Western Cape Government

Social Development
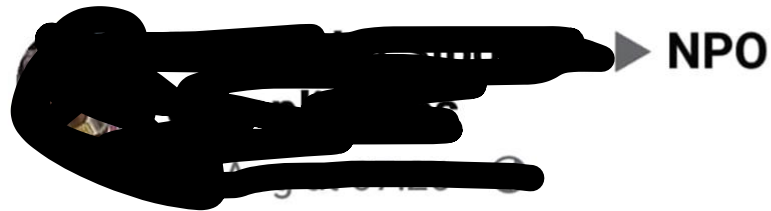
Non-Profit Organisations
Institutional Capacity Building
NPO Registration & Compliance

10 Things to do before registering an NPO

Common Questions

NPO

Hi we recently registered our npo we need someone to guide us on what to do next?

Where do I get funding?

Common Comments

We didn't know we had to comply.

We don't have money for financial statements.

What is an Accounting Officer's report

What Financial Year End should I have?

This is a common question:

Do you go with the month the organisation registered?

Or do you go with a financial year end of 31 March?

These are some of the questions that should be discussed with the board when drawing up the constitution.

(many donors have a 31 March FYE, so it is a good idea to align with this FYE, it will make financial reporting easier)

Introduction

- Non-Profit Organisations are exciting, innovative and are central in service delivery across all sectors.

- NPOs are not easy to run, especially in the current economic climate, so it is important to bear in mind these challenges.

- There is so much more to just registering a NPO so we compiled a list of things that an organisations should get in place before they embark on NPO registration.

- NPOs requires an array of skills, competencies and experience.

- The Top Ten Tips listed below is just a start, there are so many other areas that requires attention too, so go out and speak to other organisations, find out how they did it.

- All of the best!

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Tip One

Do we have to start another NPO?

- NPOs are difficult to run
- Funding is decreasing
- There are over 260 000 registered NPOs

Can't we rather join another organisation?

Do volunteer work?

Network?

Sometimes starting a new NPO is not the solution and maybe collaborating with existing NPOs would be more feasible

Tip Two

- Gather a good team of people who will serve on the board

- There is no " I ", "mine"

- Are they passionate?

- Are they committed?

- Develop Board Portfolios

- Avoid potential **conflict of interest** , **nepotism** (friends and family)

- Make it clear that serving on the governance structure of a NPO is voluntary, **not for payment**

Tip Three

Go for Training

Training the board in:

- Good Governance
- Financial Management
- Fundraising
- Policy Development
- HR

Tip Four

Speak to people and organisations that have been doing this for years

- There is no quick fix
- There is no substitute for experience

Find out how they started?

What was their initial challenges and how did they overcome it?

How was their board? Were they active?

How did they get funding?

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Tip Five

Research the Sector

- Find out as much information about the sector e.g. ECD
- What are the laws governing
- What policy documents are out there
- Are there norms and standards
- What is government's plan for this sector
- What research is out there?
- Who are the players in this field?

Tip Six

Research Donors

And by this we mean, who else besides government funds this type of work

What about your own community and individuals?

Which companies fund this (CSI) apart from the usual corporates?

Are there any foundations setup to fund this work?

Obtain data bases of donors

Use GOOGLE!

Tip Seven

Draw up a Business Plan

- **History of the organisation**
- **Current scenario, background, context**
- **Organogram**
- **Marketing plan**
- **Financial plan**
- **Service Delivery Plan**

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Tip Eight

Programme Development

- **Write up your programmes**
- **Target**
- **Duration**
- **Methodology**
- **Staffing**
- **Resources required**
- **Venue**
- **Budget**
- **M&E**

You will need the above information to craft a funding proposal

Tip 9

Develop Funding Proposal Writing Skills

- Read up about proposal writing
- Obtain Proposal writing templates
- Start writing proposals
- Get someone to check it and give feedback

Tip 10

Network Network Network

- **Join Facebook Networks**
- **Join Sector Networks**
- **Find out who are the area networks**

Don't only focus on local networks, technology has made global networking accessible

Find out who are the people you should get to know and who should get to know you and the organisation

Final Thoughts

- Ongoing Learning is essential
- Nothing is predictable anymore (Covid19)
- Can the board operate this organisation without funding for the year?
- Access to IT and IT skills is no longer a luxury but a necessity.
- Not all organisations are going to make it, just like all businesses won't make it
- Preparation is key!

Know Your NPO Status Campaign

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