



social development

Department:
Social Development
REPUBLIC OF SOUTH AFRICA

2010/11
STATE OF MPUMALANGA REGISTERED
NONPROFIT ORGANISATIONS
ISSUED IN TERMS OF
THE NONPROFIT ORGANISATIONS ACT 71
OF 1997

"A REPORT FROM THE NATIONAL NPO DATABASE"

MPUMALANGA PROVINCE

June 2011

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1. INTRODUCTION

Over the years, since the inception of the Nonprofit Organisations Act 71 of 1997 (NPO Act) in 1998, the registration and reporting of nonprofit organisations has increased substantially owing to the increase in demand on the NPO registration facility.

The NPO Directorate, in terms of section 24 of the NPO Act, is obligated to maintain a register of all NPOs that have been registered and de-registered. It is further required, in terms of section 25 of the NPO Act, that such a register should be made available to the public.

This report is aimed at increasing accessibility of information on registered NPOs. The report entails a synoptic analysis of Mpumalanga registered nonprofit organisations in respect of the size, growth, scope of operation and compliance levels.

2. APPLICATION RECEIVED AND CANCELLED FOR THE YEAR 2010-11

This section of the report gives an overview on the number of organisations that applied for registration and those whose registration had been cancelled owing to noncompliance to the provisions of the NPO Act and those that were deregistered as from 1 April 2010 to 31 March 2011.

2.1 *New Applications received and registered for the 2010-11*

The table below shows that by the end of March 2011 there were 908 applications received from Mpumalanga.

Table 1: New Applications Received and Registered for the Financial Year 2010/11

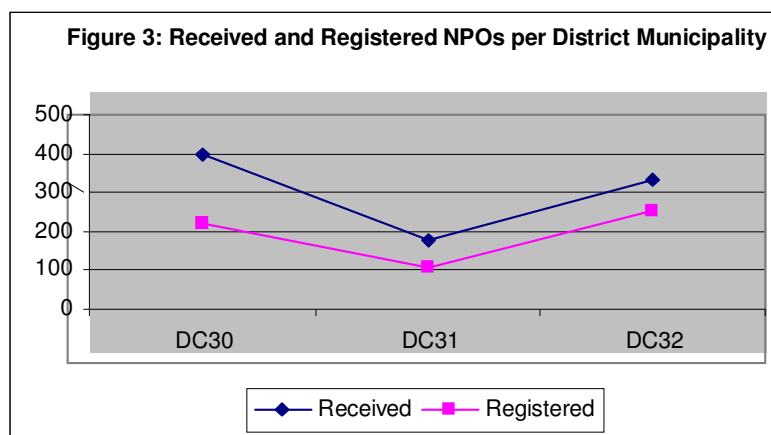
District Municipality	Received Application	Percentage
Gert Sibande District Municipality (DC30)	398	44.1%
Nkangala District Municipality (DC31)	175	19.3%
Ehlanzeni District Municipality (DC32)	335	36.9%
Totals	908	

Source: NPO Database

As illustrated above, most of the applications were from Gert Sibande District Municipality with 44%, followed by Ehlanzeni District Municipality with 37%, and Nkangala District Municipality with the lowest percentage of 19%.

Of the total 908 received applications, 583 (64%) met the requirements and were registered within the required two months period. This was below the national rate of 69%.

The chart below depicts the number of applications received and registered per district municipality.



Source: NPO National Database

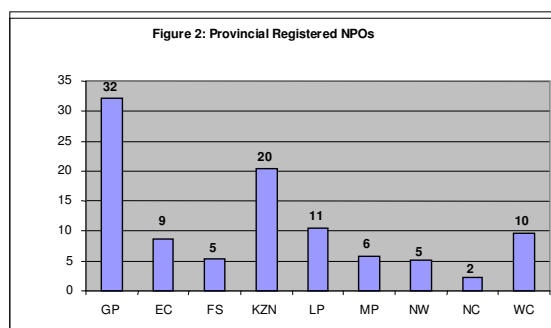
The graph demonstrates a strong correlation between the number of applications received and the rate of compliance in meeting the registration requirements. In the other districts, with the exception of Gert Sibande District (DC30), the graph further shows a striking consistency between the numbers of received and registered organisations.

2.2 Cancelled Registration

During this financial year (2010/11), 28 registered NPOs were deregistered due to non-compliance.

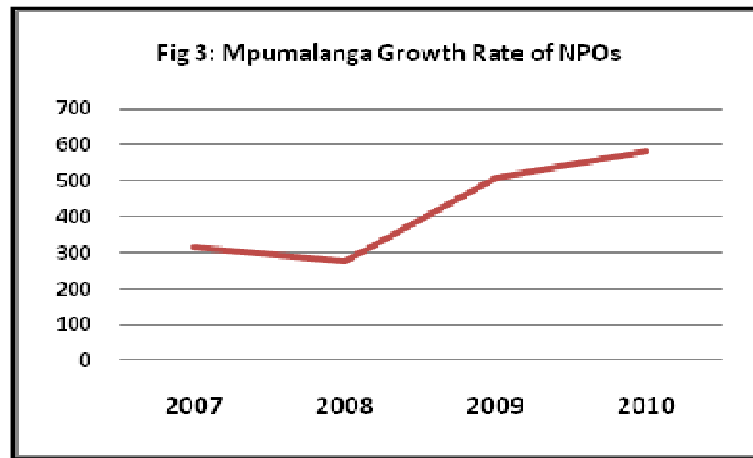
3. REGISTERED NPOs IN THE MPUMALANGA PROVINCE

The national total number of registered NPOs by the end March 2011 stood at 76 175 and Mpumalanga province had the third lowest number of registered NPOs at 6% (4 454) as illustrated in the chart below.



3.1 Annual Growth Rate of Registered NPOs

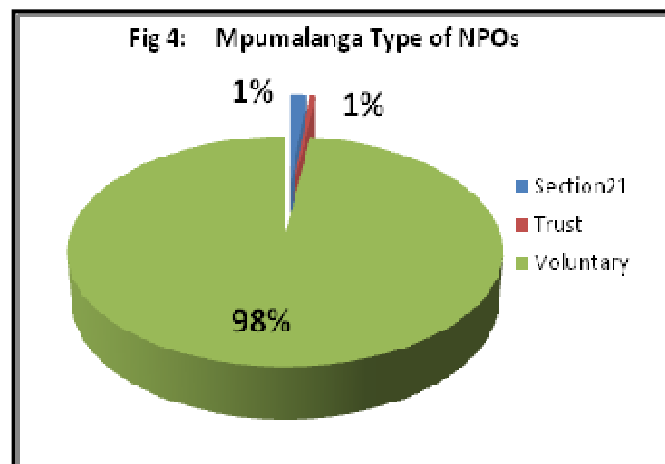
The chart below illustrates the trend of growth of registered NPOs over the last four years in the Mpumalanga Province.



This chart demonstrates that there was a negative rate of -14% (from 315 to 276) registered NPOs between the years 2007/08 and 2008/09. However, in 2009/10, there was a substantial growth of almost 46% from 276 registered NPOs the previous year to 508. There was also a slight growth of 13% from 508 the previous year to 583 in 2010/11.

3.2 Type of Registered NPOs

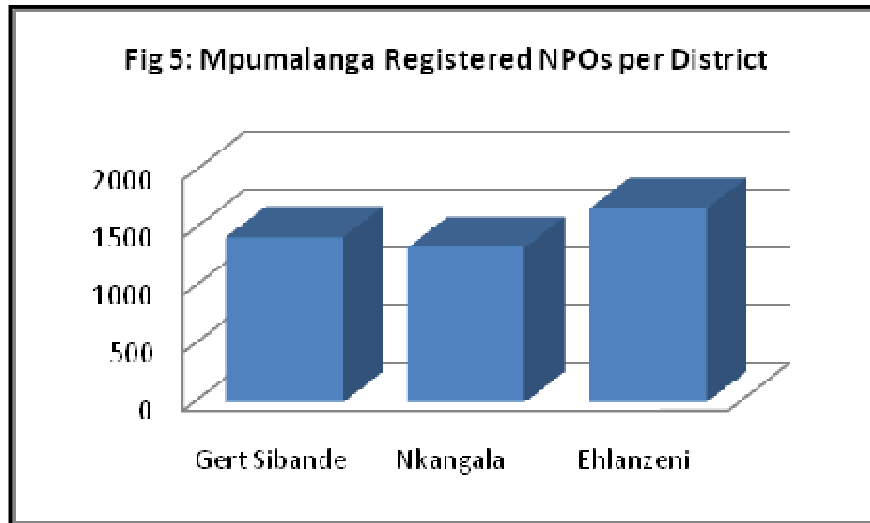
A registered NPO can either be a Voluntary Association, nonprofit incorporated company in terms of the Company Act, or a Trust in terms of the Trust Property Control Act. The figure below indicates the type of registered NPOs in the Mpumalanga Province.



A total of 98% of registered NPOs in the Mpumalanga province were voluntary associations with trusts and incorporated companies having 1% each. This was consistent with the national trend wherein the majority were voluntary associations, followed by nonprofit companies and trusts.

3.3 Registered NPOs per District Municipality

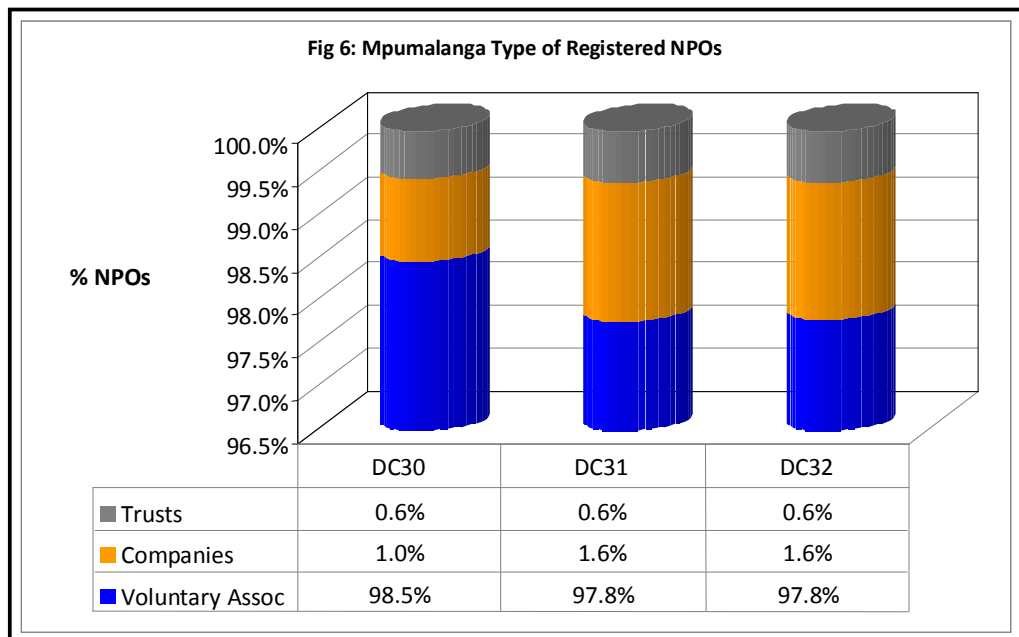
The graph below depicts the number of registered NPOs per district municipalities in the province.



The trend on the total number of registered NPOs was consistent with that of total number of applications received from the districts. The Ehlanzeni District had the highest number of registered NPOs at 38% followed by Gert Sibande District at 32% and the Nkangala District at 30%.

3.3.1 Type of registered NPOs per District Municipality

The chart below depicts the types of organisations that have registered in the districts.



As illustrated, the dominant organisations in all the districts were voluntary associations. These organisations are commonly referred as community based organisations (CBOs). Again, this follows the national trend where the NPO register consist of mainly community based

organisations (CBO). Throughout the districts there were nonetheless some representations of nonprofit companies and trusts

3.4 Nonprofit Classification by Sector

Registered NPOs are also classified in terms of the nature or scopes of their services or sectors. The table below indicates the number of NPOs operating in different sectors for Mpumalanga.

Table 2: Mpumalanga Nonprofit Classification Sectors

Sector	Registered NPOs	Percentage
Business and Professional Associations, Unions	17	0.4%
Culture and Recreation	210	4.7%
Development and Housing	849	19.1%
Education and Research	540	12.1%
Environment	51	1.1%
Health	748	16.8%
International	0	0.0%
Law, Advocacy, and Politics	57	1.3%
Philanthropic Intermediaries and Voluntarism Promotion	14	0.3%
Religion	395	8.9%
Social Services	1 573	35.3%
Not elsewhere classified	0	0.0%
Total	4 454	100.0%

Source: NPO Database

Social Services were the leading sector with 35% followed by the Development and housing sector with 19%, Health (17%), and Education and Research with 12%. The rest of the sectors recorded less than 10%.

4. CONCLUSION

On the whole, the Mpumalanga experienced a set of growth rates characterised by negative growth during the one year to be followed by a phenomenal growth in the subsequent years. On average, the province experienced about 11% of year on year growth over the last three years.

The province had the third lowest number of registered NPOs amounting to 6% of the national population of the registered NPOs. Most of these registered NPOs are CBOs involved mainly in the social service sector operating from or based in the Ehlanzeni District Municipality.