

**AFRIKA BURNS CREATIVE PROJECTS  
NON-PROFIT COMPANY  
(REGISTRATION NUMBER 2007/020812/08)  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2016**

A.S. Pocock Inc.  
Chartered Accountants (S.A.)  
Registered Auditors  
Issued 21 November 2016

# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	A community based arts and culture development project
<b>Directors</b>	R.A. Weinek S.S. Bendzulla P.F. Grose J.N. Savage A.S. Okunlola
<b>Registered office</b>	16th Floor, Main Tower Standard Bank Centre Heerengracht Cape Town 8000
<b>Postal address</b>	P.O. Box 191 Observatory 7935
<b>Auditors</b>	A.S. Pocock Inc. Chartered Accountants (S.A.) Registered Auditors
<b>Company registration number</b>	2007/020812/08
<b>Tax reference number</b>	9235/645/16/6
<b>Level of assurance</b>	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
<b>Preparer</b>	The annual financial statements were independently compiled by: Pocock Accounting Services CC Registered Accountants
<b>Issued</b>	21 November 2016

# Afrika Burns Creative Projects Non-Profit Company

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# Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2016

## Directors' Responsibilities and Approval

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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 auditor's 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.

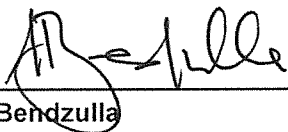
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors set standards 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 2017 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 auditor's and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 23, which have been prepared on the going concern basis, were approved by the board of directors on 21 November 2016 and were signed on its behalf by:



S.S. Bendzulla



R.A. Weinek

Newlands

21 November 2016

# A.S. POCOCK INC.

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

## Independent Auditor's Report

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### To the members of Afrika Burns Creative Projects Non-Profit Company

We have audited the annual financial statements of Afrika Burns Creative Projects Non-Profit Company, as set out on pages 8 to 19, which comprise the statement of financial position as at 31 July 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes comprising a summary of significant accounting policies and other explanatory information.

### Directors' Responsibility for the Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and 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 misstatements, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

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 2016, 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.

# A.S. POCOCK INC.

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

## Supplementary information

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 20 to 24 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

## Other reports required by the Companies Act

As part of our audit of the annual financial statements for the year ended 31 July 2016, we have read the directors' report for the purpose of identifying whether there are material inconsistencies between that report and the audited annual financial statements. The directors' report is the responsibility of the directors. Based on reading that report we have not identified material inconsistencies between it and the audited annual financial statements. However, we have not audited the directors' report and accordingly do not express an opinion thereon.

*A.S. Pocock Inc.*

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

Per: C.L. Stieger  
Director  
Registered Auditor

21 November 2016  
Newlands

# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Directors' Report

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The directors submit their report on the annual financial statements of Afrika Burns Creative Projects Non-Profit Company for the year ended 31 July 2016.

### 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 the 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 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.

### 6. Directors

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

<b>Directors</b>	<b>Nationality</b>	<b>Changes</b>
R.A. Weinek	South African	
E.A.T. Linsell	South African	Resigned 13 November 2015
S.S. Bendzulla	South African	
P.F. Grose	South African	
J.N. Savage	South African	Appointed 01 March 2016
A.S. Okunlola	British	Appointed 01 March 2016

# **Afrika Burns Creative Projects Non-Profit Company**

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## **Directors' Report**

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### **7. Secretary**

The company had no secretary during the year.

### **8. Auditors**

A.S. Pocock Inc. will continue in office as auditors for the company for 2017.

### **9. Liquidity and solvency**

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 2008.



# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Statement of Financial Position as at 31 July 2016

	Note(s)	2016 R	2015 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	606 912	418 404
Deferred tax	3	43 137	-
		<u>650 049</u>	<u>418 404</u>
<b>Current Assets</b>			
Trade and other receivables	4	295 539	197 569
Current tax receivable		58 904	-
Cash and cash equivalents	5	5 394 781	3 740 555
		<u>5 749 224</u>	<u>3 938 124</u>
<b>Total Assets</b>		<u>6 399 273</u>	<u>4 356 528</u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated surplus		<u>6 139 869</u>	<u>4 254 731</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	259 404	35 307
Current tax payable		-	66 490
		<u>259 404</u>	<u>101 797</u>
<b>Total Equity and Liabilities</b>		<u>6 399 273</u>	<u>4 356 528</u>

# Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2016

## Statement of Comprehensive Income

	Note(s)	2016 R	2015 R
Event revenue	7	12 570 187	9 438 959
Event expenses		(5 230 745)	(3 536 325)
<b>Gross surplus</b>		<b>7 339 442</b>	<b>5 902 634</b>
Other income		960 254	220 116
Operating expenses		(5 065 754)	(2 516 750)
Donor income		820 000	900 000
<b>Operating surplus</b>	8	<b>4 053 942</b>	<b>4 506 000</b>
Investment revenue	9	284 600	169 532
Project costs	10	(1 793 058)	(3 211 566)
Finance costs	11	(16 427)	(39 472)
<b>Surplus before taxation</b>		<b>2 529 057</b>	<b>1 424 494</b>
Taxation	12	(643 919)	(402 490)
<b>Surplus for the year</b>		<b>1 885 138</b>	<b>1 022 004</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>1 885 138</b>	<b>1 022 004</b>

# Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2016

## Statement of Changes in Equity

	Accumulated surplus R	Total equity R
<b>Balance at 01 August 2014</b>	<b>3 232 727</b>	<b>3 232 727</b>
Surplus for the year	1 022 004	1 022 004
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>1 022 004</b>	<b>1 022 004</b>
<b>Balance at 01 August 2015</b>	<b>4 254 731</b>	<b>4 254 731</b>
Surplus for the year	1 885 138	1 885 138
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>1 885 138</b>	<b>1 885 138</b>
<b>Balance at 31 July 2016</b>	<b>6 139 869</b>	<b>6 139 869</b>

# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Statement of Cash Flows

	Note(s)	2016 R	2015 R
<b>Cash flows from operating activities</b>			
Cash receipts from customers		14 252 471	10 361 506
Cash paid to suppliers and employees		(11 725 031)	(9 409 296)
Cash generated from operations	14	2 527 440	952 210
Interest income		284 600	169 532
Finance costs		(16 427)	(39 472)
Tax paid	15	(812 450)	(1 308 200)
<b>Net cash from operating activities</b>		<b>1 983 163</b>	<b>(225 930)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(328 937)	(132 469)
<b>Total cash movement for the year</b>		<b>1 654 226</b>	<b>(358 399)</b>
Cash at the beginning of the year		3 740 555	4 098 954
<b>Total cash at end of the year</b>	5	<b>5 394 781</b>	<b>3 740 555</b>

# Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2016

## Accounting Policies

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### 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.

#### 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 items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes; and are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

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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	5 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.

Gains and losses on disposals are recognised in profit or loss.

#### 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.

# Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2016

## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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 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, are measured at fair value through profit and loss.

### 1.4 Tax

#### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

#### Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences and for the carry forward of unused tax losses and unused tax credits.

Deferred tax assets and liabilities are measured at an amount that includes the effect of the possible outcomes of a review by the tax authorities using tax rates that, on the basis of enacted or substantively enacted tax law at the end of the reporting period, are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

#### Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

# Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2016

## Accounting Policies

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### 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 – 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 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

### 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 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 2016

## Notes to the Annual Financial Statements

	2016 R	2015 R
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### 2. Property, plant and equipment

	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Equipment	656 843	(242 435)	414 408	482 307	(160 216)	322 091
Furniture and fixtures	42 685	(8 757)	33 928	23 285	(3 798)	19 487
IT equipment	55 426	(32 228)	23 198	55 426	(14 047)	41 379
Motor vehicles	184 200	(50 460)	133 740	49 200	(15 870)	33 330
Office equipment	2 397	(759)	1 638	2 397	(280)	2 117
<b>Total</b>	<b>941 551</b>	<b>(334 639)</b>	<b>606 912</b>	<b>612 615</b>	<b>(194 211)</b>	<b>418 404</b>

#### Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Equipment	322 091	174 536	(82 219)	414 408
Furniture and fixtures	19 487	19 401	(4 960)	33 928
IT equipment	41 379	-	(18 181)	23 198
Motor vehicles	33 330	135 000	(34 590)	133 740
Office equipment	2 117	-	(479)	1 638
	<b>418 404</b>	<b>328 937</b>	<b>(140 429)</b>	<b>606 912</b>

#### Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Equipment	301 931	87 786	(67 626)	322 091
Furniture and fixtures	9 942	12 815	(3 270)	19 487
IT equipment	24 862	29 471	(12 954)	41 379
Motor vehicles	43 170	-	(9 840)	33 330
Office equipment	-	2 397	(280)	2 117
	<b>379 905</b>	<b>132 469</b>	<b>(93 970)</b>	<b>418 404</b>

### 3. Deferred tax

#### Deferred tax asset

Provision for leave pay	43 137	-
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#### Reconciliation of deferred tax asset

Deductible temporary difference on provision for leave pay	43 137	-
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# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Notes to the Annual Financial Statements

	2016 R	2015 R
<b>4. Trade and other receivables</b>		
Trade receivables	-	9 520
Prepayments	-	10 784
VAT	295 539	177 265
	<u>295 539</u>	<u>197 569</u>
<b>5. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	198	3 701
Bank balances	129 550	17 012
Short-term deposits	5 265 033	3 719 842
	<u>5 394 781</u>	<u>3 740 555</u>
<b>6. Trade and other payables</b>		
Trade payables	1 712	-
Accrued payroll expenses	38 944	35 307
Accrued expenses	64 687	-
Provision for leave pay	154 061	-
	<u>259 404</u>	<u>35 307</u>
<b>7. Event revenue</b>		
Ticket collections	<u>12 570 187</u>	<u>9 438 959</u>
<b>8. Operating surplus</b>		
Operating surplus for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	<u>157 794</u>	<u>147 028</u>
Depreciation on property, plant and equipment	140 429	93 970
Employee costs	<u>3 393 886</u>	<u>1 206 478</u>
<b>9. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	<u>284 600</u>	<u>169 532</u>

# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Notes to the Annual Financial Statements

	2016 R	2015 R
<b>10. Project costs</b>		
Burner exchange program	121 960	21 325
Creative grants	575 180	553 100
DAC funded projects	761 848	900 000
Outreach	334 070	308 009
Project employee costs	-	1 429 132
	<u>1 793 058</u>	<u>3 211 566</u>
<b>11. Finance costs</b>		
Penalties and interest - SARS	<u>16 427</u>	<u>39 472</u>
<b>12. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current</b>		
Local income tax - current period	<u>687 056</u>	<u>402 490</u>
<b>Deferred</b>		
Originating and reversing temporary differences	<u>(43 137)</u>	<u>-</u>
	<u>643 919</u>	<u>402 490</u>
<b>Reconciliation of the tax expense</b>		
Reconciliation between accounting profit and tax expense.		
Accounting profit	2 529 057	1 424 494
Tax at the applicable tax rate of 28% (2015: 28%)	708 136	398 858
<b>Tax effect of adjustments on taxable income</b>		
Disallowable charges	217 917	263 052
Exempt income	(282 134)	(259 420)
	<u>643 919</u>	<u>402 490</u>
<b>13. Auditors remuneration</b>		
Fees	<u>81 680</u>	<u>60 000</u>

# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Notes to the Annual Financial Statements

	2016 R	2015 R
<b>14. Cash generated from operations</b>		
Surplus before taxation	2 529 057	1 424 494
<b>Adjustments for:</b>		
Depreciation and amortisation	140 429	93 970
Interest received	(284 600)	(169 532)
Finance costs	16 427	39 472
Other non-cash items	2	(4)
<b>Changes in working capital:</b>		
Trade and other receivables	(97 972)	(197 566)
Trade and other payables	224 097	(238 624)
	<b>2 527 440</b>	<b>952 210</b>

## 15. Tax paid

Balance at beginning of the year	(66 490)	(972 200)
Current tax for the year recognised in profit (loss) or loss	(687 056)	(402 490)
Balance at end of the year	(58 904)	66 490
	<b>(812 450)</b>	<b>(1 308 200)</b>

## 16. Directors' remuneration

### Executive

#### 2016

	Emoluments	Directors' fees	Total
R.A. Weinek	235 802	90 288	326 090
E.A.T. Linsell	14 630	6 270	20 900
S.S. Bendzulla	-	326 090	326 090
P.F. Grose	48 455	75 240	123 695
J.N. Savage	274 424	45 144	319 568
A.S. Okunlola	30 770	37 620	68 390
	<b>604 081</b>	<b>580 652</b>	<b>1 184 733</b>

#### 2015

	Emoluments	Directors' fees	Total
R.A. Weinek	212 794	84 816	297 610
E.A.T. Linsell	134 235	73 530	207 765
S.S. Bendzulla	-	219 859	219 859
G.T. Allan	12 312	17 100	29 412
P.F. Grose	70 370	67 260	137 630
K. Reynolds	130 509	29 640	160 149
	<b>560 220</b>	<b>492 205</b>	<b>1 052 425</b>

# Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2016

## Notes to the Annual Financial Statements

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	2016	2015
	R	R

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### 17. Related parties

Relationships

Members of key management

S.S. Bendzulla

P.F. Grose

R.A. Weinek

J.N. Savage

A.S. Okunlola

### 18. Comparative figures

Certain comparative figures have been reclassified.

# Afrika Burns Creative Projects Non-Profit Company

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Annual Financial Statements for the year ended 31 July 2016

## Statement of Financial Performance

	Note(s)	2016 R	2015 R
<b>Event revenue</b>			
Ticket collections		12 570 187	9 438 959
<b>Event expenses</b>			
Events production costs (Refer to page 22)		(5 230 745)	(3 536 325)
<b>Gross surplus</b>		<b>7 339 442</b>	<b>5 902 634</b>
<b>Other income</b>			
DAC funding		820 000	900 000
Donations received		187 621	26 500
Fund raising income		513 880	-
Interest received	9	284 600	169 532
Sundry income		258 753	193 616
		<b>2 064 854</b>	<b>1 289 648</b>
<b>Expenses (Refer to page 21)</b>		<b>(5 065 754)</b>	<b>(2 516 750)</b>
<b>Operating surplus</b>	8	<b>4 338 542</b>	<b>4 675 532</b>
Finance costs	11	(16 427)	(39 472)
Project costs		(1 793 058)	(3 211 566)
		<b>(1 809 485)</b>	<b>(3 251 038)</b>
<b>Surplus before taxation</b>		<b>2 529 057</b>	<b>1 424 494</b>
Taxation	12	(643 919)	(402 490)
<b>Surplus for the year</b>		<b>1 885 138</b>	<b>1 022 004</b>

# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Statement of Financial Performance

	Note(s)	2016 R	2015 R
<b>Operating expenses</b>			
Accounting fees		(75 655)	(112 050)
Auditors remuneration	13	(81 680)	(60 000)
Bank charges		(25 288)	(19 754)
Communication		(168 186)	(214 464)
Consulting and professional fees		(73 000)	(52 000)
Creative arts and artery		(30 380)	(19 787)
Depreciation, amortisation and impairments		(140 429)	(93 970)
Employee costs		(3 393 886)	(1 206 478)
IT expenses		(109 485)	(66 713)
Insurance		(99 054)	(118 553)
Lease rentals on operating lease		(157 794)	(147 028)
Legal expenses		(42 232)	(60 707)
Municipal expenses		(6 728)	(17 748)
Office expenses		(152 942)	(11 761)
Postage		(656)	(624)
Printing and stationery		(17 702)	(19 546)
Repairs and maintenance		(102 270)	(24 081)
Staff welfare		(211 473)	(171 261)
Subscriptions		(100)	-
Sundry small assets		(525)	(4 285)
Telephone and fax		(35 495)	(20 467)
Training		(30 000)	-
Transport and freight		(18 681)	(26 715)
Workyard expenses		(92 113)	(48 758)
		<b>(5 065 754)</b>	<b>(2 516 750)</b>

# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Events Production Cost Statement

	2016 R	2015 R
<b>Events production expenses</b>		
Consumables	1 166 325	407 210
Firefighters fees	160 480	117 580
Gate and ticketing expenses	100 536	57 950
General expenses	63 472	7 875
Hire of equipment	409 901	316 239
Kitchen expenses	47 193	62 034
Lighting costs	5 263	75 358
Loose tools	12 303	42 896
Medical expenses	423 008	265 026
Off-centre camp	17 079	3 653
Petrol, gas and oil	117 624	141 230
Security	232 730	206 300
Signage	11 612	13 179
Special events	741 164	58 437
Stipends	232 700	271 650
Subsistence costs	96 000	326 839
Ticketing fees	653 551	476 998
Transport costs	348 063	300 560
Venue hire	381 182	284 934
Volunteer expenses	10 559	82 877
Wood costs	-	17 500
	<b>5 230 745</b>	<b>3 536 325</b>
Events production costs statement for the year	<b>5 230 745</b>	<b>3 536 325</b>

# Afrika Burns Creative Projects Non-Profit Company

(Tax registration number 9235/645/16/6)

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Tax Computation

	2016 R
Net profit per income statement	2 529 057
<b>Non-deductible and non-taxable items</b>	
Donations received	(187 621)
Interest, penalties paid in respect of taxes (s 23(d))	16 427
Exempt income (DAC funding)	(820 000)
Expenses attributable to exempt income	761 848
	<u>(229 346)</u>
<b>Temporary differences</b>	
Provision for leave pay	154 061
Depreciation according to financial statements	140 429
Wear and tear allowance (s 11(e))	(140 429)
	<u>154 061</u>
<b>Taxable income for 2016</b>	<u>2 453 772</u>
<b>Tax thereon @ 28% in the Rand</b>	<u>687 056</u>
<b>Reconciliation of tax balance</b>	
Amount owing/(prepaid) at the beginning of year	66 490
Amount refunded/(paid) in respect of prior year	(66 490)
<b>Amount owing/(prepaid) in respect of prior year</b>	<u>-</u>
<b>Tax owing/(prepaid) for the current year:</b>	
<b>Normal tax</b>	
Per calculation	687 056
1st provisional payment	(302 571)
2nd provisional payment	(443 389)
	<u>(58 904)</u>
<b>Amount owing/(prepaid) at the end of year</b>	<u>(58 904)</u>



# Afrika Burns Creative Projects Non-Profit Company

(Registration number 2007/020812/08)

Annual Financial Statements for the year ended 31 July 2016

## Supplementary Information

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### 1. Segmented Statement of Financial Performance

	2016	2015
	R	R
Event revenue	12 570 187	9 438 959
Donor income	820 000	900 000
Other income	960 254	220 116
Investment income	<u>284 600</u>	<u>169 532</u>
<b>Gross income</b>	14 635 041	10 728 607
Operating expenses	(5 065 754)	(2 516 750)
<b>Project expenses</b>	-	-
- Burner exchange program	(121 960)	(21 325)
- Creative grants	(575 180)	(553 100)
- DAC funded projects	(761 848)	(900 000)
- Events production costs	(5 230 745)	(3 536 325)
- Outreach	(334 070)	(308 009)
- Project employee costs	<u>-</u>	<u>(1 429 132)</u>
<b>Operating surplus</b>	2 545 484	1 463 966
Finance costs	<u>(16 427)</u>	<u>(39 472)</u>
<b>Surplus before taxation</b>	2 529 057	1 424 494
Taxation	<u>(643 919)</u>	<u>(402 490)</u>
<b>Surplus for the year</b>	<u><u>1 885 138</u></u>	<u><u>1 022 004</u></u>