

**AFRIKA BURNS CREATIVE PROJECTS
NON-PROFIT COMPANY
(REGISTRATION NUMBER 2007/020812/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

A.S. Pocock Inc.
Chartered Accountants (SA)
Registered Auditors
Issued 05 March 2024

Afrika Burns Creative Projects Non-Profit Company

(Registration number: 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2023

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 N.J. Raubenheimer M. Phaswana J. R. Rianna J.B. Bester M.J. 'Tsas-Rolfes S.S. Bendzulla M.Y. Anani-Isaac D. Marrison
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 of South Africa.
Preparer	The annual financial statements were independently compiled by: Pocock Accounting Services CC Registered Accountants

Afrika Burns Creative Projects Non-Profit Company

(Registration number: 2007/020812/08)

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Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, 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 2024 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 05 March 2024 and were signed on its behalf by:



D. Marrison



M. Phaswana

SaltRiver

05 March 2024

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 2023.

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 of South Africa. 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. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

6. 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.

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Directors' Report

7. Directors

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

Directors	Nationality	Changes
L. Tanner	British	
N.J. Raubenheimer	South African	
M. Phaswana	South African	
J. R. Rianna	Dutch	
J.B. Bester	South African	Appointed 28 November 2022
M.J. 'Tsas-Rolfes	South African	Appointed 26 November 2022
S.S. Bendzulla	South African	Appointed 26 November 2022
M.Y. Anani-Isaac	British	Appointed 13 December 2022
D. Marrison	South African	Appointed 25 October 2022
R.A. Van Wyk	South African	Resigned 23 February 2023
L. Zakwe	South African	Resigned 23 February 2023
R.H. Borland	South African	Resigned 23 February 2023

8. Company secretary

The company secretary is De Abreu & Cohen Inc. Cape Town.

Postal address

P.O. Box 191
Observatory
Cape Town
7925

Business address

42 Burg Street
Cape Town
8001

9. Auditors

A.S. Pocock Inc. continued in office as auditors for the company for 2023.

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 2023, 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 2023, 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 of South Africa.

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 2023", which includes the Directors' Report as required by the Companies Act of South Africa 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 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 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

05 March 2024
Kenilworth

Afrika Burns Creative Projects Non-Profit Company

(Registration number: 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2023

Statement of Financial Position as at 31 July 2023

	Note(s)	2023 R	2022 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	837 477	1 064 442
Current Assets			
Trade and other receivables	3	201 289	132 577
Cash and cash equivalents	4	17 212 841	8 604 228
		17 414 130	8 736 805
Total Assets		18 251 607	9 801 247
Equity and Liabilities			
Equity			
Accumulated surplus		18 082 737	9 604 406
Liabilities			
Current Liabilities			
Trade and other payables	5	168 870	196 841
Total Equity and Liabilities		18 251 607	9 801 247

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2023

Statement of Comprehensive Income

	Note(s)	2023 R	2022 R
Event revenue	6	24 679 148	13 818 440
Event expenses		(10 431 782)	(6 692 572)
Gross surplus		14 247 366	7 125 868
Other income		62 304	298 060
Operating expenses	7	(9 813 145)	(6 198 992)
Grants and Donations		5 700 416	4 267 286
Operating surplus		10 196 941	5 492 222
Investment income	9	997 128	142 429
Project costs	10	(2 715 738)	(1 438 812)
Surplus for the year		8 478 331	4 195 839
Other comprehensive income		-	-
Total comprehensive income for the year		8 478 331	4 195 839

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Statement of Changes in Equity

	Accumulated surplus R	Total equity R
Balance at 01 August 2021	5 408 567	5 408 567
Surplus for the year	4 195 839	4 195 839
Other comprehensive income	-	-
Total comprehensive income for the year	4 195 839	4 195 839
Balance at 01 August 2022	9 604 406	9 604 406
Surplus for the year	8 478 331	8 478 331
Other comprehensive income	-	-
Total comprehensive income for the year	8 478 331	8 478 331
Balance at 31 July 2023	18 082 737	18 082 737

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Annual Financial Statements for the year ended 31 July 2023

Statement of Cash Flows

	Note(s)	2023 R	2022 R
Cash flows from operating activities			
Cash receipts from customers		30 373 152	18 750 018
Cash paid to suppliers and employees		(22 440 089)	(13 479 488)
Cash generated from operations	12	7 933 063	5 270 526
Interest income		997 128	142 429
Net cash from operating activities		8 930 191	5 412 955
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(321 578)	(154 380)
Total cash movement for the year		8 608 613	5 258 575
Cash and cash equivalents at the beginning of the year		8 604 228	3 345 653
Total cash at end of the year	4	17 212 841	8 604 228

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2023

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 of South Africa. 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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.

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Annual Financial Statements for the year ended 31 July 2023

Accounting Policies

1.2 Property, plant and equipment (continued)

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.

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.

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Accounting Policies

1.4 Tax (continued)

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.

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 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.

1.7 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.

1.8 Borrowing costs

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

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R

2. Property, plant and equipment

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Equipment	3 539 658	(3 080 070)	459 588	3 539 658	(2 667 694)	871 964
Furniture and fixtures	42 685	(42 677)	8	42 685	(42 677)	8
IT equipment	135 504	(114 370)	21 134	135 504	(89 919)	45 585
Motor vehicles	1 302 153	(963 209)	338 944	1 001 935	(855 053)	146 882
Office equipment	23 757	(5 954)	17 803	2 397	(2 394)	3
Total	5 043 757	(4 206 280)	837 477	4 722 179	(3 657 737)	1 064 442

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Equipment	871 964	-	(412 376)	459 588
Furniture and fixtures	8	-	-	8
IT equipment	45 585	-	(24 451)	21 134
Motor vehicles	146 882	300 218	(108 156)	338 944
Office equipment	3	21 360	(3 560)	17 803
	1 064 442	321 578	(548 543)	837 477

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

3. Trade and other receivables

VAT	197 289	116 238
Employee costs in advance	4 000	-
Sundry receivables	-	16 339
	201 289	132 577

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Notes to the Annual Financial Statements

	2023 R	2022 R
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	115 374	13 393
Bank balances	609 358	1 135 352
Short-term deposits	16 488 109	7 455 483
	17 212 841	8 604 228
5. Trade and other payables		
Accrued payroll expenses	66 378	48 430
Provision for leave pay	102 492	141 911
Sundry payables	-	6 500
	168 870	196 841
6. Event revenue		
Ticket collections	23 425 885	13 596 127
Ice and Water Revenue	1 253 263	222 313
	24 679 148	13 818 440
7. Operating expenses		
Operating expenses include the following expenses:		
Operating lease charges		
Premises		
• Contractual amounts	1 143 689	271 530
Depreciation and amortisation	548 543	647 098
Employee costs	2 472 769	1 499 886
8. Auditor's remuneration		
Fees	54 920	55 320
9. Investment income		
Interest revenue		
Bank	997 128	142 429

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R
10. Project costs		
Anathi programme and grants	331 010	104 602
Burner exchange programme	43 485	-
Clan grant	663 038	530 774
Creative grants	1 205 985	195 203
EcoTrip	-	71 623
Hammerschool	-	31 879
Mutant vehicle grants	155 995	(10 000)
Outreach community activities	83 191	72 500
Quagga creative projects	-	84 205
Quaggafontein habitats	-	43 438
Quaggafontein circular economy	166 238	145 913
Quaggafontein heritage	-	45 000
Quaggafontein projects other	7 796	-
RISE	-	123 675
Spark grants	40 000	-
Streetopia Obs	19 000	-
	2 715 738	1 438 812

11. Taxation

Non provision of tax

No provision has been made for 2023 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. Cash generated from operations

Net profit before taxation	8 478 331	4 195 838
Adjustments for:		
Depreciation, amortisation, impairments and reversals of impairments	548 543	647 098
Other non-cash item	4	(4)
Write-off of financial assets	-	218 428
Investment income	(997 128)	(142 429)
Changes in working capital:		
(Increase) decrease in trade and other receivables	(68 716)	366 233
Increase (decrease) in trade and other payables	(27 971)	(14 638)
	7 933 063	5 270 526

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Annual Financial Statements for the year ended 31 July 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R
13. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
- within one year	519 225	483 000
- in second to fifth year inclusive	2 496 637	2 322 453
- later than five years	679 053	1 372 462
	3 694 915	4 177 915

Operating lease payments represent rentals payable by the company for its office property. Leases are negotiated for an average term of five years. No contingent rent is payable.

14. Related parties

Relationships

Members of key management

L. Tanner
 N.J. Raubenheimer
 M. Phaswana
 J. R. Rianna
 J.B. Bester
 M.J. 'Tsas-Rolfes
 S.S. Bendzulla
 M.Y. Anani-Isaac
 D. Marrison

15. Directors' and prescribed officer's remuneration

Executive

2023

	Basic salary	Leave pay	Total
Directors' emoluments			
Services as director or prescribed officer			
L. Tanner	630 000	41 192	671 192
D. Marrison	487 036	-	487 036
	1 117 036	41 192	1 158 228

2022

	Basic salary	Total
Directors' emoluments		
Services as director or prescribed officer		
L. Tanner	461 117	461 117
	461 117	461 117

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Notes to the Annual Financial Statements

2023	2022
R	R

16. Comparative figures

Certain comparative figures have been reclassified to enhance presentation.

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Annual Financial Statements for the year ended 31 July 2023

Statement of Financial Performance

	Note(s)	2023 R	2022 R
Event revenue			
Ticket collections		23 425 885	13 596 127
Ice and Water Revenue		1 253 263	222 313
	6	24 679 148	13 818 440
Event expenses			
Event production costs (Refer to page 23)		(10 431 782)	(6 692 572)
Gross surplus		14 247 366	7 125 868
Grants and Donations			
City of Cape Town		200 000	-
Crowdfunding		3 608 000	3 625 272
Department of Sport, Arts and Culture		1 350 000	-
General donations		38 416	242 358
National Arts Council		504 000	-
National Arts Council PESP 2		-	99 600
National Lotteries Commission		-	100 000
Quaggafontein Creative Projects		-	150 056
Western Cape DCAS		-	50 000
		5 700 416	4 267 286
Programme income			
Eco-Trip		-	116 802
Other income			
Quagga Dry Hire		57 500	150 827
Rental income		3 141	14 380
Sundry income		1 663	16 051
		62 304	181 258
		5 762 720	4 565 346
Expenses (Refer to page 22)			
		(9 813 145)	(6 198 992)
Operating surplus		10 196 941	5 492 222
Investment income	9	997 128	142 429
Project costs	10	(2 715 738)	(1 438 812)
		(1 718 610)	(1 296 383)
Surplus for the year		8 478 331	4 195 839

Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2023

Statement of Financial Performance

	Note(s)	2023 R	2022 R
Operating expenses			
Accounting fees		(98 309)	(107 874)
Auditor's remuneration	8	(54 920)	(55 320)
Bank charges		(24 192)	(27 037)
Consulting and professional fees		(115 888)	(10 600)
Contractors		(3 071 457)	(1 835 595)
Depreciation, amortisation and impairments		(548 543)	(647 098)
Employee costs		(2 472 769)	(1 499 886)
Fundraising costs		-	(24 008)
IT expenses		(235 162)	(82 035)
Insurance		(149 771)	(133 492)
Lease rentals on operating lease		(468 821)	(207 530)
Legal expenses		(17 663)	(27 312)
Office expenses		(6 165)	(8 232)
Payment gateways		(1 100 704)	(530 906)
Printing and stationery		(18 122)	(6 106)
Quaggafontein infrastructure and repairs and maintenance		(853 537)	(389 343)
Recruitment costs		(4 590)	(8 481)
Repairs and maintenance		(346 264)	(290 674)
Security		(9 180)	(5 901)
Subscriptions		-	(6 249)
Telephone and fax		(5 828)	(28 167)
Training		(114 871)	(3 070)
Travel - local		-	(130)
Unrecovered debts		-	(17 781)
Utilities		(39 907)	(17 391)
Workyard expenses		(56 482)	(10 346)
Write-off of financial assets		-	(218 428)
		(9 813 145)	(6 198 992)

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Annual Financial Statements for the year ended 31 July 2023

Events Production Cost Statement

	2023	2022
	R	R
Events production expenses		
Communications	350 776	243 777
Creative and Arteria	40 471	8 566
Demarcation costs	7 635	11 022
Department of Mutant Vehicles	270 449	190 732
Department of Public Works	2 506 023	1 426 395
Firefighters	243 161	289 137
Gate and ticketing	256 306	142 974
Health and safety	62 285	79 065
Ice and Water	674 868	64 000
Insurance	145 622	19 642
Kitchen	440 365	306 339
Kitchen mess food	533 701	411 638
Medics	1 585 971	1 235 479
Operations	841 519	335 056
Radio Free Tankwa	1 793	6 436
Rangers	21 296	2 190
Sanctuary	50 774	59 898
Security	604 193	561 055
Site management	59 129	41 950
Swag	214 351	45 846
Transport and logistics	1 368 817	1 098 271
Venue operations centre	76 000	73 582
Volunteer and Off Centre Camp	76 277	39 522
	10 431 782	6 692 572
Events production costs for the year	10 431 782	6 692 572

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Annual Financial Statements for the year ended 31 July 2023

Supplementary Information

1. Segmented Statement of Financial Performance

	2023 R	2022 R
Event income	24 679 148	13 818 440
Donor income	5 700 416	4 267 286
Project and programming income	-	116 802
Other income	62 304	181 258
Investment income	997 128	142 429
Gross income	31 438 996	18 526 215
Operating expenses	(9 813 145)	(5 809 649)
Project and programming expenses		
Event production costs	(10 431 782)	(7 081 915)
Grants		
- Clan grant	(663 038)	(635 375)
- Creative grants	(1 205 985)	(195 202)
- Mutant vehicle grants	(155 995)	10 000
- Spark grants	(40 000)	-
	(2 065 018)	(820 577)
Projects:		
- EcoTrip	-	(71 623)
- Hammerschool	-	(31 879)
- Quagga creative projects	-	(84 205)
- RISE	-	(123 677)
- Streetopia Obs	(19 000)	-
	(19 000)	(311 384)
Programmes:		
- Anathi programme and grants	(331 010)	-
- Burner exchange programme	(43 485)	-
- Outreach community activities	(83 191)	(72 500)
- Quaggafontein habitats	-	(43 438)
- Quaggafontein circular economy	(166 238)	(145 913)
- Quaggafontein heritage	-	(45 000)
- Quaggafontein projects other	(7 796)	-
	(631 720)	(306 851)
Surplus for the year	8 478 331	4 195 839