

**JOBURG BALLET NPC  
(Registration number 2001/016254/08)  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

Mazars  
Registered Auditor  
Issued 31 July 2022

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**General Information**

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| <b>Country of incorporation and domicile</b>       | South Africa   |
| <b>Nature of business and principal activities</b> | Arts and theatre   |
| <b>Directors</b>                                   | Melanie Lorraine De Nysschen<br>Rethabile Itumeleng Kikine<br>George Iain MacDonald<br>Esther Jean Nasser                                |
| <b>Business address</b>                            | Johannesburg Theatre<br>Loveday Street<br>Braamfontein   |
| <b>Postal address</b>                              | PO Box 291990<br>Melville<br>2109  |
| <b>Auditors</b>                                    | Mazars<br>Registered Auditor   |
| <b>Company registration number</b>                 | 2001/016254/08   |
| <b>Level of assurance</b>                          | These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa. |
| <b>Preparer</b>                                    | The annual financial statements were independently compiled by:<br>Mazars<br>Registered Auditors   |
| <b>Issued</b>                                      | 31 July 2022   |

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
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**Joburg Ballet NPC**  
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**Annual Financial Statements for the year ended 31 December 2021**  
**Directors' Responsibilities and Approval**

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The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities ("IFRS for SMEs"), and the Companies Act of South Africa. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

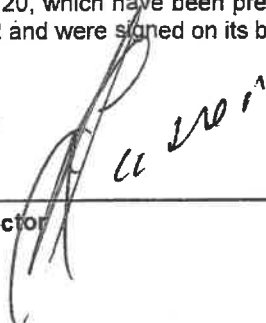
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2022 and, in the light of this review and the current financial position, they are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 - 7.

The annual financial statements set out on pages 10 to 20, which have been prepared on the going concern basis, were approved by the board of directors on 31 July 2022 and were signed on its behalf by:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director



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## Joburg Ballet NPC

### Independent Auditor's Report

31 December 2021

Registered Auditor – A firm of Chartered Accountants (SA) • IRBA Registration Number 900222  
Partners: MV Ninan (National Co-CEO), MC Oickers (National Co-CEO), SJ Adlam, JC Combrink, GJ De Beer, G Deva,  
Y Dockrat, JJ Eloff, MH Fisher, D Keeve, N Mayat, R Murugan, MV Patel, N Ravele, E Sibanda, MR Snow, DM Tekie, S Truter, S  
Vorster  
A full list of national partners is available on request or at [www.mazars.co.za](http://www.mazars.co.za)

## Independent Auditor's Report

31 December 2021

*To the Directors of Joburg Ballet NPC*

# Report on the Audit of the Financial Statements

## Opinion

We have audited the financial statements of Joburg Ballet NPC set out on pages 10 to 20, which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Joburg Ballet NPC as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Joburg Ballet NPC Financial Statements for the year ended 31 December 2021" and the document titled Directors Report, as required by the Companies Act of South Africa.

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Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the appendix to this auditor's report. This description, which is located at page 7, forms part of our auditor's report.

  
Mazars

Partner: JJ Eloff

Registered Auditor

Date: 05 September 2022

Pretoria

## Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Directors' Report**

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The directors have pleasure in submitting their report on the annual financial statements of Joburg Ballet NPC for the year ended 31 December 2021.

**1. Nature of business**

Joburg Ballet NPC was incorporated in South Africa with interests in the arts and theatre industry. The company operates in South Africa.

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

**2. Review of financial results and activities**

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

**3. Directors**

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

**Directors**

Melanie Lorraine De Nysschen

Rethabile Itumeleng Kikine

George Iain MacDonald

Esther Jean Nasser

**4. Going concern**

Further to a funding arrangement entered into between Joburg City Theatres (RF) SOC Ltd and Joburg Ballet in respect of funding the activities of the Company for a 36 month period commencing 1 July 2020, the directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Directors' Report**

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**5. Events after reporting period**

**COVID-19**

As of 22 June 2022, Covid-19 lockdown regulations pertaining to the wearing of masks (regulation 16A) and limitations on gatherings (regulation 16B), that had a significant impact on Joburg Ballet's ability to earn revenue through the undertaking of in theatre performances at full capacity to physically-in-attendance audiences, were officially lifted. Consequently, the Company returned to full capacity performance on 01 July 2022.

**Pending litigation at date of this report**

Litigation has been instituted against the Company in the High Court of South Africa (Gauteng Local Division) under Case No: 18/43562. The proceedings relate to a claim held in delict, following an incident on 8 October 2016, in which Mr Pierre Michael Bosch and his daughter fell into the orchestra pit of Joburg Theatre, in an attempt to meet ballet dancers on stage after an evening performance of Cinderella. The plaintiffs are claiming for damages in the amount of R 9,050,562.83 plus interest and legal costs. The Company's third party liability insurer has repudiated the claim. Falcon and Hume Incorporated has been appointed to represent the Company in this litigation, and it is of the view that the Company has a valid defence in order to defend this claim.

Other than the foregoing, the directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

**6. Donations**

The funding from the City of Joburg under the funding arrangement in place between the Company and Joburg City Theatres for the period under review, accounts for R10,590,000 (ten million five hundred and ninety thousand). The remainder of the donations are attributable to ad hoc donations received from third parties.

**7. Auditors**

Mazars continued in office as auditors for the company for 2021.

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Statement of Financial Position as at 31 December 2021**

| <b>Figures in Rand</b>              | <b>Notes</b> | <b>2021</b>      | <b>2020</b>      |
|-------------------------------------|--------------|------------------|------------------|
| <b>Assets</b>                       |              |                  |                  |
| <b>Non-Current Assets</b>           |              |                  |                  |
| Property, plant and equipment       | 2            | 460,132          | 616,465          |
| <b>Current Assets</b>               |              |                  |                  |
| Trade and other receivables         | 3            | 111,121          | 122,535          |
| Cash and cash equivalents           | 4            | 4,360,082        | 2,852,318        |
|                                     |              | <u>4,471,203</u> | <u>2,974,853</u> |
| <b>Total Assets</b>                 |              | <u>4,931,335</u> | <u>3,591,318</u> |
| <b>Equity and Liabilities</b>       |              |                  |                  |
| <b>Equity</b>                       |              |                  |                  |
| Retained income                     |              | 4,511,058        | 2,917,133        |
| <b>Liabilities</b>                  |              |                  |                  |
| <b>Current Liabilities</b>          |              |                  |                  |
| Trade and other payables            | 5            | 420,277          | 674,185          |
| <b>Total Equity and Liabilities</b> |              | <u>4,931,335</u> | <u>3,591,318</u> |

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Statement of Comprehensive Income**

| <b>Figures in Rand</b>                         | <b>Notes</b> | <b>2021</b>      | <b>2020</b>      |
|--|--------------|------------------|------------------|
| Revenue  | 6            | 13,199,280       | 13,067,713       |
| Other income                                   | 7            | 493,289          | 509,468          |
| Operating expenses                             |              | (12,143,493)     | (11,608,625)     |
| <b>Operating profit</b>                        |              | <b>1,549,076</b> | <b>1,968,556</b> |
| Investment revenue                             | 8            | 50,254           | 282,933          |
| <b>Profit for the year</b>                     |              | <b>1,593,925</b> | <b>2,251,476</b> |
| Other comprehensive income                     |              | -                | -                |
| <b>Total comprehensive income for the year</b> |              | <b>1,593,925</b> | <b>2,251,476</b> |

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Statement of Changes in Equity**

| <b>Figures in Rand</b>                         | <b>Retained income</b> | <b>Total equity</b> |
|--|------------------------|---------------------|
| <b>Balance at 01 January 2020</b>              | <b>665,657</b>         | <b>665,657</b>      |
| Profit for the year                            | 2,251,476              | 2,251,476           |
| Other comprehensive income                     | -                      | -                   |
| <b>Total comprehensive income for the year</b> | <b>2,251,476</b>       | <b>2,251,476</b>    |
| <b>Balance at 01 January 2021</b>              | <b>2,917,133</b>       | <b>2,917,133</b>    |
| Profit for the year                            | 1,593,925              | 1,593,925           |
| Other comprehensive income                     | -                      | -                   |
| <b>Total comprehensive income for the year</b> | <b>1,593,925</b>       | <b>1,593,925</b>    |
| <b>Balance at 31 December 2021</b>             | <b>4,511,058</b>       | <b>4,511,058</b>    |

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Statement of Cash Flows**

| <b>Figures in Rand</b>                      | <b>Notes</b> | <b>2021</b>      | <b>2020</b>      |
|---|--------------|------------------|------------------|
| <b>Cash flows from operating activities</b> |              |                  |                  |
| Cash generated from operations              | 10           | 1,462,915        | 1,628,435        |
| Interest income                             |              | 50,254           | 282,933          |
| <b>Net cash from operating activities</b>   |              | <b>1,513,169</b> | <b>1,911,368</b> |
| <b>Cash flows from investing activities</b> |              |                  |                  |
| Purchase of property, plant and equipment   | 2            | -                | (463,917)        |
| <b>Cash flows from financing activities</b> |              |                  |                  |
| Finance costs                               |              | (5,405)          | (13)             |
| <b>Total cash movement for the year</b>     |              | <b>1,507,764</b> | <b>1,447,438</b> |
| Cash at the beginning of the year           |              | 2,852,318        | 1,404,880        |
| <b>Total cash at end of the year</b>        | 4            | <b>4,360,082</b> | <b>2,852,318</b> |

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Accounting Policies**

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**1. Basis of preparation and summary of significant accounting policies**

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

**1.1 Significant judgements and sources of estimation uncertainty**

**Key sources of estimation uncertainty**

**Useful lives of property, plant and equipment**

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date.

**1.2 Property, plant and equipment**

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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| <b>Item</b>            | <b>Depreciation method</b> | <b>Average useful life</b> |
|------------------------|----------------------------|----------------------------|
| Furniture and fixtures | Straight line              | 5 years                    |
| Motor vehicles         | Straight line              | 4 years                    |
| Computer equipment     | Straight line              | 3 years                    |
| Production sets        | Straight line              | 10 years                   |
| Studio equipment       | Straight line              | 6 years                    |

The depreciation charge for each period is recognised in profit or loss.

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

### **1.3 Financial instruments**

#### **Financial instruments**

The company classifies its financial instruments into the following categories:

- Loans and receivables
- Liabilities measured at amortised cost

The classification is dependent on the purpose for which the financial asset is acquired. Management determines the classification of its financial assets at the time of the initial recognition and re-evaluates such designation at each reporting date.

On initial recognition, financial instruments are measured at fair value, in the case of financial instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequently they are measured as detailed below.

#### **Non-derivative financial assets**

The company initially recognises loans and receivables on the date that they are recognised.

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the company is recognised as a separate asset or liability.

#### **Loans and receivables**

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment loss.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

#### **Non-derivative financial liabilities**

The company initially recognises financial liabilities on the trade date at which the company becomes party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

#### **Offset**

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company has a legal right to offset amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.



**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Accounting Policies**

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**1.4 Tax**

No provision has been made for tax as Joburg Ballet NPC is exempt from paying taxation in terms of section 10(1)(cN) of the Income Tax Act.

**1.5 Leases**

**Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

**1.6 Employee benefits**

The cost of all employee benefits is recognised during the period in which the employee renders the related services.

The accrual for employee entitlements to salaries, performance bonuses and annual leave represent the amount which the company has a present obligation to pay as a result of employees' services provided to the reporting date. The accruals have been calculated at undiscounted amounts on current salary rates recognised in profit or loss.

**1.7 Revenue**

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for the goods and services provided in the normal course of business and amounts receivable from donations, grants and sponsorships.

Revenue from ticket sales is recognised when the ballet performances are held.

Donations, grants and sponsorships are accounted for on the earlier of cash receipt or compliance with the donation, grant and sponsorship agreement.

**1.8 Sundry income**

Sundry income is recognised on receipt of cash and relates to income received for which there is a commitment for the ballet to perform at a specific function, for example, to perform a ballet routine at a separate event.

**1.9 Investment income**

Investment income is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable.

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Notes to the Annual Financial Statements**

Figures in Rand 2021 2020

**2. Property, plant and equipment**

|                        | 2021             |                          |                | 2020             |                          |                |
|------------------------|------------------|--------------------------|----------------|------------------|--------------------------|----------------|
|                        | Cost             | Accumulated depreciation | Carrying value | Cost             | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 208,479          | (208,478)                | 1              | 208,479          | (208,478)                | 1              |
| Motor vehicles         | 809,211          | (809,209)                | 2              | 809,211          | (779,255)                | 29,956         |
| Computer equipment     | 218,404          | (190,726)                | 27,678         | 218,404          | (171,811)                | 46,593         |
| Production sets        | 1,370,000        | (1,218,285)              | 151,715        | 1,370,000        | (1,182,285)              | 187,715        |
| Studio equipment       | 461,371          | (180,635)                | 280,736        | 461,371          | (109,171)                | 352,200        |
| <b>Total</b>           | <b>3,067,465</b> | <b>(2,607,333)</b>       | <b>460,132</b> | <b>3,067,465</b> | <b>(2,451,000)</b>       | <b>616,465</b> |

**Reconciliation of property, plant and equipment - 2021**

|                        | Opening balance | Depreciation     | Closing balance |
|------------------------|-----------------|------------------|-----------------|
| Furniture and fixtures | 1               | -                | 1               |
| Motor vehicles         | 29,956          | (29,954)         | 2               |
| Computer equipment     | 46,593          | (18,915)         | 27,678          |
| Production sets        | 187,715         | (36,000)         | 151,715         |
| Studio equipment       | 352,200         | (71,464)         | 280,736         |
|                        | <b>616,465</b>  | <b>(156,333)</b> | <b>460,132</b>  |

**Reconciliation of property, plant and equipment - 2020**

|                        | Opening balance | Additions      | Depreciation     | Closing balance |
|------------------------|-----------------|----------------|------------------|-----------------|
| Furniture and fixtures | 1               | -              | -                | 1               |
| Motor vehicles         | 130,269         | -              | (100,313)        | 29,956          |
| IT equipment           | -               | 56,750         | (10,157)         | 46,593          |
| Production sets        | 223,715         | -              | (36,000)         | 187,715         |
| Studio equipment       | 16,072          | 407,167        | (71,039)         | 352,200         |
|                        | <b>370,057</b>  | <b>463,917</b> | <b>(217,509)</b> | <b>616,465</b>  |

**3. Trade and other receivables**

|                   |                |                |
|-------------------|----------------|----------------|
| Other receivables | 83,446         | 64,406         |
| Trade receivables | 27,675         | 58,129         |
|                   | <b>111,121</b> | <b>122,535</b> |

**4. Cash and cash equivalents**

Cash and cash equivalents consist of:

|               |                  |                  |
|---------------|------------------|------------------|
| Cash on hand  | 27,068           | 12,927           |
| Bank balances | 4,333,014        | 2,839,391        |
|               | <b>4,360,082</b> | <b>2,852,318</b> |

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Notes to the Annual Financial Statements**

| Figures in Rand   | 2021              | 2020              |
|---|-------------------|-------------------|
| <b>5. Trade and other payables</b>                          |                   |                   |
| Trade payables  | 33,517            | 230,154           |
| VAT   | 386,760           | 444,031           |
|   | <u>420,277</u>    | <u>674,185</u>    |
| <b>6. Revenue</b>   |                   |                   |
| Ticket sales  | 1,091,261         | 837,408           |
| Donations received  | 12,082,148        | 12,204,985        |
| Merchandise   | 25,871            | 25,320            |
|   | <u>13,199,280</u> | <u>13,067,713</u> |
| <b>7. Other income</b>                                      |                   |                   |
| "My School" funding   | 23,136            | 22,846            |
| Rental income   | 36,589            | 52,505            |
| Development school fees                                     | 61,093            | 90,091            |
| Corporate performances                                      | 372,471           | 344,026           |
|   | <u>493,289</u>    | <u>509,468</u>    |
| <b>8. Investment revenue</b>                                |                   |                   |
| <b>Interest revenue</b>                                     |                   |                   |
| Bank - Operational  | 50,254            | 24,894            |
| Interest earned on custodian account held by Joburg Theatre | -                 | 258,039           |
|   | <u>50,254</u>     | <u>282,933</u>    |
| <b>9. Finance costs</b>                                     |                   |                   |
| Bank  | 21                | 13                |
| Other interest paid   | 5,384             | -                 |
|   | <u>5,405</u>      | <u>13</u>         |
| <b>10. Cash generated from operations</b>                   |                   |                   |
| Profit before taxation                                      | 1,593,925         | 2,251,476         |
| <b>Adjustments for:</b>                                     |                   |                   |
| Depreciation and amortisation                               | 156,333           | 217,509           |
| Interest received   | (50,254)          | (282,933)         |
| Finance costs   | 5,405             | 13                |
| <b>Changes in working capital:</b>                          |                   |                   |
| Trade and other receivables                                 | 11,414            | (69,051)          |
| Trade and other payables                                    | (253,908)         | (488,579)         |
|   | <u>1,462,915</u>  | <u>1,628,435</u>  |

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Notes to the Annual Financial Statements**

| Figures in Rand | 2021 | 2020 |
|-----------------|------|------|
|-----------------|------|------|

**11. Related parties**

Relationships  
 Related trusts South African Ballet Theatre (SABT) Trust

**Related party balances and transactions with other related parties**

**Related party transactions**

| Donations        |         |         |
|------------------|---------|---------|
| Pointe Shoe Fund | 180,000 | 360,000 |

**12. Directors' and prescribed officer's remuneration**

**Executive**

**2021**

|   | Salary           | Total            |
|---|------------------|------------------|
| <b>Services as director or prescribed officer</b> |                  |                  |
| George Iain MacDonald                             | 732,364          | 732,364          |
| Esther Jean Nasser                                | 817,387          | 817,387          |
|   | <b>1,549,751</b> | <b>1,549,751</b> |

**2020**

|   | Salary           | Total            |
|---|------------------|------------------|
| <b>Services as director or prescribed officer</b> |                  |                  |
| George Iain MacDonald                             | 727,112          | 727,112          |
| Esther Jean Nasser                                | 801,360          | 801,360          |
|   | <b>1,528,472</b> | <b>1,528,472</b> |

The remaining directors detailed on page 7 are not executive directors and did not receive emoluments from the company.

**13. Going concern**

Further to a funding arrangement entered into between Joburg City Theatres (RF) SOC Ltd and Joburg Ballet in respect of funding the activities of the Company for a 36 month period commencing 1 July 2020, the directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Notes to the Annual Financial Statements**

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Figures in Rand

2021

2020

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**14. Events after the reporting period**

COVID-19

As of 22 June 2022, Covid-19 lockdown regulations pertaining to the wearing of masks (regulation 16A) and limitations on gatherings (regulation 16B), that had a significant impact on Joburg Ballet's ability to earn revenue through the undertaking of in theatre performances at full capacity to physically-in-attendance audiences, were officially lifted. Consequently, the Company returned to full capacity performance on 01 July 2022.

Pending litigation at date of this report

Litigation has been instituted against the Company in the High Court of South Africa (Gauteng Local Division) under Case No: 18/43562. The proceedings relate to a claim held in delict, following an incident on 8 October 2016, in which Mr Pierre Michael Bosch and his daughter fell into the orchestra pit of Joburg Theatre, in an attempt to meet ballet dancers on stage after an evening performance of Cinderella. The plaintiffs are claiming for damages in the amount of R 9,050,562.83 plus interest and legal costs. The Company's third party liability insurer has repudiated the claim. Falcon and Hume Incorporated has been appointed to represent the Company in this litigation, and it is of the view that the Company has a valid defence in order to defend this claim.

Other than the foregoing, the directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Detailed Income Statement**

| <b>Figures in Rand</b>  | <b>Notes</b> | <b>2021</b>         | <b>2020</b>         |
|---|--------------|---------------------|---------------------|
| <b>Revenue</b>  |              |                     |                     |
| Ticket sales  |              | 1,091,261           | 837,408             |
| Donations received  |              | 12,082,148          | 12,204,985          |
| (The grant from the City of Joburg under the existing service level agreement with Joburg City Theatres account for R 10,590,000. The remainder of the donations are attributable to add hoc donations received from third parties) |              |                     |                     |
| Merchandise   |              | 25,871              | 25,320              |
|   | <b>6</b>     | <b>13,199,280</b>   | <b>13,067,713</b>   |
| <b>Other income</b>   |              |                     |                     |
| "My School" funding   |              | 23,136              | 22,846              |
| Rental income   |              | 36,589              | 52,505              |
| Development School Fees   |              | 61,093              | 90,091              |
| Corporate performances  |              | 372,471             | 344,026             |
|   | <b>7</b>     | <b>493,289</b>      | <b>509,468</b>      |
| <b>Expenses (Refer to page 22)</b>  |              | <b>(12,143,493)</b> | <b>(11,608,625)</b> |
| <b>Operating profit</b>   |              | <b>1,549,076</b>    | <b>1,968,556</b>    |
| Investment income   | <b>8</b>     | 50,254              | 282,933             |
| Finance costs   |              | (5,405)             | (13)                |
|   |              | <b>44,849</b>       | <b>282,920</b>      |
| <b>Profit for the year</b>  |              | <b>1,593,925</b>    | <b>2,251,476</b>    |

**Joburg Ballet NPC**  
**(Registration number: 2001/016254/08)**  
**Annual Financial Statements for the year ended 31 December 2021**  
**Detailed Statement of Income and Expenditure**

| <b>Figures in Rand</b>                     | <b>2021</b>       | <b>2020</b>       |
|--|-------------------|-------------------|
| <b>Operating expenses</b>                  |                   |                   |
| <b>Production Costs</b>                    |                   |                   |
| Advertising                                | 34,380            | 9,360             |
| Choreography                               | 28,000            | 5,000             |
| Costumes                                   | 99,813            | 83,221            |
| Filming                                    | 19,100            | -                 |
| Guest artists                              | 28,596            | 17,850            |
| JPO performance fee                        | -                 | 266,667           |
| Merchandise                                | 20,843            | 22,651            |
| Music                                      | 23,250            | -                 |
| Photography                                | 25,900            | 26,685            |
| Programme costs                            | 6,600             | 35,017            |
| Set expenses                               | 67,354            | 10,500            |
| Technical expenses                         | 256,405           | 250,000           |
| Theatre rental                             | 281,859           | 138,442           |
| Ticket charges                             | 65,409            | 74,500            |
| Travel and accommodation                   | 58,624            | -                 |
| <b>Total production costs</b>              | <b>1,016,133</b>  | <b>939,893</b>    |
| <b>Other Operating expenses</b>            |                   |                   |
| Auditors remuneration                      | 93,290            | -                 |
| Advertising                                | 141,973           | 44,281            |
| Ballet training, exam and membership fees  | 9,036             | 69,812            |
| Bank charges                               | 32,957            | 36,393            |
| Cleaning                                   | 21,788            | -                 |
| Computer expenses                          | 173,741           | 155,647           |
| Corporate Secretarial                      | 700               | 600               |
| Consulting and professional fees           | 137,119           | -                 |
| Corporate event expenses                   | 83,634            | 19,768            |
| Courier and postage                        | 41,523            | 13,469            |
| Depreciation, amortisation and impairments | 156,333           | 217,508           |
| Employee salaries                          | 8,625,892         | 8,691,080         |
| Employee wellness                          | 99,394            | 26,408            |
| Entertainment                              | 12,791            | 27,545            |
| Gifts                                      | 4,455             | 2,580             |
| Insurance                                  | 186,315           | 214,394           |
| Interest paid - SARS                       | -                 | 30,311            |
| Legal fees                                 | 32,798            | 78,565            |
| Motor vehicle expenses                     | 153,521           | 156,036           |
| Music licensing and consumables            | 11,648            | 1,696             |
| Printing and stationery                    | 49,954            | 69,107            |
| Repairs and maintenance                    | 39,080            | 19,931            |
| Shoe expenses                              | 437,363           | 274,836           |
| Storage facility rental                    | 365,635           | 326,523           |
| Subscriptions                              | 22,934            | 14,286            |
| Telephone                                  | 55,456            | 48,929            |
| Transport                                  | 5,229             | 5,008             |
| Travel and accommodation - foreign         | 19,732            | 20,542            |
| Travel and accommodation - local           | 82,069            | 103,476           |
| Website expenses                           | 31,000            | -                 |
| <b>Total other operating expenses</b>      | <b>11,127,358</b> | <b>10,668,733</b> |
| <b>Total operating expenses</b>            | <b>12,143,491</b> | <b>11,608,626</b> |