



social development

Department:
Social Development
REPUBLIC OF SOUTH AFRICA

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

"A REPORT FROM THE NATIONAL NPO DATABASE"

FREE STATE 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 the Free State 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 867 applications received from Free State.

Table 1: New Application Received per District for the Financial Year 2010/11

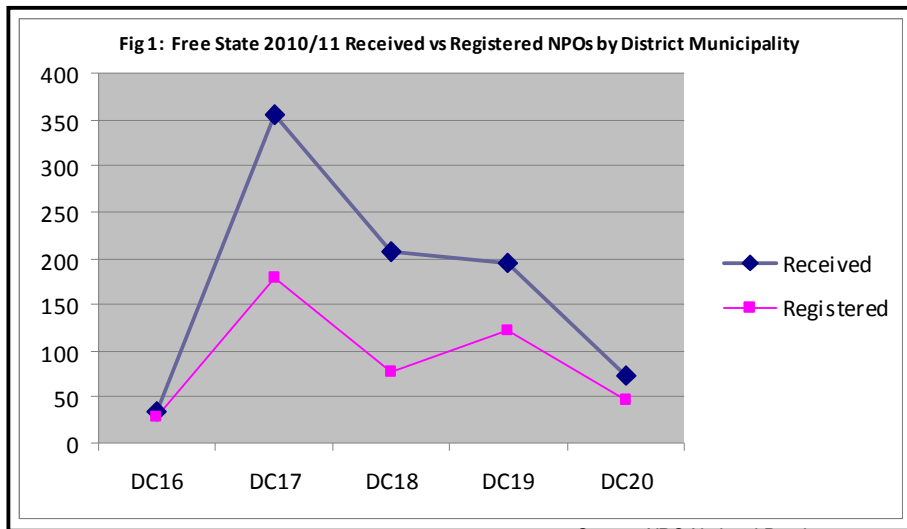
District Municipality	Received Application	Percentage
Xhariep District Municipality (DC16)	35	4%
Motheo District Municipality (DC17)	356	41.1%
Lejweleputswa District Municipality (DC18)	208	24%
Thabo Mofutsanyane District Municipality (DC19)	195	22.5%
Fezile Dabi District Municipality (DC20)	73	8.4%
TOTALS	867	

Source: NPO Database

As illustrated, applications received for this period were in this order Motheo District Municipality (41%), Lejweleputswa District Municipality (24%), Thabo Mofutsanyane District Municipality (23%); Fezile Dabi District Municipality (8%) and Xhariep District Municipality (4%).

Of the total amount of 867, only 52% (453) received applications met the requirements and were duly 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.



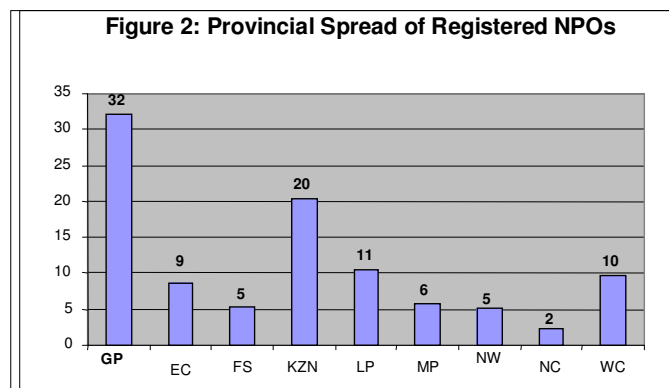
As illustrated, most applications were from bigger district municipalities, and thus predominantly urban. The graph also suggests that a higher proportion of applications from these bigger district municipalities do not comply as compared to those received from rural areas.

2.2 Cancelled Registration

During this financial year (2010/11), five (5) registered NPOs were deregistered due to non-compliance.

3. REGISTERED NPOs IN THE FREE STATE PROVINCE

The national total number of registered NPOs by end of March 2011 stood at 76 175 and the next chart below depicts the proportions of registered NPOs per province.

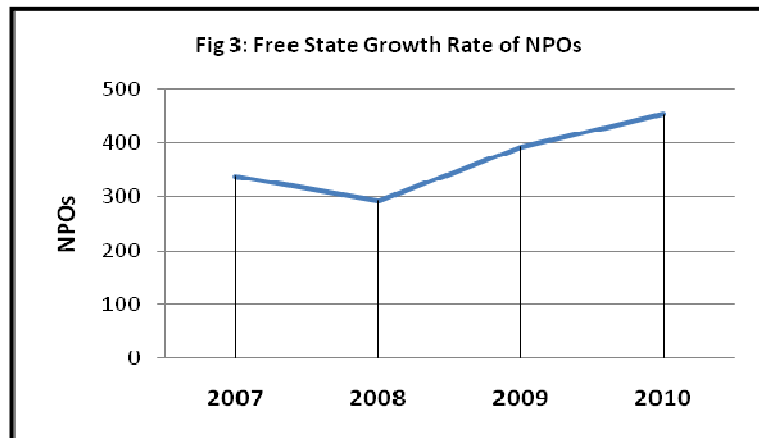


Compared to other provinces, Free State had the second lowest number of registered NPOs together with North West province as indicated above.

3.1 Annual Growth Rate of Registered NPOs

The chart below illustrates the trend of registered NPOs over the last four

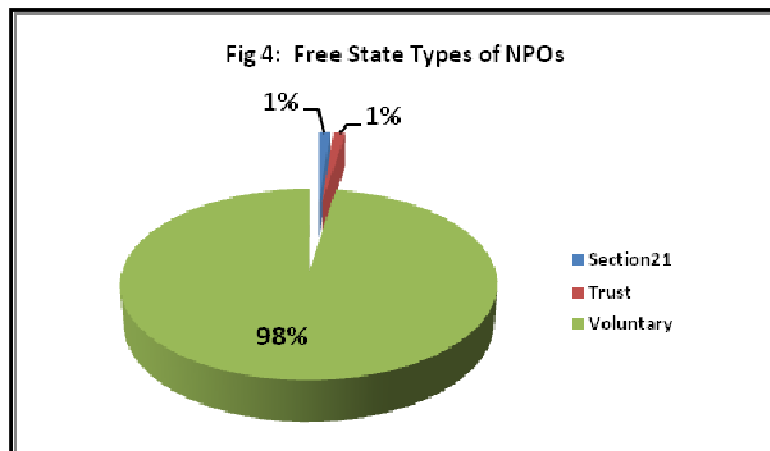
years in the Free State.



This chart demonstrates that in 2007/08, 336 organisations were registered. However, in 2008/09, 294 organisations were registered, a growth rate of -15%. During 2009/10 the number recorded was 393, an increment of almost 25%. In 2010/11, 453 organisations were registered and therefore there was a positive growth rate of 13% from the previous year.

3.2 Type of Registered NPOs

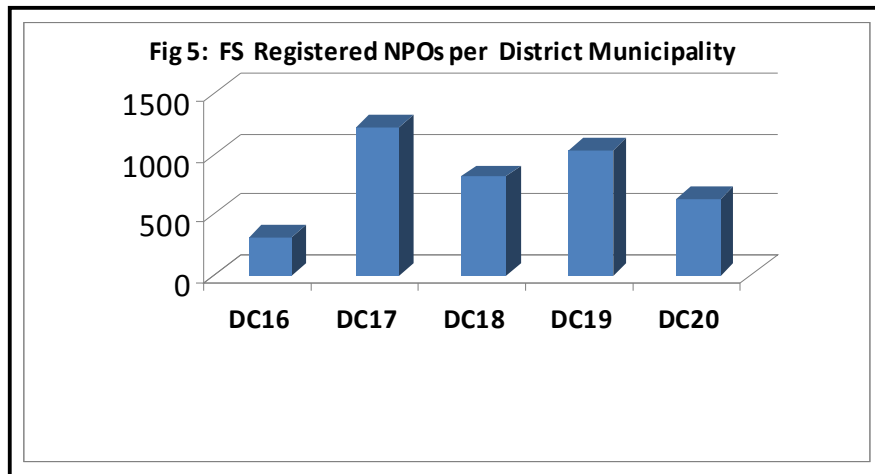
A registered NPO can either be a Voluntary Association, nonprofit incorporated company in terms of the Company Act, or a Trust in terms of the Trust Property Control Act. The figure below indicates the type of registered NPOs in the Free State.



The registration by type organisation in Free State 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

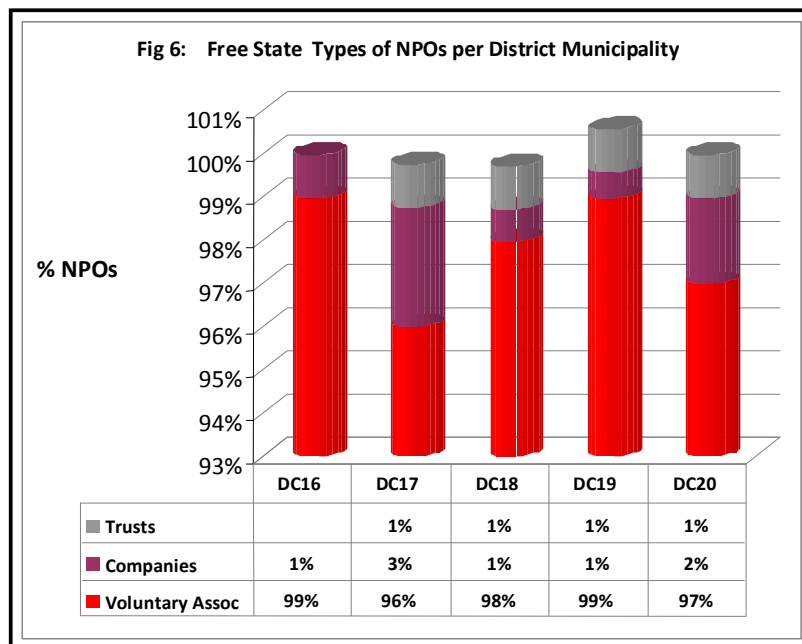
The graph below depicts the number of registered NPOs per district municipality in the province.



The trend on the total number of registered NPOs is consistent with that of total number of applications received from the districts. Motheo District Municipality (DC17) had the highest number of registered NPOs at 31%, followed by Thabo Mofutsanyane (DC19) at 26% and Lejweleputse (DC18) at 20%. Xhariep (DC16) had the least number of registered at 8% which was preceded by Fezile Dabi (DC20) at 16%.

3.3.1 Type of registered NPOs per District Municipality

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



Source: NPO National Database

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

3.4 Nonprofit Classification Sectors

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 Free State.

Table 2: Nonprofit Classification Sectors

Sector	Registered NPOs	Percentage
Business and Professional Associations, Unions	14	0.3%
Culture and Recreation	168	4.2%
Development and Housing	768	19.1%
Education and Research	466	11.6%
Environment	42	1.0%
Health	534	13.3%
International	1	0.0%
Law, Advocacy, and Politics	89	2.2%
Philanthropic Intermediaries and Voluntarism Promotion	23	0.6%
Religion	353	8.8%
Social Services	1 554	38.7%
Not elsewhere classified	0	0%
Total	4 012	100%

Source: NPO National Database

Social Services were the leading sector with 39% of the total registered, followed by the Development and housing sector at 19% and Health at 16%. Education and Research was just below 12% and the rest of the sector groups had less than 10% registered NPOs.

4. CONCLUSION

On the whole, Free State experienced a set of growth rates characterised by negative growth during the one year to be followed by a phenomenal growth in the next, which was followed by a further positive growth in the final year. On average, the province experienced about 12.3% of year on year growth over the last three years.

The province had the second lowest number of registered NPOs amounting to 5% 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 Motheo and Thabo Mofutsanyane district municipalities.