

FREE STATE PROVINCE

PROVINCIAL GAZETTE

PROVINSIALE KOERANT

PROVINSIE VRYSTAAT

Published by Authority

Uitgegee op gesag

No. 43

BLOEMFONTEIN, 30 JULY 1997

BLOEMFONTEIN, 30 JULIE 1997

OFFICE OF THE PREMIER

No. 4 30 July 1997

It is hereby notified that the Premier has assented to the following Act which is hereby published for general information:-

No. 4 of 1997: The Phakisa Major Sport Events and Development Corporation Act, 1997

KANTOOR VAN DIE PREMIER

No. 4 30 Julie 1997

Hierby word bekend gemaak dat die Premier die onderstaande Wet bekragtig het, wat hierby ter algemene inligting gepubliseer word:-

No. 4 van 1997: Wet op die Phakisa Korporasie vir Groot Sportbyeenkomste en Sportontwikkeling, 1997.

ACT

To provide for the establishment of the Phakisa Major Sport Events and Development Corporation and matters incidental thereto.

BE IT ENACTED by the Provincial Legislature of the Free State Province, as follows :-

(Afrikaans text signed by the Premier)
(Assented to 28 July 1997)

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Definitions

1. In this Act, unless the context otherwise indicates -

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“**board**” means the board of directors contemplated in section 5(1);

“**Constitution**” means the Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996);

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“**Corporation**” means the Phakisa Major Sport Events and Development Corporation established by section 2;

“**director**” means a director of the Corporation;

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“**law of the Province**” means an Act passed by the Provincial Legislature or a law assigned for administration to a competent authority within the jurisdiction of the government of the Province under Schedule 6, item 14(1) of the Constitution;

“**Province**” means the Free State Province;

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“**responsible Member**” means the Member of the Executive Council of the Province responsible for Sport, Arts, Culture, Science and Technology.

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Establishment of Phakisa Major Sport Events and Development Corporation

2. A juristic person to be known as the Phakisa Major Sport Events and Development Corporation is hereby established.

Objects of the Corporation

3. The objects of the Corporation shall be to facilitate and promote the staging of major sport events and sport development in the Province.

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Functions and powers of the Corporation

4. The Corporation may, subject to this Act or any law of the Province -

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- (a) present or promote major sport events or bid for such events to be held in the Province;
- (b) negotiate, enter into and vary agreements under which major sport events are to be held;
- (c) establish the necessary infrastructure and supporting facilities for major sport events;
- (d) do all other things necessary for or in connection with the conduct, financial and commercial management of each major sport event presented or promoted by the Corporation;
- (e) establish sporting facilities and sporting services;
- (f) establish supporting facilities, services and activities in connection with the holding of major sport events;
- (g) carry on advertising and promotional activities;
- (h) publish or produce books, programmes, brochures, maps or any other printed material, films, videotapes, souvenirs, apparel or other things relating to major sport events that are presented or promoted by the Corporation;
- (i) display, exhibit, sell or supply food and beverages, books, programmes, brochures, maps or any other printed material, films, videotapes, souvenirs, apparel or any other goods or services;
- (j) employ or engage staff or consultants;
- (k) provide consultancy, advisory and project management services;

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- (l) grant, for fee or other consideration, advertising rights, sponsorship rights, broadcasting rights or television rights or any other rights, licences or concessions in connection with events presented or promoted by the Corporation; 5
- (m) take out policies of insurance;
- (n) acquire and hold any licence under any law; 10
- (o) appoint agents and attorneys, and act as agent;
and with the written consent of the responsible Member -
- (p) open an account with a banking institution; 15
- (q) enter into an agreement for the presenting, organising, managing and promoting of a major sport event;
- (r) accept money, property, gifts or grants accruing to the Corporation by way of donation, award or otherwise; 20
- x (s) acquire or dispose of real assets;
- (t) enter into a joint venture with another person; 25
- (u) delegate to a director or to the chief executive officer of the Corporation, or to any other person or body any power or function of the Corporation other than the power of delegation; 30
- (v) and subject to section 218 (where applicable) read with section 243(5) of the Constitution, provide guarantee or indemnity.

Board of directors of the Corporation

- 5. (1) The affairs of the Corporation shall be managed by a board of directors which may exercise the powers of the Corporation. 35
- (2) The board of directors shall consist of not less than 6 and not more than 12 persons appointed by the responsible Member with the approval of the Executive Council of the Province. 40

Term of office and allowances of directors

6. (1) A director shall be appointed for a term not exceeding 18 months, specified in the instrument of appointment, but is eligible for reappointment, subject to section 7(1). 5
- (2) A director shall hold office upon such conditions (including the payment of allowances and expenses but excluding salary) as the responsible Member may, with the approval of the Executive Council, determine. 10

Vacation of office by directors and filling of vacancies

7. (1) A director shall vacate his or her office - 15
- (a) if his or her estate is sequestrated;
- (b) if he or she becomes mentally ill as defined in the Mental Health Act, 1973 (Act No 18 of 1973);
- (c) if he or she is convicted of a criminal offence and is sentenced to imprisonment without the option of a fine; 20
- (d) if he or she resigns as director;
- (e) if he or she is removed from office in terms of subsection (2). 25
- (2) A director may, on good cause shown, at any time, be removed from office by the responsible Member with the concurrence of the Executive Council of the Province. 30
- (3) If a director ceases to hold office, the responsible Member must, subject to the provisions of section 5(2), appoint a person to fill the vacancy on the board. 30

Chairperson and deputy chairperson

8. (1) The responsible Member must appoint one of the directors as the chairperson and another as a deputy chairperson of the board. 35
- (2) If the chairperson of the board ceases to hold office as director or as chairperson of the board, the responsible Member must, subject to the provisions of subsection (1), appoint a new chairperson. 40

- (3) Whenever the chairperson is absent or is unable to perform his or her functions as chairperson, the deputy chairperson will act as chairperson during the absence or incapacity of the chairperson.

Chief executive officer

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9. (1) The board must appoint a person approved by the responsible Member as the chief executive officer of the Corporation.

- (2) A chief executive officer shall hold office on such conditions as determined by the board and specified in the instrument of appointment. 10

Vacation of office by the chief executive officer

10. If the chief executive officer ceases to hold office, the board of directors must, within reasonable time and subject to the provisions of section 9(1), appoint another chief executive officer. 15

Meetings and decisions

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11. (1) A meeting of the board must be held at a time and place to be determined by the chairperson of the board.

- (2) (a) The chairperson of the board or the deputy chairperson in the absence of the chairperson or as requested by the chairperson, shall act as chairperson, as the case may be. 25

- (b) In the absence of both the chairperson and deputy chairperson the directors present may appoint one of the directors present to preside at the meeting of the board. 30

- (3) At least 50 percent of the directors, excluding the chairperson or deputy chairperson or in their absence, a person appointed under subsection (2)(b), shall constitute a quorum for any meeting of the board. 35

- (4) The decision of the majority of the directors present at a meeting of the board, shall be a decision of the board, and in the event of an equality of votes relating to any matter the chairperson of the board or the person acting as such, as the case may be, shall have a casting vote in addition to his or her deliberative vote. 40

- (5) No decision taken by the board or act performed under authority of the board shall be invalid by reason only of a vacancy on the board or by reason of the fact that a person, who is not entitled to sit as a director, was present at the time when the decision was taken or the act was authorised by the requisite majority of the directors who were present at the time and entitled to sit as directors. 5

Disclosure of interest of director in certain contract

12. (1) The provisions of section 234, 235, 237(1), (4) and (5) of the Companies Act, 1973 (Act No 61 of 1973), shall *mutatis mutandis* apply in respect of the director, and in such application, unless the context indicates otherwise, any reference therein to a company, a director or an officer of a company shall be construed as a reference to the Corporation, director or an officer of the Corporation, as the case may be. 10
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- (2) Any declaration of interest made in terms of subsection (1), shall be recorded in the minutes of the meeting of the board at which the declaration was made. 15

Accountability, audit and annual report 20

13. (1) (a) The board must present, for the approval of the responsible Member, a budget for each year; 25
- (b) The proposed budget must be presented to the responsible Member on or before such date as may be determined by the responsible Member. 25
- (2) The chief executive officer shall be the accounting officer of the Corporation and as such - 30
- (a) be charged with the responsibility of accounting for State and any other money received or paid out for or on account of the Corporation; and 30
- (b) cause the necessary accounting and other financial records to be kept in accordance with general accepted accounting practice. 35
- (3) The records referred to in subsection (2)(b) shall be audited annually by the Auditor General. 40
- (4) The board must not later than the last day of May and the last day of December of each year, submit to the responsible Member unaudited financial statements of the Corporation. 40

- (5) The financial year of the Corporation shall end on 31 March in each year.
- (6) The board must within 3 months after the end of the financial year submit a report on the activities and functions of the Corporation including the statements referred to in subsection (2) and (4) to the responsible Member, and the responsible Member must cause such a report and statements to be tabled in the Provincial Legislature within 30 days after receipt thereof, if the Provincial Legislature is then in ordinary session, or, if the Provincial Legislature is not in session, within 30 days after commencement of its next ensuing session.

Appropriation of income and property of Corporation

14. Save as expressly otherwise provided in this Act, the Corporation must apply all its income and property expressly for the promotion and attainment of its objects, and no profits shall be distributed to any person.

Powers of the responsible Member

15. (1) The responsible Member may direct the board to advise him or her on any matter relating to the Corporation or the execution of this Act.
- (2) The responsible Member may inspect, or cause to be inspected, any property or asset, or any record of the Corporation and the board must give full co-operation in the execution of such inspection.

Regulations

16. The responsible Member may make regulations regarding any matter which the responsible Member may consider necessary or expedient to prescribe under this Act.

Short title and commencement

17. This Act shall be called the Phakisa Major Sport Events and Development Corporation Act, 1997, and shall be deemed to have come into operation on 14 May 1997.