



PUTTING PEOPLE FIRST!

Reg. IT: 3902/2009 - NPO NR: 078-535

Annual Report – 2017



“What is important in this world is not so much where we are but in what direction we are moving!”

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Introduction:

This is the 6th annual report of People First Foundation (PFF) covering the period 1 April 2017 to 31 March 2018.

This report will cover the following:

1. NPO context in South Africa, challenges and existential threat
2. PFF strategic focus for 2017
3. Our vision and mission
4. PFF programmes
 - a. Leadership forums
 - b. Capacity building workshops
 - c. Road tours
 - d. Newsletter
5. Marketing and communications
6. Governance
7. Network partners
8. Fundraising and finances
9. Conclusion and thanks

1. NPO context in South Africa and existential threat

Size and scope of the sector¹

- In 2013 it was reported that of the approximately 85,000 registered NPOs, 35,217 were issued with non-compliance warnings and a further 36,513 had been deregistered altogether, leaving only 29,019 in good standing.
- In November 2014, the DSD register showed a list of more than 80,000 NPO's.
- In December 2014 the DSD website showed a total of 131,055 registered NPOs, 2,146 deregistered NPOs and 1,536 applications in progress. This figure increased to 133,879 registered NPOs in February 2015.
- DSD indicates that the numbers of registered NPOs increases daily, and stood at 145,152 in October 2015.
- As the above figures indicate, the exact number of active NPOs is difficult to ascertain as accounts differ. Research conducted in 2001 concluded that there were 98,920 NPOs in South Africa at that time:
 - More than half (53%) were CBOs staffed primarily by volunteers.
 - The most popular areas of engagement were Social Services (22%), Development & Housing (20%), and Culture & Recreation (20%), followed by Health (7%), Education (6%) and Environment (3%).
 - NPOs were found to be a major employer, creating approximately 650,000 fulltime positions.

NPO challenges

As we reported previously, not much has changed within the NPO sector. The same challenges exist as outlined. In our previous report we noted that:

¹ Source: Report of the Funding Practice Alliance – 2017
PFF Annual Report - 2017

- “NPOs in South Africa are growing at phenomenal rate of about 25% per annum. In May 2017, according to the NPO Directorate in Pretoria, the sector stood at 170 000 NPOs. New NPOs are reportedly registered at an average of 70 NPOs daily!
- At this rate there are huge implications for the sector as a whole and society in general.
- More worrying is the scale of non-compliance that accompanies this rapid growth. Based on figures released by the NPO Directorate the scale of non-compliance is horrific! In some provinces its more than 50%!
- What needs urgent investigation is the motivation behind this rapid increase in the number of NPOs. Is the need for self-employment, with the NPO becoming a survival strategy to mitigate the impact of the abnormal state of unemployment? (27.6% according to the official definition and about 40% based on the expanded definition.) Or are people establishing NPOs to address the myriad of social challenges confronting society? Or is it both?
- The funding situation is becoming more and more challenging with massive shifts in the donor world. The recession and austerity measures implemented by the state do not assist the situation as was seen in the social development sector.
- A positive element is the greater urgency amongst NPO leaders to network and collaborate. The various forums emerging on a national level including on social media are encouraging.
- The dominance of female leadership, born out through our own interaction with NPO leaders is also encouraging. It would be interesting to investigate in which sectors and which size NPOs (budget wise) this female dominance prevails? Is it at the level of survivalist NPO or your blue chip NPO with mega budgets?”
- To be added is a renewed attempt through Sangonet to revive structures similar to the now defunct Sangoco in an attempt to unify the sector. This campaign should be closely followed.

Existential threat for NPOs

One of the research articles in the recent CSI Handbook (2017) makes a very disturbing observation. It argues that, due to the huge lack of non-compliance in the NPO sector (currently at 55%), corporate donors are gravitating more and more towards implementing their OWN programmes! By implication therefore, CSI budgets are now bypassing NPOs due to a lack of reliability.

Without being alarmist, this trend, should it continue and deepen, is very bad news for the very existence of NPOs in South Africa.

2. PFF strategic focus for 2017

Continuing with our strategic focus agreed upon in 2015 we deepened our footprint in the Eastern Cape and Gauteng. With the funding support accessed in November 2016 from the Magi Fund, we were able to expand our interventions further in the Eastern Cape, Western Cape and Northern Cape.

Our vision and mission

Vision: An effective, strong, sustainable and vibrant community-based sector in South Africa.

Mission: To work in collaboration with community-based organisations in South Africa to strengthen their capacity to effectively mobilise resources, deliver valuable services to their communities and contribute meaningfully towards the eradication of poverty.

Our vision and mission statements are fairly clear. The question is: to what extent have we been able to successfully execute it in the current challenging circumstances?

Our programmes:

During this reporting period we focused on 5 primary programmatic interventions namely our Leadership Forums, Capacity Building Workshops, Annual Donor Forum and Mini Conference, Road Tours (new focus) and Quarterly Newsletter.

The following is a summary of our work for this period:

NPO Leadership and Annual Donor Forums:



Date	Topic	Venue	No. of participants
11-12 July 2017	Professional fundraising and proposal writing	Kimberley	42
26-28 September 2017	PE Annual Donor Forum (with a panel of NPO stakeholders) and Mini Conference with 5 electives PFF facilitators included: Frank Julie Vuyiseka January Dr Tony Masha James Senokwanyane Guest speakers included: Christelle (Deputy Director, DSD) Limeez Arendse (Director, PE Mental Health) Anna Louise Oliver (Director, Uviwe) Bernie Dolley (Director, Ikhala Trust)	Southend Museum, PE	36

Capacity Building Workshops: (in partnership with the Master Fundraising Mentoring Forum)



Date	Topic	Venue	Nr of participants
7-10 November 2017	NPO Empowerment Week	Whalemark Museum	35
11 March 2018	Professional fundraising	Crawford/CT	41
17 March 2018	How to identify and prevent corruption in an NPO	Parow/CT	21
24 February 2018	Developing a funding strategy	Parow/CT	18
26 January 2018	How to build an organisation from scratch and NPO legal compliance	Parow/CT	62

Road tours



Date	Topic	Venue	Nr of participants
4 April 2017	Professional fundraising and proposal writing	Clanwilliam	10
6-7 April 2017	Professional fundraising and proposal writing	Okiep	32
11-12 July 2017	Professional fundraising and proposal writing	Kimberley	42
8 October 2017	NPO legal compliance	Mthatha	6

Some of the NPOs who benefited from our various leadership forums and workshops:

Organization and province	Organization and province
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Rescue Among Many (RAM) Sweet Pea Youth Development Daughters of Destiny Rainbow House PE Mental Health Uviwe Child and Youth Centre Rainbow of Hope Namko FAMSA PE Families Age in Action Northern Arts Festival Uviwe Child & Youth Services Mfesane COS-Suurbraak Ebenhaezer DS Birds of Paradise Masihlume ECDC, Ikhwezi ECDC Lisoletu Pakamisa ECDC On Eagle's wings MP Centre DSD Sara Baartman District St George's Home	Famsa PE Community Chest (PE) Yomelela Child Care EDA Ikaheng Protea Co-op Siyakula HCBC Mount Frere Advise Centre Missionvale Care Centre House of resurrection Happydale Hope Centre Concordia Dienssentrum Nababeep Polisie sector Lalaland Sentrum Ashley Kriel Skills Dev Centre Mitchells Plain Network Compassionate Friends Northern Cape Drug Rehab centre Family Foundation Grassroots Edge Umtata Women's Support Centre Ikhwezi Lokusa Rehabilitation St Michaels' Child Youth care Centre No Limits Healing minds Community Project Kusile Development (Mgwali Village – Stutterheim)
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Quarterly newsletter

Similar to last year 2 newsletters were issued during focusing on a variety of topics such as the funding crisis, leadership issues, networking, trustee appointments, relevant NPO resources, etc. Our newsletter was sent to about 3000 NPOs captured on our database. The database was updated by our admin and a separate database created to accommodate new contacts was increased with new contacts. This database currently stands at about 900 contacts. Copies of reports are shared by the admin to monitor the outcome of our newsletter. Feedback is also monitored.

We have also been assisted by various groups who shared our info via Mail Chimp such as Sangonet, Eastern Cape NGO Coalition, Masimanyane, Ikhala Trust and NPOs in Kimberley.

Media, marketing and communications

Similar to last year, our primary marketing tools during this period have been:

- Our various programmes such as the road tours, leadership forums, Donor Forum and Mini Conference.
- Word of mouth (referrals)
- Our electronic newsletter
- Website
- Block emails promoting our capacity building workshops and forwarding information from partners about events.
- Trustees have done their bit in promoting PFF in the various forums where they are active.
- Displaying our banners at strategic events

Governance:

During this reporting period we held 2 trustee meetings in East London and Port Elizabeth. An average of 4 trustees attended the meetings.

The following trustees were active during this period:

Trustee	Position	Terms of office
Frank Julie	Chairperson	2009 -2018
Vuyiseka January	Vice-chairperson	2012 – 2018
Anthony Masha	Member	2016- 2018
James Senokwanyane	Treasurer	2011 – 2018
Shirley De Jongh	Secretary	2013 – 2018

Our audit and narrative report were submitted to the NPO Directorate as per the provisions of the NPO Act. It was sent straight to the head office in Pretoria instead of via the NPO Helpdesk in Cape Town. We received confirmation of receipt in December 2017 and that our status is currently compliant.

Our network partners

During this period we have developed and strengthened strategic partnerships with the following NPOs, institutions and individuals:

Organisation/Individual	Value added	Value shared
YoungPeople@Work	Volunteers providing free admin support at events	Volunteers allowed access to workshops and leadership forums expanding their networks in the process
Presenters Christelle Engelbrecht (Deputy Director, DSD – Eastern Cape) Abdul Ryklief (Manager, DSD – Western Cape) Cheryl-Lynn Roziars (Financial consultant) Lorenzo Davids (CEO, Community Chest) Titania Fernandez (Manager, Strategic Partnerships – Community Chest) Bernie Dolley (Director – Ikhala Trust, PE) Limeez Arendse (Director, PE Mental Health) Anna-Louise Oliver (Director, Uviwe, PE) Prof Eric Atmore (Director, CECD)	Guest presenters at our Donor Forum in PE and NPO Week in CT.	Exposure to a NPO network Bursaries offered to various NPO members to attend workshops and the Donor Forum (For the NPO Week in November 2017, R6000 was donated towards bursaries for non-funded NPOs to attend)
Whalemark Museum	Free training space in Parow, CT	Popularise the museum amongst NPO role players
Ikhala Trust	Funding bursaries for NPO leaders to attend PFF events Free access to training space	Access to quality and affordable capacity building with follow up and after care
Namko (Nababeeb)	Assistance with	Access to the workshop for its

	organising an NPO workshop in Okiep	own members
Allistair Brown (All About Mzansi)	Provide support with our newsletter	Access to NPO network
Various NPOs	Participants attending our leadership forums and workshops at a small fee enhancing our income generation potential	Access to our leadership forums and workshops sharing valuable information to enhance NPO sustainability and renewal

Funding and finances

Funding from the Magi Fund accessed in December 2016, carried us through until October 2017 when we submitted our final progress report. There was a promise for renewal of funding but it never materialised. The funding from Magi Fund covered our admin, programmes and personnel costs. Other income was mostly generated through workshop fees generated during our Annual Donor Forum in Port Elizabeth.

Once again, a number of bursaries were allocated to non-funded NPOs in line with our mission to create access to survivalists NPOs. Through our partnerships huge savings were generated. These savings involved free or cheap accommodation during our road tours (e.g. free accommodation in Nababees from Namko), free access to training venues (e.g. free training venue in Kimberley), volunteer facilitators (e.g. during the NPO Week in CT and Annual Donor Forum in PE), discounts on catering (e.g. in PE during), etc.

Conclusion

The second tranche of funding support from the Magi Fund has enabled us to spread our wings far and wide in many remote communities of the Eastern Cape, Northern Cape and Western Cape. Regrettably, this funding was not renewed as promised hence we decided to adopt a minimalist programme for the new period.

Once again I extend my sincere gratitude and appreciation towards the trustees of PFF who selflessly serve the sector without any expectation of financial gain. We may be small in number but our influence is huge as we invest in many NPOs. A big thanks also to our partners who are very supportive in the execution of our work.

Thanks

Frank Julie

Chairperson

8 June 2018