



FROM THE PRESIDENT'S KEYBOARD

Edition 1

Importance of Registering as a Non-Profit Organisation / Non-Profit Company

In this Edition I give you an indication of the "Importance of Registering as a NPO/NPC."

In this next Edition I will look at the "How to Register as a NPO/NPC".

David Hamer



In South Africa, the registration of a Provincial Bowls Association (PBA), District Bowls Association (DBA), and/or Club as a Non-Profit Organization (NPO) or Non-Profit Company (NPC) carries significant implications for governance, funding, and operational effectiveness. Below are several key reasons why this registration is important.

Registration as an NPO or NPC provides legal recognition to the organization. This status enhances the credibility of the PBA/DBA or club within the community and among stakeholders. It signifies that the organisation operates under specific regulations set forth by the South African government, particularly under the Nonprofit Organisations Act 71 of 1997 for NPOs and the Companies Act 71 of 2008 for NPCs. This legal framework helps to establish trust with members, sponsors, and potential partners.

Being registered as an NPO or NPC opens up various funding opportunities. Many governmental and non-governmental organisations provide grants specifically to registered non-profit entities. This can include funding from the National Lottery Commission of South Africa (NLCSA), Provincial Sport Confederations, Local Municipalities, and private sector sponsorships aimed at promoting sports development. Without this registration, PBAs/DBAs and/or clubs may find it challenging to secure financial support necessary for their activities and growth.

Being part of a recognised structure allows associations and clubs to network with other organisations more easily. They can collaborate on events or initiatives with other registered NPOs/NPCs or sports bodies which can lead to shared resources, knowledge exchange, and increased visibility within the sporting community.

NPOs and NPCs often qualify for tax exemptions under South African law. Registered organizations can apply for Section 18A status from the South African Revenue Service (SARS), allowing them to issue tax-deductible receipts to donors. This incentivises donations from individuals and businesses who may be more willing to contribute if they can receive tax benefits in return.

Registered organizations must comply with various regulatory requirements, including annual reporting obligations to maintain their status. This compliance fosters good management practices within the organization, ensuring that it operates efficiently and effectively while adhering to legal standards.

As registered entities, PBAs/DBAs and clubs can engage more effectively with their communities. They can organise events, tournaments, and outreach programs aimed at promoting bowls as a sport while contributing positively to community development initiatives. This engagement not only enhances participation in bowls but also strengthens community ties.

