

**AFRIKA BURNS CREATIVE PROJECTS
NON-PROFIT COMPANY
(REGISTRATION NUMBER 2007/020812/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

A.S. Pocock Inc.
Chartered Accountants (SA)
Registered Auditors
Issued 15 December 2022

Afrika Burns Creative Projects Non-Profit Company

(Registration number: 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2022

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	A community based arts and culture development project
Directors	L. Tanner R.A. Van Wyk N.J. Raubenheimer L. Zakwe R.H. Borland M. Phaswana J. R. Postma
Registered office	The Junction Hotel 8 Junction Road Salt River Cape Town 7925
Business address	The Junction Hotel 8 Junction Road Salt River Cape Town 7925
Postal address	P.O. Box 191 Observatory 7935
Auditors	A.S. Pocock Inc. Chartered Accountants (SA) Registered Auditors
Company registration number	2007/020812/08
Tax reference number	9235/645/16/6
PBO reference number	930045371
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled by: Pocock Accounting Services CC Registered Accountants
Issued	15 December 2022

Afrika Burns Creative Projects Non-Profit Company

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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 period 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 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 minimise 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 July 2023 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 pages 6 to 8.

The annual financial statements set out on pages 9 to 20, which have been prepared on the going concern basis, were approved by the board of directors on 15 December 2022 and were signed on its behalf by:



L. Tanner



M. Phaswana

SaltRiver

15 December 2022

Afrika Burns Creative Projects Non-Profit Company

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Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Afrika Burns Creative Projects Non-Profit Company for the year ended 31 July 2022.

1. Incorporation

The company was incorporated on 24 July 2007 and obtained its certificate to commence business on the same day.

2. Nature of business

Afrika Burns Creative Projects Non-Profit Company was incorporated in South Africa with interests in a community based arts and culture development project. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

3. 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 these annual financial statements.

4. Going concern

The annual 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 future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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.

5. 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.

Afrika Burns Creative Projects Non-Profit Company

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Directors' Report

6. Directors

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

Directors	Nationality	Changes
L. Tanner	British	
R.A. Van Wyk	South African	
N.J. Raubenheimer	South African	
L. Zakwe	South African	
R.H. Borland	South African	
M. Phaswana	South African	
J. R. Postma	Dutch	Appointed 22 January 2022

7. Company secretary

The company has no secretary.

8. Auditors

A.S. Pocock Inc. continued in office as auditors for the company for 2022.

A.S. POCOCK INC.

CHARTERED ACCOUNTANTS (SA)
REGISTERED AUDITORS
(Registration number 2011/000541/21)

Independent Auditor's Report

To the Members of Afrika Burns Creative Projects Non-Profit Company

Opinion

We have audited the annual financial statements of Afrika Burns Creative Projects Non-Profit Company (the company) set out on pages 9 to 20, which comprise the statement of financial position as at 31 July 2022, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the 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 Afrika Burns Creative Projects Non-Profit Company as at 31 July 2022, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and We do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

A.S. POCOCK INC.

CHARTERED ACCOUNTANTS (SA)
REGISTERED AUDITORS
(Registration number 2011/000541/21)

Independent Auditor's Report

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Afrika Burns Creative Projects Non-Profit Company annual financial statements for the year ended 31 July 2022", which includes the Directors' Report as required by the Companies Act 71 of 2008 and the supplementary information as set out on pages 21 to 24, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. 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 and will 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 on the other information obtained prior to the date of this auditor's report, 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 Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, 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 Annual 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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

A.S. POCOCK INC.

CHARTERED ACCOUNTANTS (SA)
REGISTERED AUDITORS
(Registration number 2011/000541/21)

Independent Auditor's Report

- 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.

A.S. Pocock Inc

A.S. Pocock Inc.
Chartered Accountants (SA)
Registered Auditors

Per: C.L. Stieger
Director
Registered Auditor

15 December 2022
Kenilworth

Afrika Burns Creative Projects Non-Profit Company

(Registration number: 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2022

Statement of Financial Position as at 31 July 2022

	Note(s)	2022 R	2021 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	1 064 442	1 557 160
Other financial assets	3	-	218 428
		<u>1 064 442</u>	<u>1 775 588</u>
Current Assets			
Trade and other receivables	4	132 574	498 803
Cash and cash equivalents	5	8 604 228	3 345 653
		<u>8 736 802</u>	<u>3 844 456</u>
Total Assets		<u>9 801 244</u>	<u>5 620 044</u>
Equity and Liabilities			
Equity			
Accumulated surplus		<u>9 604 403</u>	<u>5 408 565</u>
Liabilities			
Current Liabilities			
Trade and other payables	6	196 841	211 479
Total Equity and Liabilities		<u>9 801 244</u>	<u>5 620 044</u>

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Annual Financial Statements for the year ended 31 July 2022

Statement of Comprehensive Income

	Note(s)	2022 R	2021 R
Event revenue	7	13 905 286	2 580 088
Event expenses		(7 046 342)	(181 920)
Gross surplus		6 858 944	2 398 168
Other income		252 744	88 881
Operating expenses	8	(5 845 222)	(6 629 408)
Grants and Donations		4 225 755	2 633 795
Operating surplus (deficit)		5 492 221	(1 508 564)
Investment income	9	142 429	102 861
Project costs	10	(1 438 812)	(527 601)
Surplus (deficit) for the year		4 195 838	(1 933 304)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		4 195 838	(1 933 304)

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2022

Statement of Changes in Equity

	Accumulated surplus R	Total equity R
Balance at 01 August 2020	7 341 869	7 341 869
Deficit for the year	(1 933 304)	(1 933 304)
Other comprehensive income	-	-
Total comprehensive loss for the year	(1 933 304)	(1 933 304)
Balance at 01 August 2021	5 408 565	5 408 565
Suplus for the year	4 195 838	4 195 838
Other comprehensive income	-	-
Total comprehensive income for the year	4 195 838	4 195 838
Balance at 31 July 2022	9 604 403	9 604 403

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Annual Financial Statements for the year ended 31 July 2022

Statement of Cash Flows

	Note(s)	2022 R	2021 R
Cash flows from operating activities			
Cash receipts from customers		18 750 014	5 258 611
Cash paid to suppliers and employees		(13 479 488)	(6 834 326)
Cash generated from (used in) operations	13	5 270 526	(1 575 715)
Interest income		142 429	102 861
Tax received	14	-	106 418
Net cash from operating activities		5 412 955	(1 366 436)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(154 380)	(246 377)
Total cash movement for the year		5 258 575	(1 612 813)
Cash at the beginning of the year		3 345 653	4 958 466
Total cash at end of the year	5	8 604 228	3 345 653

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2022

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis 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.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Equipment	Straight line	6 years
Furniture and fixtures	Straight line	6 years
IT equipment	Straight line	3 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	3 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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Accounting Policies

1.2 Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.4 Tax

The company has been approved as a Public Benefit Organisation in terms of Section 30 of the Income Tax Act.

The company is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act.

Donations by or to the company are exempt from donations tax in terms of Section 56(1)(h) of the income Tax Act.

1.5 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.

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Accounting Policies

1.5 Leases (continued)

Operating leases - lessor

Operating lease income is recognised as an income 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 receipt of payments is 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.

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.

1.6 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

If the company reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared.

1.7 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.

1.8 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Afrika Burns Creative Projects Non-Profit Company

(Registration number: 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2022

Notes to the Annual Financial Statements

	2022	2021
	R	R

2. Property, plant and equipment

	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Equipment	3 539 658	(2 667 694)	871 964	3 477 657	(2 172 045)	1 305 612
Furniture and fixtures	42 685	(42 677)	8	42 685	(39 923)	2 762
IT equipment	135 504	(89 919)	45 585	86 602	(85 768)	834
Motor vehicles	1 001 935	(855 053)	146 882	958 457	(710 508)	247 949
Office equipment	2 397	(2 394)	3	2 397	(2 394)	3
Total	4 722 179	(3 657 737)	1 064 442	4 567 798	(3 010 638)	1 557 160

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Closing balance
Equipment	1 305 612	62 000	(495 648)	871 964
Furniture and fixtures	2 762	-	(2 754)	8
IT equipment	834	48 902	(4 151)	45 585
Motor vehicles	247 949	43 478	(144 545)	146 882
Office equipment	3	-	-	3
	1 557 160	154 380	(647 098)	1 064 442

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Closing balance
Equipment	1 602 982	196 377	(493 747)	1 305 612
Furniture and fixtures	5 996	-	(3 234)	2 762
IT equipment	4 109	-	(3 275)	834
Motor vehicles	352 549	50 000	(154 600)	247 949
Office equipment	3	-	-	3
	1 965 639	246 377	(654 856)	1 557 160

3. Other financial assets

At amortised cost

S. O'Callaghan	-	218 428
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Investment in the printing and publication of the book entitled "Burn".

Non-current assets

At amortised cost	-	218 428
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Notes to the Annual Financial Statements

	2022 R	2021 R
4. Trade and other receivables		
Deposits	-	404 196
Sundry receivables	16 339	633
VAT	116 235	93 974
	132 574	498 803
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	13 393	9 302
Bank balances	1 135 352	253 069
Short-term deposits	7 455 483	3 083 282
	8 604 228	3 345 653
6. Trade and other payables		
Accrued expenses	-	12 052
Accrued payroll expenses	48 430	28 542
Deposits received	-	18 784
Provision for leave pay	141 911	152 101
Sundry payables	6 500	-
	196 841	211 479
7. Event revenue		
Ticket collections	13 905 286	2 580 088
8. Operating expenses		
Operating expenses include the following expenses:		
Operating lease charges		
Premises		
• Contractual amounts	271 530	183 423
Depreciation and amortisation	647 098	654 856
Employee costs	1 499 886	2 874 332
Research and development costs	35 573	343 704
9. Investment income		
Interest revenue		
Bank	142 429	102 388
SARS	-	473
	142 429	102 861

Afrika Burns Creative Projects Non-Profit Company

(Registration number: 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2022

Notes to the Annual Financial Statements

	2022	2021
	R	R
10. Project costs		
Anathi programme	104 602	-
Clan grants	530 774	-
Creative grants	195 203	-
Dignity project	-	4 174
Eco-Trip	71 623	121 318
Hammer school	31 879	1 500
Mutant vehicle grants	(10 000)	-
Outreach community activities	-	208
Outreach education support	72 500	34 500
Project - Pot SKOP and Slaap	-	269 019
Quagga Creative Projects	84 205	25 032
Quaggafontein - Habitats	43 438	-
Quaggafontein - Circular Economy	145 913	-
Quaggafontein - Heritage	45 000	-
RISE	123 675	1 500
Streetopia Obs	-	70 350
	1 438 812	527 601

11. Taxation

Non provision of tax

No provision has been made for 2022 tax as the company has been approved as a public benefit organisation in terms of Section 30 of the Income Tax Act and is exempt from income tax in terms of Section 10(1)(cN) of the Income Tax Act.

The company has been approved for purposes of section 18A(1)(a) of the Act and donations to the organisation will be tax deductible in the hands of the donors in terms of and subject to the limitations prescribed in section 18A of the Act with effect from 16 July 2020.

Donations made to or by the company are exempt from Donations Tax in terms of section 56(1)(h) of the Income Tax Act.

12. Auditor's remuneration

Fees	55 320	57 840
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Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2022

Notes to the Annual Financial Statements

	2022 R	2021 R
13. Cash generated from (used in) operations		
Profit (loss) before taxation	4 195 838	(1 933 304)
Adjustments for:		
Depreciation and amortisation	647 098	654 856
Interest received	(142 429)	(102 861)
Other non-cash item	(4)	2
Write-off of financial assets	218 428	-
Changes in working capital:		
Trade and other receivables	366 233	(44 154)
Trade and other payables	(14 638)	(150 254)
	5 270 526	(1 575 715)
14. Tax received		
Balance at beginning of the year	-	106 418
15. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
- within one year	483 000	233 427
- in second to fifth year inclusive	2 322 453	3 833 496
- later than five years	1 372 462	3 584 112
	4 177 915	7 651 035
<p>Operating lease payments represent rentals payable by the company for certain of its office property. Leases are negotiated for an average term of five years. No contingent rent is payable.</p>		
16. Directors' and prescribed officer's remuneration		
Executive		
2022		
Directors' emoluments	Basic salary	Total
Services as director or prescribed officer		
L. Tanner	461 117	461 117
2021		
Directors' emoluments	Basic salary	Total
Services as director or prescribed officer		
L. Tanner	423 122	423 122

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Annual Financial Statements for the year ended 31 July 2022

Notes to the Annual Financial Statements

17. Related parties

Relationships

Members of key management

L. Tanner
R. Van Wyk
N.J. Raubenheimer
L. Zakwe
R.H. Borland
M. Phaswana
J. R. Postma

18. Comparative figures

Certain comparative figures have been reclassified to enhance presentation.

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2022

Statement of Financial Performance

	Note(s)	2022 R	2021 R
Event revenue			
Ticket collections		13 905 286	2 580 088
Event expenses			
Event production costs (Refer to page 23)		(7 046 342)	(181 920)
Gross surplus		6 858 944	2 398 168
Grants and Donations			
COVID-19 relief		-	157 925
City of Cape Town		-	75 000
Crowdfunding		3 625 272	479 645
Donations		200 056	-
General fundraising		-	18 024
National Arts Council		-	100 000
National Arts Council PESP 1		-	232 400
National Arts Council PESP 2		99 600	435 800
National Lotteries Commission		100 000	815 000
Quagga Creative Projects		150 827	70 001
Solidarity Fund		-	250 000
Western Cape Dept. Cultural Affairs and Sport		50 000	-
		4 225 755	2 633 795
Other income			
Rental income		14 380	57 326
Sundry income		238 364	31 555
		252 744	88 881
		4 478 499	2 722 676
Expenses (Refer to page 22)		(5 845 222)	(6 629 408)
Operating surplus (deficit)		5 492 221	(1 508 564)
Investment income	9	142 429	102 861
Project costs	10	(1 438 812)	(527 601)
		(1 296 383)	(424 740)
Surplus (deficit) for the year		4 195 838	(1 933 304)

Afrika Burns Creative Projects Non-Profit Company

(Registration number: 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2022

Statement of Financial Performance

	Note(s)	2022 R	2021 R
Operating expenses			
Accounting fees		(107 874)	(47 947)
Auditor's remuneration	12	(55 320)	(57 840)
Bank charges		(27 037)	(20 625)
Consulting and professional fees		(37 912)	(165 172)
Depreciation, amortisation and impairments		(647 098)	(654 856)
Dept of stuff		-	(3 071)
Employee costs		(1 499 886)	(2 874 332)
Fundraising costs		(24 815)	(24 944)
IT expenses		(4 832)	(109 171)
Insurance		(133 492)	(124 484)
Lease rentals on operating lease		(207 530)	(183 423)
Move expenses		-	(837 564)
Office expenses		(7 536)	(14 240)
Outside contractors		(1 835 595)	(690 030)
Payment gateways		(530 906)	-
Postage		(696)	-
Printing and stationery		(6 106)	(864)
Recruitment costs		(8 481)	-
Repairs and maintenance		(288 197)	(384 240)
Research and development costs		(35 573)	(343 704)
Security		(5 901)	(4 940)
Staff welfare		(463)	(5 407)
Subscriptions		(87 729)	-
Telephone and fax		(28 167)	(9 150)
Travel - local		(130)	(1 595)
Unrecovered debts		(17 781)	(45 232)
Utilities		(17 391)	(26 577)
Workyard expenses		(10 346)	-
Write-off of financial assets		(218 428)	-
		<u>(5 845 222)</u>	<u>(6 629 408)</u>

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2022

Events Production Cost Statement

	2022 R	2021 R
Events production expenses		
Communications	261 686	-
Creative and Arteria	8 566	-
Demarcation	11 022	-
Department of Mutant Vehicles	77 964	-
Department of Public Works	1 539 163	-
Event 2020 and ticket recovery	-	(34 776)
Firefighters	289 137	-
Gate and ticketing	142 974	-
Health and safety	79 065	3 000
Ice	64 000	-
Insurance	4 796	-
Kitchen	306 339	-
Kitchen mess food	411 638	-
Medics	1 235 479	-
Operations	331 993	-
Quaggafontein infrastructure and repairs and maintenance	353 770	-
Radio Free Tankwa	6 436	-
Rangers	2 190	-
Sanctuary	59 898	-
Security	561 055	-
Site management	41 950	-
Swag	45 846	-
Transport and logistics	1 098 271	-
Venue hire	-	212 756
Venue operations centre	73 582	-
Volunteer and Off Centre Camp	39 522	940
	7 046 342	181 920
Events production costs for the year	7 046 342	181 920

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2022

Supplementary Information

Segmented Statement of Financial Performance

	2022 R	2021 R
Event income	13 905 286	2 580 088
Donor income	4 225 755	2 288 239
COVID-19 relief	-	157 925
Programme income	-	187 631
Other income	252 744	88 881
Investment income	142 429	102 861
Gross income	18 526 214	5 405 625
Operating expenses	(5 845 222)	(6 629 408)
Project expenses		
Event production costs	(7 046 342)	(181 920)
Arts development projects:	-	-
- Anathi programme	(104 602)	-
- Project - Pot SKOP and Slaap	-	(269 019)
- Streetopia Obs	-	(70 350)
	<u>(104 602)</u>	<u>(339 369)</u>
Clan grants	(530 774)	-
Creative grants	(195 203)	-
Mutant vehicle grants	10 000	-
Outreach:		
- Outreach community activities	-	(208)
- Outreach education support	(72 500)	(34 500)
	<u>(72 500)</u>	<u>(34 708)</u>
Direct project expenses:		
- Dignity Project	-	(4 174)
- Eco-Trip	(71 623)	(121 318)
- Hammer School	(31 879)	(1 500)
- Quagga Creative Projects	(84 205)	(25 032)
- Quaggafontein - Habitats	(43 438)	-
- Quaggafontein - Circular Economy	(145 913)	-
- Quaggafontein - Heritage	(45 000)	-
- RISE	(123 675)	(1 500)
	<u>(545 733)</u>	<u>(153 524)</u>
Surplus (deficit) for the year	<u>4 195 838</u>	<u>(1 933 304)</u>