

XX
BUSINESS
AND ARTS
SOUTH AFRICA

EST. 1997

BUSINESS AND ARTS SOUTH AFRICA, ANNUAL REPORT 2017/2018

BUSINESS AND ARTS SOUTH AFRICA

NATURE OF BUSINESS

The promotion and development of partnerships between the private sector and the arts.

BOARD OF DIRECTORS

Andre le Roux (Chairman)
Mandie van der Spuy
(Deputy Chairperson)
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Michelle Constant
Mandla Langa
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Khanyi Mamba
Giovanni Mariano
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Carel Nolte
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BUSINESS AND ARTS SOUTH AFRICA

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Chief Executive Officer

CHARLOTTE GULLE

Financial Manager

LONWABO MAVUSO

Head of Programmes and Development

ROCHELLE SINGH

Executive Assistant to the CEO

MADELEINE SELMER-OLSEN

Research Manager

TEBOHO SANDAMELA

Marketing Specialist

MANDISA TSHIQI

Business Services Officer

ONTHATILE DITSHEGO

Manager: Education Programme

TSHEPO DISEKO

Programmes and
Communications Officer

KIM SANSSOUCIE

Programme Manager –
Creative Management

ARTHUR NKUNA

Programme Manager –
Business Exchange

AVIWE MATANDELA

Grants and Programmes Assistant

TUMY MOTSOATSOE

Facilitator

MAMMATLI THAKHULI-NZUZA

Facilitator

MAUREEN BENYA

General Assistant

HR CONSULTANT

Rosie Katz

PROJECTS ASSISTANT

Nenette van der Linde-Barker

BANKERS

Standard Bank of South Africa Limited
First National Bank South Africa

AUDITORS

Middel & Partners
Chartered Accountants SA
Registered Auditors

ANNUAL FINANCIALS STATEMENTS

Naretlou Chartered Accountants

Company registration number

1997/001920/08

VAT No. 4520249105



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CHAIRMAN'S STATEMENT

When business and the arts meet in perfect harmony, it's not just about enhancing bottom lines. Just as important as the tangible impacts of these partnerships are the intangible benefits – the mutual exchanges of goodwill and knowledge; the intrinsic, lasting value that can't be measured in rands and cents.

This is the *raison d'être* of Business and Arts South Africa, where return on investment is inextricably linked to return on creativity – as we cultivate partnerships through which great ideas and innovations, the currency of the new economy, are born.

This year started on a difficult note for the arts. We lost titans such as Bra Hugh Masekela and poet laureate Keorapetse "Bra Willie" Kgositsile in rapid succession, symbolising the passing of a golden generation. Equally, the past year has unquestionably been trying from an economic perspective.

Fortunately, the really smart businesses out there have spotted the value in using the arts to leverage their brands – and many, in fact, have used the opportunity of a depressed economic climate to raise their heads above the parapet and get noticed.

In these tough times, the arts industry has held its own as a beacon of positivity even as artists have tried to make sense of and interpret the negativity going on in their own backyard and in the world around them.

As for BASA, we herald our 20 years in existence stronger than ever, bolstered by almost 117 members and two decades of unqualified audits. We have weathered the external storms raging around us and have demonstrated solid governance and excellent financial management, not to mention the institutional stability that comes with having just two chief executives in two decades. All of this is, indeed, reason to celebrate.

We are immensely proud of this robust track record and hope that, through our own actions, we set the benchmark for how artists can interact and collaborate with business. We need to lead by example.

For instance, exciting developments over the past year have included BASA's own partnerships with bodies and organisations such as Hollard and RMB, plus the FirstRand Foundation's funding of important and much-needed research into governance at public sector-funded arts institutions.

BASA has, we believe, taken President Cyril Ramaphosa's Thuma Mina rallying call to heart, placing the highest premium on good governance and accountability. The power lies with us, and we must take up the cudgels and be proactive.

In true “send me” fashion, we have been not just a facilitator but also an active participant in making a measurable catalytic impact through several strategic projects. This includes our Supporting Grants and the introduction of the Department of Arts and Culture’s Debut Programme, in partnership with BASA, a landmark initiative to provide mentoring and skills development for emerging artists at community level in each province.

In addition, as the #AfricaRising and #Wakanda sentiment engulfs the world, BASA has already been putting this into practice – setting in motion several engagements across the continent to help develop sustainable creative industries.

It goes without saying that a highlight of the past year was undoubtedly the BASA Awards, which has become renowned as the premier awards ceremony recognising and rewarding productive business and arts partnerships. We look forward to more inventive collaborations and to a larger number of small businesses cottoning on to the benefits of holding hands with the arts to enhance their brands.

Business confidence is rising, and we are optimistic that an era of prosperity lies ahead. Just as BASA continues to be a flame that ignites interesting projects in the arts, we hope that the positive sentiment in the country will help to unlock capital as more businesses see the potential of the arts to shine a light on the way forward.

Armed with a strong board, active committees, and incredibly dedicated members and staff, BASA is excited to be setting sail on a new strategic direction and a new look and feel – we’re looking forward to an exhilarating new era of business and arts in dynamic union.

André le Roux

Chairman, 8 August 2018



VISION

TO BE THE LEADING
CONNECTOR CATALYST AND
RESOURCE THAT SUPPORTS
A BETTER UNDERSTANDING
BY BUSINESS OF THE
ARTS, AND CONTINUES
TO ADVOCATE AN ARTS
CULTURE IN OUR SOCIETY.

MISSION

TO ENSURE THE RELEVANCE
AND SUSTAINABILITY
OF THE ARTS IN SOUTH
AFRICA BY PROVIDING
EXPERTISE IN DEVELOPING
PARTNERSHIPS BETWEEN
BUSINESS AND THE ARTS.

Both the vision and the mission are premised on the belief that the arts and culture have real value for all South Africans – for individuals, for communities and ultimately for the growth of civil society.

Business and Arts South Africa (NPC) was founded in 1997 as a joint initiative of the Department of Arts and Culture and the corporate sector, as part of a strategy to secure greater involvement in the arts and from businesses operating within South Africa.

Business and Arts South Africa (NPC) is accountable to its stakeholders – to government, its corporate members and to the arts sector. Business and Arts South Africa (NPC) is constituted in terms of the new companies act and is registered as a public benefit organisation. Its delisting as a schedule 3 entity has seen Business and Arts South Africa (NPC) register for VAT.

Mandated to promote and encourage mutually beneficial and sustainable business-arts partnerships, Business and Arts South Africa (NPC) has seen through its commissioned research that businesses generally fund the arts through marketing, CSI, B-BBEE social economic development, enterprise development and human resources. Increasingly corporate South Africa is aligning with the arts as a viable cost effective area of sponsorship, a progressive enabler and a valuable proponent of Shared Value.

Business and Arts South Africa (NPC) is committed to identifying opportunities within the arts for its business members, whether from a B-BBEE, HR, Marketing or Corporate Social Investment perspective.

Indeed, many arts programmes offer clear engagement across all spheres of corporate activity, something few alternatives can provide. To achieve this, it is essential that Business and Arts South Africa (NPC) sustains engagement with the corporate sector, in particular its own corporate members, and with the arts sector with specific focus on improving its profile and growing better business skills. Through its diverse projects – the BASA Education Programme, the Supporting Grant Scheme, Special Projects, Young Business Professionals, the Biannual Artstrack Research, the Business Sponsorship Toolkit, the Arts Sponsorship Toolkit, the Colloquium, Africa Breakfasts supported by Standard Bank,

the BASA Awards partnered by Hollard and Business Day, and its bespoke consulting service, Business and Arts South Africa (NPC) continues to drive change in corporate sector thinking.

While encouraging the business sector to see arts sponsorship as a strategic business opportunity is fundamental to our philosophy, it is equally important to engender broader understanding of the role the arts can play within the socio-economic framework.

Experience shows that the arts and culture can be and are, effectively integrated within education, skills development, urban and rural regeneration, job creation, health and tourism. Less immediately tangible, but no less important, is their accepted value in addressing poverty of the mind, fighting social exclusion and thus growing civil society.



CHIEF EXECUTIVE OFFICER'S REVIEW

As Business and Arts South Africa celebrates our 20th year of forging game-changing public-private partnerships that nourish the creative economy, it's important to not only toast our longevity but also to reflect on the rich vein of insights we have mined over that time.

Over two decades, BASA has amassed a rich repository of research that, we are pleased to report, shows encouraging growth in the corporate sector's engagement with, and financial support of, the creative sector. It is gratifying to see that corporate sponsorship of the arts has almost quadrupled since the new millennium dawned.

Importantly, these relationships are moving away from being one-way handouts and towards being mutually beneficial and enriching partnerships. The private sector is waking up to the intrinsic and reputational value of being affiliated with the visual and performing arts – and our research shows that it actually has a tangible effect on their bottom line, with consumers being more inclined to support businesses that invest in the arts.

Armed with such valuable insights, we hope our data bank will form the bedrock of more businesses' economic and corporate social investment decisions when it comes to the arts.

It's this dynamic symbiosis between business and the arts that BASA hopes to nurture further as we enter our third decade, supported as always by our principal shareholder, the Department of Arts and Culture (DAC), and given our lifeblood by our members and partners.

We must acknowledge that we are operating in a constrained economic environment where it is difficult to make the case to fund the arts when there are so many other pressing national priorities that are perceived to be more important. This is why BASA has had to be agile and rethink our positioning.

We are fortunate to be armed with a strategy that has enabled us to grow, evolve and remain relevant over the past 20 years, with the slings and arrows of our external environment only serving to make us more resilient and, hopefully, more creative in finding ways to fulfill our purpose.

This is born out by a successful and productive year that saw us focusing on research, connections, growth and, of course, celebration.

Research forms the very core of what we do, as we try to understand what drives our members and how we can best marry the twin (and intersecting) narratives of economics and culture. We have therefore created a head of research position so that we can align research monitoring and evaluation with everything we do.

Our well-attended BASA colloquium focused on the 20 years of research that we have amassed, which is an invaluable resource for anyone looking for data-driven proof that investing in the arts is good for business. We have found, for example, that the financial sector continues to be the largest supporter of the arts – but that small businesses are increasingly engaging with arts organisations and artists, often in very creative ways.

Connections are also central to BASA's work – connections with the government, the corporate sector and the arts sector. We continue to work closely with businesses to

find innovative ways to support their goals and strategies using the arts, and we've seen some interesting projects emerge as a result – such as a waste company backing a music festival with a recycling slant. We are also looking forward to an exciting project with the South African Mint.

This leads us to another vital focus area – growing the arts not just in South Africa, but on the continent too, in countries such as Ethiopia, Zambia and Zimbabwe. We have forged partnerships with the cultural, private and public sectors to develop vital skills and till the creative soil – because you can only plant the seeds of sustainable growth in the arts if the ground is fertile.

Here, we are especially grateful to partners that are helping to train young creatives, such as the US Embassy, RMB, the British Council, FirstRand, Hollard and DAC.

DAC deserves a special mention for its unstinting support of BASA's work. We also owe a debt of gratitude to our corporate sector for increasingly seeing the value in using artistic and cultural expression as a way to enrich business.

Thank you to our members, to our board and our chair and deputy chair, and to our small but powerhouse BASA team. And a special thank you to our artists, for holding a mirror up to the complex times we live in, reflecting reality through a prism of creativity and shifting the ways in which we see the world.

This brings us to the celebratory aspect of what we do – and many have declared our 20th BASA Awards at the Nirox Sculpture Park the best yet. Going forward, we'll continue to celebrate successful arts and business partnerships to demonstrate how it can be done – with a dash of imaginative flair.

Exciting and challenging times lie ahead for BASA. We can't wait to keep making creative alchemy happen for the next 20 years and beyond.

Michelle Constant

Chief Executive Officer, 8 August 2018



GOVERNANCE

FOR THE YEAR ENDED 31 MARCH 2018

Three Board meetings are held annually;
and are duly constituted and quorate.

One Annual General meeting is held annually;
it is duly constituted and quorate.

Business and Arts South Africa records that its auditors,
Middel & Partners, conduct five random audits of
funded projects annually, to satisfy the Board that
projects are properly conducted and comply with
the terms and conditions of the Business and Arts
South Africa (NPC) Supporting Grant Scheme.

BOARD COMMITTEE: All Board members.

AUDIT COMMITTEE: Christine McDonald (Chairperson),
Herman Bosman and Lisa Tonini. The Audit Committee
meets twice annually to review the six-month interim
review and year-end financial statements.

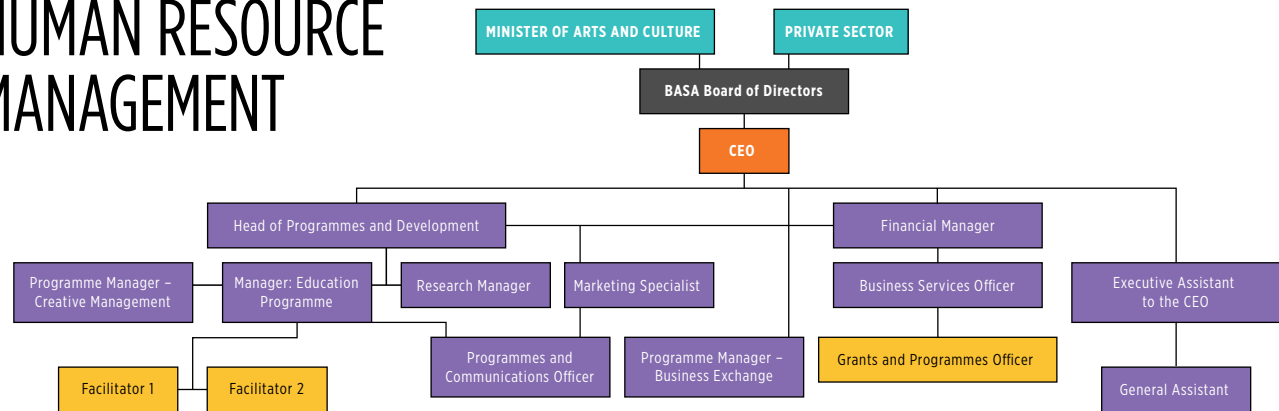
HUMAN RESOURCES COMMITTEE: Executive
Committee members make up the Human Resources
Committee, as follows: Carel Nolte (Chairman),
Mandie van der Spuy and Hilton Lawler.

NOMINATIONS AND GOVERNANCE COMMITTEE:
Andre le Roux, Giovanni Mariano and Gail Walters.

MARKETING COMMITTEE: Giovanni Mariano (Chairman),
Khanyi Mamba, Hilton Lawler and Carel Nolte.



HUMAN RESOURCE MANAGEMENT



PERSONNEL COSTS 2016/17

Total operating expenditure	R2 005 301.00
Total Marketing Expenditure (includes the cost of the Awards)	R2 353 705.00
Personnel	R2 871 004.00
Skills Development Levy	Exempt.
Medical Aid Benefits (for Full Time staff)	R211 973.00
Unemployment Insurance Fund	R25 043.00
Average personnel cost per employee (9 full time staff at BASA head office)	R319 000.45
Allowances	
There was no overtime, housing or other allowances made.	

HIV/AIDS PREVENTION & HEALTH PROMOTION

Given the small size of Business and Arts South Africa (NPC), no formal programme has been instituted, separate from the HR policy. A complete HR policy is in place, which includes health and safety.

LABOUR RELATIONS

EMPLOYMENT EQUITY
Management 1 White female 1 African male
Middle Management 1 White female 2 African females 1 Indian female 2 African males
Lower skilled 1 African female
Part-Time Staff 3 White females 3 African females 1 Coloured female 1 African male

STRATEGIC OVERVIEW

IN RELATION TO KEY OBJECTIVES FOR THE YEAR ENDED 31 MARCH 2018

Business and Arts South Africa (NPC) is mandated to build and secure partnerships between business and the arts, serving both sectors in ways that will achieve this objective. While Business and Arts South Africa must promote its own identity to maintain its profile as an agency for partnership and support, this platform is extensively leveraged on behalf of business and of the arts. The strategies and related activities of Business and Arts South Africa are ongoing and, for the most part, are linked with the flexibility to support all stakeholders: business, arts organisations and government.

Business and Arts South Africa continues to position itself as a resource for its business members in terms of insights, knowledge and information both locally and through its engagement on the continent.

The strategy over the past year has been focused on consolidating four key areas:

- Research and Arts Based Intelligence
- Connectivity
- Growth
- Celebration

These areas are addressed, to varying degrees, across all three stakeholder areas: Business, the Arts Sector and Government, and emphasis is placed on collaboration.

1. RESEARCH AND ARTS BASED INTELLIGENCE

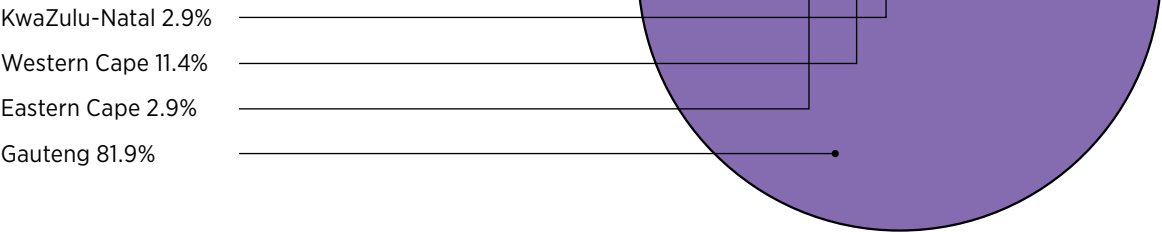
BASA has a raft of research documents that it uses in its consultancy with corporates and for advocacy. Drawn from different initiatives, including BASA's ArtsTrack Research, BASA Supporting Grants, BASA Awards, and other arts-based initiatives, this research provides crucial insights into best practice, shifts and trends, and return on investment, and is being used to inform the next generation of arts business partnerships – once again underlining BASA's value to government, business and the arts sector in the new decade.

The consolidated research, “20 Years of BASA: A model for facilitating successful, sustainable business-arts partnerships”, pulled together 20 years of research from all BASA programmes, and was launched at the BASA Research Colloquium, partnered by Hollard, on 16 February 2018. The event celebrated 20 years of facilitating symbiotic business-arts partnerships, examining the strides the two sectors have taken in creating mutually beneficial partnerships, and setting sights on growing the business/creative sector relationship in the future. In addition to sharing the 20 Years of BASA research and the organisation's experience and partnerships locally, on the continent, and internationally, delegates were inspired by case study presentations from select BASA members. These incorporated various musical, theatrical, conversational, and other arts-based presentations that highlighted the arts in a partnership of true shared value, in relation to the business story of best practice – be it through CSI, marketing, HR, B-BBEE, transformation, etc. Furthermore, the US Embassy supported the attendance of keynote speaker, New York-based Laura Callanan of Upstart Co-Lab, who addressed Impact Investing in the Arts, and was also able to share her expertise at the BASA Research Colloquium US Embassy Sessions in Johannesburg and Cape Town during the week of the Research Colloquium, alongside Marcus Desando of the Arts and Culture Trust. These sessions, organised by BASA, partnered by Hollard and the US Embassy, were also supported by Nedbank and The Market Theatre Foundation.

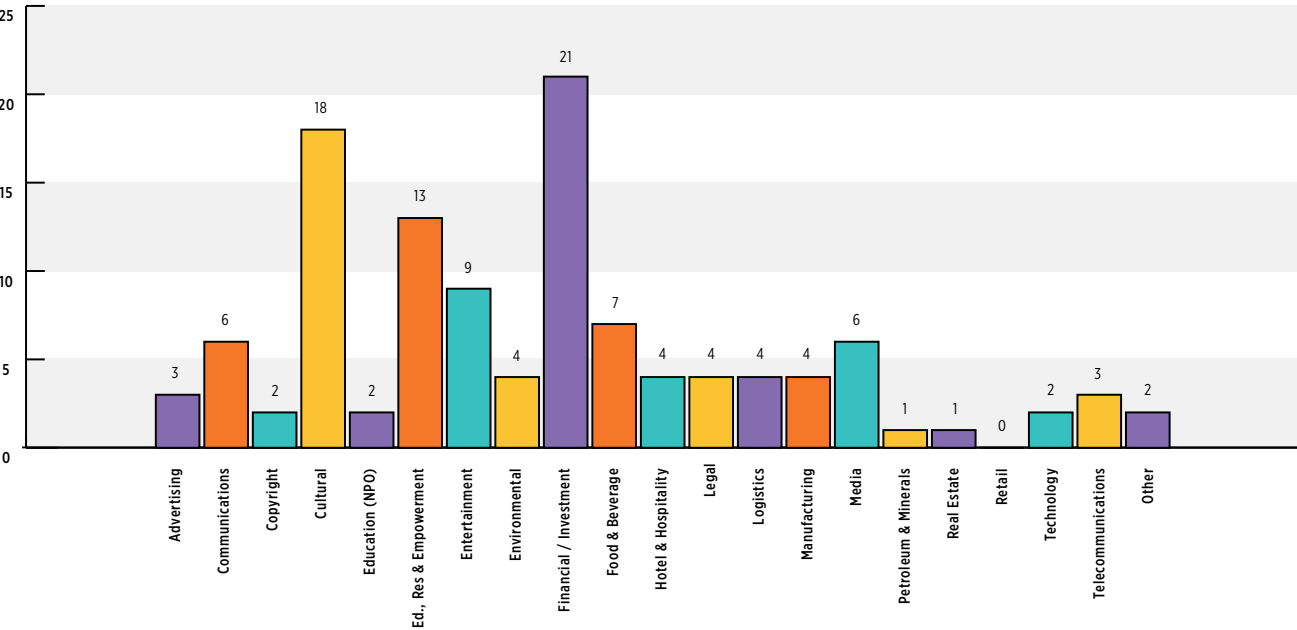
BESPOKE SERVICE CONSULTANCY FOR MEMBERS:

Business and Arts South Africa offers a personalised and strategic research to businesses that want to leverage their engagement with the arts. Through the years, Business and Arts South Africa has become an important resource, supporting and tracking information about the arts and partnership opportunities, for its diverse members.

MEMBERSHIP DISTRIBUTION Q1 2018



MEMBERSHIP SECTORS Q1 2018



2. CONNECTIVITY

BASA RESEARCH

Business and Arts South Africa uses its research learnings to create opportunities to connect the private sector and the arts sector both in South Africa and across borders. This set of programmes focuses on the support of, and for, the public sector, with the understanding that systemic change is required if we are going to see equitable business arts partnerships and strengthen the capacity of arts and culture institutions.

BASA CONSULTANCY

Business and Arts South Africa supports its members on a consultancy basis, using its research and broader partnerships to provide businesses with arts based intelligence and arts based initiatives – this to support their strategic goals.

BASA SUPPORTING GRANT PROGRAMME

Funded by an allocation from the Department of Arts and Culture, this programme continues to serve as a mechanism through which business and the arts can engage and achieve mutual benefit. Through these grants, Business and Arts South Africa aims to equip the artist/arts organisation with the tools to support an approach to a potential sponsor, and to provide such a sponsor with the wherewithal to leverage the proposed partnership effectively. This is achieved by providing financial support to a project that already has an existing relationship between a business and arts organisation. This has shifted the perception both of business towards the arts but also of the art vis-à-vis its own activities, within a broader context. The grants encompass a wide range of activity attracting corporate sector support, and, where possible, Business and Arts South Africa leverages the arts or culture project further through its own media partnerships. Supporting Grants of R1 million leveraged a further R14 million in corporate sector spend during the 2017/18 financial year.

PARTNERED AFRICA

In line with the Department of Arts and Culture's African focus and the importance of cultural diplomacy, Business and Arts South Africa has established a growing engagement and strategy to participate more rigorously with the broader continent. To this end, the organisation works closely with diverse members, supporting them in their cross border goals. Currently Business and Arts South Africa is working with two of its members: Standard Bank on an opportunity to work with the Bank in Ghana, and PPC in Zimbabwe.

Business and Arts South Africa was also awarded a tender to further its Partnered Africa work in Ethiopia, which saw partnership with the British Council Creative Futures Business Engagement Programme in Ethiopia, funded by the European Union. The programme was implemented in December 2017 and January 2018, with a research element, a series of curated business breakfasts, workshops, and arts-based experiential learning initiatives with the private sector and the creative sector, showcasing opportunities in Ethiopia's creative and cultural sector, whilst brokering mutually beneficial partnerships between business and the arts, and the development of a toolkit on private sector investment specific to the Ethiopian context.

Furthermore, in February 2018, Business and Arts South Africa partnered with the British Council and Digify Africa on a training programme roadshow to Zambia and Zimbabwe to give artists the skills they need to make the most of digital technology to grow their markets. These #OwnYourMark artist workshops were free and had both online and face-to-face components focused on understanding creative market growth; planning strategically for creative marketing; defining trends, motives and barriers; making the most of the social media and of e-commerce platforms; and the importance of content marketing in business growth. The programme was also presented in Johannesburg, South Africa.

DAC BASA BOARD RESEARCH, SUPPORTED BY FIRSTSTRAND FOUNDATION

Business and Arts South Africa, in partnership with the Department of Arts and Culture and supported by

the FirstRand Foundation, is currently working on a programme to strengthen the capacity and processes of the councils of Department of Arts and Culture state-owned entities. The Cultural Policy and Management Division at the Wits School of Arts, under the leadership of Avril Joffe, was commissioned to do baseline research of all 25 Department of Arts and Culture institutions with regards to the challenges and opportunities in their councils. Once the baseline research was complete, a pilot series of capacity building workshops was rolled out in June 2017. The Institute of Directors of South Africa gave a workshop on board/council member duties and liabilities, followed by the Wits Centre for Cultural Policy and Management's workshop which covered trends, value and the role of arts and culture in society, as well as how the value that culture creates may be understood, measured and evaluated. Based on the research findings and recommendations, as well as feedback from the pilot workshop series, a toolkit was developed for all Department of Arts and Culture entities to use as a basic guide both for induction and regular ongoing practice. In addition to this, we are exploring the possibility of creating a sector wide practice note in alignment with the King IV Report with the Institute of Directors of South Africa.

The toolkit and pilot workshops could potentially inform further workshops and interventions going forward (outside of the ambit of this project or as a subsequent phase), and thus far Business and Arts South Africa and the Department of Arts and Culture are engaging on the development of a Cultural Institutions Governance Framework and standard council assessment template.

IMPLEMENTED REGULAR COMMUNICATION

With a national database of arts organisations, Business and Arts South Africa has implemented regular communication to its cultural database. This information includes national market related stories, reviews and more.

PRO BONO ASSISTANCE AND ADVOCACY

Legal firms Adams and Adams and Probono.org continue to offer pro bono assistance to bona fide arts and culture organisations identified and introduced by Business and Arts South Africa, across a range of issues, giving the arts sector access to top quality legal expertise.

3. GROWTH

Through skills development, Business and Arts South Africa provides agency and access to the arts sector in order to support their engagement with the business sector. This year the aim was to start consolidating the diverse programmes, finding ways to 'join the dots' and ensure systemic change as opposed to individual programmes. A stronger focus was placed on youth, the impact of technology, prioritising research and demonstrating value (including but not limited to economic value) as core concerns to secure the sustainability of the arts, as well as strengthening the capacity of arts and culture institutions.

Business and Arts South Africa's experience in and learnings from the previous National Arts Council funded Education Programmes were fed into new collaborations to continue our work in growing the arts sector by providing and supporting knowledge transfer, skills development and training. These include the Creating Opportunity for South Africa's Youth (COSY) and DAC Debut programmes:

COSY is coordinated by the British Council, in partnership with Business and Arts South Africa, LifeCo UnLtd South Africa and Livity Africa, and funded by the European Union. It aims to enable young people (particularly young women) in rural and semi-rural areas to be more active agents in achieving sustainable growth in South Africa. This is done by building their capacity to become entrepreneurs and by increasing their employability. The programme works in four provinces and eight communities with a particular focus on creative, digital and social enterprise. A community mapping exercise was undertaken to provide greater insight and understanding into the environment and support systems currently in place in the communities identified for the implementation of the COSY project, and the mapping report was launched in Johannesburg on 13 December 2017. Following this, the curriculum was finalised and "Taster Events" were held early in 2018 providing each community and its young people with an introduction and greater understanding of what the programme will deliver. These were designed as showcase events to introduce the programme and gain community buy-in, and drive applications for the training programmes beginning later in 2018.

The DAC Debut Programme sees Business and Arts South Africa partnering with the Department of Arts and Culture and the National Lotteries Council to further support emerging artists throughout South Africa with knowledge and skills development to enable them to shift from amateur to professional. As they launch/implement their first album, film or book, the DAC Debut Programme also enables participants to pitch for funding to further support their venture. The programme combines DAC Debut Funding with BASA's Education and Mentorship Programmes, as well as opportunities to apply for BASA Supporting Grants (should applicants be eligible). Additionally, BASA partnered with community arts centres in each province for marketing and logistical support and a local point of contact, and trained a local co-facilitator in each province who supported BASA's facilitators during the programme, as well as the delegates between workshop visits, with a view to them later being equipped to facilitate further within their community after completing this programme. The DAC Debut Programme was launched mid-2017 and its Kickstarter Training phase was completed during 2017. These delegates were then given the opportunity to pitch their ventures for funding, and successful delegates have been awarded their small Catalyst Grants and continue with the programme's Hlanganisa Training, to be completed in May 2018. Delegates are currently implementing their funded projects/ventures, and after reporting later in 2018 they will be able to apply for the Launch Grant and mentorship, to close off this intake of the programme.

The BASA Established Education Programme, supported by Rand Merchant Bank, continued to support registered and more established organisations. This carefully constructed programme comprised strategy, marketing and audience development, operations, finance, and governance workshops, and was underpinned by assignments and mentorship. Participants are reporting solid organisational development and, in some cases, increased funding and audiences as a result of the programme. Going forward with continued support from Rand Merchant Bank, the programme has been redesigned and will be presented as the BASA Scale-Up Programme from 2018. The #OwnYourMark workshops in partnership with the British Council and Digify Africa have also been included in the improved programme offering, combining Business and Arts South Africa's

education programme with its Creative Market Growth offerings, and broadening existing partnerships.

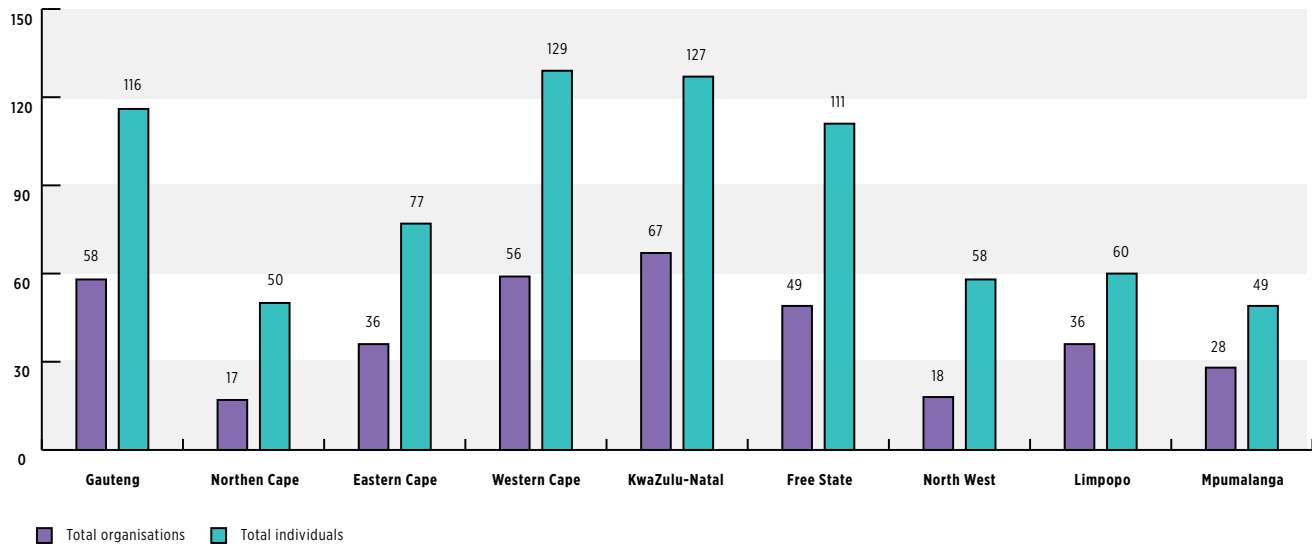
Since 2014, BASA's Education Programmes (Basic, Dynamic, Established, and DAC Debut) have reached 368 organisations and 777 individuals nationally.

Flowing out of Business and Arts South Africa's work on the Creative Market Growth Hub, we successfully secured a tender with the City of Cape Town to implement a Creative Market Growth Programme for the city's arts sector in our previous financial year. The programme was multipronged, comprising workshops, mentorship and the development of a Creative Market Growth toolkit specific to the Cape Town arts sector. The purpose of the workshops was to clearly define and unpack what Creative Market Growth is, explore practical tools and ideas that individuals and creative and cultural organisations could use in their creative market growth plans and to start a conversation within the Cape Town arts sector around the importance of the "audience". The programme also offered an opportunity for an exchange of effective and relevant strategies that various cultural organisations can employ to respond to market preferences, needs, motivations and barriers. The workshop learnings were supported by the toolkit with local case studies and extended through an implementation period supported by mentorship from the facilitators. This programme was rolled out from March to June 2017.

Having piloted and tested various events and processes over the past year, the Business Exchange Programme is under review and restructure to ensure maximum efficiency and impact.

Noting the strong relationship between the creative sector and tourism, as well as the potential impact of technology, BASA partnered with the FirstRand Foundation and South African Tourism to create a map that easily makes accessible all the arts, culture and heritage sites and activities on an ongoing basis, as well as on a geographic basis, in South Africa, and links the user to accommodation options surrounding these sites and activities (this with the idea of tourists extending their "stay" time in those areas). An initial beta model was developed and tested, artstourism.guru, followed by intensive research which will feed into the next phase of development.

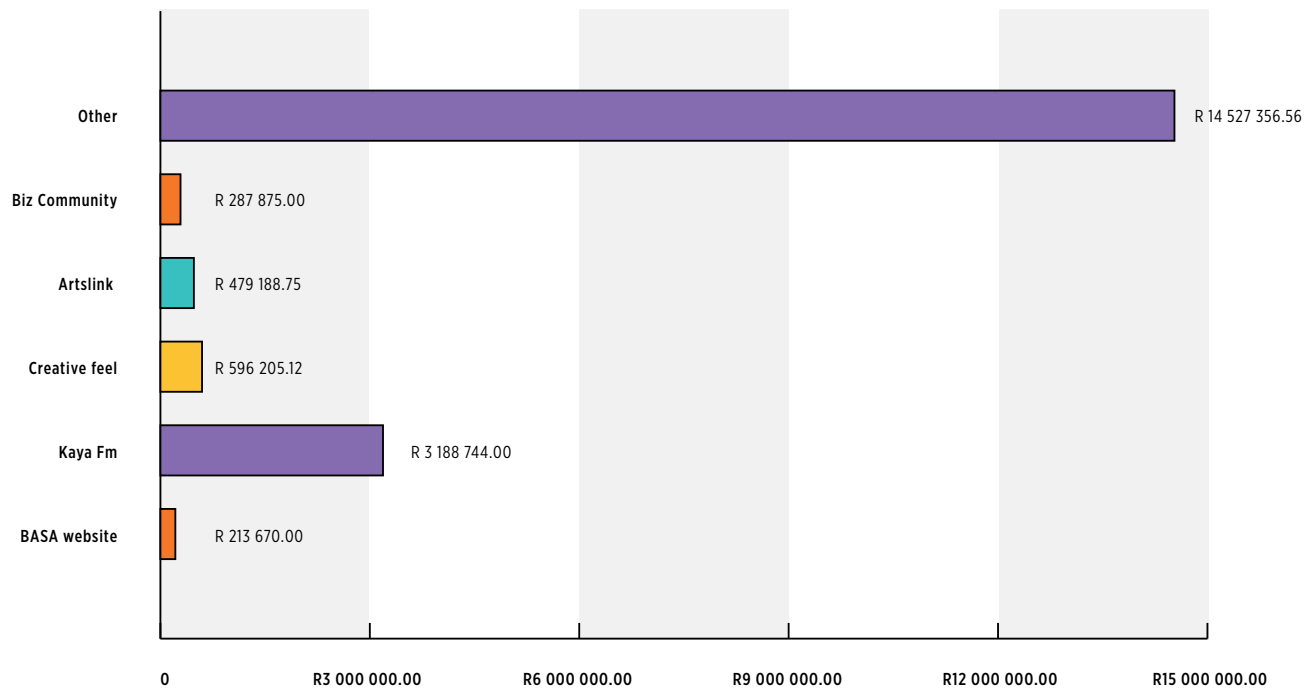
BASA EDUCATION PROGRAMMES PROVINCIAL REACH 2014 TO DATE



4. CELEBRATION

Celebration focuses on all the marketing, advocacy and eventing which Business and Arts South Africa is involved in. This includes 20 Years Strategy, Institutional Marketing, BASA Awards, Research Colloquium, Conduct an Orchestra, Foundry Dinners and Arts Journalism Awards, as well as external presentations, panel discussions, conferences, the CEO's monthly columns in Wanted magazine and CreativeFeel, and participation in the South African Cultural Observatory Conference. Business and Arts South Africa also continues to work closely with our media partner – Kaya fm – celebrating the work of our members and their partnerships with the arts.

MEDIA EXPOSURE AVE ROI FOR 2017/2018 YEAR





THE 20TH ANNUAL BASA AWARDS

2017 marked the 20th Annual BASA Awards, partnered by Hollard & Business Day, which focused on business-arts partnerships conducted during 2016. This year was also a moment for Business and Arts South Africa to celebrate its 20th year, an important milestone for the organisation, as the culmination of 20 amazing, challenging yet progressive years of Business and Arts South Africa's continued mission to ensure the relevance and sustainability of the arts in South Africa by providing expertise in developing partnerships between business and the arts.

The annual BASA Awards, jointly sponsored by Hollard & Business Day, is the only awards ceremony that acknowledges business support of and partnerships in the arts in South Africa.

The BASA Awards recognise and encourage excellence and innovation in the field of business support for the arts. Imaginative, innovative, and cost-effective partnerships between business and the arts are highlighted, demonstrating the potential for synergy, the window of mutual opportunity, and the far reaching benefits for business, for the arts, and for all South Africans.

The number of finalists and entries reflect an increasing recognition by businesses of all sizes of the role of mutually beneficial, equitable and sustainable business-arts partnerships. The BASA Awards received over 179 entries ranging from large organisations to SMMEs that have shown a clear commitment to supporting the arts. The unique shared value created by business and arts partnerships was amply demonstrated by the nearly 44 finalists, who were announced at an event and media launch hosted by Hollard on 24 August 2017 at the Villa Arcadia, revealing a stunning array of partnerships, with strong contention in all eleven categories that were open for entry in the awards.

Winners provided inspiring and compelling insights into the role that the arts play in connecting people and enabling transformation – and the different ways that business can support this.

The 20th Annual BASA Awards, partnered by Hollard and Business Day, were held at Nirox Sculpture Park in the Cradle of Humankind World Heritage Site, against the stunning natural backdrop of the Khatlhampi Private Reserve. The day's experience was inspired by the theme of disruption. Guests were treated to an experience from the moment they arrived at the venue, with memorable performances throughout the Sculpture Park itself. They were given the time to explore this remarkable space where nature meets art. The performances – in the form of activations – were provided by Buskaid, Moving Into Dance Mophatong, The Field Band Foundation, Olifantland, and Vuyani Dance Company – all arts organisations which have benefitted from the positive impact of business on the arts through collaboration.

To mark the invaluable contributions Business and Arts South Africa has made to South Africa's arts landscape over the last 20 years, five illustrators - Karabo Poppy Moletsane, Imile Wepener, Ndumiso Nyoni, Johan de Lange, and Ben Grib - were commissioned to visually narrate some of the organisation's most significant milestones. Each of the 20th BASA Awards trophies, which were given to the deserving recipients, featured one of these beautiful illustrations.

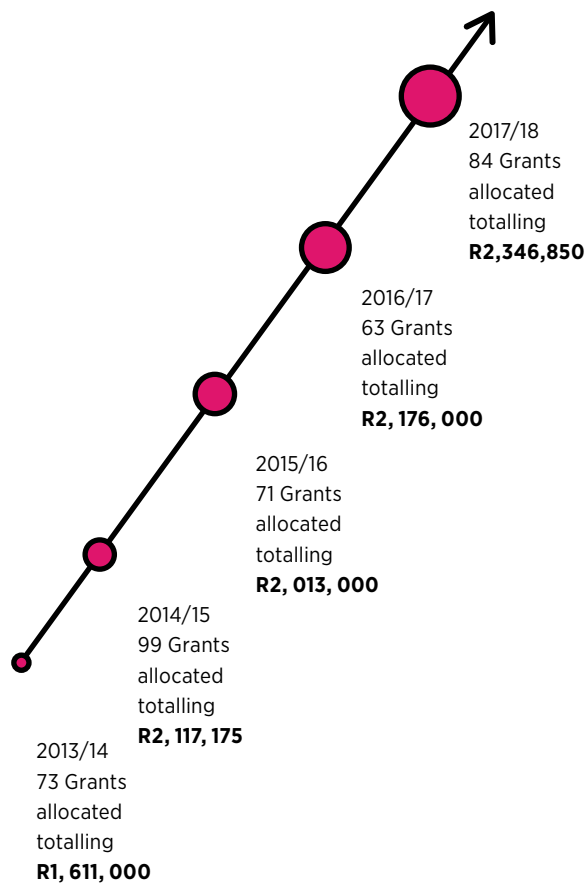
Special thanks were extended to everyone who has contributed to the growth and success of Business and Arts South Africa over the last two decades, including the Department of Arts and Culture, BASA board members, founding CEO Nicola Danby and founding Chair, Mary Slack. Acknowledgement was also given to all the businesses and art organisations that have supported and nurtured arts and culture in South Africa.



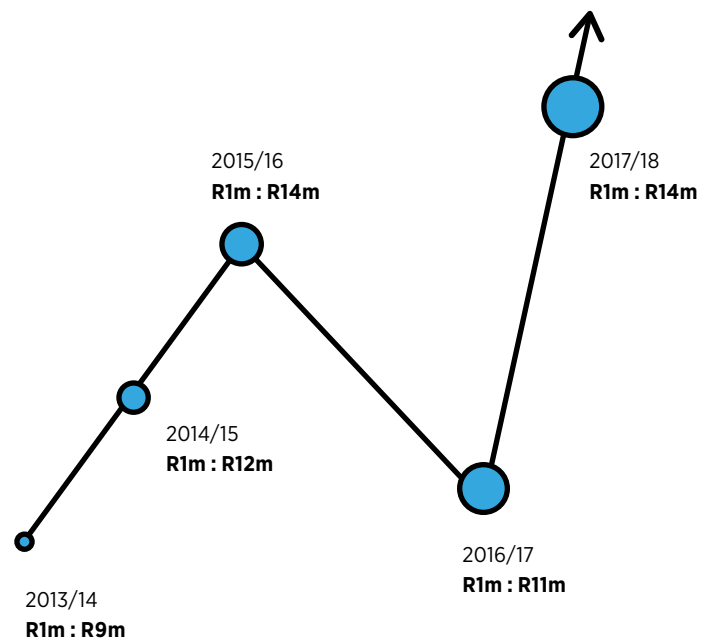
GRANTS AND REPORT BACK STATUS

FINANCIAL YEAR END 31 MARCH 2018

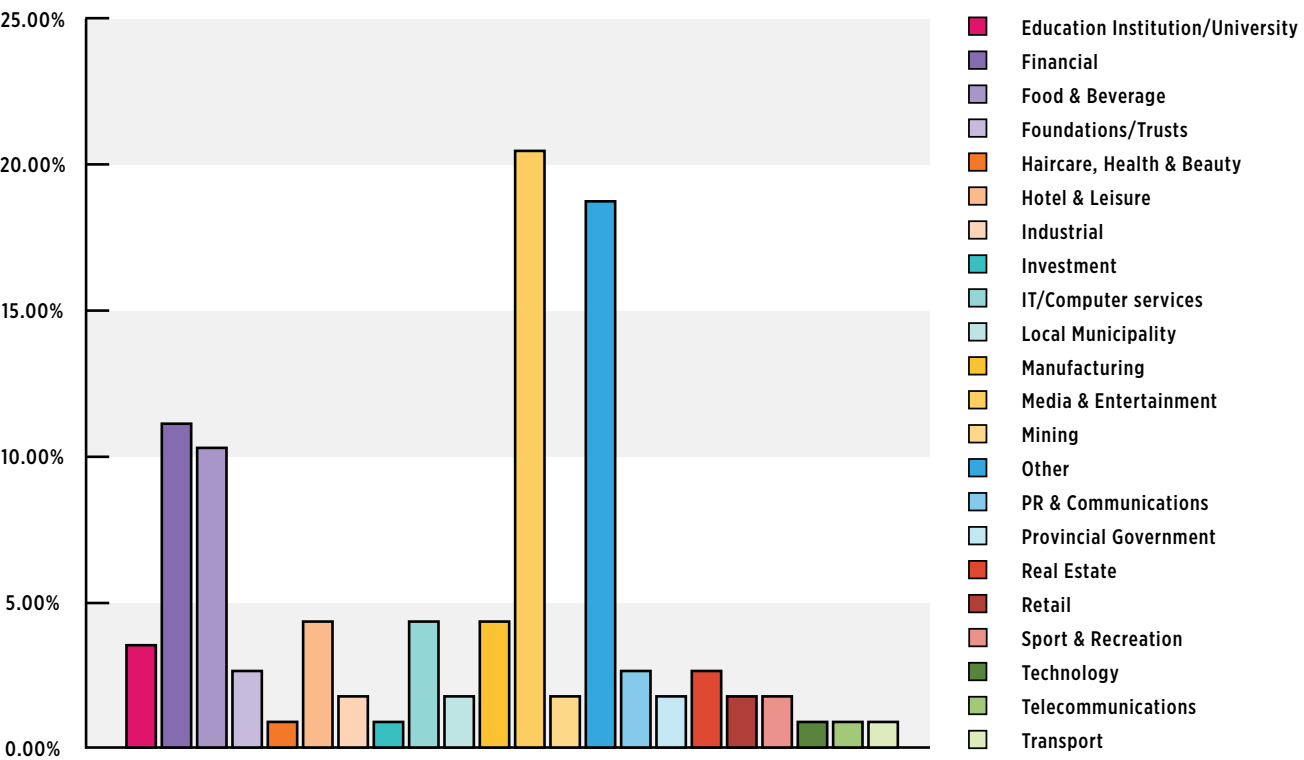
SUPPORTING GRANTS ALLOCATED



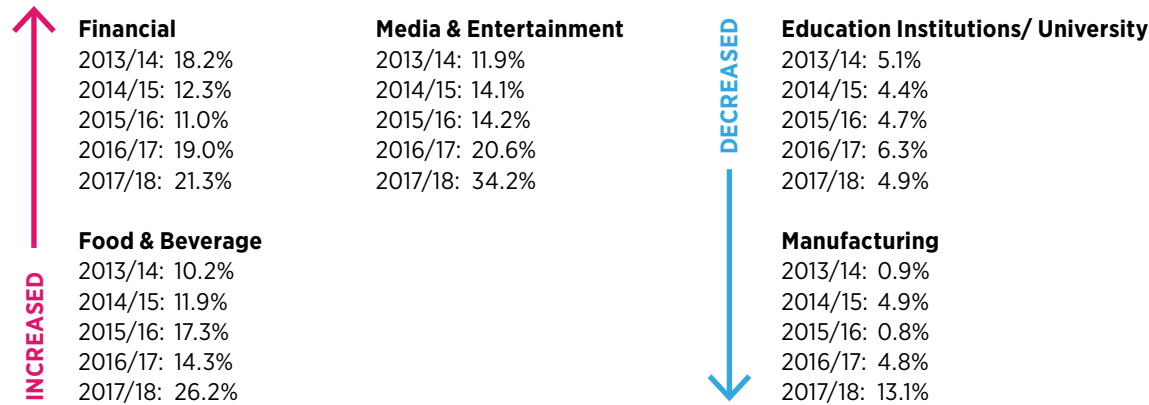
RATIO OF SUPPORTING GRANT SPEND TO CORPORATE SPEND LEVERAGED



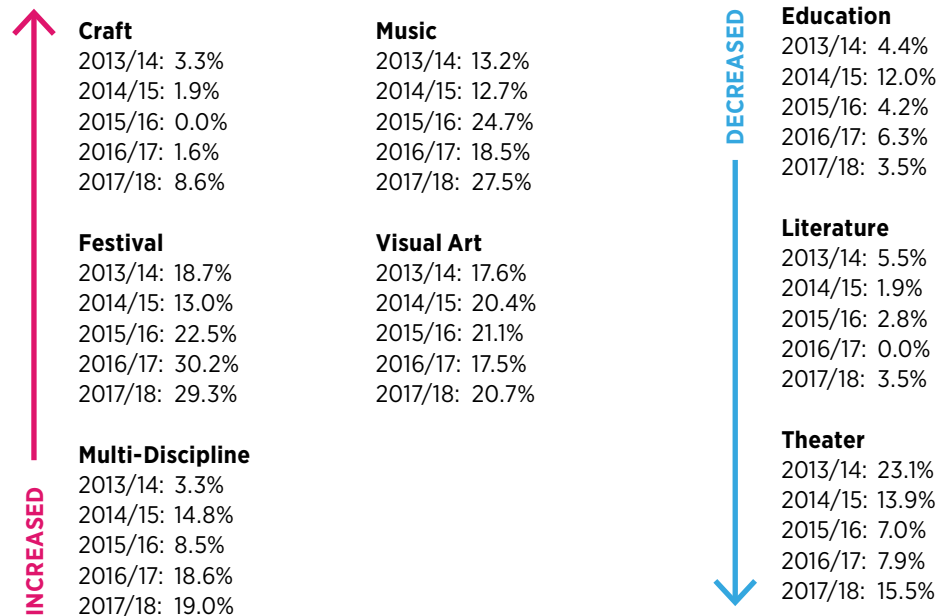
GRANTS BY BUSINESS SECTOR %



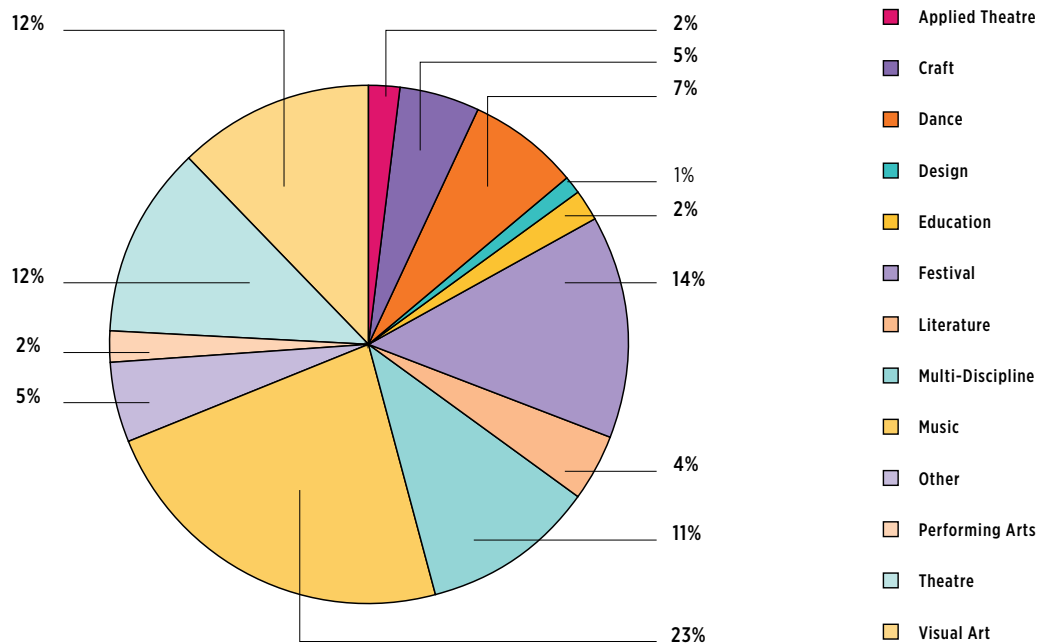
RECENT SUPPORTING GRANT FLUCTUATIONS IN MOST PREVALENT SPONSOR INDUSTRIES



SUPPORTING GRANT FLUCTUATIONS IN MOST SPONSORED ARTS DISCIPLINE

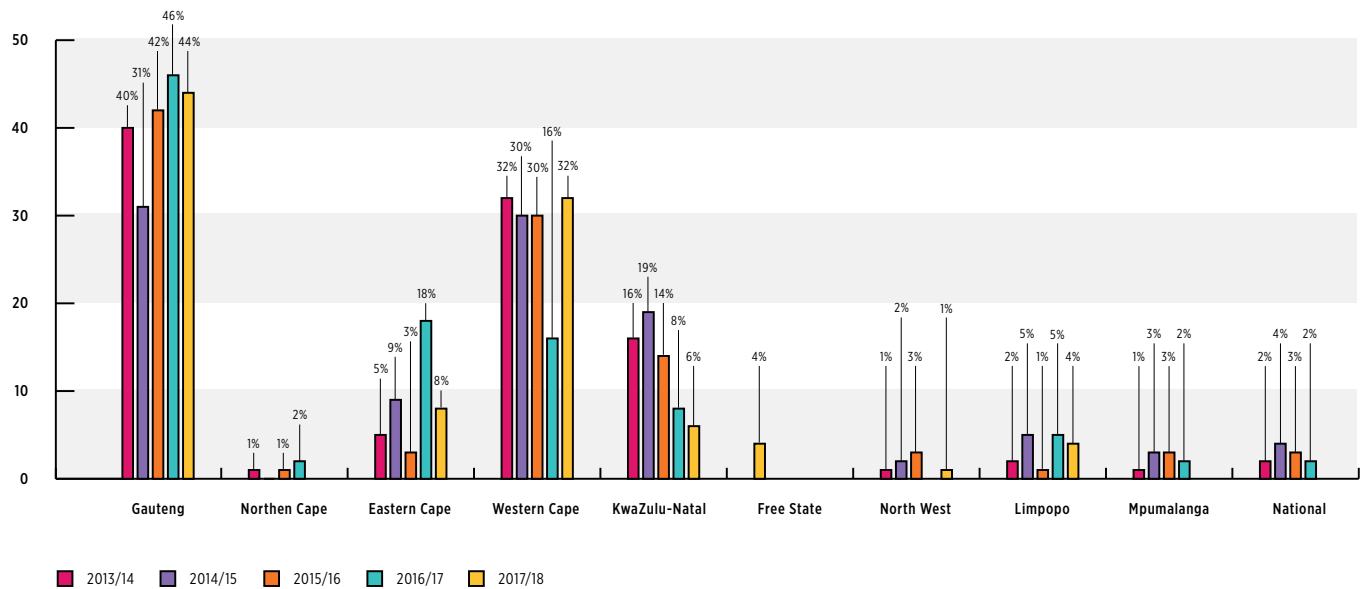


GRANTS BY ARTS DISCIPLINE %

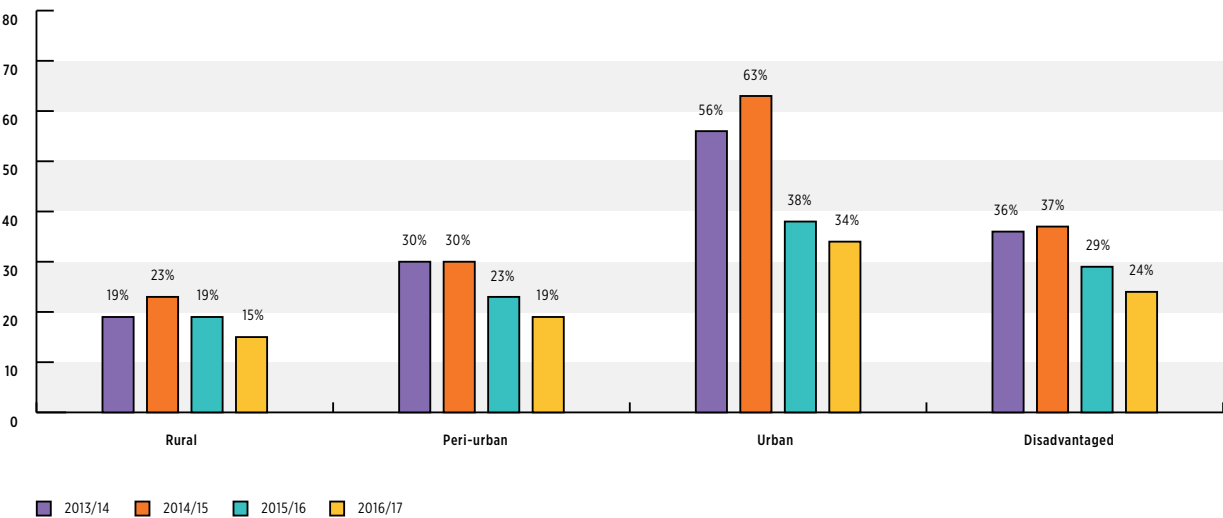


- Applied Theatre
- Craft
- Dance
- Design
- Education
- Festival
- Literature
- Multi-Discipline
- Music
- Other
- Performing Arts
- Theatre
- Visual Art

GRANTS BY PROVINCE %



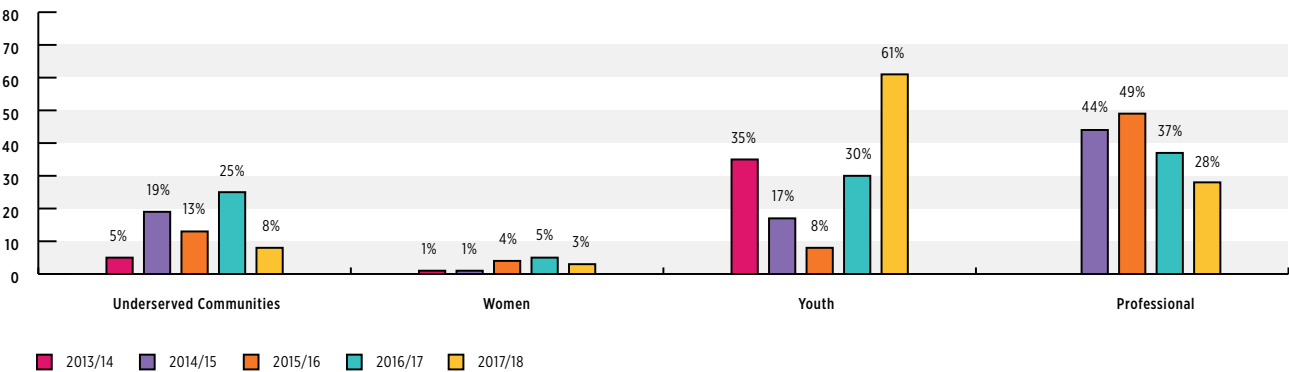
GRANTS BY AREA TYPE %



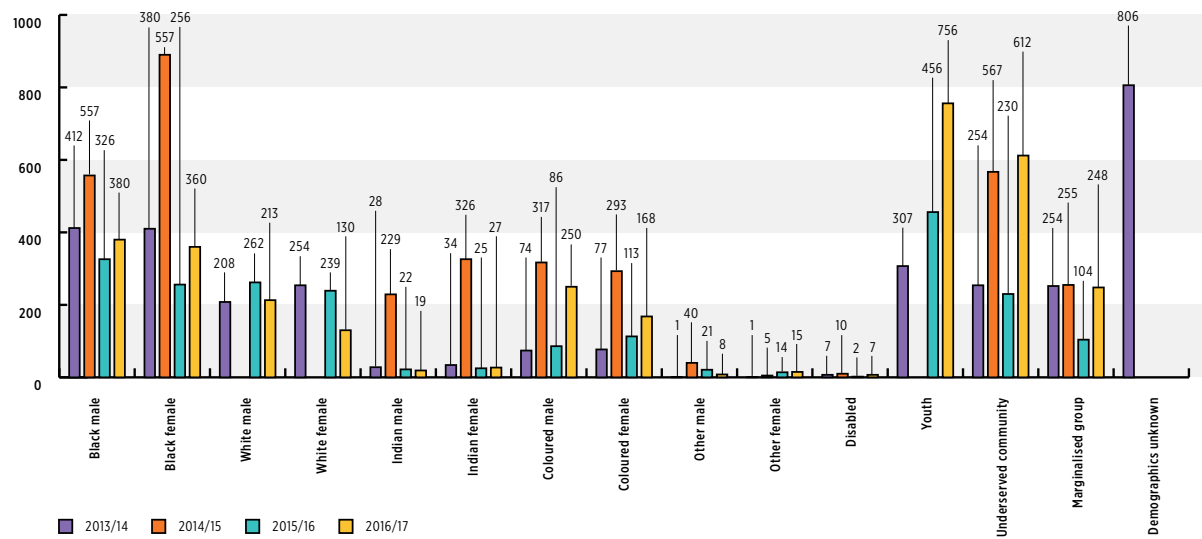
KEY DEVELOPMENT AREAS IMPACTED BY SUPPORTING GRANTS ALLOCATED

For clarity, we define underserved communities as communities that have historically been outside the purview of arts and humanities programmes due to factors such as a high incidence of income below the poverty line, geographic isolation (e.g. in a rural area), or special needs (such as language barriers), etc.

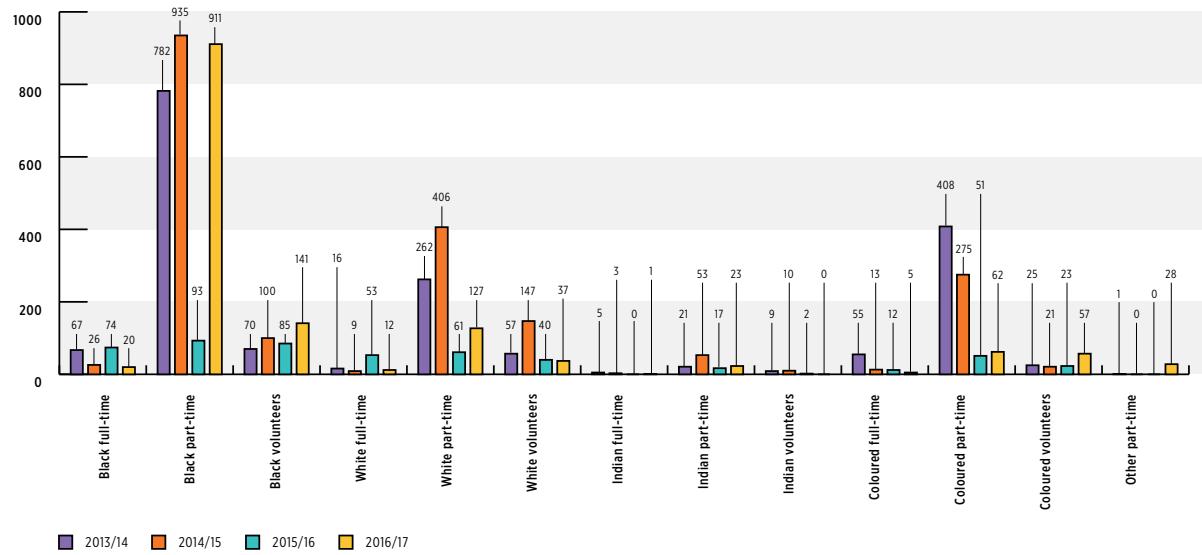
This as opposed to marginalised groups, which we define as groups facing exclusion from meaningful participation in society, such as ethnic minorities, individuals with physical or mental disabilities, sexual minorities, elderly people, young people, etc.



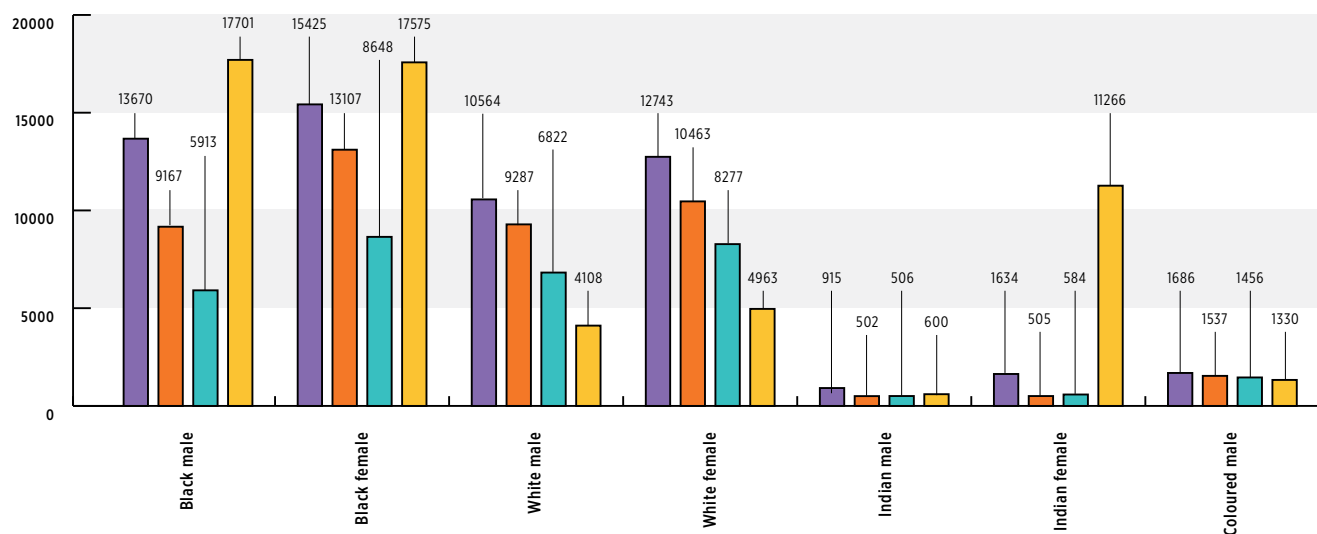
PROJECT STAFF EMPLOYED BY SUPPORTING GRANT RECIPIENTS ACCORDING TO REPORT BACKS



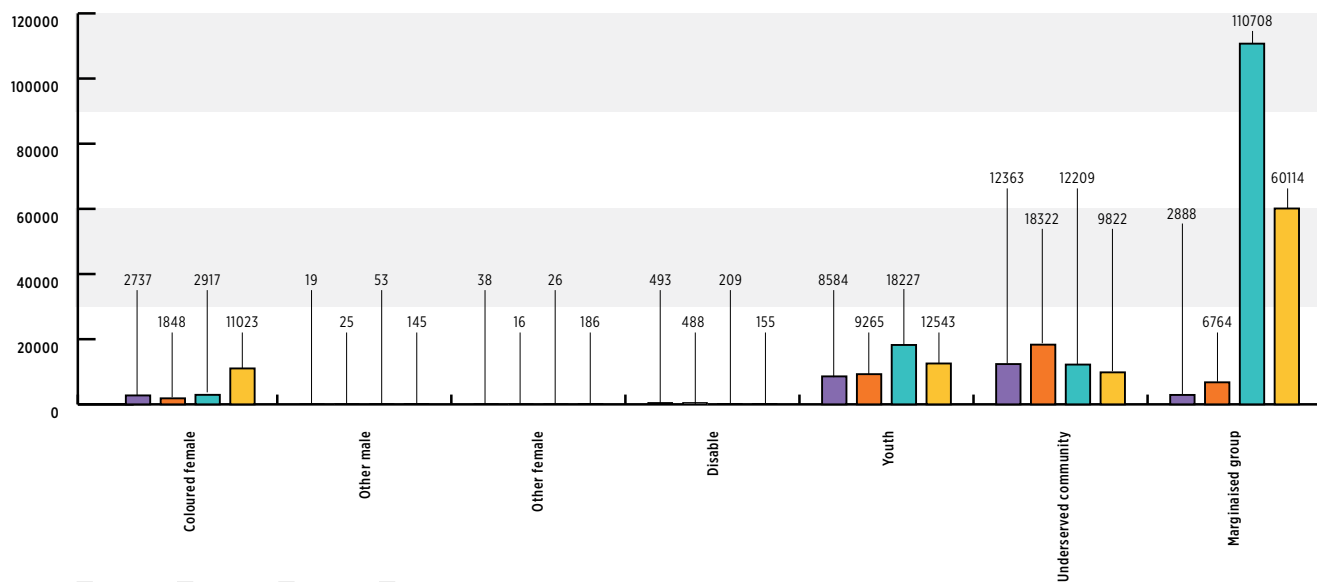
NEW STAFF APPOINTMENTS MADE BY SUPPORTING GRANT RECIPIENTS ACCORDING TO REPORT BACKS



AUDIENCE/PARTICIPANTS/DELEGATES REACHED BY SUPPORTING GRANT RECIPIENTS ACCORDING TO REPORT BACKS

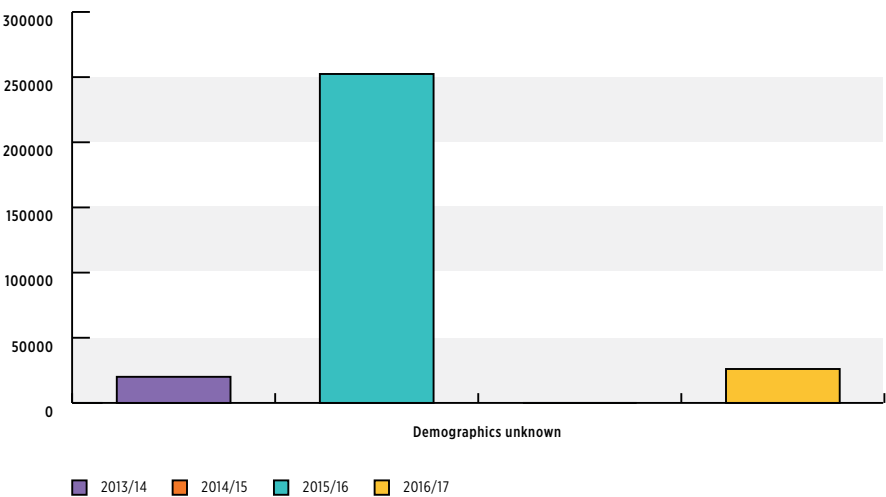


2013/14 2014/15 2015/16 2016/17



2013/14 2014/15 2015/16 2016/17

AUDIENCE/PARTICIPANTS/DELEGATES REACHED BY SUPPORTING GRANT RECIPIENTS ACCORDING TO REPORT BACKS - DEMOGRAPHICS UNKNOWN



TOTAL SUPPORTING GRANTS MADE AND TOTAL ACCRUED FOR THE YEAR ENDING 31 MARCH 2018
..... R2 346 850.00

SCHEDULE OF SPECIAL PROJECTS

FOR YEAR END
2017 – 2018



PROJECT	BASA Education Programmes
DESCRIPTION	This year the aim was to start consolidating the diverse programmes, finding ways to 'join the dots' and ensure systemic change as opposed to individual programmes. A stronger focus was placed on youth, the impact of technology, prioritising research and demonstrating value (including but not limited to economic value) as core concerns to secure the sustainability of the arts, as well as strengthening the capacity of arts and culture institutions.
PURPOSE	Through skills development, Business and Arts South Africa provides agency and access to the arts sector in order to support their engagement with the business sector. The Education Programmes include the Creating Opportunity for South Africa's Youth (COSY) Programme, DAC Debut Programme, Creative Market Growth Hub and the Business Exchange Programme.
DATE	On-going
AREA	National
AMOUNT	R250 000.00

PROJECT	BASA Research Colloquium, supported by Hollard
DESCRIPTION	Founding partner of Upstart Co-Lab – an organisation that connects the arts, impact investing and social entrepreneurship to create more opportunities for artist innovators to deliver social impact at scale, and New York-based Laura Callanan gave the keynote address. She spoke on Impact Investing in the Arts, a new area of business arts engagement. An impressive lineup of businesses, including Merrill Lynch, PPC, Hollard and Rand Merchant Bank also addressed the event, each presenting their business experience of being engaged with the arts in South Africa in a partnership of true, shared value. BASA's own research over 20 years, highlighting the successes and challenges in its international engagement and partnerships with other African countries was also on the agenda.
PURPOSE	Presenting twenty years of learnings, research and best practice by diverse business and arts partnerships, the arts as shared currency and the value of the arts to business and society are at the heart of what the Colloquium was about.
DATE	16 February 2018
AREA	Johannesburg, Gauteng
AMOUNT	R30 000.00

PROJECT	"Business of the Arts" - Business Day TV
DESCRIPTION	This weekly, five-minute television programme sought to showcase the arts in South Africa and provide business argument for corporate support of the arts. It also highlighted various events and profiled both new and established artists.
PURPOSE	To mainstream art and cultural activities, to encourage business to take-up opportunities within the arts, and to provide a potential value-add for BASA Corporate Members.
DATE	1 April 2017
AREA	National (DSTV)
AMOUNT	R69 091.00

PROJECT	Constitution Hill's Human Rights Festival
DESCRIPTION	The festival incorporates a robust programme involving social justice and human rights activists across all spectrums of society. BASA, along with other relevant arts bodies, had an interactive booth, which was clustered around the Social Forum. The key aim was to enhance participatory democracy through public policy dialogue, civil-society networking and strengthening the capacity of civil-society organisations.
PURPOSE	The Human Rights Festival is a symbolic commemoration of Human Rights Day, which pays homage to all those who lost their lives in the fight for democracy. The Constitution Hill precinct was once a notorious site of darkness, repression and human rights abuse but has now been transformed into a beacon of hope and a sight for the ultimate protector of our Constitutional Human Rights - the Constitutional Court. The festival is an acknowledgement of this milestone and celebrates the gains, while also highlighting what is still required towards the socio-economic emancipation of all in our country.
DATE	23 – 25 March 2018
AREA	Johannesburg, Gauteng
AMOUNT	R10 000.00

PROJECT	Kaya FM's "Kaya Bizz"
DESCRIPTION	This BASA feature takes place every Thursday evening at 17:20. The aim of the segment is to not only showcase those Business and Arts engagements undertaken by our corporate members, but to also promote the creative sector in its entirety. Topics explored include case studies of businesses partnering with arts initiatives to fulfil mandates aligned to either their Marketing objectives, as well as Corporate Social Responsibility. It is through this feature that BASA encourages valuable and equitable Business and Arts partnerships.
PURPOSE	To facilitate conversations that encourage business participation in the arts.
DATE	1 September 2017 – 31 August 2018
AREA	Gauteng (95.9 FM & through DSTV)
AMOUNT	R200 000.00

PROJECT	Market Theatre Foundation's Take a Child to the Theatre Campaign
DESCRIPTION	This year, the young audiences attended the production, Ngale KweNdlu, which translates to the other side of the house. The youth was led on a theatrical journey through the 122-year old heritage house at the Windybrow Arts Centre. The production, directed by Tamara Guhrs and Alex Halligey, delved into the history of the Windybrow – its imagined secrets, untold stories and fading memories.
PURPOSE	To ensure that children from the inner-city schools of Johannesburg can participate in the programme, be exposed to the rich legacy of the Windybrow Arts Centre and have an experience of the arts that will make them want to return to the theatre time and time again.
DATE	20 March 2018
AREA	Johannesburg, Gauteng
AMOUNT	R80 000.00

PROJECT	National Arts Festival
DESCRIPTION	<p>BASA supports various National Arts Festival Initiatives:</p> <ol style="list-style-type: none"> 1. The Cue Newspaper at the National Arts Festival, a focused, short term newspaper which provides a platform for the training of young arts journalists. 2. A partnership between the National Arts Festival (NAF) and Business and Arts South Africa (BASA), the Arts Journalism of the Year Awards recognise excellence in journalism that explores and celebrates the arts and creativity across a number of categories. The Awards invites submissions from media and freelancers across all genres of work that reports and reflects on the arts. Any piece of published or broadcast work that covers the arts sector, either as a news, review, photographic essay or a feature piece, is eligible – even if the work isn't carried in "traditional" arts sections. 3. Previous winners of Standard Bank Ovation Awards, which reward Fringe productions for innovation and creative excellence, are invited to participate in the ARENA programme. Presented by Business and Arts South Africa, this award-winners' playground included productions spanning theatre, music, as well as dance and physical theatre.
PURPOSE	<ol style="list-style-type: none"> 1. To create a vehicle for the practical training of arts journalists. 2. The Arts Journalism of the Year Awards were designed to highlight media within the South African landscape who are engaging with the arts in critical and ground-breaking new ways. 3. Highlighting innovation and creative excellence.
DATE	29 June – 9 July 2017
AREA	Grahamstown, Eastern Cape
AMOUNT	R300 000.00

PROJECT	Strengthening DAC Entity Councils
DESCRIPTION	<p>BASA, in partnership with the DAC and supported by the First Rand Foundation (FRF), is currently working on a programme to strengthen the capacity and processes of the councils of DAC state owned entities. The Cultural Policy and Management Division at the Wits School of Arts, under the leadership of Avril Joffe, was commissioned to do baseline research of all 25 DAC institutions with regards to the challenges and opportunities in their councils. Once the baseline research was completed, a pilot series of capacity building workshops was rolled out. The workshops got underway on June 20th 2017 with the Institute of Directors of South Africa (IoDSA) giving a workshop on board/ council member duties and liabilities. This was followed by the Wits Centre for Cultural Policy and Management's workshop on June 21st 2017, which looked at trends, value and the role of arts and culture in society, as well as the value that culture creates may be understood, measured and evaluated. Based on the research findings and recommendations, as well as feedback from the pilot workshop series, a toolkit was developed for all DAC entities to use as a basic guide both for induction and regular ongoing practice.</p>
PURPOSE	<p>The toolkit and pilot workshops could potentially inform further workshops and interventions going forward (outside of the ambit of this project). In addition to this, we are exploring the possibility of creating a sector wide practice note in alignment with the King IV Report with the IoDSA. BASA and the DAC are working together to develop a Cultural Institutions Governance Framework.</p>
DATE	On-going
AREA	National
AMOUNT	R292 607.00

PROJECT	The Magnet Theatre's Full Time Training and Job Creation Programme
DESCRIPTION	The training offers a carefully structured programme to twenty talented performers in each two-year cycle. There are classes in play, imagination, physical theatre, voice, dance, singing, improvisation and play making. There are also organised visits to the theatre to expose the groups to mainstream and community performance, and they are placed in work shadow in various aspects of the theatre industry. The participants are encouraged to maintain their connection with their communities and with their groups.
PURPOSE	The programme caters for youth who struggle to be absorbed into training at University and it helps bridge the divide between the community and the University. Where this is not possible, it is to provide skills, expertise and a sense of direction to talented, marginalised youth so that they might become employable in the creative industries. The broad intention is of transforming the theatre industry from one that is white dominated to one that is more inclusive.
DATE	On-going
AREA	Cape Town, Western Cape
AMOUNT	R50 000.00

PROJECT	Ukwanda Puppet and Design Art Collective
DESCRIPTION	Ukwanda Puppet and Design Art Collective was developed through the mentorship of Handspring Puppet Company, supported by the Centre for Humanities Research at the University of the Western Cape. Ukwanda, formally known as Masiphumelele Youth Development, was started in 2010. Since its inception, it has grown into a collective of young artists, designers, writers, producers, facilitators and constructors who each play an integral role in this skilled team of puppeteers.
PURPOSE	The initiative is a group of young, vibrant and dedicated developers who use the medium of puppetry arts as the basis of engaging on their artistic direction and socio-development portfolio.
DATE	On-going
AREA	Cape Town, Western Cape
AMOUNT	R45 000.00

**TOTAL SPECIAL PROJECTS MADE FOR THE YEAR
ENDING 31 MARCH 2018 R1 326 698.00**



ANNUAL FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF BUSINESS AND ARTS SOUTH AFRICA

We have audited the annual financial statements of BUSINESS ARTS OF SOUTH AFRICA NPC set out on pages 32 to 51, which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of BUSINESS ARTS OF SOUTH AFRICA NPC as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities

under those standards are further described in the Auditor's responsibilities for the audit of the annual financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and

the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures

that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



MJ ROSSOUW CA(SA), RA
MIDDEL & PARTNERS CA (SA)

20 June 2018

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act, 71 of 2008 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of

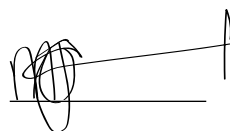
risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 March 2019 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 32-33.

The annual financial statements set out on pages 32 to 51, which have been prepared on the going concern basis and the directors' report on page 35, were approved by the board of directors on 20 June 2018 and were signed on their behalf by:

A stylized, handwritten signature in black ink, consisting of a large, loopy 'M' and 'C' followed by a horizontal line and a small upward tick.

MJ Constant

Johannesburg

7 July 2017

A stylized, handwritten signature in black ink, featuring a large, sweeping 'A' and 'L' followed by a horizontal line and a small upward tick.

AS Le Roux

DIRECTORS' REPORT

The directors have a pleasure in submitting their report on the annual financial statements of Business and Arts South Africa NPC for the year ended 31 March 2018.

1. NATURE OF BUSINESS

The company is engaged in the promoting and development of partnerships between the private sector and the arts and operates principally in South Africa. There has been no material changes to the nature of the company's business from the prior year.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in this annual financial statements

3. DIRECTORS

The directors in office at the date of this report are as follows:

DIRECTORS IN THE OFFICE

MJ Constant **Chief Executive Officer**
HL Bosman
RAC Cock Resigned – 16 August 2017
M Langa
H Lawler
AS Le Roux **Chairman**
K Mamba
GV Mariano
D Moors
CA Nolte
MM van der Spuy **Deputy Chairperson**
MW van der Want Resigned – 24 July 2017

PG Walters

C Soobramoney..... **Appointed – 27 November 2017**

AO Yacoob..... **Appointed – 27 November 2017**

4. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material event, which occurred after the reporting date and up to the date of this report.

5. GOING CONCERN

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which, may affect the company.

6. AUDITORS

Middel and Partners are the auditors in accordance with section 90 of the Companies Act of South Africa.

7. SECRETARY

The company had no secretary during the year.

8. NON-CURRENT ASSETS

Refer to note 1 and 2 for additions to non-current assets of the company during the year.

9. CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is Ms. Michelle Constant

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

FIGURES IN RAND	NOTES	2018	2017 RESTATED
ASSETS			
Non-Current Assets			
Plant and equipment	1	341 766	432 128
Intangible assets	2	192 389	94 649
		534 155	526 777
Current Assets			
Trade and other receivables	3	414 532	253 792
Cash and cash equivalents	4	9 848 387	10 833 628
		10 262 919	11 087 420
TOTAL ASSETS		10 797 074	11 614 197
EQUITY AND LIABILITIES			
Equity			
Accumulated surplus		4 279 889	4 546 023
Liabilities			
Current Liabilities			
Trade and other payables	5	1 749 783	1 744 156
Income received in advance	6	210 993	274 788
Internship and Mentoring Fund	7	121 731	290 745
Education Programme funds	8	1 069 150	511 972
DAC Debut Programme	9	2 161 216	2 968 000
First Rand Foundation - Research	10	699 121	501 288
Educational Funds - NLDTF	11	350 319	622 353
BASA - Mozambique	12	154 872	154 872
		6 517 185	7 068 174
TOTAL EQUITY AND LIABILITIES		10 797 074	11 614 197

STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN RAND	NOTES	2018	2017 RESTATED
Revenue	13	5 109 675	4 025 146
Other income	14	1 069 427	1 268 433
Operating expenses		(7 230 010)	(6 200 123)
Operating deficit	15	(1 050 908)	(906 544)
Investment revenue	16	785 483	721 823
Finance costs	17	(709)	(596)
Deficit surplus for the year		(266 134)	(185 317)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE (DEFICIT) SURPLUS FOR THE YEAR		(266 134)	(185 317)

STATEMENT OF CHANGES IN EQUITY

FIGURES IN RAND	NOTES	ACCUMULATED SURPLUS	TOTAL EQUITY
BALANCE AT 1 APRIL 2016		4 602 128	4,602,128
Prior period error	25	129 212	129,212
BALANCE AT 1 APRIL 2016 – RESTATED		4 731 340	4 731 340
Deficit for the year		(185 317)	(185,317)
Other comprehensive income		-	-
Total comprehensive loss for the year – restated		(185 317)	(185,317)
BALANCE AT 1 APRIL 2017 – RESTATED		4 546 023	4 546 023
Deficit for the year		(266 134)	(266 134)
Other comprehensive income		-	-
Total comprehensive loss for the year		(266 134)	(266 134)
BALANCE AT 31 MARCH 2018		4 279 889	4 279 889

STATEMENT OF CASH FLOWS

FIGURES IN RAND	NOTES	2018	2017 RESTATED
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in generated from operations	19	(1 148 244)	(1 396 671)
Interest income		785 483	721 823
Finance costs		(709)	(596)
Net cash (used in) generated from operating activities		(363 470)	(675 444)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment	1	-	(337 047)
Purchase of intangible assets	2	(128 950)	(94 649)
NET CASH FROM FINANCING ACTIVITIES		(128 950)	(431 696)
Movement in research funds - BASA Africa: Mozambique		-	-
Movement in research funds - NLDTF		(272 034)	580 000
Movement in Internship and Mentoring Fund		(169 014)	(52 650)
Movement in First Rand Foundation Research		197 833	(183 712)
Movement in DAC Debut Programme		(806 784)	2 968 000
Movement in Education Programme		557 178	(343 565)
Net cash from financing activities		(492 821)	2 968 073
Total cash movement for the year		(985 241)	1 860 933
Cash at the beginning of the year		10 833 628	8 972 695
TOTAL CASH AT END OF THE YEAR	4	9 848 387	10 833 628

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

2. KEY SOURCES OF ESMITATION UNCERTAINTY

Management made an estimation for which there is a significant risk of material adjustments as a result of the key estimation assumptions.

Useful lives of property, plant and equipment and intangible asset

Management asses the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives are determined based on BASA's replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

3. PLANT AND EQUIPMENT

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the plant and equipment as follows:

Item	Depreciation method	Average useful life
Leasehold improvements	Straight line	4 years
Computer equipment	Straight line	6 years
Furniture and fittings	Straight line	10 years
Office equipment	Straight line	10 to 20 years

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate. When the expectations differ from previous estimate, the change is accounted for as a change in accounting estimate.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Changes in accounting policies are applied retrospectively and are applied consistently through the company and shall be disclosed as follows:

- The nature of the accounting policy;
- The reasons for applying the new accounting policy; and
- To the extent practicable, the amount of the adjustment for each line item affected.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

4. INTANGIBLE ASSET

Intangible asset is initially measured at cost less any accumulated amortisation and any accumulated impairment losses. The depreciable amount of an intangible asset is allocated on a systematic basis over the useful life as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	6 years

The amortisation period and the amortisation method for intangible assets are reviewed every year-end.

5. FINANCIAL INSTRUMENTS

INITIAL RECOGNITION

The entity classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised on the entity's statement of financial position when the entity becomes party to contractual provisions of the instrument

Financial instruments recognised on the statement of financial position include trade and other receivables, cash and cash equivalents and trade and other payables and other financial assets and liabilities.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method less any impairment. Impairment is determined on a specific basis, whereby each asset is individually assessed for impairment indicators. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

6. REVENUE

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Stage of completion is determined by surveys of work performed.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

7. MEMBERSHIP FEES

Membership fees consist of fees paid for annual corporate membership of the company and are recorded in revenue during the relevant year to which fees apply.

Fees apply for one year from the date on which the money for the membership is received.

Amount received for membership fees, which are not applicable to the current financial year will be classified as current liabilities.

8. GOVERNMENT GRANTS

Government grants are recognised when there is reasonable assurance that:

- the company complied with the conditions attached to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

Amounts received from government and other grants, which did not meet the conditions for the specific grant will be recognised as a current liability.

9. EMPLOYEE BENEFITS

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

10. LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee.

All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

11. IMPAIRMENT OF ASSETS

The recoverable amounts of cash generating units and individual assets have been determined based on the higher of value in use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustments

to the carrying value of goodwill and tangible assets.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including economic factors such as exchange rates, inflation interest, etc.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. PLANT AND EQUIPMENT

	2018			2017 - RESTATED		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Artworks	5 458	-	5 458	5 458	-	5 458
Computer equipment	249 239	(126 709)	122 530	259 581	(108 721)	150 860
Furniture and fittings	271 133	(154 696)	116 437	271 133	(129 011)	142 122
Leasehold improvements	138 068	(66 633)	71 435	138 068	(32 116)	105 952
Office equipment	37 894	(11 988)	25 906	37 894	(10 158)	27 736
TOTAL	701 792	(360 026)	341 766	712 134	(280 006)	432 128

Reconciliation of plant and equipment - 2018

	Opening balance	Additions	Disposals	Depreciation	Total
Artworks	5 458	-	-	-	5 458
Computer equipment	150 860	-	-	(28 330)	122 530
Furniture and fixtures	142 122	-	-	(25 685)	116 437
Leasehold improvements	105 952	-	-	(34 517)	71 435
Office equipment	27 723	-	-	(1 817)	25 906
TOTAL	432 115	-	-	(90 349)	341 766

Reconciliation of plant and equipment - 2017 - restated

	Opening balance	Additions	Disposals	Depreciation	Total
Artworks	5 458	-	-	-	5 458
Computer equipment	36 379	143 021	(2 206)	(26 334)	150 860
Furniture and fixtures	112 221	53 310	-	(23 409)	142 122
Leasehold improvements	-	138 068	-	(32 116)	105 952
Office equipment	26 771	2 648	-	(1 683)	27 736
TOTAL	180 829	337 047	(2 206)	(83 542)	432 128

2. INTANGIBLE ASSETS

	2018			2017 - RESTATED		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer Software	223 599	(31 210)	192 389	94 649	-	94 649
TOTAL	223 599	(31 210)	192 389	94 649	-	94 649

Reconciliation of intangible assets – 2018

	Opening balance	Additions	Disposals	Depreciation	Total
Computer Software	94 649	128 950	-	(31 210)	192 389
TOTAL	94 649	128 950	-	(31 210)	192 389

Reconciliation of intangible assets – 2017 - restated

	Opening balance	Additions	Disposals	Depreciation	Total
Computer Software	-	94 649	-	-	94 649
TOTAL	-	94 649	-	-	94 649

No amortisation for 2017 was recognised as software was purchased but not ready for use.



3. TRADE AND OTHER RECEIVABLES

	2018	2017 RESTATED
Accounts receivable	173 471	129 663
Prepayments	22 897	-
Rent deposits	60 000	60 000
VAT	158 164	253 792
TOTAL	414 532	253 792

The directors determine that the carrying value of trade and other receivables approximates its carrying value.

4. CASH AND CASH EQUIVALENTS

	2018	2017 RESTATED
Bank balances	5 315 128	6 597 630
Short-term deposits	4 533 259	4 235 998
TOTAL	9 848 387	10 833 628

In a sustainability initiative, the Board has decided to invest R4,533,259 (2017: R4,235,998) million in an investment account with Standard Bank Limited.

- The directors determine that the carrying value of cash and cash equivalents approximates its carrying value.

5. TRADE AND OTHER PAYABLES

	2018	2017
Accruals	64 151	1 380
Accrued audit fees	102 000	145 000
Accrued leave pay	110 094	97 721
Other payables	278 630	209 352
Supporting grants approved but not yet paid out	1 041 350	465 950
Trade payables	153 558	824 753
TOTAL	1 749 783	1 744 156

The directors determine that the carrying value of trade and other payables approximates its carrying value.

6. INCOME RECEIVED IN ADVANCE

	2018	2017 RESTATED
Membership fees	210,993	274,788
TOTAL	210,993	274,788

Membership fees received in advance during the reporting period which, relates to future periods.

7. INTERNSHIP AND MENTORING FUND

	2018	2017
Opening balance	290 745	343 395
Total receipts	-	120 000
Total allocations	(169 014)	(172 ,650)
CLOSING BALANCE	121 731	290 745

Funding of the projects in the current and prior year was provided by RMB - a division of FirstRand Bank Limited.

8. EDUCATION PROGRAMME

	2018	2017
British Council grant	318 788	126 598
Other	234 035	28 226
RMB grant	516 327	315 482
City of Cape Town	-	41 666
TOTAL	1 069 150	511 972
Opening balance	511 972	855 537
Total receipts	1 224 049	718 020
Total allocations	(666 871)	(1 061 585)
TOTAL	1 069 150	511 972

Funding of the projects in the current year was provided as follows:

- RMB Grant for the scale Up Project – 3 year project.
- British Council for the Own Your Mark Project and COSY project.
- British Council for Ethiopia project.

9. DAC DEBUT PROGRAMME

	2018	2017
Opening balance	2 968 000	-
Total receipts	-	3 000 000
Total allocations	(806 784)	(32 000)
CLOSING BALANCE	2 161 216	2 968 000

10. FIRST RAND FOUNDATION - RESEARCH

	2018	2017
Opening balance	501 288	685 000
Total receipts	350 000	-
Total allocations	(152 167)	(183 712)
CLOSING BALANCE	699 121	501 288

Two grants received in the current year from FRF, grant number 37482 and grant number 36915.

11. EDUCATION FUNDS - NLDTF

	2018	2017
Opening balance	622 353	42 353
Total allocations	-	580 000
Total receipts	(272 034)	-
CLOSING BALANCE	350 319	622 353

12. BASA AFRICA - MOZAMBIQUE

Opening balance	154 872	154 872
	-	-
Total allocations	-	-
CLOSING BALANCE	154 872	154 872

13. REVENUE

Grant received - Department of Arts and Culture	8 456 000	8 053 000
Other grants received	376 041	106 273
Special projects	(1 326 698)	(2 075 627)
Supporting grants made	(2 395 668)	(2 058 500)
TOTAL	5 109 675	4 025 146

14. OTHER INCOME

BASA Awards Income	435 000	602 632
Membership fees	581 494	648 362
Sundry income	25 014	15 860
Ticket sales	27 919	1 579
TOTAL	1 069 427	1 268 433

15. OPERATING DEFICIT

BASA awards income	435 000	602 632
Depreciation and amortisation	121 559	83 542
• historically	134 731	86 618
• effect on change in estimates	(13 172)	(3 076)
Employee costs	2 871 004	2 858 424
Lease rentals		
• Buildings	404 402	368 215
• Equipment	14 066	14 735
Loss on disposal of assets	-	2 206

16. INVESTMENT REVENUE

	2018	2017 RESTATED
Interest revenue bank	785 483	721 823

17. FINANCE COSTS

	2018	2017 RESTATED
Interest paid	709	596

18. AUDITOR'S REMUNERATION

	2018	2017
Audit fee - current year	102 000	143 600
Tax and secretarial services	23 450	12 250
Dipstick audits	500	14 946
TOTAL	125 950	170 796

19. CASH (USED IN) GENERATED FROM OPERATIONS

	2018	2017 RESTATED
Deficit before taxation	(266 134)	(185 317)
Adjustments for		
Depreciation	121 572	83 542
Interest received	(785 483)	(721 823)
Loss on disposal of assets	-	2 206
Finance costs	709	2 206
Changes in working capital		
Trade and other receivables	(160 740)	(52 026)
Trade and other payables	5 627	(458 976)
Income received in advance	(63 795)	(64 873)
TOTAL	(1 148 244)	(1 396 671)

20. COMMITMENTS

Operating leases – as lessee (expense)

	2018	2017 RESTATED
Minimum lease payment due within one year	532 997	397 182
In second to fifth year inclusive	-	532 997
TOTAL	532 997	930 179

The lease terms have been renegotiated subsequent to year end. The agreement makes provision for rental escalation of 7% per annum. The lease was signed on 1 July 2016 and expires at the end of June 2019. The lease period was extended in the current year with one year period.

21. RELATED PARTIES

Relationships

Directors Refer to directors' report
Richard Cock Music Enterprise (RCME) invoiced BASA for services rendered at a BASA event.

Related party balances and transactions with entities with control, joint control or significant influence over the company

RELATED PARTY TRANSACTIONS

	2018	2017
FUNDING GIVEN TO RELATED PARTIES		
Richard Cock Music Enterprise	82 296	67 096
COMPENSATION TO DIRECTORS AND OTHER KEY MANAGEMENT		
CHIEF EXECUTIVE OFFICER'S REMUNERATION FOR MANAGERIAL SERVICES	1 303 979	1 200 730

22. GOVERNMENT GRANTS

An amount of R8,456,000 (2017: R8,053,000) was granted to the company by The Department of Arts and Culture.

This grant covers the financial year to 31 March 2018.

The company is obliged to use the funds by way of grants and for the purpose set out in its Memorandum of

Association. Grants are received in instalments and are recognised in the revenue during the relevant financial year.

2018/2019 - R8,946,000 2019/2020 - R9,447,000 2020/2021 - R9,976,000

23. FINANCIAL INSTRUMENTS DISCLOSURE

Financial assets by category

2018	LOANS AND RECEIVABLES	TOTAL
	Trade and other receivables	173 471
	Cash and cash equivalents	9 848 437
		343 395
		120 000
2017	LOANS AND RECEIVABLES	TOTAL
	Trade and other receivables	129 663
	Cash and cash equivalents	10 833 628
		129 663
		10 833 628

23. FINANCIAL INSTRUMENTS DISCLOSURE

Financial liabilities by category

2018	FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
	Trade and other payables	708 433
		708 433

2017	FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
	Trade and other payables	1 278 206
		1 278 206

24. GOING CONCERN

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance operations and the realization of assets and settlement of liabilities, contingent obligation and commitments will occur in the ordinary course of business.

The directors believe the company has adequate financial resources to continue with operations for the foreseeable future and accordingly the financial statements have been prepared on the going concern. The directors are satisfied that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash flow requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are not aware of any material non-compliance with statutory or regulatory requirements or any pending changes to legislation, which may affect the company.

25. PRIOR PERIOD ERROR

The prior period error relates to change in accounting policy of certain categories of property, plant and equipment. As a result the accumulated depreciation and the depreciation per year was revisited and corrected (prior to 2017).

		2018	2017
Retained earnings	Increased	-	(129 212)
Accumulated depreciation: Computer equipment	Decreased	-	23 925
Accumulated depreciation: Office equipment	Decreased	-	6 123
Accumulated depreciation: Furniture & Fittings	Decreased	-	99 164

The prior period error relates to assets on the asset register, which were no longer in use. As a result these assets were scrapped. All these assets were already completely depreciated (prior to 2017).

				2018	2017
Cost: Computer equipment		Decreased	-	(25 057)	
Accumulated depreciation: Computer equipment		Decreased	-	25 057	
Cost: Office equipment		Decreased	-	(54 992)	
Accumulated depreciation: Office equipment		Decreased	-	54 992	
Cost: Furniture and fittings		Decreased	-	(39 089)	
Accumulated depreciation: Furniture & Fittings		Decreased	-	39 089	

The Prior period error relates to the change in accounting policy of certain categories of property, plant and equipment. As a result the accumulated depreciation and the comparative depreciation charge for the prior year was affected (for 2017).

			2018	2017
Depreciation: Computer expense	Decreased	-	(9 065)	
Depreciation: Office equipment	Decreased	-	(2 919)	
Depreciation: Furniture & fittings	Decreased	-	(8 909)	
Accumulated depreciation: Computer expense	Decreased	-	9 065	
Accumulated depreciation: Office equipment	Decreased	-	2 919	
Accumulated depreciation: Furniture & Fittings	Decreased	-	8 909	
Cost: Computer equipment	Decreased	-	(6 700)	
Accumulated depreciation: Computer equipment	Decreased	-	4 494	
Disposal with sale of asset	Increased	-	2 206	

The prior period error relates to reclassification of computer equipment to intangible assets (for 2017).

			2018	2017
Computer software (intangible asset)	Increased	-	94 649	
Computer equipment	Decreased	-	(94 649)	

The prior period error relates to reclassification of debtors that does not qualify to the recognition criteria of debtors (for 2017).

			2018	2017
Income received in advance	Decreased		-	163 284
VAT	Increased		-	22 860
Trade receivables	Decreased		-	(186 144)

25. PRIOR PERIOD ERROR - CONTINUED

SUMMARY OF PRIOR PERIOD ERROR CORRECTION	2018	TOTAL
Bank and cash	-	186 166
Retained earnings	-	(129 212)
Plant and equipment	-	53 250
Intangible assets	-	94 649
Trade and other receivables	-	(163 284)
Income received in advance	-	163 284
Bank and cash	-	186 166
Depreciation and amortisation	-	(20 893)
Investment income	-	(186 166)
Loss on disposal of assets	-	2 206
Interest received	-	(186 166)



UNAUDITED SUPPLEMENTARY SCHEDULE

- DETAILED INCOME STATEMENT

FIGURES IN RAND	NOTES	2018	2017 RESTATED
REVENUE			
Grant received - Department of Arts and Culture		8 456 000	8 053 000
Other grants received		376 041	106,273
Special projects		(1 326 698)	(2 075 627)
Supporting grants made		(2 395 668)	(2 058 500)
	13	5 109 675	4 025 146
OTHER INCOME			
BASA Awards income		435 000	602 632
Interest revenue		785 483	721 823
Membership fees		581 494	648 362
Sundry income		25 014	15 860
Ticket sales		27 919	1 579
TOTAL INCOME		1 854 910	1 990 256
OPERATING EXPENSES			
Accounting fees		(230 040)	(190 605)
Auditors remuneration	18	(125 950)	(170 796)
Award ceremony expenses		(1 477 831)	(953 229)
Bank charges		(21 984)	(16 571)
Computer expenses		(244 364)	(198 337)
Consulting and professional fees		(308 663)	(115 578)
Depreciation		(119 729)	(83 542)
Employee costs		(2 871 004)	(2 858 424)
Entertainment and refreshments		(17 056)	(33 473)
General expenses		(216 227)	(75 465)
Insurance		(31 986)	(26 612)
Lease rentals on operating leases (rent and utilities)		(418 468)	(445 525)
Legal expenses		(2 583)	-
Legal expenses		-	(2 206)
Marketing		(147 088)	(158 642)
Member events		(435 314)	(279,799)
Postage and courier		(31 185)	(30 108)
Printing and stationery		(26 585)	(166 481)
Publicity		(293 472)	(73 695)
Security		(24 96)	(15 093)
Storage		(3 200)	(25 375)
Subscriptions		(4 340)	(5 413)
Telephone and fax		(30 872)	(72 171)
Training		(41 966)	(13 000)
Travel - local		(91, 531)	(121 289)
Travel - overseas		(14 176)	(68 694)
		(7 230 010)	(6 200 123)
OPERATING (DEFICIT) SURPLUS	15	(264 425)	(184 721)
Finance costs	17	(709)	(596)
(DEFICIT) SURPLUS FOR THE YEAR		(266 134)	(185 317)



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NUOVO IT Support Services
Old Mutual
Paramount Promotions
Pieter Toerien Productions
PPC Cement
Prosound
Public Affairs Research Institute (PARI)
Purple Group Limited
Rand Merchant Bank
Redefine Properties
REDISA
SA Taxi Foundation
Sabvest Limited
SAFFCA
SAMRO
Sanlam Ltd
Santam Ltd
Sasol
Sheer Publishing
SHIFT
South African Cultural Observatory (SACO)
South African Post Office
Spiers Holdings
Standard Bank of South Africa
Strauss & Co

Stuttaford Van Lines – Fine Art
T.Musicman
Tata Waste
TBWA Hunt Lascaris Holdings (Pty) Ltd
Telkom SA Ltd
The Brand Leadership Group
The Coloured Cube
The Famous Idea
The Forum Company
The Fulcrum Group
The Hourglass Project
The Orbit
The Walt Disney Company Africa
Trainiac
Vodacom South Africa
Vuyani Dance Company
Walker Scott Art Advisory

Arts Members

Arts & Culture Trust
Cape Town Opera
IZIKO South African National Gallery
Kauru African Contemporary Art
Knysna Literary Festival
MOAD
Richard Cock Music Enterprises CC
Room 13
The South African Fine Art Print Fair
Think Theatre
UJ Arts & Culture
WITS School of Arts
Yellowwoods Art

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For further information contact
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e-mail: mandisa@basa.co.za

