

**AREPP: Theatre For Life Trust**  
(Registration number 64291)  
(NPO number 014-588NPO)  
Financial statements  
for the year ended 31 March 2013

## AREPP: Theatre For Life Trust

(Registration number 642/91)

Financial Statements for the year ended 31 March 2013

### General Information

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Country of domicile	South Africa
Nature of business and principal activities	To produce travelling Applied Theatre presentations in schools, providing interactive, social life-skills education to school-going youth, to develop self-efficacy and resilience in relation to sexuality and sexual & reproductive health issues.
Trustees	A Horwood B Heydenrych H Sadiki J Honeyman L Sokhulu N S Culyo S Omar S Hellberg
Business address	16 John Street Mowbray Cape Town 7705
Postal address	PO Box 13869 Mowbray Cape Town 7705
Auditors	RSM Betty & Dickson (Cape Town)
Trust number	642/91
NPO reference number	014-588NPO

## AREPP: Theatre For Life Trust

(Registration number 64291)

Financial Statements for the year ended 31 March 2013

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The reports and statements set out below comprise the financial statements presented to the trustees:

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The following supplementary information does not form part of the financial statements and is unaudited:

Supplementary information	16
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## Independent Auditor's report

### To the Trustees of AREPP: Theatre For Life Trust

We have audited the annual financial statements of AREPP: Theatre For Life Trust, as set out on pages 5 to 15, which comprise the Balance sheet as at 31 March 2013, and the Income statement, Statement of changes in reserves and Cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Trustees' Responsibility for the Annual Financial Statements

The trustees are responsible for the preparation and fair presentation of these annual financial statements in accordance with the basis of accounting as set out in note 1 to the annual financial statements, and for such internal control as the trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

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

### Basis for Qualified Opinion on certain Prior Year Income

The audit report for the year ended 31 March 2012 included a qualification with regards to the completeness of income from sources other than grants and interest, as it was not feasible for the trust to institute accounting controls over this prior to initial recognition in the accounting records. Subsequently the organisation has managed to institute enhanced controls, thereby allowing for the removal of the qualification in the current year.

### Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion on certain Prior Year Income as referred to in the paragraph above, the annual financial statements have been prepared, in all material respects, in accordance with the accounting policies as set out in note 1 to the annual financial statements.

**Emphasis of matter****Grant Income**

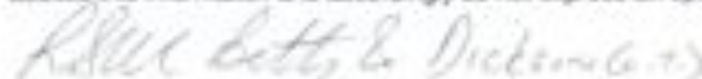
Without further qualifying our opinion, we draw attention to note 1.4 of the Accounting policies, "Grant income", which explains the recognition of income received from funders. All grant income has been agreed to signed grant agreements with the funders, to confirm the completeness of the funds received. Grant income is recognised in the Income statement to the extent that it has been spent, with the balance not spent recorded in deferred income. Unsolicited donations are recognised when the amounts received reflect in the trust's bank account.

**Going Concern**

Without further qualifying our opinion, we draw attention to the going concern paragraph of the Trustees' report. The future existence of the trust is dependant upon the continued support of its donors, by way of grants. Should the grants be withdrawn there would exist a material uncertainty that the trust would be able to continue as a going concern.

**Supplementary information**

Without further qualifying our opinion, we draw attention to the fact that the supplementary information set out on page 16 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.



**RSM Betty & Dickson (Cape Town)**  
**Registered Auditors**

**Per Andrew Galloway CA(SA) RA**  
**Partner**

20 MAY 2013  
**Date**  
**Cape Town**

## AREPP: Theatre For Life Trust

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Financial Statements for the year ended 31 March 2013

### Trustees' report

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The trustees submit their report for the year ended 31 March 2013.

#### 1. Review of activities

##### Main business and operations

The trust is engaged in producing travelling Applied Theatre presentations in schools, providing interactive, social life-skills education to school-going youth, to develop self-efficacy and resilience in relation to sexuality and sexual & reproductive health issues.

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

#### 2. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the trust to continue as a going concern is dependent on a number of factors. The most significant of these is that the trustees continue to procure funding for the ongoing operations for the trust.

#### 3. Events after the reporting period

We are not aware of any matter or circumstance arising since the end of the financial year.

#### 4. Non-current assets

Details of major changes in the nature of the non-current assets of the trust during the year are set out in note 2 of the annual financial statements.

#### 5. Trustees

The trustees of the trust during the year and to the date of this report are as follows:

Name	Nationality
A Hemwood	South African
B Heydennych	South African
H Sadki	South African
J Honeyman	South African
L Sokhulu	South African
N S Cutlao	South African
S Omar	South African
S Hellberg	South African

## AREPP: Theatre For Life Trust

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Financial Statements for the year ended 31 March 2013

### Trustees' report

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#### 6. Statement of responsibility

The trustees are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The auditors are responsible to report on the fair presentation of the annual financial statements. The annual financial statements have been prepared in accordance with accounting policies set out in note 1 to the annual financial statements.

The trustees are also responsible for the trust's systems of internal control. These are designed to provide reasonable, but not absolute assurance as reliability of the annual financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the trustees to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements have been prepared on the going concern basis, since the trustees have every reason to believe that the trust has adequate resources in place to continue in operation for the foreseeable future.

The annual financial statements set out on pages 5 to 15 and supplementary schedule on page 16, were approved by the trustees and signed on their behalf by:

  
\_\_\_\_\_  
Trustee

  
\_\_\_\_\_  
Trustee

20 MAY 2013  
\_\_\_\_\_  
Date

## AREPP:Theatre For Life Trust

(Registration number 642/91)

Financial Statements for the year ended 31 March 2013

### Balance sheet

Figures in Rand	Notes	2013	2012
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property and equipment	2	<u>2 486 383</u>	<u>2 565 174</u>
<b>Current Assets</b>			
Receivables	3	106 515	712 551
Cash and cash equivalents	4	<u>1 680 813</u>	<u>774 313</u>
		<u>1 787 328</u>	<u>1 486 864</u>
<b>Total Assets</b>		<u>4 273 711</u>	<u>4 052 038</u>
<b>Reserves and Liabilities</b>			
<b>Reserves</b>			
Trust capital		600	600
Property and equipment fund		2 486 383	2 565 174
Operating and program funds		<u>1 320 502</u>	<u>1 447 914</u>
		<u>3 807 485</u>	<u>4 013 688</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables	5	54 565	38 350
Deferred grant income	6	<u>411 661</u>	-
		<u>466 226</u>	<u>38 350</u>
<b>Total Reserves and Liabilities</b>		<u>4 273 711</u>	<u>4 052 038</u>



## AREPP:Theatre For Life Trust

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Financial Statements for the year ended 31 March 2013

### Income statement

Figures in Rand	Note	2013	2012
<b>Income</b>			
Grants	7	2 226 746	3 093 309
Other project income		60 888	126 422
Profit on disposal of asset		48 246	10 000
Interest received		50 337	67 187
Sundry income		12 053	82 319
		<b>2 396 270</b>	<b>3 379 237</b>
<b>Expenditure</b>		<b>2 498 512</b>	<b>3 174 814</b>
<b>Administration costs</b>		<b>230 280</b>	<b>174 603</b>
Capital goods		8 375	-
Expensed equipment		4 838	3 268
Impairments of assets		6 920	-
Insurance		24 114	26 887
Legal fees		34 449	13 103
Office supplies		8 605	1 457
Rent, electricity and water		57 434	59 800
Security costs		8 629	7 881
Staff welfare		5 022	7 931
Staff costs		68 049	52 161
Subscriptions		3 645	2 115
		<b>2 268 232</b>	<b>3 000 211</b>
<b>Production costs</b>			
Accommodation		137 565	205 952
Communications		41 264	46 237
Dissemination and development		16 160	53 408
Entertainment		1 056	1 802
Finance		120 407	122 264
Management cost		1 111 017	1 073 992
Monitor, evaluate and report		227	4 795
Per diems		28 010	90 939
Performers		458 236	668 578
Support material		-	1 433
Show arrangements		215 796	423 384
Show development		58 056	75 540
Show maintenance		613	2 866
Travel		79 825	228 021
		<b>(100 242)</b>	<b>204 423</b>
<b>Surplus for the year</b>			

## AREPP: Theatre For Life Trust

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### Statement of changes in reserves

	Trust capital	Property and equipment fund	Operating and program funds	Total Reserves
Figures in Rand				
<b>Balance at 01 April 2011</b>	<b>600</b>	<b>1 606 963</b>	<b>2 291 243</b>	<b>3 898 806</b>
Changes in reserves				
Surplus for the year	-	-	204 423	204 423
Transfer to property and equipment fund	-	1 047 752	(1 047 752)	-
Depreciation for the year	-	(89 541)	-	(89 541)
Total changes	-	958 211	(843 329)	114 882
<b>Balance at 31 March 2012</b>	<b>600</b>	<b>2 565 174</b>	<b>1 447 914</b>	<b>4 013 688</b>
Changes in equity				
Surplus for the year	-	-	(100 242)	(100 242)
Transfer to property and equipment fund	-	27 170	(27 170)	-
Depreciation for the year	-	(105 961)	-	(105 961)
Total changes	-	(78 791)	(127 412)	(206 203)
<b>Balance at 31 March 2013</b>	<b>600</b>	<b>2 486 383</b>	<b>1 320 502</b>	<b>3 807 485</b>

## AREPP:Theatre For Life Trust

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Financial Statements for the year ended 31 March 2013

### Cash flow statement

Figures in Rand	Notes	2013	2012
<b>Cash flows from operating activities</b>			
Cash receipts		2 907 464	2 893 123
Cash paid to suppliers and employees		(2 072 377)	(4 750 118)
Cash generated from (used in) operations	9	835 087	(1 856 995)
Interest income		50 337	67 187
<b>Net cash from operating activities</b>		<b>885 424</b>	<b>(1 789 808)</b>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	2	(27 170)	(1 047 752)
Sale of property and equipment		48 246	10 000
<b>Net cash from investing activities</b>		<b>21 076</b>	<b>(1 037 752)</b>
<b>Total cash movement for the year</b>		<b>906 500</b>	<b>(2 827 560)</b>
Cash at the beginning of the year		774 313	3 601 873
<b>Total cash at end of the year</b>	4	<b>1 680 813</b>	<b>774 313</b>

## AREPP:Theatre For Life Trust

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Financial Statements for the year ended 31 March 2013

### Accounting policies

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#### 1. Presentation of Financial Statements

The financial statements have been prepared on the historical cost basis in accordance with the accounting policies as set out below.

These accounting policies are consistent with the previous period.

##### 1.1 Accounting convention

The trust is registered with the Master of the High Court under the Trust Property Control Act, 1988, and as such no part of its income or property shall be transferred to its trustees directly or indirectly. All reserves of the trust are consequently non-distributable.

##### 1.2 Property and equipment

Property and equipment are tangible items that:

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

Costs include costs incurred initially to acquire or construct an item of property and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property and equipment, the carrying amount of the replaced part is derecognised.

Property and equipment is carried at cost less accumulated depreciation. Land and buildings, and Leasehold improvements are not depreciated.

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

Item	Average useful life
Computer equipment	3 years
Motor vehicles	5 years
Office equipment, furniture and tools	5.9 years
Sound and video equipment	5.9 years

The depreciation charge for each period is recognised through the equipment fund, unless it is included in the carrying amount of another asset. The gain or loss arising from the derecognising of an item of equipment is included in the equipment fund when the item is derecognised. The gain or loss arising from the derecognising of an item of equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

##### 1.3 Property and equipment fund

In order that operating reserves reflect only the reserves available to fund the future operations of the trust, those reserves that relate to the residual value of equipment are separated out and reflected within an equipment fund.

In order to give effect to this policy, an amount equal to the cost of equipment acquired, adjusted by proceeds on disposals during the year, is transferred each year from operating reserves to the equipment fund.

Depreciation and profits and loss on disposals are adjusted annually against the fund.

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### **Accounting policies**

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#### **1.4 Grant income**

Income from grants is recognised in the financial period to which it relates. Accrued and deferred grant income is based on the balance of the project fund after taking into account the direct, indirect and shared costs. The expected surplus of the project fund is deferred to the following year or the deficit is accrued in the year under review.

Project expenses that are clearly identifiable are allocated directly against project funds in terms of the contractual obligations to donors. Indirect and shared costs are apportioned based on management estimates.

Interest income is recognised using the effective interest method.

Royalties are recognised on the accrual basis in accordance with the substance of the relevant agreements.

#### **1.5 Other project income**

Project income is measured at the fair value of the consideration received or receivable and represents the amounts receivable for productions and shows held at schools.

## AREPP: Theatre For Life Trust

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### Notes to the financial statements

Figures in Rand

2013

2012

#### 2. Property and equipment

	2013			2012		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	199 726	(172 529)	27 197	172 555	(151 144)	21 411
Land and buildings	2 231 104	-	2 231 104	2 231 104	-	2 231 104
Motor vehicles	873 132	(656 772)	216 360	873 132	(577 916)	295 216
Office equipment, furniture and tools	102 384	(90 662)	11 722	102 384	(84 941)	17 443
Sound and video equipment	67 719	(67 719)	-	67 719	(67 719)	-
<b>Total</b>	<b>3 474 065</b>	<b>(987 682)</b>	<b>2 486 383</b>	<b>3 446 894</b>	<b>(881 720)</b>	<b>2 565 174</b>

#### Reconciliation of property and equipment - 2013

	Opening Balance	Additions	Depreciation	Total
Computer equipment	21 411	27 170	(21 384)	27 197
Land and buildings	2 231 104	-	-	2 231 104
Motor vehicles	295 216	-	(78 856)	216 360
Office equipment, furniture and tools	17 443	-	(5 721)	11 722
	<b>2 565 174</b>	<b>27 170</b>	<b>(105 961)</b>	<b>2 486 383</b>

#### Details of properties

##### Johannesburg

Land and buildings comprises Erf. 1853 Johannesburg situated in Sydenham Township, measuring 854 square meters, with improvements thereto - at trustees' valuation.

- Purchase price: 19 April 1999
- Trustees' valuation
- Additions since purchase or valuation

	220 000	220 000
	693 416	693 416
	186 584	186 584
	<b>1 300 000</b>	<b>1 300 000</b>

##### Cape Town

Buildings comprise structures erected on Erf. 28743 Cape Town situated in Mowbray, measuring 145 square meters, with improvements thereto.

- Purchase price: 3 June 2011
- Capitalised expenditure

	847 483	847 483
	63 621	63 621
	<b>931 104</b>	<b>931 104</b>

## AREPP: Theatre For Life Trust

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### Notes to the financial statements

Figures in Rand	2013	2012
<b>3. Receivables</b>		
Other receivables	1 053	5 850
Deposits	-	1 856
Value-added Tax	4 389	3 944
Accrued grant income	101 073	700 901
	<u>106 515</u>	<u>712 551</u>
<b>Accrued grant income</b>		
The expenditure has been incurred in the current year, but an amount of R101 073 is due from The United Nations Children's Fund (UNICEF).		
<b>4. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	524	524
Bank balances	106 227	45 916
Short-term deposits	1 574 062	727 873
	<u>1 680 813</u>	<u>774 313</u>
<b>5. Payables</b>		
Accruals	22 941	9 026
PAYE and UIF liability	31 624	20 539
Deposits received	-	765
	<u>54 565</u>	<u>30 330</u>
<b>6. Deferred grant income</b>		
National Lotteries Distribution Trust Fund	<u>411 661</u>	<u>-</u>
<b>7. Grants</b>		
<b>The United Nations Children's Fund (UNICEF)</b>		
Accrued in 2013	101 073	-
<b>Interchurch Organisation for Development Co-operation (ICCO) - 03-01-00-491/ZA042071</b>		
Deferred to 2012	-	429 039
<b>National Arts Council</b>		
Received	125 000	125 000
Accrued in 2012	(125 000)	125 000
<b>National Lotteries Distribution Trust Fund</b>		
Received	2 211 909	-
Deferred to 2012	-	1 013 808
Accrued in 2012	(575 901)	575 901
Deferred to 2013	(411 661)	-

## AREPP: Theatre For Life Trust

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Financial Statements for the year ended 31 March 2013

### Notes to the financial statements

Figures in Rand	2013	2012
<b>7. Grants (continued)</b>		
<b>STARS Foundation</b>		
Received	813 326	
<b>Western Cape Cultural Commission/Department of Cultural Affairs and Sport</b>		
Received	88 000	80 000
<b>Department of Education</b>		
Received	-	650 168
Deferred to 2012	-	94 303
	<u>2 226 746</u>	<u>3 093 309</u>

### 8. Taxation

No provision has been made for income tax as the trust has been granted tax exemption in terms of section 10(1)(j)(N) as read with section 30 of the Income Tax Act.

### 9. Cash generated from (used in) operations

(Deficit) surplus for the year	(100 242)	204 423
<b>Adjustments for:</b>		
Interest received	(50 337)	(67 187)
Profit on disposal of asset	(48 246)	(10 000)
<b>Changes in working capital:</b>		
Receivables	606 036	(408 954)
Payables	16 215	(38 037)
Deferred grant income	411 661	(1 537 240)
	<u>835 087</u>	<u>(1 856 995)</u>



TOTAL EXPENDITURE AND DONOR ALLOCATIONS FOR THE YEAR ENDED MARCH 2013

	APRIL 2012 - MARCH 2013 YEAR TO DATE						
	ACTUAL	STAFFS	NUFY	NBC	WOC	UNCEF	AMESP
<b>TOTAL INCOME</b>	<b>2 386 143.64</b>	<b>813 336.12</b>	<b>1 234 233.09</b>	-	<b>68 000.00</b>	<b>181 072.63</b>	<b>171 323.80</b>
Grant Funding Received	2 025 751.84	813 336.12	1 234 233.09	-	68 000.00	181 072.63	-
School Booking Income	60 887.74	-	-	-	-	-	60 887.74
Workshop Income (Metable)	-	-	-	-	-	-	-
Workshop Income (non-volatile)	-	-	-	-	-	-	-
Interest Received	50 337.32	-	-	-	-	-	50 337.32
Sundry Income	60 298.74	-	-	-	-	-	60 298.74
<b>TOTAL EXPENDITURE</b>	<b>2 486 611.15</b>	<b>813 336.41</b>	<b>1 234 233.09</b>	-	<b>68 000.00</b>	<b>161 072.63</b>	<b>271 889.02</b>
<b>ADMINISTRATION / CO-ORDINATION COSTS</b>	<b>230 279</b>	<b>47 126</b>	<b>167 990</b>	-	<b>4 129</b>	<b>114</b>	<b>79 530</b>
Capital Goods	9 315.31	-	-	-	-	-	9 315.31
Small Assets - Below 10,000.00	4 837.35	-	-	-	-	-	4 837.35
Impairment of Assets	6 918.84	-	-	-	-	-	6 918.84
Insurance - Office Content/Buildings	24 114.21	7 293.08	15 792.13	-	1 148.00	-	-
Legal Fees	34 448.74	-	-	-	-	-	34 448.74
Office Supplies	8 605.79	-	8 491.19	-	-	114.60	-
Property Expenses	57 432.53	4 091.00	51 549.53	-	1 792.00	-	-
Security Expenses	8 825.31	3 429.19	5 396.12	-	-	-	-
Staff Welfare	5 122.34	2 303.29	-	-	-	-	2 716.05
Staff Costs	68 548.71	28 676.71	26 897.27	-	1 569.00	-	10 685.73
Subscriptions/Periodicals	3 644.68	1 100.59	-	-	-	-	2 535.29
<b>PROJECT / PRODUCTION COSTS</b>	<b>2 268 232</b>	<b>766 201</b>	<b>1 116 233</b>	-	<b>83 871</b>	<b>160 958</b>	<b>201 269</b>
Accommodation	137 565.26	-	123 621.93	-	2 787.00	-	11 156.33
Communications	41 264.08	-	36 437.76	-	2 603.63	2 252.87	-
Dissemination & Development	16 160.00	-	-	-	-	-	16 160.00
Entertainment	1 056.37	-	-	-	-	-	1 056.37
Finance Control	120 427.02	78 303.44	30 863.26	-	9 285.00	2 925.33	-
Management Costs	1 151 016.72	629 119.45	648 777.77	-	44 273.00	60 309.87	52 543.83
Monitoring, Evaluation & Reporting	227.15	-	227.15	-	-	-	-
Peer Diets	28 070.00	-	28 330.90	-	-	-	-
Performers	458 275.88	-	307 406.48	-	17 872.37	18 504.33	120 452.70
Support Materials	-	-	-	-	-	-	-
Show Arrangement & Co-ordination	215 796.44	138 112.30	76 254.44	-	4 917.00	14 453.00	-
Show Development	58 055.65	-	49 449.89	-	3 421.00	5 195.75	-
Show Maintenance	672.95	-	432.08	-	-	180.87	-
Travelling Costs	79 824.84	44 635.76	27 412.28	-	2 308.00	5 471.00	-