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# **NAVIGATING COMPLIANCE FOR AFTER SCHOOL PROGRAMMES IN SOUTH AFRICA**

**Guateng Community of Practice**



**Learning Brief**

September 2025

The After School sector in South Africa has steadily grown, with more donors, government partners and public interest recognising its value in supporting children’s holistic development. As investment increases, so does the expectation that organisations demonstrate strong governance and regulatory compliance.

Although South Africa was removed from the **Financial Action Task Force** (FATF) grey list in October 2025, maintaining donor confidence requires continued adherence to key compliance standards, especially those of the **Department of Social Development** (DSD), the **Companies and Intellectual Property Commission** (CIPC), and the **South African Revenue Service** (SARS).

At the Gauteng Community of Practice (CoP) in September 2025, these three bodies provided essential information about how ASPs can be legally registered, receive Partial Care Facility status, and become financially compliant

**They outlined the four key steps to follow:**

- 1 Register as a legal entity (NPO/NPC).
- 2 Register your programme as a Partial Care Facility with your Provincial DSD office.
- 3 Apply for tax exemption, PBO and Section 18A status with SARS.
- 4 Maintain your compliance status.



# STEP 1

## The Foundation – Registering Your Legal Entity

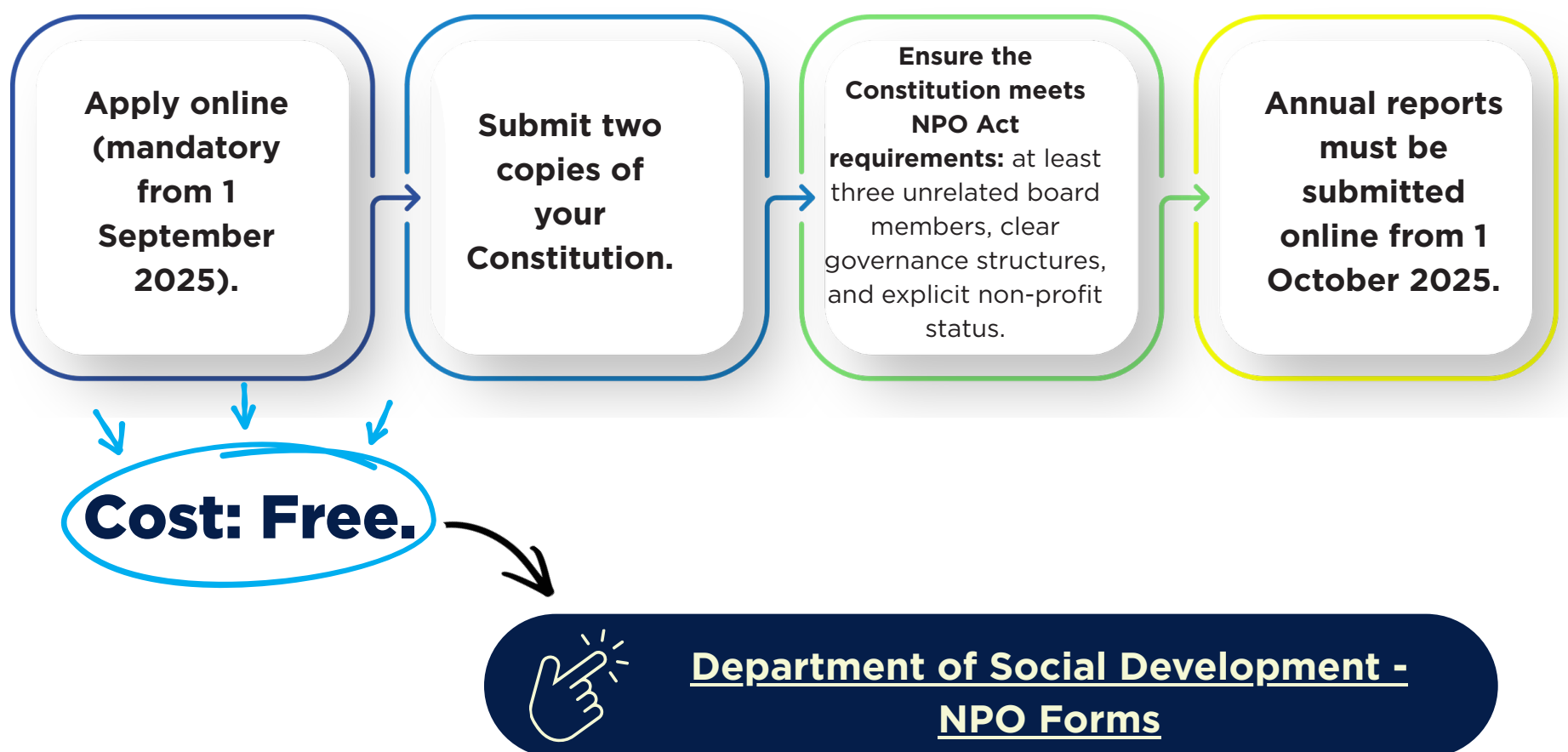
Your After School Programme (ASP) needs to be registered as a formal organisation, either under the Department of Social Development (DSD) or the Companies & Intellectual Properties Commission (CIPC).

### Register as a Non-Profit Organisation (NPO) with DSD

**What it is:** Registration under the NPO Act of 1997. Common for community-based organisations.

**Why it matters:** Enhances credibility, improves access to grants and is required by many corporate and philanthropic donors.

## PROCESS

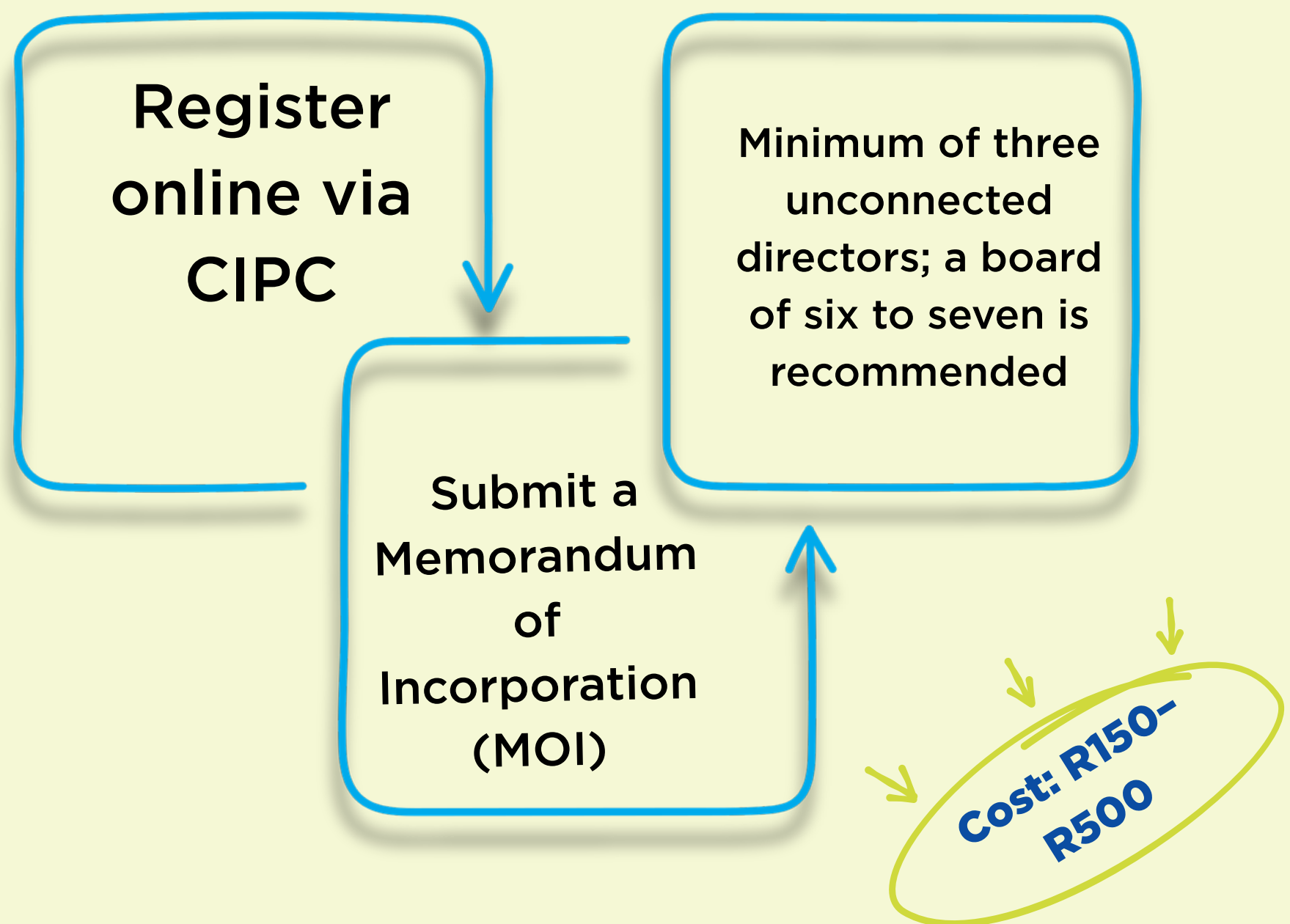


# REGISTER AS AN NPC (CIPC)

**What it is:** Incorporates your organisation under the Companies Act of 2008, creating a separate legal entity.

**Why choose this:** Useful for larger organisations, those with significant assets, or when required by funders for legal and governance assurance.

## PROCESS



**Key takeaway:** Many ASPs hold dual registration (NPO + NPC), but this requires maintaining compliance and reporting to both DSD and CIPC.

# STEP 2

## DSD Partial Care Registration

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**Partial Care registration with the Department of Social Development (DSD) is compulsory for any organisation that looks after more than six children outside their homes, which includes all after-school programmes (ASPs).**

This registration ensures that your programme meets minimum safety, staffing, and programme standards, protecting the children in your care and giving parents confidence in your service.

Once you have your DSD compliance letter, you can also **register on the National Treasury's Central Supplier Database**, which allows your organisation to access government funding opportunities.

**When registering as a Partial Care facility with DSD, having all required documents ready is essential.**

## Key documents and considerations

### 1 Constitution / Governing Document

Your organisation's rules, purpose, and governance structure that are drafted when your organisation is established. This could be your MOI (if NPC) or NPO constitution. This must reflect your non-profit status, governance structures, and child protection commitment.

### 2 Premises Certificates / Compliance

An approved building plan confirms the premises are structurally safe. If you operate from a school, you can usually be covered under the school's approved plans; confirm with school management and local municipality. If running from a residential property or a centre you must obtain approved plans from local municipality to ensure building meets childcare requirements.

You will also need to apply for a Zoning Certificate which confirms the location is legally zoned for childcare activities. Schools generally have this, but for residential homes or centres you must apply to the municipality.

### 3 Staff Vetting and Safeguarding

Safeguarding is non-negotiable. Everyone working with children must be screened for criminal records and suitability. You can submit a list of staff/volunteer details to SAPS or accredited vetting agencies. You should also have a clear policy showing how staff are recruited, trained, and monitored.

This should be communicated to parents together with an agreement to be signed that outlines the programme activities, responsibilities, fees (if any), and consent for emergency care.

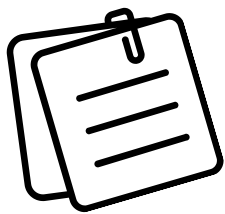
### 4 Programme and Financial Documentation

A description of the programme including daily schedule, after-school activities, and supervision ratios. This should be accompanied by an operational budget (that speaks to the programme description), annual financial statements (AFS), or audited financials. DSD uses these to ensure sustainable and accountable management.

### 5 Compliance Certificates

- **Food Handling Certificate:** Required if meals or snacks are provided; ensures hygiene standards.
- **Fire Safety Certificate:** Confirms compliance with fire regulations.
- **First Aid & Basic Fire Fighting Certificates:** At least one staff member trained on-site.
- **Emergency Certificate:** Shows readiness to respond to emergencies.
- **Health Certificate:** Confirms staff and facilities meet health standards.





**N.B.** ASPs should confirm coverage at their school or centre. Ensure fire safety, first aid, and food handling are specific to after-school programme activities.

In a residential setting emergency planning, first aid, and food handling are particularly important, as residential homes are not automatically covered by school regulations.



## INSPECTION AND APPROVAL

- Submit Form 11 Register ECD partial care facilities | South African Government with all supporting documents to the regional DSD office.
- A social worker will conduct a site inspection and compile a report.
- If successful, you will receive Form 12: Certificate of Registration within 90 days.
- The certificate is valid for 5 years. Renewal must be done 6 months before expiry.

# STEP 3

## Financial & Tax Compliance - SARS

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**Strong financial compliance builds trust with donors, supports sustainability, and ensures your organisation can issue tax-deductible receipts.**

Register as a Taxpayer: Every legal entity must register for an income tax reference number with SARS.

Apply to be a Public Benefit Organisation (PBO). You will need an [E1 Form \(E1-Application-for-Exemption-from-Income-Tax-External-Form.pdf\)](#), L Founding Document, Bank Letter, Fiduciary IDs.

This gives you approval from SARS's Tax Exemption Unit confirming your activities qualify as Public Benefit Activities. SARS approves PBO status for organisations that operate in areas like welfare, education, health, religion, culture, environment, sport, research, and nonprofit funding. To qualify, the activities must serve the public, be non-profit, and comply with strict rules under Section 30 of the Income Tax Act [Public Benefit Organisations | South African Revenue Service](#)

Once registered as a PBO, you can apply for Section 18A Status. This allows you to issue official receipts to donors, giving them a tax deduction. You must now comply with the new SARS rules introduced in 2024.

[Application for Section 18A | South African Revenue Service](#)



## Key Points

- Third-Party Returns are now mandatory - A SARS Third-Party Return affects NPOs mainly when they act as employers, because they must submit employee tax certificates (IRP5/IT3(a)) to SARS as part of their legal reporting obligations. This ensures SARS can verify staff income and tax compliance. NPOs may also be indirectly affected because banks, investment companies, and property practitioners must report financial information about the NPO such as interest earned, investments, or property transactions. In some cases, NPOs that give bursaries, stipends, or financial benefits may also need to submit additional reporting depending on SARS requirements. Overall, compliance with third-party returns is important for maintaining the NPO's tax status and securing a valid Tax Compliance Certificate. IT3(d) Third Party Data FAQs | South African Revenue Service
- Every 18A receipt must include the donor's tax number and must be reported to SARS.
- You cannot issue receipts for time or services donated, only monetary donations.
- Keep all records for at least five years.

## Other Tax Obligations include

- PAYE & UIF for employees - For SARS, anyone receiving money for services like volunteers on a R500 stipend is generally considered an employee, even in an NPO. PAYE may or may not apply depending on the amount, but the NPO is responsible for reporting and compliance. Pure volunteers receiving only reimbursements for expenses are not employees.
- VAT registration - In the NPO space, an organisation can register for VAT if it makes taxable supplies and either exceeds the R1 million turnover threshold (mandatory registration) or earns between R50,000 and R1 million and chooses to register voluntarily. The application must be submitted by a legal representative of the NPO, such as the CEO, Executive Director, or Accounting Officer, who is authorised via a board resolution. Registration requires documents like the NPO registration certificate, proof of turnover, banking details, and SARS eFiling access. VAT registration allows the NPO to charge VAT on taxable supplies and claim input VAT but is only necessary for NPOs that meet the turnover thresholds or need to recover VAT on expenses.

# STEP 4

## Stay Compliant

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Remember that compliance is ongoing. It is important to maintain accurate financial records and meet annual reporting requirements with DSD, CIPC, and SARS. To stay compliant, organisations must submit Annual Returns (CIPC), Annual Reports (DSD), Tax Returns (SARS), and hold an Annual General Meeting (AGM).

### WHO TO CONTACT FOR ADVICE

**DSD:** Contact your Regional DSD Office for forms and help.

**SARS TEU:** Email [teu@sars.gov.za](mailto:teu@sars.gov.za) or call **012 483 1700**.

SARS General Helpline: **0800 00 7277**

[SARS eFiling](#)

[CIPC](#)

[NGO Law SA](#)

[Inyathelo](#)

[Southern African Institute of Fundraising \(SAIF\)](#)

[Charities Aid Foundation \(CAF\) South Africa](#)

[Law Trust Chair in Social Justice - Stellenbosch University](#)

[Home - Turning Point Chartered Accountants](#)



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