



Patron: The Honourable President T.M. Mbeki

# annual report 2007



## **Business & Arts South Africa**

**Patron: The Honourable President T.M. Mbeki**

### **Nature of Business**

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

### **Board of Directors**

M. Slack (Chairman)  
I. May (Deputy Chairman)  
R. A. C. Cock  
K. Gumbi  
S. A. H. Kajee  
P. Kingston  
W. S. Kunene  
M. Langa  
C. V. Mabaso  
K. P. Marcus  
S. Marutlulle  
M. Mokoena  
S. Moodliar  
A. B. Moosa  
G. Palacios-Flusk  
R. S. Steyn

### **Bankers**

The Standard Bank of South Africa Limited

### **Auditors**

Grant Thornton  
Registered Auditors  
Chartered Accountants (S.A.)  
South African member of Grant Thornton International

### **Company registration number**

1997/001920/08

### **Business & Arts South Africa (BASA)**

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web: [www.basa.co.za](http://www.basa.co.za)

#### **Nicola Danby**

Chief Executive Officer

#### **Tsholo Tshepe**

Project Administrator

#### **Diana Williams**

Co-ordinator, Barloworld ARTWORKS  
Mentoring Programme (part-time)

#### **Beverly Kisten**

Administrative Assistant

#### **Carol Mokwena**

Administrative Assistant

#### **Maureen Benya**

Office Assistant

### **Regional Offices**

#### **KwaZulu Natal**

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# annual report 2007

“...I can with full confidence affirm the positive thinking that drives business leaders to partner with the arts and culture, particularly in a country as diverse as our own where bridges must be built and opportunities created for all.

And the artist – ever courageous, ever in a world that presents new ways of seeing, feeling, knowing, ever seeking the means to survive – must be commended for his or her words, music, song or dance. They are the custodians of our heritage and the voices of our present.

The willingness of business to seek out new territory – the territory of the mind, of imagination and creative thinking, is reflected in the growth in membership in Business & Arts South Africa... Creative thinking, in whatever mode of expression – whether in the arts or the sciences – is in itself the forerunner of innovation.”

President Thabo Mbeki  
Republic of South Africa

Extract from the foreword to the Business Day-BASA Awards programme 2007



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## vision

To attract corporate sector support for the arts and culture, whether financial or in kind, and to lift the profile of the arts and artists within South Africa

## mission

To promote mutually beneficial and sustainable business-arts partnerships that will, over the long term, benefit the broader community.

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

**Business & Arts** South Africa (BASA) was founded in 1997 as a joint initiative of the Department of Arts and Culture and the corporate sector, as part of a strategy to secure greater involvement in the arts from businesses operating within South Africa. As playwright and actor Dr. John Kani so aptly put it: "You, business, give us your money and we, the artists, give you back your humanity".

Established as a section 21 company, with President Mbeki as its patron, BASA is accountable both to government and to its corporate members. BASA is constituted in terms of the Companies Act and is registered as a public benefit organisation, retaining tax exempt status.

Given its mandate, BASA explored various methodologies to drive corporate sector support for the arts. Historically, most funding for the arts came through charitable foundations or donor agencies, and the arts and culture consistently ran a poor loser to other more pressing social needs. Hence the emphasis moved to sponsorship, by implication shifting the arts sector from a 'handout' mentality to a 'handshake', where

relationships would be founded on a sound business rationale and, in this way, rendered sustainable. BASA introduced, with funding from the Department of Arts and Culture, the *BASA Supporting Grant Scheme* and this, together with a range of *Special Projects*, remains the keystone of BASA's activities, offering an incentive to attract corporate sector funding and providing an effective 'value-add' or 'hook' for an arts organisation seeking sponsorship. The scheme invites either a sponsoring business or an arts organisation with one or more business sponsors to approach BASA for additional funding to *maximise mutual benefit*; each party can define, from the outset, what additional benefits may be desirable and feasible and how resources may be optimised. Applications to BASA are completed by both sponsor and recipient; in this way, it is possible to ensure mutual understanding and, potentially, to secure an ongoing relationship based on sound business principles.

Encouraging the business sector to view sponsorship of the arts as a strategic business opportunity is only one factor in building partnerships between business and the arts. Equally important is encouraging the arts

sector – individual artists and organisations – to understand their own value to civil society through education, skills development, job creation, urban regeneration, health, social inclusion, and their fundamental ability to address poverty of the mind. None of this is far-fetched, as numerous studies and examples demonstrate. From corporate South Africa's perspective, the need to develop cohesive and effective Corporate Social Investment programmes and align with the triple bottom line principle of accounting has triggered greater take-up of arts and culture as, increasingly, this sector is integrated into the social and economic fabric of our country.

Whether from a marketing or CSI perspective, BASA seeks to identify opportunity within the arts for its business members, ensuring advantage for both the corporate sponsor and the recipient arts organisation at all times. This requires that BASA sustain engagement with both the business sector – particularly existing and potential BASA members, and with the arts sector specifically around the improvement of business and marketing skills.

# chairman's statement

Ms. Mary Slack

**On behalf of the** Board, it is with great pleasure that I formally submit the annual report of Business Et Arts South Africa to the Minister of Arts and Culture, the Honourable Pallo Z. Jordan.

It has been an interesting journey over the past decade as we have moved between and among business and the arts, evolving to meet the needs of both sectors around a constant focus – partnership.

We are asked - Why the Arts? Our answer remains - How better to combat poverty of the mind, to give hope, to educate, inform and – looking downstream – to generate economic opportunity through performance, tourism and professional achievement. We have encountered generosity of spirit, huge tenacity, talent and some courage; we have sparked relationships that survive to this day; we have been frustrated, amazed and amused as we try and bring the two sectors closer, and elated when we see result.

But what BASA attempts to achieve is the result of a huge collaborative effort, and I would like to recognise all those who transformed what was, in 1997, a brave and challenging concept into a reality. President Thabo Mbeki whose enthusiasm and intellect infused this from the outset and whose presence, as our patron, at the inaugural awards in 1998 set us on our path; Minister of Arts and Culture Dr. Pallo Jordan and his predecessor Dr. Ben Ngubane who, with the Department of Arts and Culture,

demonstrated their vision in reaching out to corporate South Africa ; those first brave 49 businesses – most of which are still with us, and all those who subsequently joined us, that pioneered new partnerships; my extraordinary Board, characterised throughout by integrity, dynamism and spirit of volunteerism; the lively and imaginative team that makes BASA tick; our project partners whose support is unstinting; Business Day for their sustained partnership with us, creating a vital bridge between business and the arts; ... and the artists, whose words, dance, music, song, images, breathe life into our world.

Together, you have all built BASA – and I thank you. In particular, thanks go to founder member Ms. Wendy Appelbaum who stood down from the Board this year, and we welcome Mr. Kwanele Gumbi, Ms. Sureshni Moodliar and Ms. Gabriela Palacios-Flusk, each of whom bring their own vision and energy to the Board. We look forward to another 10 years of growth, and of partnership in our shared future.

I respectfully present to the Honourable Minister of Arts and Culture an unqualified audit for the year ended 31 March 2007.



Mary Slack  
26th July 2007



# chief executive officer's review

Ms. Nicola Danby

**Business & Arts** South Africa continues its efforts to secure financial or in-kind support for the arts from business, while developing better business skills and acumen among arts practitioners. Key to this overarching intent is an understanding of business' perspective or response to the arts sector, and this has involved direct approaches to principals within our member companies and beyond, coupled with research into prevailing attitudes and perceptions. BASA's activities must of necessity align with the interests of both business and the arts, viewing both as key stakeholders, if it is to address properly its mandate and drive greater take-up by business of opportunities within the arts sector.

The BASA Supporting Grant Scheme remains our primary device to attract corporate sector support for the arts, whether as sponsorship or as corporate social investment. However, the intention of the grants is to establish a business relationship between the two partners, one that is founded in a sense of shared or mutual benefit, rather than of charitable giving from one to the other. The grants, made possible with funds from the Department of Arts and Culture, provide the wherewithal to add value or maximise mutual opportunity, addressing an element that has emerged consistently from the research conducted at 3-yearly intervals by BASA and that continues to militate against corporate sector support for the arts. Namely, that business seldom effectively leverages its spend on arts and culture and, thus, derives minimal benefit for itself or the recipient, and does not achieve the desired impact. With business

emphasising the need for the arts to articulate "the value proposition", this is of fundamental importance. A case in point is the Picasso and Africa exhibition, sponsored by Standard Bank, which was characterised by an extensive promotional and marketing campaign that included an innovative employee and educational programme. It worked. Not only was there record attendance at the Standard Bank Gallery in downtown Johannesburg and at the Iziko South African National Gallery in Cape Town (some 52 000 people), but Standard Bank garnered prestigious acclaim through the Marketing Excellence and Business Day-BASA Awards.

The BASA Special Projects, initiated by BASA or run in association with a partner, remain an important element of our activities. Of these, a range of media partnerships is geared to 'mainstreaming' the arts and culture, targeting specific audiences and, in some cases, creating a platform for the business partner. These are flexible and reviewed regularly to ensure effective delivery. The relationship with Business Day in the annual Business Day-BASA Awards, with sponsorship from Anglo American neatly rewards and profiles innovative engagement by business with the arts, while highlighting various arts projects and programmes countrywide. It does, too, serve the interests of both partners. As always, the awards - artworks commissioned by BASA - introduce an emerging artist to the broader community. Projects such as Room 13 represent an intervention to trigger arts education at school, aligned with personal development, and we are happy to record that BASA leveraged further support for this from

Walt Disney South Africa and continues to seek other partners. Two major projects for which BASA had brokered partnerships have, regrettably, been put on hold - one literary and one a national public art programme, pending resolution of logistical and other challenges.

Throughout the year, BASA works closely with individual arts organisations in an effort both to assist them in identifying potential sponsors, and also to encourage them to understand what they are capable of offering to such a sponsor. We extended the series of fund-raising seminars run during 2005/6 and ran two programme series - in July and November 2006, deliberately targeting less well-served areas such as the Northern Cape, the Free State, and the Eastern Cape. This was made possible with the generous partnership of The Fuchs Foundation, and incorporated a session on foundation funding and proposal writing. Despite these interventions, and approaches made directly to local business, we still do not see much growth year on year in applications for Supporting Grants flowing from these areas, with zero input from Limpopo, Mpumalanga and the Northern Cape. Acknowledging the challenges, we will persevere in working with arts and business in these areas: it is worth noting that the Limpopo Business Champions have sustained their involvement with local artists.

Pending introduction of King III Report, focusing on governance within the non-profit sector, BASA partnered with the Institute of Directors and piloted initial sessions on good governance in Johannesburg and Durban. This

targets arts organisations that are registered and have formal structures, and offers an overview of ethical governance, the roles and relationship between Board and Executive and general corporate management. The response was positive, and in response to demand, similar workshops will be run in other centres.

Similarly, non-profits are required to articulate their BEE status, and BASA has partnered with Empowerdex (a major BBBEE ratings agency) to develop a ratings template for the arts sector, properly reflecting the nature of their work and beneficiaries. To support this BASA approached various arts organisations countrywide, inviting them to participate in a pilot ratings study, and has underwritten the costs of the initial ten ratings. In addition, we anticipate a continued relationship with Empowerdex in the development of a volunteer Board Bank for arts and cultural organisations, that will offer value for the arts and for corporate South Africa in terms of its own BBBEE ratings.

Barloworld has sustained its generous support for the *ARTWORKS* Mentoring Programme during 2006/7, and we have seen this grow slowly and consistently since its introduction last year. Mentor and mentee partnerships have been forged in Johannesburg, Cape Town, Durban and Port Elizabeth. The first Mentor of the Year Award was made to Gianni Mariano, Founder and Director of Mastrantonio's for his extraordinary intervention and impact on Newtown-based Artist Proof Studio. We are gratified by the response of professional business men and women who have freely given of their time and expertise over an extended period, and the take-up by a wide range of arts and cultural organisations keen to extend their skills base and competencies.

Deneys Reitz's unique pro bono services for arts and culture has been uninterrupted for

the past 5 years or so, offering bona fide arts and cultural organisations identified through BASA access to considerable expertise when addressing a range of legal issues, that range from human resources to registration. This now forms part of Deneys Reitz Pro Bono Department.

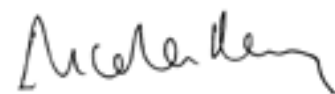
The third ArtsTrack comprising research into the attitudes and perceptions of the general public, the corporate sector and the media, conducted on behalf of BASA by BMI Sports Info will be available mid-2007. Early indications are encouraging, reflecting an increase in sponsorship spend on music, arts and culture – from a total of R201 million in 2004 to R304 million in 2007, with a more equitable spread across arts disciplines than in previous years, where music took over half. This represents an average growth rate of nearly 15%, which is well above the official inflation rate: however, sports sponsorship spend is recorded as increasing by 18% this year and, as is obvious, comes off a substantially higher base. Leveraging of these arts sponsorships (referred to above) has increased from R35 million to R61 million (17% to 20%). While this is movement in the right direction, it is well behind the 83% leverage spend on sports sponsorship, and is countered by the fact that only 27% of sponsors measure and evaluate their sponsorship programmes (some 80% in sport), which negates quantification of result at any level.

From our perspective, we see marked interest from the corporate sector in the visual arts in particular: perhaps because this offers an investment in real terms that may offer return over time, and because the work itself is largely tangible. There is recognition of the need to tour exhibitions across urban centres and rural areas to offer broader public access, which is commendable: this is something that

could be duplicated within the performing arts. Awards and recognition for our artists grow year on year in the visual arts, theatre, music and literature, acknowledging the calibre of their work.

Corporate membership in BASA during the year has remained stable, and we are pleased to note direct approaches to us for membership, and subsequent use of BASA as a resource in terms of information and advice. We remain grateful to all those businesses that support us, both as members or as partners and are constantly alert to opportunity for them, aligned with their objectives. We now have the necessary staff complement to meet our objectives properly and deliver effectively, and hope to grow the membership base, working with the BASA regional representatives.

We are committed to our two client bases - the arts and business. Up to this point we have concentrated largely on equipping the arts sector with skills and expertise enabling them to develop along business lines. There has been result, as more and more arts organisations configure themselves as a business operation, understanding the need for structure and accountability. Looking forward, with BASA's objectives and the key concept of arts and business working together more firmly entrenched, we intend to engage directly with the corporate sector to articulate the why, how and what of partnership with the arts.



Nicola Danby  
26 July 2007



# governance

for the year ended 31 March 2007

All Board and committee members serve on a voluntary basis, and receive no remuneration from Business & Arts South Africa for their time and expertise.

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

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

Business & Arts South Africa wishes to thank KPMG for conducting a Risk Assessment for the year ended 31 March 2007.

## **Audit Committee**

Mr. S. Kajee (Chairman)  
Dr. I. May  
Mr. R. Steyn

The audit committee meets twice annually to review the 6-month interim review and year-end financial statements.

## **Executive Committee**

Executive Committee meetings were held subject to the availability of Board members. Three Executive Committee meetings were held during the financial year ended 31 March 2007, supplemented by inclusion of Exco functions at the Board meetings throughout the year.

The Board agreed that, as there was considerable overlap across committees, the contribution made by various individuals be rationalised, with

the functions of the Human Resources and Audit Committee where possible being combined with Executive Committee meetings.

The core Executive Committee comprises:

Ms. M. Slack (Chairman)  
Dr. I. May (Deputy Chairman)  
Mr. R. Cock  
Ms. W. Kunene  
Mr. M. Langa  
Ms. S. Marutlulle  
Mr. R. Steyn

All directors are invited to attend Executive Committee meetings, should they be available, to ensure valuable ideas and insights are exchanged.

## **Human Resources Committee**

Executive Committee members make up the Human Resources Committee, as follows:

Ms. M. Slack (Chairman)  
Dr. I. May (Deputy Chairman)  
Mr. R. Cock  
Mr. R. Steyn

# strategic overview

In relation to key objectives for the year ended 31 March 2007

BASA is mandated to build and secure partnerships between business and the arts, serving both sectors in ways that will achieve this objective. While BASA must promote its own identity to maintain its profile as an agency for partnership and support, this platform is extensively leveraged on behalf of business and of the arts. BASA's strategies and related activities are ongoing and for the most part linked, with the flexibility to accommodate new ideas and opportunities in response to trends and attitudes as they arise.

The following core objectives remain constant, with associated activities implemented during the year.

## 1. Increase positive profile of BASA

BASA's key stakeholders are the Department of Arts and Culture, its corporate members and by extension the corporate sector as a whole, and the arts sector. This comprises both the funders of BASA's activities and the ultimate beneficiaries.

### **BASA identity**

BASA remains better known within the arts sector than the broad business sector. Ochre Media worked pro bono to develop a brand identity for BASA and this was successfully integrated into the marketing of the 2006 Business-Day BASA Awards. A strategic approach to extend this further is being developed, aligned with direct approaches to business.

### **Media Partnerships**

These form the core of BASA's Special Projects, and were introduced by BASA to counter the relative lack of media coverage of the arts. Each feature operates independently, and BASA exercises no editorial control. The content is geared to address three objectives:

- To mainstream the arts and cultural activity
- To promote BASA's profile within the business sector
- To promote BASA's profile within the arts sector

Flowing from this are immediate benefits

- a series of platforms, particularly in the electronic media, for arts and culture
- an independent platform for corporate sponsors of the arts
- greater awareness of BASA

Many of these partnerships are well established, and currently include:

### **SAfm Current Affairs "CREATE"**

5-minute features run 3 times weekly during prime time news programming, with an extended feature running on Saturday mornings.

Targets the general public as *The Station for the Well-informed*, with national footprint.

'Create' attracts extensive positive feedback from listeners.

### **Summit TV "THE BUSINESS OF THE ARTS"**

Feature runs twice weekly during prime time viewing for target audience, viz. business men and women, with linked topics on current affairs and debating forums on the station. The feature explores the rationale for corporate sector funding, focusing on current and working business-arts partnerships,

offering a wide range of experience and example.

### **Classic fm "NO JACKET REQUIRED"**

Saturday programme of classical music, including local composition and performance, keyed to interviews with either the sponsoring business and/or the recipient arts representative involved in a partnership.

### **Business Day quarterly ART Supplement**

Quarterly supplement focusing on the visual arts, distributed with Business Day with runs provided free to galleries and educational institutions nationally. BASA is part of the editorial think-tank, and supports production of features on corporate art collections of South African art.

BASA anticipates piloting a new feature on Kaya fm to be called "ARTY FACT", starting mid-2007.



## **Work pro-actively with the arts sector to build better business skills**

### **Fundraising seminars in July and November 2006**

Following the success of the 9-day series run in 2005, and in response to requests countrywide, BASA secured support from The Fuchs Foundation to run a second and, building on this, a third series incorporating sessions on donor funding and proposal writing. These were offered at no cost to arts organisations, and in order to be effective, numbers were limited to 25 delegates. The need for interventions such as this is enormous, and ongoing efforts are required to encourage individuals and organisations both to share the information and knowledge received, and also to apply this effectively within their operations.

### **Institute of Directors one-day workshop**

The focus is on good corporate governance for non-profit arts organisations. The pilot programme run in Johannesburg elicited sufficiently positive response to generate further workshops in other centres.

## **Deneys Reitz pro bono assistance for arts and cultural organisations**

Deneys Reitz offers pro bono advice to bona fide arts organisations identified and introduced by BASA, across a range of issues, giving the arts sector access to top quality legal expertise.

### **Barloworld ARTWORKS Mentoring Programme**

Run in partnership with BASA by a dedicated programme co-ordinator, *ARTWORKS* matches suitably skilled business people with arts organisations that have expressed a particular need. To date, this has tapped into the skills base of senior strategic planners, engineers, marketers, accountants and lawyers, all of whom give generously of their time to work closely with their partnered arts organisation. Relationships have been forged in Johannesburg, Durban, Cape Town and Port Elizabeth.

### **Regional Representatives**

The regional representatives, currently active in Durban and Port Elizabeth, are effective in building awareness of BASA in their regions, as reflected by growth in membership,

supporting grant activity, mentoring and entries for the Business Day-BASA Awards. Their presence offers arts and business a direct resource and personal relationship, and drives BASA activities in their region. In the absence of an appropriate individual in Cape Town, a professional public relations company was appointed primarily to drive membership.

## 2. Increase and retain corporate membership in BASA

Membership in BASA has remained stable. While 3 companies withdrew their membership as their focus areas shifted, one became insolvent and two companies merged, this was countered by 5 new members during the period. Membership is taken out on the basis of BASA offering a service to that particular company, and in support of the activities of BASA in promoting arts and culture.

BASA continues to position itself as a resource for its members in terms of insights, knowledge and information, and it is essential that BASA develop personal contact with its members.

Member companies are regularly informed of appropriate sponsorship opportunities for them.

Where appropriate, member companies may be featured through the media platforms listed above.

BASA, either independently or working with an arts organisation or one of its corporate members, continues to host events for its members; very often this affords exclusive access, and an enjoyable networking opportunity. Through BASA, members may invite fellow member companies to their own events. In addition, they are apprised of forthcoming arts/cultural events they may wish to attend.

A newsletter is distributed 3 times per annum, with a bi-monthly electronic bulletin.

Various member companies, when approached, are generous in supporting BASA's objectives and, through this, the arts sector.

## 3. Increase the profile of business-arts partnerships

The value of the arts to individuals, to communities and to society within a socio-economic framework, as a long-term investment in our shared future, is emphasised by BASA, through existing media platforms, the BASA Newsletter, and in presentations to arts and to business. It is essential not only to mainstream the arts in order to attract interest from the corporate sector as funder, but also to attract audiences: every successful business-arts partnership demonstrates to the wider corporate sector that a relationship with arts and culture is effective – whether as sponsorship or as part of corporate social investment, or both, and that sustained and strategic involvement does deliver result.

### Business Day-BASA Awards

The annual Business Day-BASA Awards which highlight and recognise effective business-arts partnerships, where both parties derive benefit, continue to grow. Business Day has sustained and grown its support, acknowledging that the arts are an area of interest for its reader, the business man and woman. As the leading daily business paper it is interesting that it has retained, in much reduced size, an arts and cultural section in the body of the paper, while its sister journal The Weekender carries extensive arts coverage and critical review. The continued support and sponsorship of the Awards by Anglo American, a founder member of BASA, has considerably leveraged the profile of the awards and of those participating, reflected in support for the Business Day Survey that accompanies the awards each year. Media coverage is extensive, and additional support for the event itself comes from Distell, and for the surrounding campaign from Ochre Media. Entries for the 2005 Awards, presented in May 2006 are up on previous years, again demonstrating new and original thinking and reflecting strategic partnerships rather than philanthropy. The 2006 Awards, presented in June 2007 marked the tenth anniversary of BASA's partnership with Business Day.

### BASA Supporting Grant Scheme

Funded by an annual allocation from the

Department of Arts and Culture, this scheme continues to serve as a mechanism through which business and the arts can engage and achieve mutual benefit. Through these grants, specifically the process of obtaining such a grant, BASA aims to equip the artist/arts organisation with the ammunition to support an approach to a potential sponsor, and to provide such a sponsor with the wherewithal to leverage effectively the proposed partnership. This has shifted the perception both of business towards the arts, but also of the arts vis-à-vis its own activities within a broader context.

50 grants were made during the year ended 31st March 2007. This marks a strategic decision by the Board to make fewer grants offering greater impact (down from 63 the previous year) while keeping within budget. The spread of grants continues to reflect the location of major business activity, but BASA actively encourages submission from rural and peri-urban areas on the basis of working with smaller, local business. The absence of any applications for grants from Limpopo, Mpumalanga and Northern Cape is noted, despite BASA's efforts in approaching both arts organisations, local business and the various provincial structures.

The grants encompass a wide range of activity attracting corporate sector support, and where possible BASA leverages the arts or cultural event further through its own media partnerships. Supporting grants of R2,1 million leveraged a further R18,7 million corporate sector spend. (Note that this figure represents only applications coming through BASA, and does not represent the entire arts sponsorship picture).

Audit firm Grant Thornton continues to run random audits on projects conducted during the preceding year: to date no anomalies have been reported.

### Media partnerships

These are described in Section One above.

## 4. Advocacy

Business Et Arts South Africa continues to make interventions in areas it considers critical for the sustainability of the arts sector.

### ARTSTRACK – 3

The third in a series of research reporting on the attitudes of the corporate sector, the general public and the media has been commissioned, and will be available mid-July 2007. This is a valuable tool in advocating greater involvement by the corporate sector, as it tracks audience and interest levels across arts disciplines. It is equally useful to the arts sector, when seeking funding or other support from business.

## 5. BASA Special Projects

As in previous years BASA's focus remains on identifying and, in some cases sustaining, projects or programmes that will encourage engagement by the corporate sector with the arts, that will lift the profile of the arts sector and position the arts in the public mainstream, and that will build capacity within the arts sector to secure sustainability of operation and funding over the longer term.

Thus the special projects are keyed to either initiating projects or working with partners: the projects are of fundamental value to the arts sector, both by creating or supporting new public platforms or opportunities for the arts and in pursuit of enduring relationships with the business sector. Special Projects are intended to have national impact and, where focused locally, to have potential for assessment and extension nationally.

Including the *ARTWORKS* Mentoring Programme, fully funded by Barloworld, Special Projects were up on budget during the year at R2,2m.

These partnerships are detailed in the Schedule of Special Projects on page 22, and many are described in earlier sections of this review. Their alignment to BASA's strategic objectives is outlined below, and it is clear that in many cases the benefits accrue across sectors.

### The Arts and Taxation

Since 2001, with assistance from Webber Wentzel Bowers in preparation of relevant documentation, BASA has raised the issue of tax deductions for giving to the arts with the Minister of Finance and the Minister of Arts and Culture. It is BASA's contention that such philanthropy or donation would be encouraged by deductions being made available in the hands of the donor; and that example elsewhere demonstrates how a culture of philanthropy contributes to infrastructural investment and skills development, from which flows opportunity

for employment and regeneration. To date, the status quo remains unchanged.

### The Arts & Business Skills

BASA brokers partnerships whenever it can between an arts organisation and business, and between itself and business members in support of the arts. This is reflected in the relationships outlined with The Fuchs Foundation, Deneys Reitz and Barloworld vis-à-vis particular programmes in Section 1.

### Targeting the corporate sector

#### Media partnerships:

Summit TV "The Business of the Arts"; Classic fm "No Jacket Required"; Business Day ART Supplement; Refer Section 1 above

#### Business Day-BASA Awards 2005, presented in May 2006

Once again, entries were up on previous years, and were marked – in the selection panel's view – by greater originality. It was encouraging to note the increase in entries from small and medium sized businesses, supporting local arts organisations, and to see the growing number of sustained or long-term partnerships.

The 2006 Awards, marking 10 years of BASA's existence and its relationship with Business Day, were presented in June 2007.

Refer Section Three above

### Targeting the arts sector

#### Barloworld ARTWORKS Mentoring Programme

This programme is run through BASA by a dedicated co-ordinator, and has established mentoring partnerships between highly skilled business people and arts organisations with

an expressed need. For many business men and women, this constitutes their first real engagement with the arts sector, and it is widely regarded as being mutually productive and beneficial.

#### Fundraising seminar series for arts organisations

The second and third series of one-day seminars in centres in less well served provinces was made possible with support from The Fuchs Foundation, whose principal also offered a new session on donor or foundation funding, as opposed to sponsorship. Demand for sessions such as these far outweighs supply, but it remains difficult to track result.

#### The Actors' Centre

Funding was supplied to enable Actors' Centre board members to attend a corporate governance workshop. Flowing from this, BASA hosted IoD workshops.

#### Institute of Directors Governance Workshop for Arts Organisations

Piloted in Johannesburg, and run in association with the Institute of Directors. Again, demand exceeded capacity and further day-long sessions will be held in other centres.

## **Empowerdex**

Arts organisations are required to articulate their BBBEE status, particularly when seeking funding or other support. BASA is working closely with Empowerdex to develop a scorecard that reflects the nature of the sector, and has underwritten costs of 10 pilot ratings. In addition, BASA and Empowerdex propose developing a voluntary Board Bank for not-for-profit organisations.

## **Room 13**

Widely viewed as one of the most innovative and effective interventions for arts education in schools, BASA has committed funding for the stipends of 3 artists-in-residence. BASA has leveraged further support for the programme from its corporate members.

## **African Cultural Heritage Trust**

BASA supported ACHT as custodians of Zindala Zombili, the largest programme and festival of indigenous African music and dance in South Africa.

## **Artbank Jo'burg**

BASA continues its association with the Artbank, which is effectively supporting Gauteng-based artists and encouraging local business to lease original artwork.

## **Targeting the general public**

### **'Create' on Safm**

Refer Section 1 above.

### **ArtsTrack 3**

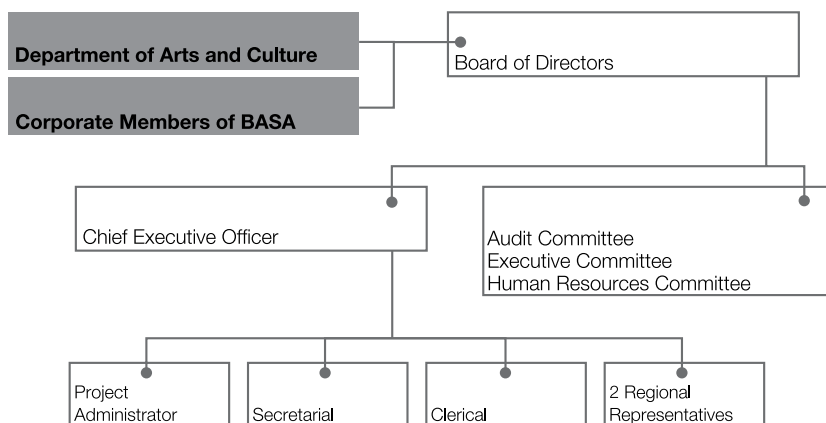
This research, conducted over an extended period and targeting a larger than usual sample, establishes attitudes and perceptions of the general public, the corporate sector and the media towards the arts. Broken down by age, gender, demographics and LSM, it enables trends to be tracked on a 3-yearly basis.



# human resource management

for the year ended 31 March 2007

## Funders



## Personnel costs 2006/7

	R'000
Total expenditure	6 278
Personnel	974
Training	31
Skills Development Levy	11
Consultancy services	-
Pension fund/retirement annuity	2
Medical benefits	5
Unemployment insurance fund	4
Personnel costs as % of total expenditure	15,5
Average personnel cost per employee	139

(includes 4 full-time, 1 part-time at BASA head office; and 2 regional representatives)

## Allowances

There were no overtime, housing or other allowances made.

## Labour Relations

There were no disciplinary hearings during the period

## Vacancies

The post of Cape Town regional representative remained vacant: in the interim, a corporate public relations company was appointed to drive membership in the region.

## Employment Equity Management

1 white female

## Middle management

1 African female

1 white female

1 coloured male

## Supervisor and high-skilled

1 Indian female

1 white female (part-time)

## Lower skilled

1 African female

## HIV/AIDS Prevention & Health Promotion Programme

Given the small size of BASA, no formal programme is deemed necessary. An HIV/AIDS Policy is under review.

# supporting grant funding

for the year ended 31 March 2007

## Grants & report back status

Total Number of grants made by BASA

as at 31 March 2007 **898**

Report backs received

as at 31 March 2007 **598**

**(67%)**

Of this:

Grants made during period

1 April 2006 to 31 March 2007 **50**

Report backs received

as at 31 March 2007 **21**

**(42%)**

*Note: report backs continue to come in for this period*

## Grants made by business sector as a %

Advertising Agency 3.56

Financial 18.75

Food & Beverage 13.39

Hotel & Leisure 8.04

Industrial 5.36

IT/Computer services 1.79

Legal 2.68

Media & Entertainment 20.54

Mining 4.46

Petroleum 1.79

Retail 11.61

Telecommunications 0.89

Transport 7.14

## Grants made by arts discipline as a %

Craft 4.00

Dance 4.00

Festival 14.00

Film 2.00

Literature 4.00

Music 26.00

Theatre 28.00

Visual Art 18.00

## % of grants by province

Eastern Cape 6.00

Free State 2.00

Gauteng 38.00

KwaZulu Natal 18.00

Limpopo 0.00

Mpumalanga 0.00

Northern Cape 0.00

North West 2.00

Western Cape 34.00

# schedule of supporting grants

for the year ended 31 March 2007

**Sponsors: Webber Wentzel Bowens**

Sponsors Supported: Webber Wentzel Bowens  
 Recipient Organisation: Eksklusive Information Management Services  
 Project/Event: WWB Young Artist Competition & Exhibition  
 Date of Event: 1st October 2006 Area: Gauteng Type: Visual Art  
 Supporting Grant: R20 000,00 Date Funded: 25th May 2006 Report Back: No

**Sponsors: ABSA Bank**

Sponsors Supported: ABSA Bank  
 Recipient Organisation: Daniel Mosako  
 Project/Event: ABSA Solo Art Exhibition  
 Date of Event: 5th June 2006 Area: Gauteng Type: Visual Art  
 Supporting Grant: R12 500,00 Date Funded: 25th May 2006 Report Back: No

**Sponsors: EnviroServ Waste Management (Pty) Ltd**

Sponsors Supported: EnviroServ Waste Management (Pty) Ltd  
 Recipient Organisation: EnviroServ Waste Art Foundation  
 Project/Event: EnviroServ Waste Art Project  
 Date of Event: 8th October 2006 Area: Gauteng Type: Visual Art  
 Supporting Grant: R60 000,00 Date Funded: 12th October 2006 Report Back: No

**Sponsors: Cullinan Spar, National Lotteries, Donkerhoek Quarries, National Arts Council, Metsweding Local Council**

Sponsors Supported: De Beers Fund, Cullinan Spar  
 Recipient Organisation: Lekwa Communications  
 Project/Event: Cullinan Diamond Maze  
 Date of Event: Ongoing Area: Gauteng Type: Craft  
 Supporting Grant: R40 000,00 Date Funded: 28th June 2006 Report Back: No

**Sponsors: The Witness , Production Projects, Budget Rent A Car, Pro Sound, SA Breweries, Star Hire International, Country Furniture, Spar KZN, Penguin Group SA, Brooksfield, Fern Hill, Friendly Francolin, Hilton Hotel, Protea Imperial, Lythwood Lodge, Redlands**

Sponsors Supported: The Witness, Production Projects, Budget Rent A Car, Prosound, SA Breweries, Star Hire International, Country Furniture, Spar KZN, Penguin Group SA, Protea Imperial, Lythwood Lodge, Redlands Hotel, Fern Hill, Brooksfield  
 Recipient Organisation: The Hilton Society  
 Project/Event: Witness Hilton Arts Festival 2006  
 Date of Event: 15th September 2006 Area: KwaZulu Natal Type: Festival  
 Supporting Grant: R40 000,00 Date Funded: 3rd July 2006 Report Back: Yes

**Sponsors: ABSA Bank**

Sponsors Supported: ABSA Bank  
 Recipient Organisation: Pretoria Youth Theatre  
 Project/Event: Cinderella  
 Date of Event: 15th July 2006 Area: Gauteng Type: Theatre  
 Supporting Grant: R10 000,00 Date Funded: 2nd August 2006 Report Back: Yes

**Sponsors: Anglo American Chairman's Fund, Investec, Standard Bank, Bowman Gilfillan Attorneys, HCI Foundation, Lindt of Switzerland, Lourensford Wine Estate, Old Mutual, Protea Hotels, Rand Merchant Bank, General Motors South Africa, Sanlam, Shell South African**

Sponsors Supported: Anglo American, SAAB, Investec, Old Mutual Foundation, Protea Hotels, Standard Bank, Sanlam, Rand Merchant Bank, Airports Company of South Africa  
 Recipient Organisation: Cape Town Opera  
 Project/Event: Cape Town Opera 2006/2007 Season  
 Date of Event: 1st September 2006 Area: Western Cape Type: Music  
 Supporting Grant: R100 000,00 Date Funded: 8th August 2006 Report Back: Yes

**Sponsors: Swartland Winery**

Sponsors Supported: Swartland Winery  
 Recipient Organisation: Free State Symphony Orchestra  
 Project/Event: Free State Symphony Orchestra Holiday Concert  
 Date of Event: 16th November 2006 Area: Free State Type: Music  
 Supporting Grant: R15 000,00 Date Funded: 2nd August 2006 Report Back: Yes

<b>Sponsors:</b>	<b>SAMRO</b>				
Sponsors Supported:	South African Music Rights Organisation (SAMRO)				
Recipient Organisation:	South African Associations of Jazz Educators				
Project/Event:	8th Biennial South African Jazz Educators Conference				
Date of Event:	29th September 2006	Area:	KwaZulu Natal	Type:	Music
Supporting Grant:	R10 000,00	Date Funded:	2nd August 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>XPR Sound Hire, Productions Projects</b>				
Sponsors Supported:	XPR Sound Hire and Production Projects				
Recipient Organisation:	Nottingham Road Tourism & Information Centre				
Project/Event:	Nottingham Road Pink Festival				
Date of Event:	2nd October 2006	Area:	KwaZulu Natal	Type:	Festival
Supporting Grant:	R20 000,00	Date Funded:	10th October 2006	Report Back:	No
<b>Sponsors:</b>	<b>ABSA Bank</b>				
Sponsors Supported:	ABSA Bank				
Recipient Organisation:	Johann Moolman				
Project/Event:	ABSA: Johann Moolman Solo Exhibition				
Date of Event:	6th October 2006	Area:	North West Province	Type:	Visual Art
Supporting Grant:	R2 000,00	Date Funded:	26th September 2006	Report Back:	No
<b>Sponsors:</b>	<b>ABSA Bank</b>				
Sponsors Supported:	ABSA Bank				
Recipient Organisation:	ABSA National Youth Music Competition				
Project/Event:	ABSA National Youth Music Competition 2006				
Date of Event:	6th October 2006	Area:	Eastern Cape	Type:	Music
Supporting Grant:	R16 000,00	Date Funded:	13th September 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>VKN Financial Services</b>				
Sponsors Supported:	VKN Financial Services				
Recipient Organisation:	Tribhangi Dance Theatre				
Project/Event:	Sisonke Together				
Date of Event:	29th September 2006	Area:	Gauteng	Type:	Dance
Supporting Grant:	R50 000,00	Date Funded:	29th November 2006	Report Back:	No
<b>Sponsors:</b>	<b>Wordsworth Books</b>				
Sponsors Supported:	Wordsworth Books				
Recipient Organisation:	Theatre Bazaar				
Project/Event:	The Dog's Bollocks				
Date of Event:	30th October 2006	Area:	Western Cape	Type:	Theatre
Supporting Grant:	R10 000,00	Date Funded:	26th September 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Anglo American Chairman's Fund, HSBC Blank Plc, David Graaf Foundation, Naspers, Ernest Openheimer Trust, Joan St. Leger Trust, SG Menell Charitable Trust</b>				
Sponsors Supported:	Media 24				
Recipient Organisation:	SA Pen				
Project/Event:	HSBC/SA Pen Literary Awards 2007				
Date of Event:	6th January 2007	Area:	Western Cape	Type:	Literature
Supporting Grant:	R30 000,00	Date Funded:	4th November 2006	Report Back:	No
<b>Sponsors:</b>	<b>Rand Merchant Bank, Sasol, AngloGold Ashanti</b>				
Sponsors Supported:	Rand Merchant Bank; Sasol; AngloGold Ashanti				
Recipient Organisation:	Sibikwa Community Theatre Project				
Project/Event:	Sibikwa Arts Academy				
Date of Event:	15th January 2007	Area:	Gauteng	Type:	Theatre
Supporting Grant:	R50 000,00	Date Funded:	26th September 2006	Report Back:	No
<b>Sponsors:</b>	<b>Distell Foundation, Pro Helvetia</b>				
Sponsors Supported:	Distell				
Recipient Organisation:	The Resonance Bazaar				
Project/Event:	21st Century Animal				
Date of Event:	11th October 2006	Area:	Western Cape	Type:	Theatre
Supporting Grant:	R10 000,00	Date Funded:	26th September 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Golden Arrow Foundation, First Rand Foundation, Old Mutual Foundation, Distell Foundation, DG Murray Trust, Cape Tercentenary Foundation, City of Cape Town</b>				
Sponsors Supported:	First Rand Foundation, Distell Foundation, Old Mutual Foundation, Golden Arrow Foundation				
Recipient Organisation:	From the Hip: Khulumakahle				
Project/Event:	Tell-Tale Signs				
Date of Event:	7th November 2006	Area:	Western Cape	Type:	Theatre
Supporting Grant:	R30 000,00	Date Funded:	26th September 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Natal Witness</b>				
Sponsors Supported:	Natal Weekend Witness				
Recipient Organisation:	The British Cultural & Heritage Association				
Project/Event:	Last Night of the Proms				
Date of Event:	7th October 2006	Area:	KwaZulu Natal	Type:	Music
Supporting Grant:	R15 000,00	Date Funded:	26th September 2006	Report Back:	Yes

<b>Sponsors:</b>	<b>Media 24, Western Cape Provincial Government, Openingsal, Distell, Sarie, Windhoek Lager, Kyknet</b>				
Sponsors Supported:	Media 24, Distell				
Recipient Organisation:	Suidoosterfees				
Project/Event:	Die Burger Suideroosterfees				
Date of Event:	1st January 2007	Area:	Western Cape	Type:	Festival
Supporting Grant:	R50 000,00	Date Funded:	3rd July 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Nando's</b>				
Sponsors Supported:	Nando's				
Recipient Organisation:	The Not Too Shabby Theatre Company				
Project/Event:	Maybe Sunshine Up Ahead				
Date of Event:	8th July 2006	Area:	Western Cape	Type:	Theatre
Supporting Grant:	R30 000,00	Date Funded:	3rd July 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Broadway Sweets</b>				
Sponsors Supported:	Broadway Sweets				
Recipient Organisation:	Unity Design				
Project/Event:	Reunited Siblings				
Date of Event:	1st September 2006	Area:	Gauteng	Type:	Visual Art
Supporting Grant:	R10 000,00	Date Funded:	29th September 2006	Report Back:	No
<b>Sponsors:</b>	<b>Sweets From Heaven</b>				
Sponsors Supported:	Sweets from Heaven				
Recipient Organisation:	Theatre on the Square Productions				
Project/Event:	Zulu Zonka Et the Sugar Rush Solution				
Date of Event:	28th June 2006	Area:	Gauteng	Type:	Theatre
Supporting Grant:	R20 000,00	Date Funded:	26th June 2006	Report Back:	No
<b>Sponsors:</b>	<b>Rand Merchant Bank</b>				
Sponsors Supported:	Rand Merchant Bank, NPA, Regina				
Recipient Organisation:	British Cultural Et Heritage Association				
Project/Event:	Orchestra 2006				
Date of Event:	13th August 2006	Area:	KwaZulu Natal	Type:	Music
Supporting Grant:	R10 000,00	Date Funded:	2nd August 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Thom Kight Funeral Directors, Werksmans Attorneys, SABC, Classic FM</b>				
Sponsors Supported:	Werksmans Attorneys, Thom Kight Funeral Directors, SABC, Classic FM				
Recipient Organisation:	Symphony Choir of Johannesburg				
Project/Event:	Mozart Requiem Et Cantus In Memoriam 1976				
Date of Event:	5th December 2006	Area:	Gauteng	Type:	Music
Supporting Grant:	R20 000,00	Date Funded:	29th November 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Spier Holdings</b>				
Sponsors Supported:	Spier				
Recipient Organisation:	Spier Arts Trust				
Project/Event:	Spier Summer Arts Festival				
Date of Event:	15th December 2006	Area:	Western Cape	Type:	Festival
Supporting Grant:	R200 000,00	Date Funded:	11th October 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Mageu No 1, Andora Blankets, Score Supermarkets</b>				
Sponsors Supported:	Mageu No 1, Score Supermarkets, Andorra Blankets, The Sowetan, The Daily Sun				
Recipient Organisation:	African Cultural Heritage Trust				
Project/Event:	Zindala Zombili Traditional Dance Et Music Festival				
Date of Event:	25th November 2006	Area:	Gauteng	Type:	Festival
Supporting Grant:	R100 000,00	Date Funded:	23th November 2006	Report Back:	No
<b>Sponsors:</b>	<b>Pick 'n Pay</b>				
Sponsors Supported:	Pick 'n Pay				
Recipient Organisation:	The Harlequin Foundatino				
Project/Event:	Emzantsi Carnival				
Date of Event:	2nd December 2006	Area:	Western Cape	Type:	Festival
Supporting Grant:	R10 000,00	Date Funded:	15th December 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>First National Bank</b>				
Sponsors Supported:	First National Bank				
Recipient Organisation:	The Dance Forum				
Project/Event:	FNB Dance Umbrella 2007				
Date of Event:	28th February 2007	Area:	Gauteng	Type:	Dance
Supporting Grant:	R100 000,00	Date Funded:	15th December 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Ukhozi FM, Independent Newspapers, Lawyers Access Web, Clout Media</b>				
Sponsors Supported:	Ukhozi FM, Independent Newspapers, Clout Media, Lawyers Access Web				
Recipient Organisation:	Ubuhle Be Afrika Theatre Project				
Project/Event:	Maluju Zulu				
Date of Event:	20th December 2006	Area:	KwaZulu Natal	Type:	Theatre
Supporting Grant:	R20 000,00	Date Funded:	15th December 2006	Report Back:	No

<b>Sponsors:</b>	<b>De Beers, PG Group, Remgro, Black Like Me, Imperial Fleet Services, Fredskorpset Norway</b>				
Sponsors Supported:	De Beers, PG Group, Remgro, Black Like Me, Imperial Fleet Services				
Recipient Organisation:	Field Band Foundation				
Project/Event:	FBF 10th Anniversary Celebration CD				
Date of Event:	1st January 2007	Area:	KwaZulu Natal	Type:	Music
Supporting Grant:	R73 000,00	Date Funded:	15th December 2006	Report Back:	No
<b>Sponsors:</b>	<b>Truworths Limited</b>				
Sponsors Supported:	Truworths				
Recipient Organisation:	Community Arts Workshop				
Project/Event:	Goodhope Art Studio				
Date of Event:	7th January 2007	Area:	Western Cape	Type:	Visual Art
Supporting Grant:	R7 500,00	Date Funded:	5th December 2006	Report Back:	Yes
<b>Sponsors:</b>	<b>Advtech Pty Ltd</b>				
Sponsors Supported:	Advtech Pty Ltd				
Recipient Organisation:	Joubert Park Project				
Project/Event:	Cascoland				
Date of Event:	1st January 2007	Area:	Gauteng	Type:	Visual Art
Supporting Grant:	R40 000,00	Date Funded:	25th January 2007	Report Back:	No
<b>Sponsors:</b>	<b>J Walter Thomson</b>				
Sponsors Supported:	J Walter Thomson				
Recipient Organisation:	Out In Africa South African Gay & Lesbian Film Festival				
Project/Event:	South African Gay & Lesbian Film Festival 2007				
Date of Event:	1st March 2007	Area:	Western Cape	Type:	Film
Supporting Grant:	R40 000,00	Date Funded:	15th March 2007	Report Back:	No
<b>Sponsors:</b>	<b>Algoa FM</b>				
Sponsors Supported:	Algoa FM				
Recipient Organisation:	Eastern Cape Philharmonic Society				
Project/Event:	Concert in the Park				
Date of Event:	25th February 2007	Area:	Eastern Cape	Type:	Music
Supporting Grant:	R30 000,00	Date Funded:	26th February 2007	Report Back:	No
<b>Sponsors:</b>	<b>Drum Café</b>				
Sponsors Supported:	Drum Café				
Recipient Organisation:	Mzantsi Traditional Orchestra				
Project/Event:	Mzantsi Premiere				
Date of Event:	1st November 2007	Area:	Gauteng	Type:	Music
Supporting Grant:	R200 000,00	Date Funded:	12th June 2007	Report Back:	No
<b>Sponsors:</b>	<b>Fine Music Radio, Develec CC, Rupert Musikstifting</b>				
Sponsors Supported:	Fine Music Radio, Develec CC				
Recipient Organisation:	Camera Tinta Barocca				
Project/Event:	Camera Tinta Barocca Concerts				
Date of Event:	Ongoing	Area:	Western Cape	Type:	Music
Supporting Grant:	R20 000,00	Date Funded:	31th March 2007	Report Back:	No
<b>Sponsors:</b>	<b>Rand Merchant Bank</b>				
Sponsors Supported:	Rand Merchant Bank				
Recipient Organisation:	Cape Town Opera in partnership with Artlogic				
Project/Event:	Mozart's Magic Flute				
Date of Event:	8th September 2007	Area:	Gauteng	Type:	Music
Supporting Grant:	R250 000,00	Date Funded:	25th May 2007	Report Back:	No
<b>Sponsors:</b>	<b>Goodyear Tyre &amp; Rubber Holdings</b>				
Sponsors Supported:	Goodyear Tyre & Rubber Holdings				
Recipient Organisation:	The Ifa Lethu Foundation				
Project/Event:	The Mobile Heritage Gallery				
Date of Event:	1st June 2007	Area:	Eastern Cape	Type:	Visual Art
Supporting Grant:	R50 000,00	Date Funded:	31th March 2007	Report Back:	No
<b>Sponsors:</b>	<b>Picture Tree</b>				
Sponsors Supported:	Picture Tree				
Recipient Organisation:	Gretha Brazelle				
Project/Event:	Tom, Dick & Harry				
Date of Event:	1st May 2007	Area:	Gauteng	Type:	Theatre
Supporting Grant:	R10 000,00	Date Funded:	31th March 2007	Report Back:	No
<b>Sponsors:</b>	<b>ABSA Bank</b>				
Sponsors Supported:	ABSA Bank				
Recipient Organisation:	Pretoria Youth Theatre				
Project/Event:	Snow White & the 7 dwarfs				
Date of Event:	4th July 2007	Area:	Gauteng	Type:	Theatre
Supporting Grant:	R5 000,00	Date Funded:	5th May 2007	Report Back:	No

**Sponsors: Vodacom, Distell Foundation, Sanlam, Toyota, Chevron SA, Joan St Leger Lindbergh Trust, David Graaf Foundation, RS Nussbaum Foundation, Mauerberger Foundation**

Sponsors Supported: Vodacom, Distell Foundation, Sanlam, Toyota, Chevron SA

Recipient Organisation: Baxter Theatre Centre

Project/Event: 30th Anniversary Season of Baxter Productions 2007

Date of Event: 1st April 2007 Area: Western Cape Type: Theatre

Supporting Grant: R50 000,00 Date Funded: 31st March 2007 Report Back: No

**Sponsors: Carducci's, Tata Oosternberg**

Sponsors Supported: Tata Oosternberg, Carducci's

Recipient Organisation: Rainbow Worx

Project/Event: Colours of My Life

Date of Event: 6th November 2006 Area: Western Cape Type: Theatre

Supporting Grant: R15 000,00 Date Funded: 30th November 2006 Report Back: No

**Sponsors: Fairheads International Trust Company**

Sponsors Supported: Fairheads International Trust Company

Recipient Organisation: UCT Clanwilliams Art Project

Project/Event: Clanwilliam Art Project 2006

Date of Event: 10th September 2006 Area: Western Cape Type: Festival

Supporting Grant: R32 000,00 Date Funded: 12th October 2006 Report Back: Yes

**Sponsors: The Mercury, The Sunshine Factory, The Elizabeth Sneddon Theatre**

Sponsors Supported: The Mercury, The Sunshine Factory, The Elizabeth Sneddon Theatre

Recipient Organisation: Durban Theatre Awards

Project/Event: Durban Theatre Awards 2006

Date of Event: 27th November 2006 Area: KwaZulu Natal Type: Theatre

Supporting Grant: R20 000,00 Date Funded: 16th November 2006 Report Back: No

**Sponsors: Classic FM**

Sponsors Supported: Classic FM

Recipient Organisation: Philip Miller

Project/Event: Shona Malanga - A CD of South African Freedom Songs for Orchestra

Date of Event: 1st June 2007 Area: Gauteng Type: Music

Supporting Grant: R20 000,00 Date Funded: 31st March 2007 Report Back: No

**Sponsors: The Natal Witness**

Sponsors Supported: The Natal Witness

Recipient Organisation: Tatham Art Gallery

Project/Event: Echo Craft Bazaar 2006

Date of Event: 25th November 2006 Area: KwaZulu Natal Type: Craft

Supporting Grant: R25 000,00 Date Funded: 16th November 2006 Report Back: Yes

**Sponsors: Solms - Delta Wine Estate**

Sponsors Supported: Solms - Delta Wine Estate

Recipient Organisation: Franschhoek Literary Festival

Project/Event: Franschhoek Literary Festival 2007

Date of Event: 11th May 2007 Area: Western Cape Type: Literature

Supporting Grant: R25 000,00 Date Funded: 30th March 2007 Report Back: No

**Sponsors: Barloworld, Standard Bank**

Sponsors Supported: Barloworld, Standard Bank

Recipient Organisation: National Youth Theatre Trust

Project/Event: Charlotte's Web

Date of Event: 1st April 2007 Area: Gauteng Type: Theatre

Supporting Grant: R50 000,00 Date Funded: 30th March 2007 Report Back: No

**Sponsors: Daddy buy me a pony**

Sponsors Supported: Daddy buy me a pony

Recipient Organisation: Cape Platform

Project/Event: Cape Platform Finge

Date of Event: 1st March 2007 Area: Western Cape Type: Visart

Supporting Grant: R40 000,00 Date Funded: 29th March 2007 Report Back: No

**Total grants made R 2 113 000.00**

# schedule of special projects

For the year ended 31 March 2007

**Project: Business Day/BASA Awards 2006**

(2005 Awards are presented in 2006)

This marked the 9th series of annual awards, and was once again sponsored by Anglo American.

Date: 29 May 2006

Area: National reach

Purpose: To highlight effective business-arts partnerships

Amount: R331 011,65

**Project: "The Business of the Arts"**

Three times weekly prime time feature on Summit TV targeting the corporate sector, focusing on business investment in the arts and the basis for business-arts partnerships. Issues relevant to the arts are extended into one debate and one forum programme.

Date: June 2006 – June 2007

(Four tranches paid for contract 7 and 2 tranches paid for contract 8 within this budget year)

Area: National (Et SADC region) broadcast via DSTV

Purpose: To mainstream the arts and cultural activity, and encourage business take-up of opportunities within the arts; provides a potential value-add for BASA corporate members

Amount: R460 591,92

**Project: Business Day 'ART'**

Quarterly supplement in Business Day, the leading South African daily business newspaper

Date: March 2006 – March 2007

Area: National distribution

Purpose: One or two-page feature on South African corporate art collections, focusing on the rationale for and nature of collection. Highlights work of local artists, and provides a potential value-add for BASA corporate members.

Amount: R116 429,60

**Project: 'No Jacket Required'**

One-hour Saturday programme on Classic fm, featuring range of classical music including local composition and performance, with interviews with local business or arts organisations around business-arts partnerships.

Date: August 2006 – April 2007

Area: Gauteng

Purpose: Platform for South African composers and musicians, targeting broad classical music audience; provides a potential value-add for BASA corporate members.

Growing listenership

Amount: R167 038,50

**Project: 'Create'**

5-minute arts/culture feature on prime time news and current affairs programme on Safm, running Monday, Wednesday and Friday. Extended to include a lengthier, less issues-driven, Saturday morning slot.

Date: June 2006 – July 2007

(Contract 3 and 4)

Area: National

Purpose: To mainstream arts and cultural activity through a platform targeting cross-cultural audience, with national footprint

Amount: R257 167,37

**Project: The Actors' Centre**

Partnership with Anglogold Ashanti to secure operations of The Actors Centre and establish effective operating processes was extended by underwriting attendance at Institute of Director's Governance Seminar

Date: March 2006

Area: Gauteng

Purpose: To add to knowledge base and competency of executive and board of The Actors' Centre.

Amount: R2 000,00

**Project: Fundraising Seminar Series for Arts Organisations**

Two series of 9 one-day seminars held in each province: this included sessions in Cape Town, Durban, East London, Kimberley, Mmbatho, Nelspruit, Polokwane, Upington, Rustenburg and Johannesburg.

The costs of these seminar series was underwritten in part by a generous donation from The Fuchs Foundation.

Date: July 2006(session 2) and November 2006(session 3)

Area: National

Purpose: To build capacity in arts organisations with specific focus on seeking sponsorship from the corporate sector, support from donor funders and foundations, and proposal writing.

Amount: R125 461,55

**Project: Institute of Directors**

1 day workshop on corporate governance, focusing on different roles and responsibilities of the board and CEO's

Date: December 2006 and May 2007 (Durban)

Purpose: To instil a regard for and understanding of accountability and compliance in the executive and boards of arts organisations.

Amount: R22 800,00



**Project: ArtsTrack**

The third in a series of research reports into attitudes of the general public, the corporate sector and the media towards the arts. Conducted by BMI Sport Info. (Pty.) on behalf of BASA.

Date: November 2006 (due for release July 2007)

Area: National

Purpose: To track trends and develop a tool for artists seeking support from business, and provide information for potential sponsors in terms of audiences and attitudes.

Amount: R281 580,00

**Project: Empowerdex**

BASA has been working with Empowerdex to develop a BBBEEE scorecard appropriate for arts and cultural organisations.

Date: January 2007

Area: National

Purpose: To pilot the score card across 10 non-profit arts organisations

Amount: R50 000,00

**Project: Room 13**

Innovative programme with the potential for rollout countrywide, that effectively combines arts education and expression with the development of personal and management skills, within senior primary schools.

Date: Ongoing

Area: National – currently running in Soweto and Botshabelo

Purpose: To introduce young learners to the arts, and encourage them to develop their expressive ability while equipping them with management and other life skills. To leverage further support from the corporate sector.

Amount: R150 000,00

**Project: African Cultural Heritage Trust**

Support for the African Cultural Heritage Trust to ensure its operations could continue uninterrupted, pending receipt of donor funding.

Date: March 2007

Area: National

Purpose: To secure the future of Zindala Zombili, the premier celebration of indigenous African music and dance in South Africa.

Amount: R50 000,00

**Project: Barloworld Artworks Mentoring Programme**

Run in association with BASA, this programme partners business people with particular skills with arts organisations that have expressed specific needs. It is currently fully funded by Barloworld and run through BASA.

*Note: Barloworld donated R175 000.00 to BASA for the second year's programme.*

Date: August 2006 and ongoing

Area: National rollout

Purpose: To build capacity within arts organisations and identify opportunities for sustainability; to introduce business to the arts.

Amount: R184 455.00

**Total Special Projects**

**R2 198 535,59**

# financial statements



# independent auditors' report

## to the directors of Business & Arts South Africa

We have audited the annual financial statements of Business and Arts South Africa, which comprise the balance sheet as at 31 March 2007 the income statement, statement of changes in reserves and cash flow statement for the year then ended, and notes which include a summary of significant accounting policies and other explanatory notes and the directors' report, as set out on pages 27 to 35.

### **Directors' responsibility for the financial statements**

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Standards and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditors' responsibility**

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

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

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

### **Opinion**

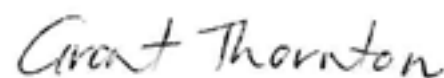
In our opinion, these financial statements present fairly, in all material respects, the financial position of Business and Arts South Africa, as at 31 March 2007, and its financial performance and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Standards and in the manner required by the Companies Act.

### **Report on other legal regulatory requirements**

With the written consent of all members, we have performed certain accounting and secretarial duties.

### **Other matter**

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 36 does not form part of the annual financial statements and is presented as additional information. We have not audited this schedule and accordingly we do not express an opinion thereon.



Grant Thornton  
Chartered Accountants (S.A.)  
Registered Auditors

per VR de Villiers  
Chartered Accountants (S.A.)  
Registered Auditor

Johannesburg  
21 June 2007

# directors' responsibilities and approval

The directors are required by the Companies Act of South Africa, 1973, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the 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 South African Statements of Generally Accepted Accounting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 March 2008 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 board of directors are responsible for the financial affairs of the company.

The external auditors are responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 25.

The financial statements set out on pages 27 to 35 which have been prepared on the going concern basis, were approved by the board of directors and the Chief Executive Officer on 21 June 2007 and were signed on its behalf by:



Director



Director

# report of the directors

to the members of Business & Arts South Africa

## Nature of business and review of activities

Your company carries on the business of promoting and encouraging sustainable partnerships between the private sector and the arts, to their mutual benefit and to that of the community at large.

## Results

The results of the company and the state of its affairs are set out in the attached financial statements and do not, in our opinion, require any further comment.

## Property, plant and equipment

There have been no material changes in property, plant and equipment during the year under review.

## Directors

The directors of your company during the year and at the date of this report are as follows:

M Slack (Chairman)

I May (Deputy Chairman)

R A C Cock

K Gumbi

S A H Kajee

P Kingston

W S Kunene

M Langa

C V Mabaso

K P Marcus

S Marutlulle

M Mokoena

S Moodliar

A B Moosa

G Palacios-Flusk

R S Steyn

The following changes to the Board of Directors took place during the year:

## Appointments:

K Gumbi 26 July 2006

S Moodliar 26 July 2006

G Palacios-Flusk 26 July 2006

## Resignations

W Appelbaum 26 July 2006

## Secretary

The company had no secretary during the year.

## Chief Executive Officer

Nicola Danby

## Committees

### Audit, Risk and Governance

S A H Kajee (Chairman)

I May

R S Steyn

### Executive Committee

M Slack (Chairman)

I May

R A C Cock

W S Kunene

M Langa

S Marutlulle

R S Steyn

## Auditors

Grant Thornton will continue in office in accordance with Section 270(2) of the Companies Act.

## Employment Equity Act and Skills Development Acts

The Employment Equity Act and Skills Development Act are being complied with.

## Corporate Governance

Although delisted as a public entity from 1 April 2006, the Board has made a decision that BASA will continue to comply with the principles of the Public Finance Management Act as far as financial accountability and transparency of operations are concerned.

## Post balance sheet events

No events took place after the year-end and to the date of this report which would have a material effect on the financial statements.

# balance sheet

as at 31 March 2007

	Note	2007 R	2006 R
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	34 191	33 462
<b>Current assets</b>			
Trade and other receivables	4	31 155	72 105
Cash and cash equivalents	5	1 573 033	3 740 388
<b>Total assets</b>		<b>1 638 379</b>	<b>3 845 955</b>
<b>Reserves and liabilities</b>			
<b>Reserves</b>			
Accumulated surplus		5 466	439 848
<b>Current liabilities</b>			
Trade and other payables	6	1 143 913	3 142 607
Income received in advance	7	489 000	263 500
<b>Total reserves and liabilities</b>		<b>1 638 379</b>	<b>3 845 955</b>

# income statement & statement of changes in reserves

for the year ended 31 March 2007

	Note	2007 R	2006 R
<b>Income Statement</b>			
<b>Grants</b>		<b>482 919</b>	<b>595 740</b>
Received from the Department of Arts and Culture	2	4 610 000	4 349 000
Other grants received – Barloworld Artworks		184 455	150 000
Less – Grants made		(4 311 536)	(3 903 260)
– Supporting grants		(2 113 000)	(1 697 000)
– Special project costs		(2 198 536)	(2 206 260)
<b>Membership fees</b>		<b>582 150</b>	<b>553 062</b>
<b>Sponsorship for award ceremony</b>		<b>200 000</b>	<b>200 000</b>
<b>Sundry income</b>		<b>400</b>	<b>300</b>
<b>Net interest income</b>		<b>266 337</b>	<b>244 708</b>
Received	10	266 378	244 708
Paid		(41)	-
		1 531 806	1 593 810
<b>Expenditure</b>		<b>1 966 188</b>	<b>1 656 810</b>
<b>Deficit for the year</b>	<b>9</b>	<b>(434 382)</b>	<b>(63 000)</b>
<b>Statement of changes in reserves</b>			
		<b>Accumulated surplus (R)</b>	
Balance at 1 April 2005		502 848	
Deficit for the year		(63 000)	
Balance at 31 March 2006		439 848	
Deficit for the year		(434 382)	
Balance at 31 March 2007		5 466	

# cash flow statement

for the year ended 31 March 2007

	Note	2007 R	2006 R
<b>Cash flows from operating activities</b>		<b>(2 133 758)</b>	<b>433 798</b>
Cash (absorbed by) generated from operations	15.2	(2 400 095)	189 090
Interest received		266 378	244 708
Interest paid		(41)	-
<b>Cash flows from investing activities</b>		<b>(33 597)</b>	<b>(17 650)</b>
Purchase of property, plant and equipment		(33 997)	(17 650)
Proceeds on sale of property, plant and equipment		400	-
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(2 167 355)</b>	<b>416 148</b>
Cash and cash equivalents at the beginning of the year		3 740 388	3 324 240
Cash and cash equivalents at the end of the year		1 573 033	3 740 388

# notes to the financial statements

31 March 2007

## 1. Accounting Policies

### Basis of preparation

The financial statements are prepared on the historical cost basis and incorporate the principal accounting policies, set out below, which are consistent with those of the previous year. These policies comply with South African Statements of Generally Accepted Accounting Standards. The financial statements are prepared on a going concern basis.

### 1.1 Property, plant and equipment

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

Depreciation is provided on the straight line basis to write down the assets over their estimated useful lives to residual value as follows:

Furniture and fittings	5 years
Office equipment	5 years
Computer equipment	3 years

The residual value and the useful life of each asset is reviewed at each financial period-end

### 1.2 Revenue recognition

#### 1.2.1 Membership fees

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

#### 1.2.2 Government Grants

Government grants are recorded as deferred income when they become receivable and are then recognised as income on a systematic basis over the period necessary to match the grants with the related costs which they are intended to compensate.

#### 1.2.3 Interest received

Interest is recognised on a time proportion basis that takes into account the effective yield of the asset.

### 1.3 Funds administered on behalf of the Department of Arts and Culture

The company administers funds on behalf of the Department and other third parties from time to time. Receipts of funds are included with creditors and disbursed on instruction from the relevant body.

### 1.4 Employee benefits

#### Defined contribution plans

Contributions to a defined contribution plan in respect of service in a particular period are recognised as an expense in that period.

It is not the policy of the company to provide retirement benefits to all its employees. Employees may however elect to be a member of a fund of their choice. All the schemes are funded both by member and company contributions, which are charged to the income statement as they are incurred.

## 1.5 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and other financial institutions. These are initially and subsequently measured at fair value.

## 1.6 Financial Instruments

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

Financial assets and financial liabilities are recognised on the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

### Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

### Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

## 1.7 Operating leases

Rentals payable under operating leases are recognised as an expense on a straight-line basis over the term of the lease.

## 2. Government grant

An amount of R4 610 000 (2006 : R4 349 000) was granted to the company by the Department of Arts and Culture and covers the year to 31 March 2007. The company is obliged to use the funds by way of grants and for the purposes set out in its Memorandum of Association.

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

## 3. Property, plant and equipment – owned

### Cost

	2007 R	2006 R
Furniture and fittings	125 006	120 662
Office equipment	96 530	91 542
Computer equipment	94 568	80 168
	<hr/>	<hr/>
	316 104	292 372

### Accumulated depreciation

Furniture and fittings	121 239	120 660
Office equipment	86 518	67 947
Computer equipment	74 156	70 303
	<hr/>	<hr/>
	281 913	258 910

### Carrying amount

Furniture and fittings	3 767	2
Office equipment	10 012	23 595
Computer equipment	20 412	9 865
	<hr/>	<hr/>
	34 191	33 462

2007  
R2006  
R**3.1 Movement for the year****Cost**

At beginning of year	292 372	274 722
Additions	33 997	17 650
- Furniture and fittings	4 344	-
- Office equipment	4 988	7 785
- Computer equipment	24 665	9 865
Disposals		
- Computer equipment	(10 265)	-
At end of year	316 104	292 372

**3.2 Movement for the year****Accumulated depreciation**

At beginning of year	258 910	221 290
For the year	23 403	37 620
Disposal	(400)	-
At end of year	281 913	258 910

**4. Trade and other receivables**

Accounts receivable – membership fees	14 800	55 750
Rent deposit	16 355	16 355
	31 155	72 105

**5. Cash and cash equivalents**

Cash and balances with banks	1 573 033	3 740 388
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**6. Trade and other payables**

Amount to be disbursed on behalf of various projects of the Department of Arts and Culture: held in trust	64 652	2 302 020
Amounts due for special projects	536 086	592 661
Other payables	25 430	9 926
Grants approved but not paid out	490 000	238 000
Barloworld Artworks	27 745	-
	1 143 913	3 142 607

**7. Income received in advance**

Membership fees	289 000	63 500
Sponsorship	200 000	200 000
	489 000	263 500

Membership fees are amounts received for fees paid during the months of January to March 2007, in respect of memberships commencing 1 April 2007.

	2007 R	2006 R
<b>8. Commitments</b>		
<b>8.1 Special projects initiatives/sponsorships</b>	-	410 000
8.1.1 Approved by the directors. This expenditure will be financed from funds generated by the company and existing cash reserves	-	350 000
8.1.2 Amount received from sponsor for specific project but not yet expensed	-	60 000
<b>8.2 Operating leases</b>		
Future leasing charges for premises payable:		
Future leasing charges	398 270	76 015
- Payable within one year	146 303	76 015
- Payable between two and five years	251 967	-
<b>9. Deficit for the year</b>		
Deficit for the year is stated after charging the following:		
Auditor's remuneration	109 035	62 418
- Audit fee – current year	83 603	26 100
- Audit fee – underprovision prior year	17 794	-
- Fees for other services	7 638	36 318
Depreciation	23 403	37 620
- Furniture and fittings	579	21 480
- Office equipment	18 571	16 140
- Computer equipment	4 253	-
Scrapping of computer equipment	9 865	-
Profit on sale of computer equipment	(400)	-
Operating lease charges		
- Premises	157 093	139 740
Staff costs	994 964	877 064
- Staff costs include retirement fund contributions of	1 538	1 320
<b>10. Investment revenue</b>		
<b>Interest received</b>		
Bank	266 378	244 708
<b>11. Emoluments of directors and officers</b>		
Chief executive officer's remuneration for managerial services	544 000	520 000
<b>12. Taxation</b>		
No provision has been made for taxation as the company is exempt from normal and other tax as it is a registered Public Benefit Organisation.		

2007  
R

2006  
R

### 13. Related parties and related party transactions

#### Related parties

Except for the remuneration of the chief executive officer (note 11), no transactions took place with related parties during the year.

### 14. Financial risk management

#### Liquidity risk

The company only deposits cash surpluses with a bank of quality credit standing. In terms of the company's investment policy all cash resources are held in bank accounts whose terms do not exceed 92 days. The Department of Arts and Culture has been formally advised of such bank accounts in terms of the Public Finance Management Act.

#### Interest rate risk

Cash deposits attract interest at rates that vary with prime. The company's policy is to manage the interest rate risk so that fluctuations in variable rates do not have a material impact on the surplus / deficit.

#### Fair value

The directors are of the opinion that the book value of financial instruments approximates fair value.

### 15. Cash flow statement

15.1 The following convention applies to figures other than adjustments: Outflows of cash are represented by figures in brackets. Inflows of cash are represented by figures without brackets.

#### 15.2 Reconciliation of deficit for the year to cash (absorbed by) generated from operations

Deficit for the year	(434 382)	(63 000)
Adjustments	(233 469)	(207 088)
- Depreciation	23 403	37 620
- Scrapping of asset	9 865	-
- Investment income	(266 378)	(244 708)
- Finance charges	41	-
- Profit on disposal of asset	(400)	-
Operating deficit before working capital changes	(667 851)	(270 088)
(Increase) decrease in working capital	(1 732 244)	459 178
- Decrease (increase) in trade and other receivables	40 950	(55 750)
- (Decrease) increase in current liabilities	(1 773 194)	514 928
Cash (absorbed by) generated from operations	(2 400 095)	189 090

# unaudited supplementary schedule to the financial statements

for the year ended 31 March 2007

	2007 R	2006 R
<b>Administrative expenses</b>		
Advertising	15 789	262
Accounting fees	20 007	18 308
Auditors remuneration	109 035	62 418
Bank charges	10 524	8 953
Computer expenses	36 618	28 277
Depreciation	23 403	37 620
Entertainment	4 116	1 823
General expenses	26 731	13 940
Insurance	6 172	53 280
Legal expenses	11 628	20 404
Meetings and seminars	23 009	9 093
Publicity and promotion	165 321	142 469
Postage and courier	39 899	33 965
Printing and stationery	35 141	32 710
Refreshments	1 072	-
Regional Services Council levies	934	3 030
Rent	157 093	139 740
Repairs and maintenance	10 000	10 428
Scrapping of assets	9 865	-
Secretarial fees	66 980	60 024
Subscriptions	6 565	7 726
Telephone and fax	67 268	46 188
Training	31 495	10 144
Transport	1 714	4 406
Travel – local	55 028	27 079
Travel – overseas	35 817	7 459
	<b>971 224</b>	<b>779 746</b>
<b>Staff costs</b>		
Salaries	973 775	829 961
Skills Development Levy	10 890	8 076
Temporary staff	-	26 972
Defined contribution retirement fund - Employers contribution	1 538	1 320
Medical benefits	4 767	4 392
Workmen's Compensation Association	-	3 626
Unemployment Insurance Fund	3 994	2 717
	<b>994 964</b>	<b>877 064</b>

## Corporate members of BASA as at 31 March 2007

ABSA Bank Limited	Gilfillan Scott-Berning Art and Antique Consultants CC	Ron Belling Art Gallery
Afrisun KZN (Pty) Ltd t/a Sibaya Casino & Entertainment Kingdom	Goldberg & De Villiers Inc.	SA Breweries
Algoa Brick (Pty) Ltd	Gordon Institute of Business Science	Sabvest Limited
Anglo American Corporation of SA Limited	Grant Thornton	Sandton Central Management District
AngloGold Ashanti	Gray Moodliar Attorneys	Sanlam Limited
Anglo Platinum Limited	Gumbi Global	SAPPI Limited
ARM	Herdbuoys McCann Erickson	Sasol Limited
Ashley & Radmore	Hollard Insurance Company Limited	Sekunjalo Investments Limited
Avalon Group	Inscape Design College	Siemens Limited
Brandhouse Beverages	Internet Solutions	Sigodi Marah Martin
Barloworld	Investec Bank Limited	South African Music Rights Organisation Limited (SAMRO)
Bean Bag Bohemia	Kaelo Worldwide Media (formerly Frontiers Group Africa)	Sparkport Pharmacy
Bell Dewar & Hall	Kagiso Trust Investments Company (Pty) Limited	Spier Resort Management Limited
BHP Billiton	Keith Kirsten Horticulture International	Standard Bank of South African Limited
BMI Sponsorship (Pty) Ltd	Legacy Group	Summit TV
Buz Publicity	Liberty Life	Susan Abro Attorneys
Calibre Clinical Consultants	Marcus Medical (Pty) Limited	TBWA Hunt Lascaris Holding (Pty) Limited
Cell C	Media 24 Limited	Terraplane Entertainment
Clearwater	Megapro Marketing	The Design School Southern Africa (Pty) Limited
Coca Cola South Africa (Pty) Ltd	Minde Schapiro & Smith	The Everard Read Gallery
COEO Art Collaborative	Mobile Telephone Networks (MTN)	The Fuchs Foundation
College Hill (Pty) Ltd	Montsi Investments	The Goodman Gallery
DaimlerChrysler South Africa (Pty) Limited	Nedbank Limited	The Natal Printing & Publishing Company
De Beers Consolidated Mines Limited	Ochre Media	The Sandton Central Management District
Decision Processes International (Pty) Ltd	OffCentre Design	The Sunday Times
Deneys Reitz	Old Mutual Life Assurance Company (South Africa) Limited	Trafalgar Properties Limited
Desklink Media	Pamela Evans Financial Advisory Services	Transnet Properties
Deutsche Securities (SA) (Pty) Limited	Piece	Tshwane University of Technology
Development Bank of Southern Africa	Pinpoint one human resources	UBS
Distell (Pty) Limited	Primedia Limited	Unilever SA
Edison Corporation	Rand Merchant Bank	Victoria & Alfred Waterfront (Pty) Limited
Edward Nathan Sonnenberg	Regarding Capital Management (Pty) Ltd	Vodacom Group (Pty) Limited
Ernst & Young	Remgro Limited	VWV Productions (Pty) Limited
Equilibria Consulting	Renault SA	Webber Wentzel Bowers
Exclusive Books	Richard Cock Music Enterprises CC	Werksmans Attorneys
Fairheads Trust Company		Woolworths (Pty) Limited
First National Bank		Zanusi Brand Solutions

**Honorary membership is extended to the following in recognition of the enormous contribution foreign governments, through their cultural institutes, have made to developing the arts and culture in South Africa:**

Arts Council of Switzerland (Pro Helvetia)	Office of Public Affairs, US Consulate General	The Goethe Institute
Embassy of the People's Republic of China	Royal Netherlands Embassy of South Africa	The British Council
French Institute of South Africa		

**Membership in Business & Arts South Africa is open to all companies, large and small, operating within South Africa. For more information contact BASA at 011 832 3000/3041, or visit the website at [www.basa.co.za](http://www.basa.co.za)**



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