

## OBLIGATIONS FOR REGISTERED NONPROFIT ORGANISATIONS (NPOs) IN TERMS OF THE NPO ACT, 71 OF 1997

### 1. What are the compliance requirements for a registered NPO?

Registered NPOs are required to comply with the following:

- Provisions of their own **founding documents** (be it a Constitution, Deed of Trust and/or Memorandum of Incorporation) by:
  - **Keeping to objectives** of the organisation,
  - **Adhering to procedures and timeframes** in the founding document regarding convening of meetings such as Annual General Meeting (AGM); Ordinary and Extra-ordinary meetings.
  - **Keeping records** of all meetings,
  - **Keep detailed and proper financial records** (vouchers, receipts etc.)
- The organisation must **submit** to the NPO Directorate **annual report**. The report must be approved of by the Governing Body of the organisation.

### 2. What happens if there are any changes in the organisation?

If there are any changes:

- in the founding document;
- of office bearers; and
- of contact details of the organisation

The organisation must submit the changes to the Directorate within 30 days. The organisation must submit a copy of the **new founding document** together with **minutes** of the meeting at which changes were agreed to and signed by all members present.

### 3. What reports registered NPOs are required to submit?

An NPO must send to the NPO Directorate the following reports at the end of its financial year.

- Narrative Report;
- Financial Statement and
- Accounting Officer's Report

OR

An organisation that did not have Financial Report and Accounting Officer report must send the following:

- Narrative Report,
- 12 months Bank Statement, and
- An Affidavit

#### An explanation of the content of each report:

- A **Narrative Report** is a prescribed report format that outlines organisation's activities and achievements at the end of the organisation's financial year.
- A **Financial Statement** is a description of how the income received by an NPO has been spent towards meeting the set objectives of an organisation. This must be done in terms of Generally Accepted Accounting Principles (GAAP).
- An **Affidavit** is a written sworn statement of face voluntarily made by an affiant (a person who makes an affidavit) or deponent under an oath or affirmation administered by a person authorized to do so by law. Such statement is witnessed as to

the authenticity of the affiant's signature by a taker of oaths, such as a notary public or commissioner of oaths. For registered NPOs the contents of an affidavit reflect why the organisation is unable to submit its reports and/or the absence of bank account.

- A **Bank Statement** or account statement is a summary of financial transactions which have occurred over a given period of time on a bank account held by an NPO with a financial institution.
- An **Accounting Officer's Report** is an expression of opinion by Accounting Officer whether or not the organisation kept their records in terms of GAAP. An Accounting Officer must be a member of one of the following Accounting and Auditing professions:

### 4. Failure to submit annual reports

An NPO will:

- be de-registered/cancelled and will lose its registration status
- receive a notice of deregistration/cancellation

The Department will

- inform the public; funders; and other departments

### 5. When does an NPO send its annual report?

Send the annual report nine (9) months after the end of the NPOs financial year. For example if an NPO's financial year ends in October, the annual report is expected in June of the following year.

If an organisation has never submitted outstanding

annual report together with a list of current office bearers and current contact details of the organisation, the organisation is required to send the

- Narrative report for outstanding year or for the last 3 years;
- Financial Statement for the outstanding year or for the last 3 years or a Bank Statement for each year of reporting.

#### 6. Where does an NPO send its annual report?

Send the annual report to the attention of the Director for NPOs through the addresses at the back.



134 Pretorius Street, Pretoria, 0001  
<http://www.dsd.gov.za/npo> (attached online instructions)



086 563 7579  
086 512 3860  
086 657 4964  
086 657 4362

OR

#### PROVINCIAL AND DISTRICT CONTACT DETAILS AT THE BACK

### CONTACT DETAILS

#### PROVINCIAL OFFICE

Son Joy Building  
Boulevard Street  
Riverside Park  
Nelspruit  
1200  
Tel: 013 766 3428  
Fax: 013 766 3456/ 7

#### EHLANZENI DISTRICT OFFICE

66 Anderson Street  
Nelspruit  
1200  
Tel: 013 755 4036  
Fax: 013 753 3795

#### GERT SIBANDE DISTRICT OFFICE

ABSA Building, 35 Joubert Street  
Ermelo  
2350  
Tel: 017 819 7672/ 5414  
Fax: 017 819 7198

#### NKANGALA DISTRICT OFFICE

22 Beatty Avenue  
eMalahleni  
1035  
Tel: 013 653 5022  
Fax: 013 656 1049

#### Toll Free Number

**0800 20 40 98**



### Social Development

Department:  
Social Development  
**MPUMALANGA PROVINCE**

## OBLIGATIONS FOR REGISTERED NONPROFIT ORGANISATIONS (NPOs) IN TERMS OF THE NPO ACT, 71 OF 1997

#### VISION

A caring, humane and developed society.

#### MISSION

To provide equitable, integrated and quality sustainable social development services in partnership with all stakeholders to eradicate poverty, protect vulnerable groups in communities of Mpumalanga.

*A caring, humane and developed society*

