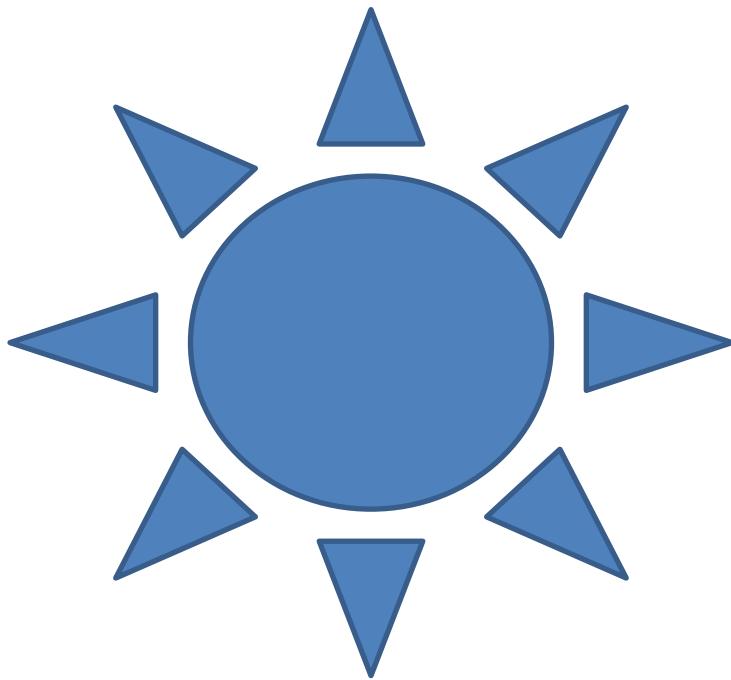


13 Feb 2024 

# Constitution of

## PHUMELELA NPO



Contact Person: Lunga Nkosi

Cell: 065 945 5482

Email:

[phumelelaorganisation@gmail.com](mailto:phumelelaorganisation@gmail.com)

Address: 288 Phakoe Street, Phake  
Section, Katlehong, 1431

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13 Feb 2024
CHIEF DIRECTORATE NON-PROFIT ORGANISATIONS DEPT OF SOCIAL DEVELOPMENT



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13 Feb 2024 CHIEF DIRECTORATE NON-PROPRIETARY ORGANISATIONS  
DEPT OF SOCIAL DEVELOPMENT**CONSTITUTION OF PHUMELELA NPO****1. NAME**

The organization hereby constituted will be called **PHUMELELA NPO**

Its shortened name will be **PHUME** (Hereinafter referred to as the organization).

**2. BODY CORPORATE**

The organization shall:

- Exist in its own right, separately from its members.
- Continue to exist even when its membership changes and there are different office bearers.
- Be able to own property and other possessions.
- Be able to sue and be sued in its own name.

**3. VISION, MISSION & OBJECTIVES****Vision Statement:**

PHUMELELA NPO aims to create a better everyday life for the many people.

**Mission Statement:**

PHUMELELA NPO looks to promote the education and welfare in our community. Our mission is to increase access to educational resources, improve the quality of education, and provide support for children and families in need

**The primary objectives of PHUMELELA NPO are:**

- Provide healthy, nutritious food to individuals and families in need.
- Provide educational resources to children.

**The secondary objectives of PHUMELELA NPO are**

- Provide counseling, treatment and support for individuals struggling with substance abuse
- Promote gender equality and combat gender-based violence through awareness campaigns, education and advocacy.
- Build partnership and work with businesses, organisations and government agencies to better serve the community.

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#### 4. OFFICE BEARERS

- a) The office bearers of the organization will be made up of at least 3 members who are the Board of governance of the organization:
  - Chairperson
  - Secretary
  - Treasurer
- b) **Term of office:** The term of office of the office bearers will be three years subject to reelection after the three year cycle for another term in office, for so long as their services are needed and they are ready to give their services.
- c) **Vacancies:** The Office Bearers must, as soon as reasonably possible, appoint someone to fill any vacancy that reduced the number of Office Bearers.
- d) **Resignation:** An Office Bearer may resign from office in writing.
- e) **Disqualification or Removal:**
  - I. If an Office Bearer does not attend three meetings in a row, without having applied for and obtaining leave of absence from the Board, then the Board will find a new member to take that person's place.
  - II. The office bearers may be removed from office if they:
    - a. Fail to fulfill their responsibilities.
    - b. Act contrary to the objectives or interests of the organization.
- f) Any office bearer who wishes to appeal against their removal may do so in writing to the Executive Committee. The Executive Committee will consider the appeal and may reinstate the office bearer if it deems fit.

#### Duties and Responsibilities of Office Bearers

##### Duties and Responsibilities of the Chairperson:

- a) The chairperson is the leader of the organization
- b) They make important decisions about the organization.
- c) They make sure that everyone in the organization is working together towards the same goal (the organization's vision and mission).
- d) Plans and understands the agenda before the meeting and ensures all necessary information is available.
- e) Welcomes everyone, introduces new members and visitors, asks for any apologies and checks the minutes are an accurate record of the previous meeting.
- f) Introduces each item and its purpose during the meeting.

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- g) Requests contributions encourage participation, ensure others attend the meeting.
- h) Delegates tasks and records votes if necessary.
- i) Ensures the meeting keeps to time.
- j) Allows time for "any other business" at the end of the meeting.
- k) Confirms the time, date and location of the next meeting.
- l) Closes the meeting and thanks everyone for attending.
- m) Ensures agreed tasks are carried out.
- n) Makes decisions between meetings if necessary.
- o) Have a clear understanding of the organization's interests and uphold the constitution.
- p) Talks to potential donors, sponsors, and funders to support the organization
- q) Makes sure the organization has enough money and is not spending too much or unnecessarily.
- r) Helps the people in the organization work together nicely by appreciating and motivating them.
- s) Makes sure that everyone is doing their job and doing it well. They make sure that everyone knows their duties and that they are achieving them.
- t) Learns new things so that the organization can be even better by attending workshops, events, or even taking courses.

**The chairperson should always be prepared for meetings and have the following items:**

- A diary to schedule meetings and important dates.
- Appropriate paperwork for the meeting, such as the agenda, minutes, and reports.
- A notepad and pen to take notes during the meeting.
- A watch or clock to keep track of time and ensure the meeting stays on schedule.
- A hummer to maintain order during the meeting, if necessary.

#### **Duties and Responsibilities of the Vice-Chairperson:**

The vice chair is responsible for taking over the role and duties of the chairperson if they are not available.

#### **Duties and Responsibilities of the Secretary:**

The organization's secretary has several responsibilities, such as taking notes during meetings and sharing them with everyone, creating meeting agendas, organizing paperwork, sharing information with members, and making sure everyone knows about upcoming meetings and events.

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- a) Consult with the chairperson to create an agenda for the meeting.
- b) Book a suitable venue for the meeting and a guest speaker, if needed.
- c) Send the meeting notice and agenda to all committee members at least one week prior to the meeting, even if the meetings are held at the same time and location each week or month.
- d) Keep an up-to-date and signed copy of all approved minutes.
- e) Attend to all incoming and outgoing correspondence and gather information by making phone calls.
- f) Maintain accurate records and files of minutes.
- g) Keep a diary of upcoming events.
- h) Record attendance at meetings or collect names in an attendance book.
- i) Record apologies for absence.
- j) Ensure a quorum is present before beginning any business.
- k) Read the minutes of the previous meeting (unless already distributed) and obtain the chairperson's signature for the official copy during the meeting.
- l) Read all received correspondence during the meeting and report on any action taken since the last meeting.
- m) Ensure that the chairperson has all necessary papers and information relevant to the meeting.
- n) Makes sure that the rules (policies) of the organization are written down and followed.
- o) Makes sure that the organization follows the rules that the government has made for nonprofits(e.g. NPO Act and Tax Acts)
- p) Helps find potential donors, sponsors, and funders to support the organization
- q) Makes sure that every meeting is planned ahead of time and that everyone knows the agenda
- r) Helps people in the organization know who they can talk to if they have a problem.
- s) Helps the organization with anything else they need.

**The secretary should always have the following items:**

- A diary
- The necessary paperwork for the meeting, including the agenda, minutes, and reports.
- A notebook and pen

**Duties and Responsibilities of the Treasurer:**

The treasurer is the financial officer of the organization. They must know everything about where the organization's money is coming from or where it should come from and how is it being used or how it should be used.

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- a) Set up a clear and accurate book-keeping system to keep track of the organization's income and expenditure. E.g. Excel or QuickBooks
- b) Handle figures with care and accuracy
- c) Keep all financial records up-to-date, including receipts, invoices, and bank statements
- d) Prepare financial reports detailing income and expenditure
- e) Work with other members of the organization to create weekly, monthly, quarterly, or yearly budgets for the organization to help the organization know if they will have enough money or if they will run short of it after paying all the expenses during the period.
- f) Take the books to an accountant to prepare financial statements at the end of the organization's financial year.
- g) Ensure the proper handling of the organization's finances through budget monitoring
- h) Be one of three office bearers authorized to draw out money.
- i) Make sure the organization has enough money to pay for what they need.
- j) Make sure the organization is not spending more money than it has by using a budget.
- k) Make sure the organization is following the financial policy rules of the organization.
- l) Before meetings, prepare a financial report to report to the group how much money the organization has and how much it has spent.
- m) On a monthly basis, prepare a financial report to report to the group how much money the organization has and how much it has spent.
- n) Make sure that the organization's money is in a safe place, like a bank.
- o) Make sure that the organization has a bank account.
- p) Help the organization decide what to do with extra money. Whether to buy equipment, invest in savings accounts, etc.
- q) Help the organization fundraise.
- r) Draw a fundraising plan and make sure it is followed.
- s) Present the financial statements to the committee at the AGM
- t) Help the organization with anything else they need.

**The treasurer should always have the following items:**

- A diary
- A notebook and pen
- Financial reports to present to committee

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- 1. Providing overall leadership and strategic direction to the organization:** The board is responsible for setting the strategic direction and vision of the organization, working with the executive director and other staff to establish long-term goals and objectives. They provide guidance and leadership to ensure that the organization is focused on achieving its mission.
- 2. Ensuring that the organization operates within its mission, values, and legal requirements:** The board is responsible for ensuring that the organization is in compliance with all relevant laws and regulations, and that its activities are aligned with the mission and values of the organization. They ensure that the organization's programs and services are consistent with its mission, and that it is serving the needs of its stakeholders.
- 3. Approving the organization's budget and monitoring financial performance:** The board is responsible for reviewing and approving the organization's budget, and monitoring its financial performance to ensure that it is operating within budget and meeting its financial goals. They also ensure that the organization has appropriate financial controls in place to prevent fraud and ensure accountability.
- 4. Hiring, evaluating, and supporting the executive director:** The board is responsible for hiring, evaluating, and supporting the executive director, who is responsible for day-to-day operations of the organization. They provide guidance and support to the executive director, and hold them accountable for achieving the organization's goals.
- 5. Ensuring that the organization has effective policies and procedures in place:** The board is responsible for ensuring that the organization has appropriate policies and procedures in place to guide its activities and ensure accountability. This includes policies related to governance, finance, human resources, risk management, and other key areas.
- 6. Evaluating the organization's programs and services to ensure they are aligned with the mission and goals:** The board is responsible for monitoring and evaluating the organization's programs and services to ensure that they are aligned with the mission and goals of the organization, and that they are achieving their intended outcomes.
- 7. Fundraising and securing resources to support the organization's work:** The board is responsible for overseeing the organization's fundraising efforts, and ensuring that it has adequate resources to support its programs and services. This may include identifying new sources of funding, cultivating relationships with donors, and developing fundraising strategies.
- 8. Establishing and monitoring key performance indicators and metrics to track progress and impact:** The board is responsible for establishing key performance

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indicators (KPIs) and other metrics to track the organization's progress. They use these metrics to evaluate the effectiveness of the organization's programs and services, and to identify areas for improvement.

9. **Ensuring that the organization maintains strong relationships with stakeholders, including donors, volunteers, and partners:** The board is responsible for building and maintaining strong relationships with the organization's stakeholders, including donors, volunteers, partners, and other key constituents. They ensure that the organization is communicating effectively with its stakeholders, and that it is addressing their needs and concerns.
10. **Ensuring that the organization has appropriate risk management and compliance measures in place to protect its reputation, assets, and legal standing:** The board is responsible for identifying and managing risks that could impact the organization's reputation, assets, and legal standing. They ensure that the organization has appropriate risk management and compliance measures in place to protect itself from harm, and that it is in compliance with all relevant laws and regulations.

## 5. POWERS OF THE ORGANIZATION

5.1. The Board shall carry out the powers on behalf of the organization and they shall manage the affairs of the organization in accordance with the resolutions of the members as shall be taken from time to time at General Meetings of the organization.

5.2. The Board is responsible for making decisions, and acting on such decisions, which it believes it needs to make in order to achieve the objectives of the organization as stated in point number 3 of this constitution. However, such decisions and their activities may not be against the resolutions of the members or be against the law of the Republic of South Africa.

5.3. The Board shall have the general powers and authority to:-

5.3.1 Raise funds or to invite and receive contributions.

5.3.2 Buy, hire or exchange for any property that it needs to achieve its objectives.

5.3.3 Make by-laws for proper governance and management of the organization.

5.3.4 Form sub-committees as and when it is necessary for proper functioning of the organization

5.4 If the Board thinks it is necessary, then it can decide to set up one or more subcommittees. It may decide to do this to get some work done quickly. Or it may want a sub-committee to do an inquiry, for example.

5.5 The Board may delegate any of its powers or functions to a sub-committee

provided that:-

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5.5.1 such delegation and conditions are reflected in the minutes of meetings.

5.5.2 at least one Office Bearer serves in the sub-committee.

5.5.3 there are three or more people on a sub-committee.

5.5.4 the sub-committee must regularly report back to the Board on its activities.

5.6 The Board must in advance approve all expenditure incurred by the subcommittee, and may revoke the delegation or amend the conditions of the delegation.

## 6. MEETINGS

### 6.1. Annual General Meetings (AGM)

6.1.1 Stakeholders of the organization must attend its annual general meetings.

6.1.2 The purpose of an Annual General Meeting (AGM) is to:

- Report back to stakeholders from the Office Bearers on the achievements and work of over the year.
- Make any changes to the constitution.
- Enable members to decide on the policies of the organization.

6.1.3 The annual general meeting must be held once every year, towards the end of the organization's financial year.

6.1.4 The organization should deal with the following business, amongst others, at its annual general meeting:

- Agree to the items to be discussed on the agenda.
- Write down who is there and who has sent apologies because they cannot attend.
- Read and confirm the previous meeting's minutes with matters arising.
- Chairperson's report.
- Treasurer's report.
- Changes to the constitution that members may want to make.
- General.
- Close the meeting.

### 6.2. Special General Meetings

6.2.1 The Special General Meeting (SGM) or any other special meeting is held outside of the normal or regular meetings.

6.2.2 Special or extraordinary meetings can take the shape of an Annual General Meeting (AGM) or any ordinary meeting of members.

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6.2.3 The Board or not less than one-third of the members may call a Special General Meeting of the organization.

6.2.4 Special meetings may be called when the Board needs the mandate or guidance of the general members of the organization to take up issues that require urgent attention and cannot wait until the next regular AGM or ordinary meeting.

### **6.3. Ordinary Meetings**

6.3.1 Ordinary members meetings are conducted to complete a standard order of business of the organization. These are held once a quarter and are attended by the board.

6.3.2 The meetings of the Board will be held at least once a quarter or when a need arises from time to time to conduct the business of the Board.

### **6.4. Notices of Meetings**

6.4.1 The Chairperson of the Board shall convene meetings. The Secretary must let all Board members know the date of the proposed meeting within a reasonable time, but not less than seven (7) days, before it is due to take place.

6.4.2 However, when convening an AGM, or a Special General Meeting, all members of the organization must be informed of the meeting no less than fourteen (14) days before such a meeting.

6.4.3 Notices for all meetings provided for in this constitution must be given to relevant members in writing, either personally, by post or electronic communication or whichever manner it is convenient, to the address or other similar particulars provided by the members.

6.4.4 The notices for all meetings must indicate the reasons for the meeting and the matters that will be discussed in the meeting.

6.4.5 For confirmation of delivery, all notices sent to members at the latest known contact details shall be deemed to have been duly served on members, unless it can be proven otherwise.

6.4.6 All members present in person at any meeting shall be deemed to have received notice of such meeting.

### **6.5. Quorums**

6.5.1 Quorums for all meetings of the organization shall be a simple majority (**50% + 1**) of relevant members who are expected to attend

6.5.2 However, for the purpose of considering changes to this constitution, or the dissolution of the organization, then two thirds ( $\frac{2}{3}$ ) of the members shall be present at a meeting to make a quorum before a decision to change the constitution is taken.

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6.5.3 All meetings of the organization must reach a quorum before the meeting can proceed.

6.5.4 If, however a quorum is not present within fifteen minutes of the appointed time of the meeting, the meeting must be adjourned or postponed to another date, within fourteen days thereafter.

6.5.5 If no quorum is present at the reconvened meeting within fifteen minutes of the appointed time, the members present shall be regarded to make up a quorum for that meeting and the meeting will continue as if a quorum is present.

## **6.6. Procedures at Meetings**

- The Board may regulate its meetings and proceedings as it deems fit, subject to the following:
  - That the Chairperson shall chair all meetings of the organization, including that of the Board.
  - That, if the Chairperson is not present, the Vice-Chairperson shall chair such meeting. In the event both are absent, the Board members present at the meeting shall elect a chairperson for that meeting.

## **6.7. Making decisions in meetings**

6.7.1 Where possible, the decisions of the organization's shall be taken by consensus. However, when there is no consensus, then members will discuss options for a while and then call for a vote.

6.7.2 All votes shall be counted and the majority votes on an issue shall be regarded as the decision of the meeting

6.7.3 However, if opposing votes are equal on an issue, then the chairperson in that meeting has either a second or a deciding vote.

6.7.4 All members must abide by the majority decision

6.7.5 Decisions concerning changes to this constitution, or of dissolution and closing down of the organization, shall only be dealt with in terms of clauses 9 and 10 of this constitution.

## **6.8. Records of meetings**

6.8.1 Proper minutes and attendance records must be kept for all meetings of the organization.

6.8.2 The minutes shall be confirmed as a true record of proceedings by the next meeting of the Board, or of general members as the case may be, and shall thereafter be signed by the chairperson.

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6.8.3 Minutes shall thereafter be kept safely and always be on hand for the organization to consult.

## 7. INCOME AND PROPERTY

7.1 The organization will keep a record of everything it owns.

7.2 The organization may not give any of its money or property to its members or the Board. The only time it can do this is when it pays for work that an Office Bearers or member has done for the organization. The payment must be a reasonable amount for the work that has been done.

7.3 The Board or a member of the organization can only get money back from the organization for expenses that she or he has paid for or on behalf of the organization, and for which authorization has been granted.

7.4 The Board or members of the organization do not have rights over things that belong to the organization.

## 8. FINANCES AND REPORTS

**8.1 Bank Account:** The Board must open a bank account in the name of the organization with a registered Bank.

**8.2 Signing:** Cheques and other documents requiring signature on behalf of the organization shall be signed by at least two persons authorized by the Board. Whenever funds are taken out of the bank account, the chairperson and at least two other members of the organization must sign the withdrawal or cheque.

**8.3 Financial year-end:** The financial year end of the Organization shall be end of February each year.

**8.4 Financial Report:** The Board must ensure that proper records and books of account which reflect the affairs of the organization are kept, and within six months of its financial year a report is compiled by an independent registered Accounting Officer stating whether or not the financial statements of the organization are consistent with its accounting policies and practices of the organization.

8.5 The Treasurer is responsible for making sure that the money of the organization is safe and is accounted for

8.6 The Treasurer must also make regular reports to the Board on the finances of the organization, which should include all incomes, expenditures and balances that remain according to accounting practices of the organization.

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8.7 If the organization has funds that can be invested, the funds may be invested with registered financial institutions. These institutions are listed in Section 1 of the Financial Institutions (Investment of Funds) Act, 1984, or as shall be amended. Or the organization can get securities that are listed on a licensed stock exchange as set out in the Stock Exchange Control Act, 1985 (as amended). The organization can go to different banks to seek advice on the best way to look after its funds.

8.8 The organization may raise funds through donations, membership fees, grants, or any other lawful means.

8.9 The funds of the organization may be used only for the furtherance of its objectives.

8.10 The Executive Committee will have the power to make investments on behalf of the organization.

## **9. AMENDMENTS TO THE CONSTITUTION**

### **9.1 Proposal for Amendment:**

- a. Any member of the organization may propose an amendment to the constitution.
- b. The proposal for an amendment shall be made in writing to the Executive Committee.
- c. The proposal shall include the full text of the proposed amendment and the reasons for the proposed amendment.

### **9.2 Consideration by Executive Committee:**

- a. The Executive Committee shall consider the proposal for the amendment and may make recommendations to the members.
- b. The Executive Committee shall provide a written report to the members outlining the proposed amendment and the reasons for it.

### **9.3 Notification of Members:**

- a. The proposed amendment shall be notified to all members of the organization at least 14 days before the meeting at which the amendment is to be considered.
- b. The notification shall include the full text of the proposed amendment and the reasons for it.

### **9.4 Approval of Amendment:**

- a. The amendment to the constitution shall be approved by a two-thirds majority of the members present and voting at a general meeting of the organization.

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b. The quorum for the meeting shall be the same as for any other general meeting of the organization.

### **9.5 Filing of Amendment:**

Any amendment to the constitution shall be filed with the relevant authorities which include SARS and DSD within the prescribed time period - 30 days from date of amendment

9.6 No amendments may be made which would cause the organization to close down or stop to function or die away.

## **10. DISSOLUTION/CLOSING DOWN**

10.1 The organization may dissolve or close down if at least two thirds ( $\frac{2}{3}$ ) of the members present and voting at a meeting convened for the purpose of considering such matter, are in favour of closing down.

10.2 When the organization closes down it has to pay off all its debts. After doing this, if there is property or money left over it should not be paid or given to members of the organization. It should be given in some way to another non-profit organization that has similar objectives. The organization's general meeting can decide what organization this should be.

## **11. MEMBERSHIP**

11.1 Membership of the organization is open to any individual or organization that supports its objectives.

11.2 To become a member, an applicant must:

- a) Submit a membership application form.
- b) Pay the prescribed membership fees.

11.3 The Executive Committee will consider all applications for membership and may accept or reject any application at its discretion.

11.4 Members have the right to attend meetings, participate in the activities of the organization, and vote in elections.

11.5 Members will cease to be members of the organization if they:

- a) Resign in writing.
- b) Fail to pay their membership fees.
- c) Act contrary to the objectives or interests of the organization.

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11.6 Any member who wishes to appeal against the loss of the benefit of the organization or against the termination of membership may do so in writing to the Executive Committee. The Executive Committee will consider the appeal and may reinstate the member if it deems fit.

## **12. LIABILITY**

The office bearers of the organization will not be personally liable for any loss suffered by any person as a result of an act or omission which occurs in good faith while the office bearer is performing functions for or on behalf of the organization.

## **13. ASSETS**

The Executive Committee shall be responsible for the acquisition of assets on behalf of the organization in accordance with the financial policies and procedures of the organization.

### **1. Acquiring Assets:**

- a. The organization shall have the power to acquire any assets that it deems necessary or useful for the achievement of its objectives
- b. The Executive Committee shall be responsible for the acquisition of assets on behalf of the organization.
- c. Any acquisition of assets by the organization shall be made in accordance with the financial policies and procedures of the organization.

### **2. Controlling Assets:**

- a. The organization shall maintain accurate records of all its assets, including their location and condition.
- b. The Executive Committee shall be responsible for the management and control of the assets of the organization.
- c. The Executive Committee shall take all necessary measures to protect the assets of the organization from loss or damage.
- d. The Executive Committee shall ensure that all assets of the organization are used for the benefit of the organization and are not used for personal gain or benefit.
- e. Any disposal of assets by the organization shall be made in accordance with the financial policies and procedures of the organization.

### **3. Reporting:**

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The Executive Committee shall ensure that the financial statements accurately reflect the value of the assets of the organization.

#### **14. PUBLIC BENEFIT ORGANIZATION (PBO)**

In the case that the organization applies and is approved for tax exemption and/ or Section18A by SARS, in order to maintain our exempt status, we will comply with the following conditions:

- a) At least three persons who accept fiduciary responsibility for the public benefit organization will not be connected persons in relation to each other, and no single person directly or indirectly controls the decision making powers relating to the organization.
- b) The activities of the organization are carried on in a non-profit manner and with an altruistic or philanthropic intent.
- c) No activity will directly or indirectly promote the economic self-interest of any fiduciary or employee of the organization otherwise than by way of reasonable remuneration.
- d) The funds of the public benefit organization will be used solely for the objects for which it was established.
- e) No funds will be distributed to any person (other than in the course of undertaking any public benefit activity).
- f) The public benefit organization will not be a party to, or does not knowingly permit, or has not knowingly permitted, itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is the reduction, postponement or avoidance of liability for any tax, duty or levy which, but for such transaction, operation or scheme, would have been or would have become payable by any person under this Act or any other Act administered by the Commissioner;
- g) No resources will be used, directly or indirectly, to support advance or oppose any political party.
- h) No remuneration will be paid to any employee, office bearer, member or other person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered and has not and will not economically benefit any person in a manner which is not consistent with its objects.
- i) No donation will be accepted which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductibility thereof in terms of section 18A: Provided that a donor (other than a donor which is an approved public benefit organization or an institution, board or body which is

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exempt from tax in terms of section 10(1)(cA)(i), which has as its ~~strictly non-profit object~~  
the carrying on of any public benefit activity) may not impose any conditions which could  
enable such donor or any connected person in relation to such donor to derive some  
direct or indirect benefit from the application of such donation.

## 15. APPROVAL OF THE CONSTITUTION

This constitution was approved and accepted by members of:

**Phumelela NPO**

At a special meeting held on **17-June-2023**

Chairperson's Signature: L Nkosi

Secretary's Signature: TL Matlabe

Treasurer's Signature: PT Matlabe