time pothole reporting of potholes by the members of civil society and to facilitate road safety community outreach by the members of the Organisation.
- 1.2 The first two have been historically been dealt with by designated sections convener or otherwise know as directors and subjected to approval by council and no change is foreseen.
- 1.3 The later has previously not received attention from a financial perspective.
- 1.4 The purpose of this policy is to deal therewith.

## 2. FUND ALLOCATION

- 2.1 It is foreseen that the Organisation allocate funds solely from nett income received in the preceding financial year as well as amounts carried over as per this policy.
- 2.2 Such allocation will further be done on the following basis of firstly allocating available funds for a specific year to the approved real-time pothole reporting technology and thereafter allocating funds to other endeavours with the provision that no more than sixty percent (60%) of the available funds will be allocated to real-time pothole reporting technology.
- 2.3 The remaining funds will be allocated on the basis of seventy-five percent (75%) at the commencement of the year and twenty-five percent (25%) as a reserve for allocation during the course of the year.

*For an example:*

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Nett Income & Carried over Funds:	<b>R 105 000.00</b>
Minus: Maximum allocation to pothole reporting app:	<b>R 63 000.00</b>
Distributable income annual income:	<b>R 42 000.00</b>
Minus: 25% provision for remainder of year:	<b>R 10 500.00</b>
Distributable at the beginning of the year:	<b>R 31 500.00</b>



- 2.4 The Treasurer shall at the Annual General Meeting of the Organisation for every calendar year disclose the amounts as provided for in clauses 2.2 and 2.3 (supra).
- 2.5 As a general rule, applications should not contain requests which exceed twenty-five percent (25%) of the amount referred to in clause 2.2 as the Organisation will seek to contribute to approximately four (4) projects per annum.

### **3. CRITERIA OF ALLOCATION OF NON-TECHNOLOGICAL RELATED FUNDS**

- 3.1 Constitutionally, the Organisation is required to, through its Sections, facilitate road safety community outreach and school of governance programmes for members of mayoral committees by the Organisation.
- 3.2 The aforesaid thus constitute the objective for allocation and can be more specifically defined under the following points-
  - 3.2.1 the requirement vests in the Sections and as such the request must come from the head of the same and not an individual directly;
  - 3.2.2 the allocation must actively further the interest in ensuring that roadways stay even and clear surfaces free of potholes in order to allow a smooth and seamless transition into the fourth industrial revolution (4IR) self driving cars technology, whilst helping make the road networks safe and efficient for all users.

### **4. CRITERIA FOR REQUEST**

- 4.1 Requests for beginning of year allocations must be received by 31 January of each year.
- 4.2 Other requests are to be made as soon as the need for the request becomes apparent.
- 4.3 Requests must be in writing forwarded by the Section to a member of the Council of the Organisation.
- 4.4 The written request must meet the objective and inter alia disclose-
  - 4.4.1 a motivation why the objectives will be met as well as an explanation as to how it will be done;
  - 4.4.2 reasons why the funding could not be secured from alternative sources (if any);
  - 4.4.3 full financial motivation for the amount sought;
  - 4.4.4 a plan of any marketing steps which will be taken to bring those benefitting from the funds received into the formal structures of the Organisation.
- 4.5 The Council may from time-to-time approve a standard application document, which will be denoted as Annexure "A" to this policy and is to be used in the application process.



## **5. FEEDBACK AND PAYMENTS**

- 5.1 Feedback on all requests will be done in writing within fourteen (14) days after receipt, provided that 31 January is regarded as the date of receipt in relation to beginning of year requests.
- 5.2 As the allocation is in the discretion of the Council, the Organisation will not enter into further correspondence where a request has been declined.
- 5.3 All allocations are made subject to proper accounting for funds received (including the provision of source documents) and any funds not used are to be refunded to the Organisation.

## **6. RESIDUAL FUNDS**

- 6.1 Any funds not distributed during a specific year will be allocated for distribution during the following year.



## ANNEXURE A: APPLICATION FOR THE ALLOCATION OF DISTRIBUTABLE FUNDS



### APPLICATION FOR THE ALLOCATION OF DISTRIBUTABLE FUNDS

Section Name:			
Section Director (Fullname):			
Application Date:		Amount Requested:	
Project Title:			
Project Start Date:		Project Duration:	
Purpose of Project:			
No. of Beneficiaries:			
Project Benefits:			
Project Description: (145 words or less)			
Breakdown of Allocated Funds:		R	
		R	
		R	
		R	
		R	
		R	
		R	
Other Possible Sources of Funding:			