

14. Funding Rationale

- SARA is, as over the years been accumulating a technical equipment inventory (i.e.) (sound/lighting & staging), when appropriately achieved could be exploited through localised <hire> and/or lease marketing applications.
- SARA utilises on-the-job training as part of it's skills methodology, has it has built a pool of experienced and developed technical and production skills facilitators both in it's membership ranks, as well as within the local market at large
- SARA is now in a position to begin offering its own operations services, to a wide range of organisations, specifically based on it's on-the-job training program providing the skills needed to support services
- The services will over a period of [2] to [3] years; see SARA become financially sustainable as an organisation, without depending solely on grant or donor support
- There are two primary challenges facing SARA's drive towards sustainability in the current exercise of the next 3 years.

1. Funding the renovation and upgrade of SARA'S existing wholly owned infrastructure. (*SARA is required to participate in the Greater Johannesburg City upgrade and renovation initiatives*)
2. Funding SARA's Administration and existing International Exchange Programs

15. Funding SARA'S Administration and existing International Exchange Programs

- SARA seeks
 - Administrative funding support for short-term projection, with the support required reduced over period
 - Guaranteed International Exchange Program funding support for approx [28] trainee's per annum.

- In respect of the Administration support
 - SARA'S current funding has been achieved thru grant and donor support.
 - To date SARA has built the capacity to sustain 20% of its Administration
 - Over the first year of this plan, SARA will uplift its capacity to sustain to 50% of its Administration
 - Over the second year of this plan, SARA will uplift its capacity to sustain to 90%
 - SARA will achieve sustainability during the first half of third year of this plan

- In respect of International Exchange Program support
 - SARA'S current funding has been achieved by grant and donor support
 - SARA will continue to raise donor and grant support for these programs during the period of this plan
 - The programs connect SA youth to cutting edge equipment, technology and methodology, and provides them with much needed international exposure, and thus are critical components in local technical and production skills development

16. SARA'S Sustainability Strategy

- The principle elements of SARA'S Sustainability Strategy are:
 - Pool of youth in SARA'S technical and production skills development programs for whom on-the-job training is part of the program
 - Inventory of quality technical and production equipment
 - Skilled existing facilitators and managers
 - Organisations using SARA'S On-the-Job Training Program as part of their respective commitments to skills development:
 - Numerous facilities requiring technical and production services
 - Numerous equipment hire companies
 - Numerous Hotel Group Exhibition, Exposition & Conference facilities
- Linking SARA'S consistent supply of technical & production skills/services and equipment, to ongoing demand for not only technical & production skills/services and equipment, but also investing and developing sustainable skills for the foreseeable future

17. SARA – DAC Funding

- Total DAC Funding Sought: R2,856 210.00 over 3 years as follows:
 - Administration – R1,662 610.00
 - Administration Costs
 - Staff Costs
 - Operating Costs
 - International Exchange Programs – R1,193 600.00
 - USA - UniverSoul Circus (10 months)
 - Denmark – Roskilde Festival (2 weeks)
 - Norway – Quart Festival (2 weeks)

18. Financials

Review 2005 [audited] & 2006 [un-audited] Statements

(See Annexure)

- Balance Sheet – R1,397 410.00 – 2005
 - 45% increase in value 2002 to 2003
 - 89% increase in value 2003 to 2004
 - 16% decrease in value 2004 to 2005

- Income Statement – (R278 469.00) - 2005
 - 47% decrease in surplus 2002 to 2003
 - 290% increase in surplus 2003 to 2004
 - 136% decrease in surplus 2004 to 2005

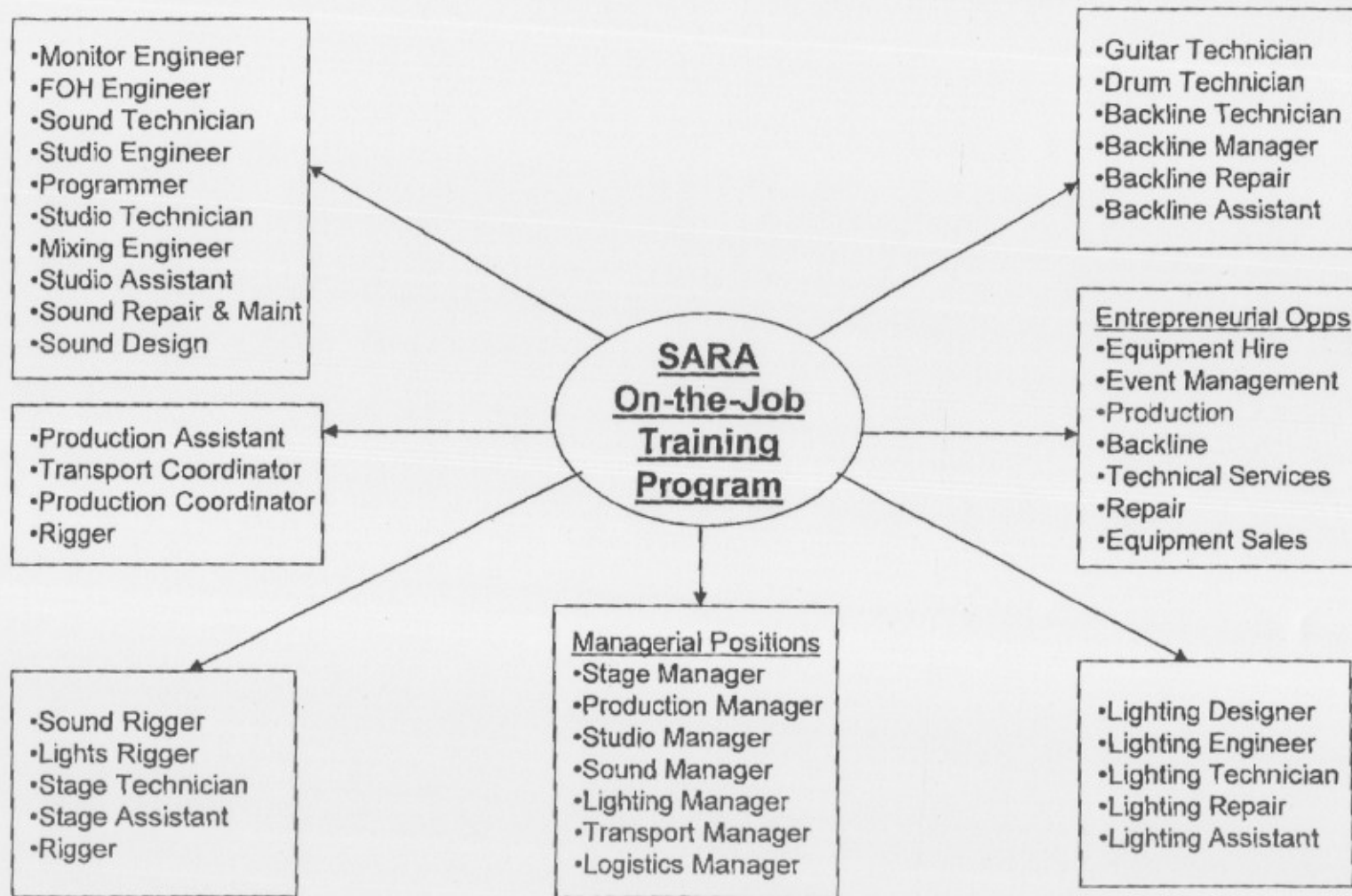
19. SARA Policies

- **Fiscal Policy**
 - Conservative
 - Own existing building and equipment assets
 - 10 years audited financial statements
 - In-house accounts department, supported by outside accounting and auditor support
 - Two x check signers
 - Budget approved by Board
 - BEE orientation to procurement
- **Management Policy**
 - Board of Trustees
 - Small number of managers
 - Non profit organisation
 - Membership driven association
 - Subscribe to existing government policies concerning BEE, affirmative action, gender and employment equity
- **Skills Development Policy**
 - Core business of the organisation
 - Alignment with national skills development and MAPPP SETA
 - Closely linked to SARA On-the-job training
 - Oriented to enhancing the number of skilled new members, and to enhancing the skills of existing members
 - Building long term sustainability of Skills development facilitation
 - Integration with the Joint Initiative for Priority Skills Acquisition (JIPSA)

20. Impact of SARA's plans

- There is a wide ranging impact that SARA's initiatives will have:
 - Employment Impact
 - Community Impact
 - Social Impact
 - Trade Impact
 - National Impact

21. Employment Impact



22. Community Impact

- Bread on the table – jobs
- Showcasing local talent
- Bringing entertainment to disadvantaged communities
- Distribution of technical expertise for the community arts centers
- Providing opportunities for unemployed and disadvantaged youth
- Enhancing of entrepreneurial skills and support services for small businesses in the entertainment industries
- Increased confidence of individuals within communities to build new black owned businesses driven by skills gained from SARA

23. Social Impact

- Important role in poverty eradication through job and skills development programs
- Contributes to more equitable and wider skill distribution
- Important role in combating crime by providing youth with an alternative
- Raising awareness of youth technical skills development
- Mentorship and Entrepreneurial programs
- Increase of black and gender equity in businesses in a historically white male dominated industry

24. Trade Impact

- Increased the pool of skilled, disciplined and knowledgeable workers in the industry
- Providing equipment, technical and production services to the local market through SARA'S on-the-job training program
- Increases the market turnover through SARA equipment acquisition
- Increase the pool of available equipment for hire and use by the market
- Expansion to other provinces will see growth in market support services, as well as growth in available technical and production skills
- Programs improved black equity in the industry

Aug. 27 2007 12:56PM P27

FAX NO. :

25. National Impact

- Poverty Eradication
- Job creation
- Skills Development
- International Exchange
- Involvement in Bilateral Agreement outcomes
- Government interaction
- Black Equity Creation

FROM :

i. Implementation Schedule

June 2007

- Submit 3 yr Plan to DAC

Jul 2007

- SARA 3 yr plan commences
- Submit Infrastructure Plan to various support structures

Aug 2007

- SARA 3 yr plan confirmed and initiated with DAC
- SARA Infrastructure Plan under review at [*response awaiting*]

Sep 2006

- Inconclusive Agreement as per un-initiated projects

Oct 2006 to June 2007

- SARA Infrastructure Plan uncompleted.

27. Annexure:

- Financials 1
 - 2005 – audited statements
 - 2006 – trial balance – un-audited
- Financials 2
 - 2007-2010 Cash-flow projection
 - Notes to financials

Value-added input:

- Departmental Reviews: x11.
- Peer2Peer Reviews: x08
- Community-Impact Reviews: x08..
- Press Reviews: x05.