



Annual Report

2025/2026

Business and Arts South Africa

NATURE OF BUSINESS: The promotion and development of partnerships between the private sector and the arts.

Directors

ZNR Motloba: Chairperson (resigned 31 October 2025)
N Machi: Chairperson
L Letwaba PA Rengqe SAR Camerer U Malunga
E Roodt (Deputy Chairperson)
LR Adendorf
TT Shuping
SZ Mdiya (Acting CEO, 1 April 2025 - 30 June 2025)
B Arendse (CEO, appointed 1 July 2025)
MMA Moila (Appointed 3 October 2025)
EN Nsibanyoni (Appointed 3 October 2025)
NT Philison (Appointed 3 October 2025)
MKM Nkatingi (Resigned 30 May 2025)
U Malunga (Resigned 7 July 2025)

Permanent Staff

Beth Arendse
CEO (appointed 1 July 2025)

Sinenhlanhla Mdiya
Marketing and Communications Manager

Aviwe Matandela
Finance and Operations Manager

Gomolemo Tibane
Membership Officer

Maureen Benya
General Assistant

Nomkhosi Houghton
Programmes Manager

Sascha Polkey
Insights & Advocacy Manager

Sipho Mthiyane
Grants Officer

Sluleko Thabede
Finance and Operations Officer

Zanele Bhengu
Executive Assistant (resigned February 2026)

Sibahle Zulu
Marketing Assistant (resigned December 2025)

Fixed Term Staff

Busisiwe Tshabalala
Debut Programmes Administrator

Goabaona Mathibe
Social Media Specialist (resigned August 2025)

Reatlilwe Maroga
Programmes Coordinator

Banks

Standard Bank of South Africa Limited
First National Bank South Africa

Auditors

Mahdi Meyer Steyn Registered Auditors
Chartered Accountants SA

Annual Financial Statements

Sonika Olivier (Accountant) SA

The Beancounter.

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9A Keyes Avenue, Rosebank, Johannesburg 2196

Company registration no.
1997/001920/08 VAT no.
4520249105

About

Business and Arts South Africa NPC (BASA) was established in 1997 through a pioneering partnership between the (then) Department of Arts and Culture and the private sector. Its founding vision was to actively position the arts as an essential component of business strategy in South Africa - not merely for sponsorship, but as a driver of innovation, inclusivity, and economic growth.

BASA is constituted under the Companies Act. Since delisting as a Schedule 3 entity, BASA is VAT-registered and fully accountable to its stakeholders: government, the private sector, and the broader creative community.

At its core, BASA is a facilitator - unlocking the value of the creative sector within the business environment and enabling businesses to engage meaningfully with arts, culture, and innovation. Through strategic partnerships, research, and programmes, BASA acts as a connector and catalyst, enabling the private sector to identify high-impact opportunities that deliver both social and business value. In doing so, BASA champions the arts not as a charitable add-on, but as a sector with the power to co-create resilient, future-fit business and societal outcomes.

BASA's commissioned research has shown that business investment in the arts has multiple drivers - from marketing and brand positioning to CSI, B-BBEE (particularly socio-economic development, skills development, and enterprise development), and employee engagement. Increasingly, corporates are recognising the creative sector as a responsive, cost-effective driver of change and engagement that can touch multiple facets of business - a reach few other sectors offer.

BASA supports this shift by identifying, enabling, and amplifying shared-value partnerships. This includes platforms such as the Supporting Grants programme, sector-facing initiatives like the Debut Fund programme, strategic research and resources, advocacy and advice, special projects and 5

convenings, and events. Our membership network provides further avenues for businesses to engage directly with the creative sector and access tailored support.

Encouraging the private sector to view the arts as a strategic asset is central to BASA's work - but so too is the ongoing development and capacitation of the arts sector itself. This dual focus ensures that partnerships are mutually beneficial, sustainable, and grounded in real-world impact.

Beyond business strategy, BASA advocates for the arts as a key player in broader socio-economic development - contributing to education, skills building, regeneration, tourism, health, and social cohesion. From measurable outcomes like job creation to intangible impacts such as civic belonging and creative thinking, the arts remain an essential part of how we imagine, build, and sustain a thriving society.



Our Mission

Business and Arts South aims to:

- Champion business investment in the creative sector
- Lead research that enhances commercial confidence.
- Build capacity through development programmes and funding.
- Expand and grow public-private partnerships.

Our Vision

BASA's vision is to be a connector-catalyst intermediary organisation that effects social and economic change through transformational business-arts partnerships.

Our Values

Collaboration

We value teamwork, partnerships, and sharing and learning because mutually beneficial partnerships are part of our DNA.

Innovation

We explore new ideas for a sustainable future by prioritising research and technology-enabled creativity.

Diversity

We hear every voice in inclusive, transformative, and representative ways.

Agility

We respond creatively to our changing environment by being relevant and adaptable.

Integrity

We behave ethically, displaying trust, consistency, and transparency.

Chairperson's Message

Strong institutions are built not only through capable leaders, but through effective governance.

The 2025/26 financial year marked a defining chapter in the evolution of Business and Arts South Africa. It was a year of renewal of leadership, governance and strategy, in which we laid many of the foundations that will shape BASA's future for years to come.

While the financial statements reflect another challenging year for the organisation, they tell only part of the story. They capture the realities of operating in a constrained funding environment following the loss of a significant long-standing funding partner. These realities cannot be ignored, nor should they be. Responsible governance requires us to be honest about the challenges we have faced as an institution.

However, these statements fall short in fully reflecting the significant work undertaken to reposition BASA for long-term sustainability, and the confidence that we as have in the organisation's future.

One of the Board's most significant responsibilities during the year was to ask this fundamental question:

What must BASA become to remain relevant, impactful and sustainable over the next decade?

To answer this question, we spent much of the beginning of the year reflecting and actively engaging our stakeholders. This process yielded the **AMPERSAND Master Strategy 2030**; a bold strategic framework that reimagines BASA's role within South Africa's and Africa's evolving creative economy. The strategy positions BASA more as connector catalyst and ecosystem builder that brings together business, government, investors and the creative sector to unlock shared economic and social value.



IMAGE: NIZENANDE MACHI.
PHOTO SUPPLIED

However, a strategy is only as strong as the people entrusted to deliver it.

The year therefore also represented an important period of leadership transition. Following the appointment of **Beth Arendse as Chief Executive Officer in July 2025**, BASA entered a new chapter characterised by strategic clarity, renewed organisational energy and a deliberate focus on implementation. We as a Board have worked closely with Beth throughout her first year, and we every confidence in her leadership, her vision and her ability to translate strategy into meaningful impact for both the creative and business sectors.

The Board itself also underwent significant rejuvenation. At the Annual General Meeting held on 1 October 2025, we welcomed three accomplished new directors whose expertise further strengthened the breadth of experience and strategic capability around the Board table. Following the resignation of our former Chairperson, I was honoured to be appointed as Chairperson of BASA. In March 2026 the Board completed its leadership transition through the appointment of a new Deputy Chairperson. Together, these appointments reflect an intentional succession process that has ensured both continuity and fresh perspective at a pivotal moment in BASA's journey.

Strong institutions are built not only through capable leaders, but through effective governance.

During the year, we as a Board strengthened our own operating model by reviewing and refining our committee structures to better align with BASA's operational priorities and strategic objectives. Our committees are active, engaged and stable, with clearly defined responsibilities that strengthen oversight, improve accountability and enable more effective support to executive management. This alignment between governance structures and organisational execution provides an important foundation for disciplined decision-making and institutional resilience.

Equally important has been the continued strengthening of BASA's governance systems following the internal review undertaken during the previous financial year. Together with management, the Board has overseen improvements in financial oversight, internal controls, policy development, delegations of authority and organisational accountability. These investments may be largely unseen by those outside the organisation, but they are essential to building the trust, credibility and operational discipline required of a sustainable institution.

As we look ahead, we do so with measured optimism...

Our financial turnaround is not yet complete, and we remain clear-eyed about the work that still lies before us. Financial sustainability will require diversification of revenue and stronger partnerships, which must be underpinned by thoughtful stewardship of every resource entrusted to us. Yet we are equally confident that the essential building blocks are now in place.

BASA has a clear long-term strategy. We have renewed executive leadership. We have strengthened the governance of the organisation. We have broadened the expertise of the Board. We are expanding our influence through initiatives such as the Creative Futures Africa and deepening our partnerships across business, government and the creative sector. Most importantly, we have an exceptional team of people who share a deep commitment to BASA's purpose and to the future of South Africa's creative economy.

On behalf of the Board, I extend my sincere appreciation to Beth Arendse and the entire BASA team for their resilience, professionalism and commitment throughout a year of significant transition. I also thank my fellow directors for their generosity of service, wisdom and steadfast stewardship, and our members, partners, funders and stakeholders for their continued confidence in BASA.

The strongest institutions are not defined by the absence of challenge, but by how they respond to it.

I believe this year demonstrated that BASA has responded with leadership courage and a clear sense of purpose. We have rediscovered our strategic voice, strengthened the foundations of the organisation and positioned ourselves to build a financially resilient institution that will continue creating value for South Africa's creative economy for many years to come.

We approach our future with confidence, albeit that the work is just beginning. Because we have the right strategy, the right governance and the right leadership, we will realise our imagined future of creative and cultural expression as a driver of African prosperity!

Nizenande Machi,
Chairperson
Business and Arts South Africa

CEO Review



When I joined Business and Arts South Africa in July 2025, I inherited an organisation with a strong foundation, a respected legacy and a clear history of creating value at the intersection of business and the arts.

For almost three decades, BASA has helped build partnerships, unlock private sector investment, and strengthen the capacity of South Africa's creative sector. That history matters. It gives us credibility, relationships, and institutional knowledge on which to build. At the same time, the environment in which BASA now operates has changed significantly.

Over the past five years, the creative economy has been reshaped by new technologies, changing business models, shifting patterns of consumption and the increasing movement of African creative content across borders. There is also a growing recognition that the creative sector is not peripheral to a country's development. It is a strategic economic asset that contributes to employment, innovation, tourism, trade, place-making, social cohesion, and the ability of societies to imagine new futures.

BASA must evolve in response to this changing context.

The 2025/26 financial year therefore marked the beginning of a deliberate shift towards BASA 2.0: an organisation that remains grounded in its founding purpose, while responding more intentionally to the scale, complexity and opportunity of the contemporary creative economy.

This transition is guided by BASA's new 2025–2030 AMPERSAND Strategy. During the year, we developed a strategic implementation plan to translate the strategy into practical programmes, partnerships, operating priorities,

and measurable outcomes. The strategy positions BASA as a connector and catalyst between the creative sector, business, government, and other development partners. It also challenges us to move beyond individual projects towards interventions that can contribute to stronger creative-economy systems.

One of the most visible expressions of this shift was the repositioning of BASA's membership programme. We introduced a free membership tier to make BASA more accessible to individual creatives, entrepreneurs and emerging creative businesses, while substantially strengthening the value offered through our other membership tiers. This new model recognises that our members have different needs and that access, support, intelligence, networks and strategic partnership opportunities must be designed accordingly. The shift is supported by a new AI-driven CRM platform that enables connections between members. The repositioned programme creates a clearer pathway from entry-level participation to deeper organisational and corporate engagement.

We also began reimagining our Supporting Grants Programme. The programme has historically generated considerable value by leveraging business sponsorship for the arts. Under BASA 2.0, this foundation is being expanded through catalytic grants that support experimentation, proof-of-concept partnerships and the development of creative ventures with the potential to grow, generate income and attract further investment.

The first pilot cycle demonstrated the possibilities of this approach, and confirmed the value of engaging small and medium-sized businesses - not only large corporations - as meaningful partners within the creative economy.

Our relationship with the Department of Sport, Arts and Culture is also being recalibrated. BASA was established through a pioneering partnership between government and the private sector, and that partnership remains central to our mandate. Going forward, however, we are positioning BASA not simply as a recipient or implementing agency, but as a strategic ally capable of helping accelerate national development priorities.

This means using our networks, research, programme expertise and cross-sector relationships to contribute to priorities such as youth employment, enterprise development, investment mobilisation, institutional capacity, market access and the growth of sustainable creative businesses. It also means strengthening the evidence base through which the value of the creative economy is understood and supported.

Our ambition extends beyond South Africa. Through Creative Futures Africa, BASA has begun positioning itself as the holder of an important pan-African space for creative-economy development. The platform is intended to bring together creatives, investors, business leaders, policymakers, researchers and institutions to address the structural issues that no single organisation or country can resolve alone.

Creative Futures Africa reflects our belief that the continent does not lack creative talent. What it often lacks are the systems, financing mechanisms, markets, institutions and cross-border partnerships needed to translate that talent into sustainable economic value. BASA's role is not to claim ownership of this agenda, but to convene, connect and help build the partnerships required to move from fragmented interventions towards coordinated action.

An important part of preparing BASA for this next chapter has been strengthening the organisation itself.

The internal audit conducted during the previous financial year identified areas requiring focused attention. We have treated these findings seriously and used them as a basis for a comprehensive governance and policy refresh. During the year, significant work was undertaken to strengthen financial oversight, decision-making processes, delegations of authority, reporting, risk management and organisational accountability.

This work is not always the most visible part of institutional transformation, but it is among the most important. Ambitious strategies require strong systems. Sustainable growth requires sound governance. Partnerships require trust, and trust depends on transparency, accountability and the disciplined stewardship of resources.

The year was not without challenges. BASA operated within a difficult funding environment, and the reduction in government grant income placed significant pressure on the organisation's financial position. We have not sought to minimise the seriousness of this reality. Instead, it has reinforced the urgency of diversifying our income, strengthening our value proposition and building a more resilient operating model.

BASA 2.0 is therefore not simply a programme refresh or a new brand position. It is a deeper organisational shift in how we understand our role, how we create value and how we contribute to the future of the creative economy.

I am grateful to the BASA Board for its stewardship and support during this transition, to the team for its commitment and willingness to work through a period of significant change, and to our members, partners, funders and stakeholders for continuing to believe in BASA's purpose.

We are building on a strong foundation. But we are also clear that legacy alone will not carry an institution forward.

The next chapter requires courage, relevance, partnership and the willingness to rethink established approaches. I am excited to champion this transition and to work with our partners to position creativity not only as a source of cultural expression, but as a strategic force in Africa's economic and social future.

Beth Arendse,
Chief Executive Officer
Business and Arts South Africa

Governance

FOR THE YEAR ENDED 31 MARCH 2025

All Board and Committee members served on a voluntary basis and received no remuneration from Business and Arts South Africa (NPC) for their time and expertise.

A minimum of four Board meetings is held annually, and these meetings are duly constituted and quorate. An Annual General Meeting (AGM) is also held, and it is duly constituted and quorate.



Board Committees

Audit and Compliance Committee
Lindiwe Letwaba (Chairperson), Lionel Adendorf, Simon Camerer and Ntsoaki Nsibanyoni.

Marketing, Advocacy and Insights Committee
Simon Camerer (Chairperson), Phumza Rengqe, Nizenande Machi, Thando Philison and Beth Arendse.

Governance Committee
Lionel Adendorf (Chairperson), Thando Philison, Nizenande Machi, Monene Moila and Beth Arendse.

Business Development and Grants
Estee Roodt (Chairperson), Nizenande Machi, Thato Shuping, Ntsoaki Nsibanyoni and Beth Arendse.

Human Resource Management

Personnel costs 2025/2026

Total Operating Expenditure	R 7,650,263
Personnel Costs incl. benefits and UIF (excludes director remuneration)	R 3,195,475
Skills Development Levy	Exempt
Average personnel cost per year (based on 9 permanent staff at BASA head office - considering resignations during the year)	R 355,053

HIV/AIDS Prevention and Health Promotion

Given the small size of Business and Arts South Africa (NPC), no formal programme has been instituted, separate from the HR policy. A complete HR policy is in place, which includes health and safety.

Labour Relations EMPLOYMENT EQUITY

Management

2 White female
3 Black female

Middle management

1 Black female
2 Black males

Office administration and Support Staff

3 Black females

Fixed-term contract staff

3 Black females
1 Black female (Intern)
1 Black male (Intern)

Strategic Overview

In the year under review, **BASA adopted its 2025–2030 AMPERSAND Strategy and developed** a strategic implementation plan to guide the organisation’s transition towards **BASA 2.0**. The strategy repositions BASA as a catalytic intermediary, systems enabler and ecosystem builder, with a mandate that extends beyond programme delivery towards shaping the conditions required for a stronger, more investable and sustainable creative economy.

BASA's role is to operate as a connector and catalyst between business, government, the creative sector and other development partners. Through research, advocacy, investment mobilisation, capacity building and strategic convening, the organisation

aims to unlock value-driven partnerships and position creativity as a legitimate and transformative economic force.

The organisation’s strategic direction is guided by four core goals:

1. To create value-driven partnerships between business and the arts and develop scalable projects that deliver measurable value for both sectors.
2. To mobilise investment and resources and strengthen pathways through which creative practitioners and businesses can become investment-ready, access capital and grow sustainable enterprises.

3. To lead and define the intersection of business and the arts through research, advocacy, sector intelligence and strategic convening.
4. To strengthen BASA's internal systems, governance and operating model to ensure long-term organisational resilience and sustainability.

Repositioning BASA’s Membership Model

During the year under review, BASA redesigned and relaunched its membership programme to provide more relevant and differentiated value to individual creatives, creative businesses, intermediary organisations and corporate partners.

The revised model introduced three membership tiers: Connect, a free entry-level tier designed to extend access to creatives and emerging businesses; Connect+, an enhanced offering for cultural entrepreneurs, micro businesses and creative-sector organisations; and Corporate Membership, a premium strategic offering enabling businesses to engage more meaningfully with South Africa's creative ecosystem.

The introduction of a free tier reflects BASA's commitment to widening access, while the expanded paid tiers offer greater value through research, learning opportunities, strategic support, networking, platforms and access to BASA's flagship programmes and events.

This shift recognises that meaningful engagement requires more than a transactional membership model. BASA is moving towards a relationship-based approach in which members are connected to knowledge, markets, partners and opportunities suited to their stage of development and strategic needs.

Repositioning Supporting Grants

BASA also undertook a significant recalibration of its Supporting Grants Programme. While the historic sponsorship-matching model has generated substantial value and remains relevant, the programme was expanded to include catalytic micro-grants that support prototype partnerships between creatives and businesses.

The repositioned model is intended to move grant-making beyond once-off project support towards experimentation,

proof of concept, enterprise development and the creation of partnerships capable of attracting further investment or generating sustainable income.

A key objective of the pilot was to engage small and medium-sized businesses as partners in the creative economy. All the business partners participating in the first cycle were SMEs, demonstrating that meaningful business-arts partnerships are not limited to large corporate sponsors.

The pilot also produced tangible social and economic outcomes and leveraged additional private-sector contributions against BASA's grant investment. These results affirmed the potential of catalytic funding to test new ideas, develop creative products, build business relationships and create pathways towards scale.

Strengthening the Government Partnership

BASA was established through a pioneering partnership between government and the private sector. During the year, the organisation began recalibrating its relationship with the Department of Sport, Arts and Culture to position BASA as a strategic ally in advancing national development priorities.

This approach moves beyond a conventional funder-recipient or implementing-partner relationship. BASA aims to use its networks, specialist knowledge and cross-sector convening ability to assist government in addressing priorities including youth employment, enterprise development, organisational capacity, investment mobilisation, market access and the sustainability of creative businesses.

The organisation's programmes and partnerships are therefore increasingly being designed to contribute not only to arts and culture outcomes, but also to wider economic, social and institutional development objectives.

Creative Futures Africa

The development of Creative Futures Africa represents an important expansion of BASA's strategic role. Through this platform, BASA is positioning itself as the holder and convenor of a pan-African space dedicated to the growth and transformation of the creative economy.

Creative Futures Africa is intended to bring together business leaders, policymakers, investors, creatives, researchers and development institutions to address the systems and structural conditions that affect the sector across the continent.

The platform recognises that Africa's creative economy requires more than isolated programmes. It requires coordinated thinking around investment, markets, intellectual property, data, technology, policy, skills, infrastructure and cross-border collaboration.

BASA's role within this platform is to create the conditions for dialogue to lead to practical partnerships, investment opportunities and collective action. The strategy specifically identifies pan- 18

African convening, investment mobilisation and insight-led advocacy as important elements of BASA's future role.



Research, Insight and Advocacy

Research has been repositioned as a central strategic capability across BASA's work. Rather than operating primarily through occasional standalone reports, research and sector intelligence are being integrated into programmes, partnerships, advocacy, communications and stakeholder engagement.

BASA's ambition is to become a trusted knowledge and intelligence hub that can translate data, sector experience and emerging trends into useful insights for creatives, businesses, investors and policymakers.

This work is intended to strengthen commercial confidence in the creative economy, influence policy and investment decisions, identify market opportunities and improve the evidence base through which the sector articulates its contribution and value. The AMPERSAND Strategy identifies insight-led research as one of BASA's primary differentiators and as a critical foundation for its advocacy role.

Capacity Building and Market Access

Capacity building remains an important part of BASA's mandate, but its purpose is being broadened. While individual skills development remains necessary, BASA recognises that creatives do not always require training or grant funding alone. They may require access to markets, distribution, investment, procurement opportunities, business partnerships or infrastructure.

BASA is therefore adopting a whole-value-chain approach that connects capacity building to commercial viability, investment readiness and market access. The aim is to support creatives and creative businesses not only to improve their skills, but to participate more effectively in the economy and build sustainable careers and enterprises.

This approach is reflected in BASA's commitment to mobilising capital, supporting partners to incubate and develop creatives, creating market access and demonstrating how creativity contributes to business innovation, brand relevance and social impact.

Institutional Strengthening and Sustainability

The transition to BASA 2.0 has also required significant internal work. Following an internal audit undertaken during the previous financial year, BASA initiated a comprehensive review of its governance, policies, systems and operating practices.

The governance-strengthening process includes the revision and development of key organisational policies, clarification of delegations of authority, improved financial controls, stronger risk oversight and more consistent reporting and accountability mechanisms.

Institutional strengthening is not separate from BASA's strategic ambitions. It is a necessary condition for delivering them. As the organisation expands its partnerships, platforms and programmes, it must also ensure that its internal governance and operating systems are capable of supporting growth responsibly and sustainably.

The financial challenges experienced during the year further reinforced the need for a more resilient business model. BASA's strategy therefore includes a clear commitment to diversifying revenue, developing scalable and income-generating platforms, strengthening membership and partnership income and reducing overdependence on grant funding.

Looking Ahead

The 2025/26 financial year was a period of both delivery and redesign. BASA continued to implement programmes, support creative practitioners and facilitate partnerships while simultaneously laying the foundation for a substantially repositioned organisation.

The transition to BASA 2.0 is not simply a change in language or programme structure. It reflects a more fundamental shift in how BASA understands its role within the creative economy.

BASA's purpose is to hold the space where business, government, investment and creativity meet; to translate the value of the creative sector into terms understood across the wider economy; and to help build the partnerships, systems and institutions required for creativity to contribute meaningfully to South Africa's and Africa's future growth.





Membership

2025/26 was a year of repositioning rather than expansion. Rather than pursue growth on a model that had reached its limits, the department rebuilt the foundations: how BASA segments its members, what it offers business, and how it can scale without scaling headcount. That work is substantially complete. The year ahead is about execution.

Changing the Ask

South Africa’s cultural, creative and sports industries contributed an estimated R271 billion to GDP in 2023, representing approximately 4% of the national economy, and supported approximately 1.4 million jobs. At this scale, the sector is comparable to mining.

The way business funds the sector does not reflect this scale. Total corporate social investment reached R13.1 billion in 2025, remaining flat in real terms. Arts and culture attracted **1% of average CSI expenditure** and was supported by only **14% of surveyed companies, down from 20% the year before**, among the smallest allocations of any development sector.

A sector the size of mining, funded like a rounding error. This is not a fundraising problem. It is a positioning problem, and positioning can be changed.



This insight is the foundation of BASA 2.0 as it applies to this department. We will not succeed by competing harder for a declining share of a static philanthropic pool. Our repositioning moves the creative economy out of the CSI line item and into budgets that are larger, growing and board mandated:

- Enterprise and Supplier Development:**
The highest-weighted element of the B-BBEE generic scorecard, targeted at 2% of net profit after tax for supplier development and 1% for enterprise development. Creative micro-enterprises are precisely what these instruments exist to build.
- Skills Development:**
A priority element targeted at 6% of leviable payroll. The World Economic Forum ranks creative thinking among the human capabilities rising in importance to 2030 because it is what automation does not substitute.
- Innovation, brand and market intelligence:**
Commercial budgets rather than compliance budgets. Creative services now represent 19% of all global service exports, up from 12% a decade ago.
- Procurement:**
The most underused channel. Every corporate buys design, film, content, photography, sound and experiential services. Whether that spend reaches transformed creative suppliers is a matter of visibility and process, not goodwill.

Reframed this way, we are not asking business for a donation. We are asking business to route existing, budgeted expenditure through a sector that returns commercial value alongside developmental impact

Sources: South African Cultural Observatory, Capstone Report 2025; Trialogue Business in Society Handbook 2025 (28th edition); Amended B-BBEE Codes of Good Practice; World Economic Forum, Future of Jobs Report 2025; UNCTAD, Creative Economy Outlook 2024.

A Three-Tier Membership Model

The revised model replaces an organically grown structure with three clearly differentiated tiers, separating the economics of scale from the economics of relationship.

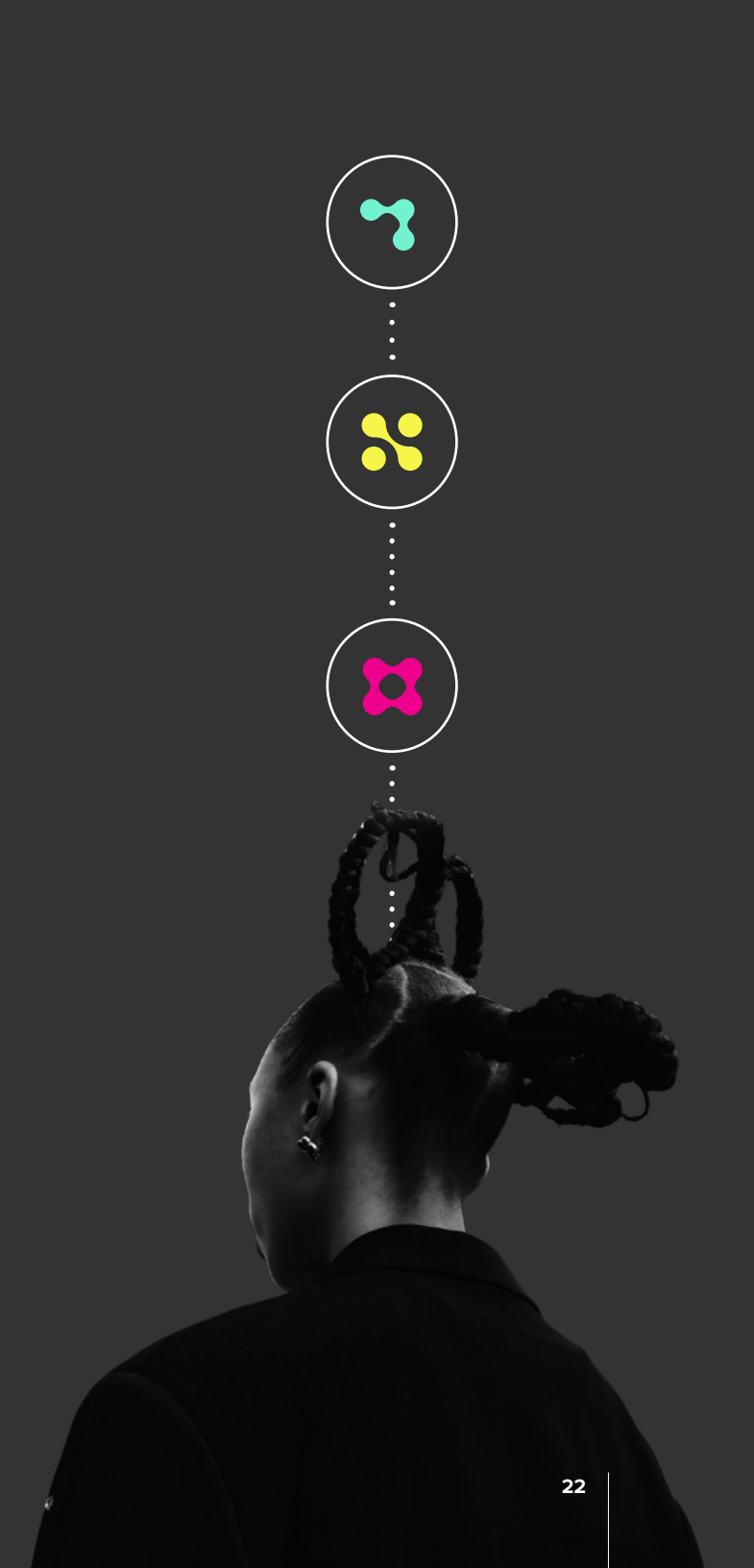
CONNECT	CONNECT+	CORPORATE
Individual creatives, cultural entrepreneurs, arts administrators, researchers and sector professionals	Registered creative micro-businesses, SMEs and the intermediary organisations that support them	Business, from mid-sized enterprises through to large corporates
Free, retained through participation in BASA’s sector surveys (Minimum of 2 surveys annually)	Fee-based (R5 000 annually)	Fee-based (R55 000 annually)
Sector intelligence, masterclasses, funding and sponsorship toolkits, supplier directory listing, grant eligibility (up to R100 000)	Event and networking access, research insights, business strategy support (& all connect listed benefits)	Executive access and convening, research and market intelligence, recognition, and a platform for co-designed projects, Event & Networking access
Fully self-service	Self-service	Relationship-managed

Two design principles matter here. First, **the free tier is not a concession; it is infrastructure**. A creative sector member base at scale gives BASA a live, consented dataset on how the creative economy actually operates, which makes our advocacy credible to government, our research saleable to business and our matchmaking useful to procurement teams. Second, **corporate membership is not the transaction; it is the doorway**. Once a corporate is a member, we are inside a relationship in which projects, sponsorships, enterprise development programmes and research partnerships can be built. Membership converts a prospect into a partner.

What We Built This Year

- **Membership architecture.** Three tiers were designed and approved, with distinct value propositions and service models.
- **Legal and data foundation.** A Corporate Membership Agreement and POPIA operator framework were developed, together with a graduated consent model giving members control over how their data is used. BASA remains the Responsible Party; that accountability does not transfer to a service provider.
- **Platform development.** Work commenced on a self-service member platform covering registration, payment, digital benefit delivery, supplier directory access and an administrative dashboard. This is the mechanism that makes growth possible at current headcount.
- **Corporate value proposition.** A research-anchored proposition and a structured partnership catalogue, giving the team consistent commercial language and partners clear entry points.
- **Partner-delivered member value.** Benefits expanded through partnership rather than expenditure, materially improving the offering at limited cost.
- **Reciprocal membership.** Arrangements were initiated under which partner organisations make Connect membership available to their own members, converting acquisition from a marketing cost into a partnership outcome.
- **Pipeline discipline.** A weighted new-business pipeline with target close dates replaced informal prospect tracking, giving management a forward view of revenue.

BASA closed the financial year with 125 members at 31 March 2026.



Priority	Intent
Grow the corporate base	Significantly increase and diversify corporate members' base, prioritising financial services, telecommunications, retail, technology, media, professional services, FMCG, mining, logistics and development finance. Each membership will be treated as an entry point to project partnership.
Scale the creative base	Increase Connect and Connect+ members, driven through reciprocal membership partnerships and institutional channels rather than marketing spend.
Launch the platform	Move Connect and Connect+ to fully self-service, releasing team capacity for corporate relationship management.
Build the CRM as an intelligence engine	A single system of record for members, partners and engagement, generating sector intelligence as well as administrative records.
Shift the funding conversation	Position BASA propositions systematically against ESD, skills, procurement and innovation budgets, supported by partner-specific business cases.
Activate procurement	Develop the Creative Supplier Directory into a working pipeline connecting corporate buyers to verified, transformed creative suppliers.
Sustain engagement	Quarterly corporate roundtables and insight briefings that hold partners between flagship events.

The infrastructure was built this year. The year ahead is about volume, discipline and proof, and about becoming not only the most connected organisation in South Africa's creative economy, but the most useful.

Research And Sector Intelligence

Within the broader recalibration of BASA's organisational purpose, the role of research has been fundamentally reimagined—not only as a support function but as a cornerstone of strategic decision-making, sector development, and partnership engagement. While capacity and resourcing limitations constrained the execution of large-scale research initiatives over the past year, the groundwork has been laid for a more deliberate, focused, and long-term approach to embedding research at the heart of BASA's impact model.

In this transitional period, BASA began to reposition research as an active and agile intelligence arm—responsible not only for the collection and curation of data, but for contextualising and sharing insights that can empower creative entrepreneurs, influence policy, and inform both public and private sector investment in the arts. This shift has involved reframing the role of research from an occasional activity to an integrated way of thinking across BASA's programmes, partnerships, and communication outputs.

Aligned with these objectives, BASA has recalibrated its data management approach and is working to create a strong dataset across all of its projects. Research objectives have been integrated into programme design and delivery creating a positive feedback loop that assists BASA in framing the right questions toward incremental advancement of organisational and sectoral goals.

The Creative Futures Africa Summit (the first iteration was convened towards a creative sector G20 submission in 2025

and will be an annual event) has also been a key positioning structure for BASA both as a collective laboratory for research and insights but also in the establishment of a collaborative cross border, multi-stakeholder and cross sectoral convening from which new ideas, models and co-ordinated action can flow. The Creative Futures Africa model has assisted BASA in surfacing some of the most pressing and current needs of the creative economy while reading the pulse of its evolution and the gaps and opportunities within these shifts.

In parallel, BASA continued to share knowledge through thought leadership pieces, consultative engagements with members, and the commissioning of strategic commentary and reports in partnership with aligned stakeholders. These outputs, while not exhaustive, have supported BASA's continued relevance as a sector connector and trusted voice in creative economy discourse.

As the organisation moves forward, research has been re-prioritised as a vital pillar of BASA's work. It is also essential

that knowledge and research move from academic or institutional environments into active, public and transferrable knowledge, with clear insights and tangible information providing accessible architecture for persuasive, grounded value propositions and value driven investment strategies.

BASA is set to take up a wider role in lobbying, advocacy, public discourse and policy advisory in pursuit of actionable change and real investment in the creative economy.

Future plans include the revitalisation of formal research frameworks, renewed partnerships with institutions and sector experts, and the development of accessible, regular outputs that respond to the evolving needs of our stakeholders. Working collaboratively with research and knowledge institutions in South Africa and Africa, the ambition is clear: to build a research and advocacy function that not only captures knowledge but actively shapes the future of the creative sector in South Africa and beyond.

In this next chapter, BASA will seek to transform research into a dynamic resource—one that amplifies the value of creativity, enables data-informed advocacy, and translates lived experiences into tangible strategies for change.

Programmes



BASA Debut Fund Programme

Building on the successful foundation laid in 2024, the BASA Debut Fund Programme's third iteration continued to drive skills development and economic participation within the cultural and creative sectors in 2025 and early 2026. The programme continued its mission to equip young creative entrepreneurs with the necessary tools to thrive professionally, moving them from amateur practitioners to established business owners within the creative economy.

In 2025, the programme entered its next critical phases: the Leadership & Coaching Programme and the Catalyst Phase. Following the initial Kickstarter and Hlanganisa phases, a strategic gap was identified among the Top 100 participants where the Programmes Team discovered there was need for advanced soft skills and strategic capabilities. To address this, an intensive 8-week online Leadership & Coaching Programme was incorporated and delivered from September to October 2025. This virtual module, structured as ten sessions, focused on building leadership skills, resilience, and digital marketing expertise. In partnership with Common Purpose, ICRD Group and Digify Africa, the Top 100 participants received high-quality training in leadership, entrepreneurial resilience, and digital marketing from the abovementioned experts. This bridging programme ensured that participants were not only equipped in the fundamentals of running a successful business but also possessed the necessary tools for their long-term personal and professional development.

The programme's commitment to nurturing top talent was further demonstrated with the selection of the Catalyst Top 53, the most exceptional creative entrepreneurs to emerge from a highly competitive journey. This cohort progressed from the initial 450 participants, through rigorous Pitch Den presentations, to reach this elite group. The final and most intensive stage, the Catalyst Phase, commenced in November 2025 and is scheduled to conclude in April 2026. This phase is comprised of two core components: the Catalyst Mentorship Phase and the Catalyst Bootcamp Phase. The Catalyst Mentorship Phase provides eight weeks of structured, personalised guidance with six accomplished arts mentors.

The Catalyst Top 53 were split into six disciplines, each led by an accomplished arts practitioner in their field of speciality: Amogelang Dithale (Crafts), Athi Petela (Film & Multimedia), Mandla Mlangeni (Music), Modise Sekgothe (Literary Arts), Nqobile Sipamla (Performing Arts) and Siwa Mgoboza (Visual Arts).

To celebrate the programme's sustained impact, the #MyDebutStory Alumni Event was hosted in partnership with YFM, bringing together over 50 alumni from all three iterations. The event featured powerful panel discussions and testimonials that validated the programme's long-term value. As part of the panel discussion at the event, alumni Siphokazi Jonas, Bularah Chopo and Shikombiso Bila provided evidence of transformative outcomes, transitioning from artists to entrepreneurs who employ others and export South African culture.



The event reinforced the Debut Fund Programme's success in setting the foundation for entrepreneurs, as well as BASA's role as a connector within the creative economy.

Looking ahead, the Catalyst Bootcamp Phase is scheduled for April 2026. This intensive four-day in-person conference will focus on advanced business planning, networking, and sustainability, leading up to the Debut Graduation where the Top 53 will receive certificates of completion. The 2025/2026 period has proven that the Debut Fund Programme is not a one-off intervention but a sustainable engine for creative entrepreneurship. It continues to build a resilient pipeline of talent, generating economic value and emphasising BASA's strategic priority of strengthening South Africa's creative ecosystem for long-term opportunity and growth.



Marketing

Marketing and Communications continued to play a strategic role in advancing the BASA 2.0 vision by strengthening the organisation's profile, amplifying the value of arts-business partnerships, and connecting stakeholders across South Africa's creative economy.

Through an integrated communications approach, BASA engaged its national network of artists, creative organisations, businesses and partners with regular updates, industry insights, programme opportunities and thought leadership. Marketing activities included institutional campaigns, digital communications, publications, strategic media engagement, stakeholder events, panel discussions and partnerships that positioned BASA as a trusted intermediary within the creative ecosystem.

A key highlight during the year was the promotion of the **Debut Fund Programme**, delivered in partnership with the Department of Sport, Arts and Culture (DSAC). Through a strategic collaboration with YFM's Mind Your Hustle feature, BASA showcased the entrepreneurial journeys of emerging creatives while positioning the programme as a platform for building sustainable creative enterprises. The #MyDebutStory campaign extended the programme's reach through broadcast interviews, digital engagement and a national competition, connecting with young creatives and increasing awareness of opportunities available through BASA.

BASA's growing influence within the sector was further recognised through its inclusion among Bizcommunity's Top 10 Most Viewed Press Offices, reflecting the organisation's increasing visibility and its role in shaping conversations around the creative economy, arts-business partnerships and sector development.

Marketing efforts throughout the year continued to support BASA's strategic shift towards becoming a connector, systems builder and knowledge partner, ensuring that creative practitioners, businesses and public sector partners remain informed, connected and equipped to unlock new opportunities for collaboration and shared value across the creative economy.



Special Projects

Creative Futures Africa

During the year, BASA served as an anchor partner in the launch of Creative Futures Africa, alongside Jozi My Jozi, Andani.Africa and Creative Capital. The platform was established to create a sustained pan-African space for leaders across the creative sector, business, government, investment and development institutions to shape a more coordinated agenda for Africa's creative economy.

The inaugural Creative Futures Africa Summit was held in Johannesburg on 10 October 2025 as a G20-related event. It brought together creative entrepreneurs, policymakers, investors, researchers and industry leaders to consider how the cultural and creative industries can be positioned more deliberately within economic growth, trade, technology and development frameworks.

The summit focused on moving beyond fragmented interventions towards coordinated action. Discussions highlighted the need to make existing capital more accessible, strengthen intermediary institutions, improve investment readiness and connect policy commitments to practical implementation. Eleven interconnected priorities emerged, including intellectual property ownership, data sovereignty, appropriate financing mechanisms, intra-African trade, digital infrastructure, AI governance and stronger cross-sector collaboration.

A key outcome was the development of a summit report consolidating the discussions, supporting research and actionable recommendations. These outcomes were submitted to the G20 Culture Working Group and to Business Unity South Africa's B20 process, ensuring that perspectives from Africa's creative economy were carried into wider national and international economic policy discussions.

Following the summit, expert working groups were convened to take priority issues forward, deepen collaboration and develop an ongoing evidence base to support future policy, investment and programme interventions. This work is intended to ensure that Creative Futures Africa functions not only as an annual convening, but as a continuous platform for research, coordination and practical action.

Creative Futures Africa reflects BASA's broader strategic shift from programme delivery towards systems leadership and strategic convening. Through the platform, BASA is helping to position the creative economy not as a peripheral cultural activity, but as economic infrastructure capable of contributing to investment, employment, innovation, trade and sustainable development. The summit's central message was clear: unlocking Africa's creative potential will require partnership rather than patronage, and coordinated systemic action rather than isolated projects.

Grants And Report Back Status

During the year under review, BASA undertook a fundamental repositioning of its flagship Supporting Grants Programme, moving from a model of once-off sponsorship-matching for events and productions to include catalytic micro-grants that seed prototype partnerships between creatives and businesses, generate proof-of-concept outcomes, and build the foundation for scalable, investable creative ventures. Over more than two decades, the original model generated significant value, leveraging over R590 million in private-sector sponsorship against R46 million in grants, but had become increasingly transactional, weighted toward large corporates and Gauteng-based partners, and limited in its capacity to build long-term, innovation-led collaboration. While we intend to keep working with the original model as it provides genuine value, we have expanded the Supporting Grants to the first pilot cycle of Supporting Grants 2.0 ran from November 2025 to March 2026, funding eleven projects in Gauteng, Mpumalanga, the Western Cape, and KwaZulu-Natal, with individual grants ranging from R70,000 to R100,000. The portfolio spanned more than ten creative disciplines, including publishing, augmented reality, textile design, public art, exhibition design, literacy and storytelling, community arts, digital platforms, creative markets, and XR filmmaking.



An evaluation of the pilot cycle, presented to the Board in June 2026, found the repositioned model to be viable and generative. Of the eleven projects, all but one delivered tangible prototype outcomes within the funding period. Standout results included the ResetHER Author Incubator, which published four first-time rural women authors and achieved an Amazon #1 New Release ranking; Stories in the Grass, which piloted the first augmented-reality interpretive trail in a South African nature reserve; Material Memory: NKOSAZANA, which produced a sell-ready woven textile prototype translating animation IP into a retail-ready product; and Art in the Sky, which converted commercial digital billboards in Emalahleni into a curated public art platform reaching an estimated 50,000 daily viewers.

A central strategic objective of the redesign – engaging small and medium enterprises, rather than only large corporates, as genuine partners in arts-business collaboration – was strongly realised. All business partners across the eleven funded projects were SMEs, spanning sectors including printing, outdoor media, property development, events, recycling, and technology. The cycle also extended BASA's reach beyond its traditional Gauteng base into Mpumalanga, the Western Cape, and KwaZulu-Natal, with the Eastern Cape, Northern Cape, North West, Limpopo, and Free State flagged for targeted outreach in the next cycle.

Across the portfolio, the pilot generated meaningful social and economic impact at modest budget scale: four rural women published for the first time, over 200 printed books in circulation, 50 Grade 5 learners reached through a literacy festival in Standerton, more than 170 youth workshop attendances in Empangeni, and 54 employment and participation opportunities created through a township creative market activation. Business plans were developed to support future scaling, and several projects have already begun generating income beyond the grant period.

BASA's investment of R1 million leveraged an additional R369,000 in private sector contributions, generating a total programme value of R1.369 million. This represents a 37% leverage of BASA's investment through business sector participation.

The evaluation also identified areas to strengthen ahead of Cycle 2, including more consistent and evidence-based completion reporting, standardised financial disclosure, faster disbursement of grant tranches, and a digital feasibility assessment for technology-dependent projects. The Board has been asked to endorse the Cycle 1 findings and a set of refinements to programme design, selection criteria, and monitoring for Cycle 2, with a particular focus on extending reach into under-represented provinces and developing formal case studies for use with the Department of Sport, Arts and Culture (DSAC) and prospective funders.

Programme Reach	Geographic Spread	Sector Diversity
11 projects funded	Gauteng (6 projects)	Publishing, AR/tech, textiles
5 provinces represented	Western Cape (2 projects)	Public art, exhibitions
10+ different art forms	Mpumalanga (2 projects)	Literacy & storytelling
	KwaZulu-Natal (1 project)	Community arts, film-tech
		Creative markets

Social & Cultural Impact	Economic & Sector Impact
4 rural women published for the first time	~80% book sales within weeks of publication
200+ printed books in circulation	Amazon #1 New Release (Teen & Young Adult, Afrikaans ebooks)
140+ community members at book launches (Western Cape)	Sell-ready woven textile prototype produced
50 Grade 5 learners reached in literacy festival (Standerton)	First AR platform deployed in SA nature reserve (new market)
172+ youth and children workshop attendances (KZN)	12 artists gained billboard exhibition exposure (Emalahleni)
116+ final showcase attendees (Trash to Talent)	New paid service line created (Author Clarity Sessions)
50,000+ daily billboard viewers reached with public art (Emalahleni)	28 creatives and vendors participated in market activation
4 public exhibitions and 7 radio interviews (Western Cape)	10 SME business partners engaged across 5 provinces
12 AR features deployed in a Johannesburg nature reserve	Multiple projects generating income beyond grant period
5 artists featured in Hybrid Art Spaces ‘HOME’ exhibition	10 business plans developed for scaling
54 employment and participation opportunities (Echoes & Enterprise)	
49 arts practitioners and organisations engaged in ILALI onboarding session (Western Cape)	



Project	ResetHER Author Incubator
Lead Creative	The Reneal Effect
Business Partner	Prosperity Printing Shop
Project Decsription	Rural author incubator supporting women and youth to develop and publish their first books and author brands.
Location	Western Cape – Brackenfell
Grant (R)	R 100,000.00

Project	Material Memory – Threads in Motion
Lead Creative	Studio Yezi
Business Partner	Creative & Tech Hub
Project Decsription	Proof of concept translating animation IP into a limited-edition fashion merchandise line inspired by Studio Yezi’s animated worlds.
Location	Gauteng – Pretoria
Grant (R)	R 100,000.00

Project	Art in the Sky
Lead Creative	Purple Grandeur
Business Partner	Deevine Media
Project Decsription	Public art pilot transforming digital billboards into open-air galleries showcasing local artists.
Location	Mpumalanga – Emalahleni
Grant (R)	R 100,000.00

Project	Stories in the Grass: Art meets AR
Lead Creative	Marilyn Ross–Adams / The Kingdom
Business Partner	Modderfontein Reserve
Project Decsription	Pilot augmented reality art trail integrating digital artworks into a nature reserve to test immersive cultural tourism experiences.
Location	Gauteng – Johannesburg
Grant (R)	R 100,000.00

Project	Hybrid Art Spaces
Lead Creative	Phumelele Kunene / Still Imagery
Business Partner	WAGI Ochre
Project Decsription	Proof-of-concept hybrid exhibition combining physical pop-up galleries with VR/AR digital experiences.
Location	Gauteng – Johannesburg
Grant (R)	R 100,000.00

Project	Trash to Talent
Lead Creative	Phephanepeni
Business Partner	Godivah & ReCyclean
Project Decsription	Youth environmental arts pilot combining recycling initiatives with creative workshops and a touring theatre performance.
Location	KwaZulu-Natal – Empangeni
Grant (R)	R 80,000.00

Project	Storyworld
Lead Creative	Nzambenang Film Production NPC
Business Partner	One27One Events
Project Decsription	Pilot literacy project using themed storytelling spaces and puppetry to make reading engaging for children in rural communities.
Location	Mpumalanga – Standerton
Grant (R)	R 80,000.00

Project	Echoes & Enterprise
Lead Creative	Envynient Projects
Business Partner	Omphile Turnkey Solutions
Project Decsription	Pilot township pop-up creative markets activating renovated spaces for local artists, SMEs and community audiences.
Location	Gauteng – Johannesburg
Grant (R)	R 100,000.00

Project	ILALI Prototype
Lead Creative	Assitej SA
Business Partner	ILALI (tech startup)
Project Decsription	Prototype digital marketplace enabling families and schools to book arts-based extramural activities.
Location	Western Cape – Cape Town
Grant (R)	R 90,000.00

Project	CineSync.Africa
Lead Creative	Mouzetrap Entertainment
Business Partner	Eyethu Films
Project Decsription	Prototype AI-powered platform connecting African creatives to global buyers while testing content matching and IP protection tools.
Location	Gauteng – Johannesburg
Grant (R)	R 70,000.00

Project	Short Film Lab
Lead Creative	Creative Nestlings Foundation
Business Partner	180by2
Project Decsription	Pilot XR filmmaking lab using smart glasses technology to test new production tools and creative-tech partnerships.
Location	Gauteng – Johannesburg
Grant (R)	R 80,000.00



Annual Financial Statements

Business and Arts South Africa NPC

Trading as
Business and Arts South Africa NPC
(Registration Number 1997/001920/08)
Annual Financial Statements
for the year ended 31 March 2026

**Audited Annual Financial
Statements**

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Directors' Responsibilities and Approval

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 satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company 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 directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the company.

The annual financial statements have been audited by the independent auditing firm, Mahdi Meyer Steyn Chartered Accountants Incorporated, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholder, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 4 to 5.

The directors' report set out on pages 8 to 9, the annual financial statements set out on pages 10 to 26, and the supplementary information set out on pages 27 to 29 which have been prepared on the going concern basis, were approved by the directors and were signed by:


N Machi
Chairperson

31 July 2026
Date

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Directors' Report

The directors present their report for the year ended 31 March 2026.

1. Review of activities

Main business and operations

The company is engaged in the promotion and development of partnerships between the private sector and the arts, and operates principally in South Africa. There were no major changes herein during the year.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the going concern basis, which presumes that funds will be available to finance future operations and that assets will be realised and liabilities settled in the ordinary course of business.

The company incurred a net loss for the year ended 31 March 2026 of R4,731,482 (2025 loss: R2,608,793). The loss arose primarily as a result of a substantial reduction in funding received from a long-standing donor.

As detailed in note 22, the directors have reviewed the financial forecasts to 31 March 2027 and implemented a series of mitigating actions to ensure the company's continued viability. Taking these factors into account, the directors are satisfied that the company has adequate resources to continue operating for at least twelve months from the date these annual financial statements were approved.

The directors are not aware of any material non-compliance with statutory or regulatory requirements, or of any pending legislative changes, that would affect this assessment.

3. Events after reporting date

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the annual financial statements presented.

4. Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Directors' Report continued...

5. Directors

The directors of the company during the year and up to the date of this report are as follows:

- L Letwaba
- N Machi (Chairperson)
- PA Rengqe
- SAR Camerer
- TT Shuping
- E Roodt (Deputy Chairperson)
- LR Adendorf
- BA Arendse (Chief Executive Officer) (Appointed 1 July 2025)
- MMA Moila (Appointed 3 October 2025)
- EN Nsibanyoni (Appointed 3 October 2025)
- NT Philison (Appointed 3 October 2025)
- SZ Mdiya (Acting CEO, 1 April 2025 - 30 June 2025)
- M Garbett (Resigned 31 August 2024)
- PJ Sabbagha (Resigned 31 August 2024)
- U Malunga (Resigned 7 July 2025)

Following the review undertaken during the previous financial year, Management has implemented the recommendations arising from the internal audit and operational review. During the current financial year, the organisation focused on strengthening governance, enhancing internal controls, refining operational processes, and implementing key policy and procedural improvements. The appointment of a permanent Chief Executive Officer during the year marked the completion of the leadership transition and provided renewed strategic direction for the organisation. The operational review and internal audit commissioned in the prior financial year have been successfully concluded. As a direct result, management has implemented a comprehensive suite of enhancements, including the formalisation of updated financial delegation of authority frameworks, the refinement of project-based financial reporting to improve donor accountability, and the strengthening of internal control procedures across all operational departments. These measures have been embedded into the organisation's standard operating procedures to support long-term sustainability. The Board continues to monitor the effectiveness of these improvements as part of BASA's ongoing commitment to sound governance, operational excellence, and long-term sustainability.

6. Secretary

The company secretary is:
R Pelser

7. Property, plant and equipment

Additions to property, plant and equipment are disclosed in note 5 of the Annual Financial Statements.

8. Compilers

The Beancounter Financial Services (Pty) Ltd were the compilers for the year under review.

9. Independent Auditors

Mahdi Meyer Steyn Chartered Accountants Incorporated were the Independent Auditors for the year under review.



Mahdi Meyer Steyn Chartered Accountants Inc.
PO Box 2230, Florida Hills, 1716
494 Ontdekkers Road, Florida Hills, 1708
Tel: (011) 672 0020 | Fax: 086 647 1016
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Independent Auditor's Report

To the Shareholder of Business and Arts South Africa NPC

Opinion

We have audited the annual financial statements of Business and Arts South Africa NPC (the company) set out on pages 10 - 26, which comprise the statement of financial position as at 31 March 2026; and the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Business and Arts South Africa NPC as at 31 March 2026, and its financial performance and cash flows for the year then ended, in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Annual 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 includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on pages 27 - 28. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained during 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 Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary

Directors: S Mahdi CA (SA), LJ Meyer CA (SA) MCom, J Van Deventer CA (SA), T Kluyts CA (SA)
Mahdi Meyer Steyn Chartered Accountants Inc.
Reg. No. 2008/014806/21
Practice No. 900227

to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 the International Standards on Auditing 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 annual financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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 annual 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 annual financial statements, including the disclosures, and whether the annual 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.

Mahdi Meyer Steyn Chartered Accountants Inc.
Director: J van Deventer
Registered Auditor

31 July 2026
Florida Hills



Report of the Compiler

To the Directors of Business and Arts South Africa NPC

We have compiled the accompanying annual financial statements of Business and Arts South Africa NPC based on information you have provided. These annual financial statements comprise the statement of financial position as at 31 March 2026, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of the Companies Act of South Africa. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with the basis of accounting described in note 2 to the financial statements.

S Ebersohn
Chartered Accountant (SA)

31 July 2026
Date

thebeancounter.co.za

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The Beancounter Financial Services (Pty) Ltd. | Directors : M. Broodryk, W.P. Oosthuizen, M. Henning, M. Young Registration Number: 2016/081531/07

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Statement of Financial Position			
Figures in R	Notes	2026	2025
Assets			
Non-current assets			
Property, plant and equipment	5	288,123	329,900
Total non-current assets		288,123	329,900
Current assets			
Trade and other receivables	7	528,469	668,233
Cash and cash equivalents	8	3,094,252	8,765,820
Total current assets		3,622,721	9,434,053
Total assets		3,910,844	9,763,953
Equity and liabilities			
Equity			
Retained income		1,584,381	6,315,863
Total equity		1,584,381	6,315,863
Liabilities			
Current liabilities			
Provisions	9	-	110,000
Trade and other payables	10	553,703	2,218,558
Programme funds	11	1,772,760	1,119,532
Total current liabilities		2,326,463	3,448,090
Total equity and liabilities		3,910,844	9,763,953

STATEMENT OF COMPREHENSIVE INCOME

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Statement of Comprehensive Income			
Figures in R	Notes	2026	2025
Revenue	13	3,302,391	9,527,000
Costs relating to grants received	15	(1,181,272)	(2,192,878)
Gross profit		2,121,119	7,334,122
Other income	16	469,980	789,974
Other expenses		(7,650,263)	(11,604,424)
Loss from operating activities	17	(5,059,164)	(3,480,328)
Finance income	18	339,025	878,939
Finance costs	19	(11,343)	(7,404)
Loss for the year		(4,731,482)	(2,608,793)

STATEMENT OF CHANGES IN EQUITY

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Statement of Changes in Equity		
Figures in R	Retained income	Total
Balance at 1 April 2024	8,924,656	8,924,656
Loss for the year	(2,608,793)	(2,608,793)
Balance at 31 March 2025	6,315,863	6,315,863
Balance at 1 April 2025	6,315,863	6,315,863
Loss for the year	(4,731,482)	(4,731,482)
Balance at 31 March 2026	1,584,381	1,584,381

STATEMENT OF CASH FLOWS

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Statement of Cash Flows

Figures in R	Note	2026	2025
Cash flows used in operations			
Loss for the year		(4,731,482)	(2,608,793)
Adjustments to reconcile loss			
Adjustments for finance income		(339,025)	(878,939)
Adjustments for finance costs		11,343	7,404
Adjustments for (increase) / decrease in trade accounts receivable		(60,855)	96,836
Adjustments for decrease / (increase) in other operating receivables		200,619	(145,090)
Adjustments for decrease in trade accounts payable		(25,431)	(1,101,891)
Adjustments for (decrease) / increase in other operating payables		(1,639,424)	249,198
Adjustments for depreciation and amortisation expense		76,686	87,045
Adjustments for impairment losses and reversal of impairment losses recognised in profit or loss		-	35,033
Adjustments for provisions		(110,000)	(5,000)
Total adjustments to reconcile loss		(1,886,087)	(1,655,404)
Net cash flows used in operations		(6,617,569)	(4,264,197)
Net cash flows used in operating activities			
Interest paid		-	(25)
Interest received		339,025	878,939
Income taxes paid		(11,343)	(7,379)
Net cash flows used in operating activities		(6,289,887)	(3,392,662)
Cash flows used in investing activities			
Purchase of property, plant and equipment		(34,909)	-
Cash flows used in investing activities		(34,909)	-
Cash flows from / (used in) financing activities			
Programme funds total receipts		3,738,250	5,225,481
Programme funds total allocations		(3,085,022)	(7,004,078)
Cash flows from / (used in) financing activities		653,228	(1,778,597)
Net decrease in cash and cash equivalents		(5,671,568)	(5,171,259)
Cash and cash equivalents at beginning of the year		8,765,820	13,937,079
Cash and cash equivalents at end of the year	8	3,094,252	8,765,820

ACCOUNTING POLICIES

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Accounting Policies

1. General information

Business and Arts South Africa NPC ('the company') is engaged in the promotion and development of partnerships between the private sector and the arts, and operates principally in South Africa.

The company is incorporated as a private company and domiciled in South Africa. The address of its registered office is Design District 9A Keyes Avenue, Rosebank, Johannesburg, Gauteng, 2196.

2. Basis of preparation and summary of significant accounting policies

The annual financial statements of Business and Arts South Africa NPC have been prepared in accordance with IFRS for SME's and the Companies Act of South Africa. The annual financial statements have been prepared under the historical cost convention.

2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the company.

The company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Useful life / depreciation rate
Fixtures and fittings	3 to 10 years
Office equipment	10 to 20 years
Computer equipment	3 to 6 years
Leasehold improvements	Term of lease
Artworks	Indefinite

An item of property, plant and equipment is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition is calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the item, and is recognised in profit or loss when the item is derecognised.

2.2 Financial instruments

Trade and other receivables

Trade receivables are recognised at the undiscounted transaction amount of the cash or other consideration expected to be received, less provision for impairment.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Accounting Policies continued...

Basis of preparation and summary of significant accounting policies continued...

Trade and other payables

Trade payables are recognised at the undiscounted transaction amount of the cash or other consideration expected to be paid.

2.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Interest income is recognised using the effective interest method.

Government Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Government Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met. Grants received before the recognition criteria as revenue are satisfied, are recognised as a liability.

Government Grants are measured at the fair value of the asset received or receivable.

Membership fees consist of fees paid for annual corporate membership of the company and are recorded in revenue during the year to which the fees apply. Fees apply for one year from the date on which the funds are received.

Membership fees received which do not meet the recognition criteria as revenue are recognised as a liability.

3. Programme Funds

Receipts are recognised as liabilities on the day it was received in the bank.

Expenses related to the programme funds are recognised on the day the expense is incurred.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Accounting Policies continued...

Critical accounting estimates and judgements continued...

4.1 Critical judgements in applying the entity's accounting policies

4.1.1 Useful lives and residual values of property, plant and equipment

Management reviews the estimated useful lives and residual values of property, plant and equipment at each reporting date. Useful lives and residual values are determined based on management's assessment of the period over which the asset is expected to be available for use, taking into account factors such as expected usage, expected physical wear and tear, technical or commercial obsolescence, and the maintenance programme of the entity. Actual economic lives and residual values may differ from these estimates, which could affect future depreciation charges and carrying amounts.

4.1.2 Impairment of non-financial assets

Management assesses at each reporting date whether there is any indication that a non-financial asset may be impaired. Where an indicator of impairment exists, management makes an estimate of the asset's recoverable amount. Determining the recoverable amount requires management to make significant estimates and assumptions regarding, amongst other things, expected future cash flows, discount rates, and the remaining useful life of the asset. These estimates and assumptions could change from period to period and may affect the carrying amount of the relevant asset.

4.1.3 Impairment of financial assets

Management assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. This includes assessing significant financial difficulty of the debtor, the probability of default, delinquency in payments, and other observable data indicating a measurable decrease in estimated future cash flows. Where objective evidence of impairment exists, management estimates the amount of the impairment loss based on historical loss experience for assets with similar credit risk characteristics, adjusted for current observable data.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements
Figures in R

5. Property, plant and equipment

Balances at year end and movements for the year

	Fixtures and fittings	Office equipment	Computer equipment	Leasehold improvements	Artworks	Total
Reconciliation for the year ended 31 March 2026						
Balance at 1 April 2025						
At cost	351,444	28,458	279,868	16,611	137,250	813,631
Accumulated depreciation	(296,471)	(11,012)	(167,616)	(8,632)	-	(483,731)
Carrying amount	54,973	17,446	112,252	7,979	137,250	329,900
Movements for the year ended 31 March 2026						
Additions from acquisitions	7,199	-	27,710	-	-	34,909
Depreciation	(20,166)	(1,114)	(51,822)	(3,584)	-	(76,686)
Property, plant and equipment at the end of the year	42,006	16,332	88,140	4,395	137,250	288,123
Closing balance at 31 March 2026						
At cost	358,643	28,458	307,578	16,611	137,250	848,540
Accumulated depreciation	(316,637)	(12,126)	(219,438)	(12,216)	-	(560,417)
Carrying amount	42,006	16,332	88,140	4,395	137,250	288,123
Reconciliation for the year ended 31 March 2025						
Balance at 1 April 2024						
At cost	351,444	28,458	316,353	16,611	137,250	850,116
Accumulated depreciation	(274,741)	(9,898)	(143,484)	(5,049)	-	(433,172)
Carrying amount	76,703	18,560	172,869	11,562	137,250	416,944

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements continued...
Figures in R

Property, plant and equipment continued...

Movements for the year ended 31 March 2025

Depreciation	(21,730)	(1,114)	(60,617)	(3,584)	-	(87,045)
Property, plant and equipment at the end of the year	54,973	17,446	112,252	7,978	137,250	329,899
Closing balance at 31 March 2025						
At cost	351,444	28,458	279,868	16,611	137,250	813,631
Accumulated depreciation	(296,471)	(11,012)	(167,616)	(8,632)	-	(483,731)
Carrying amount	54,973	17,446	112,252	7,979	137,250	329,900

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements continued...
Figures in R

6. Intangible assets

Reconciliation of changes in intangible assets

	Computer software	Total
Reconciliation for the year ended 31 March 2025		
Balance at 1 April 2024		
At cost	253,299	253,299
Accumulated amortisation	(253,299)	(253,299)
Carrying amount	-	-
Closing balance at 31 March 2025		
At cost	-	-
Accumulated amortisation	-	-
Carrying amount	-	-

7. Trade and other receivables

Trade and other receivables comprise:

Trade receivables	75,999	15,144
Staff loan	-	4,845
Prepaid expenses	-	16,875
Deposits	151,512	38,500
Final Tranche from DSAC	-	400,000
Value added tax	300,958	192,869
Total trade and other receivables	528,469	668,233

8. Cash and cash equivalents

8.1 Cash and cash equivalents included in current assets:

Cash		
Cash on hand	391	391
Balances with banks	3,093,861	8,765,429
	3,094,252	8,765,820

8.2 Net cash and cash equivalents

Current assets	3,094,252	8,765,820
Current liabilities	-	-
	3,094,252	8,765,820

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements continued...
Figures in R

10. Trade and other payables

Trade and other payables comprise:

Trade payables	32,910	58,341
Income received in advance	-	50,000
Payroll related accruals	42,793	265,217
Supporting grants approved and not paid (refer to the breakdown below)	478,000	1,845,000
Total trade and other payables	553,703	2,218,558

Non-current liabilities	-	-
Current liabilities	553,703	2,218,558
	553,703	2,218,558

Breakdown of supporting grants approved and not paid:

Grants approved during the current year	1,000,000	2,000,000
Current year approved grants paid before year-end	(900,000)	(802,000)
Grants approved in prior years, but not yet paid at year-end	378,000	647,000
	478,000	1,845,000

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements continued...
Figures in R

11. Programme funds

Programme funds comprise:

Concluded Programmes:	511,390	511,390
Education Funds - NLDLT	417	417
Education Programme funds	55,837	55,837
DSAC Artist Relief Fund	259,893	259,893
Gauteng Department of Sports, Arts, Culture and Recreation (SACR)	39,530	39,530
FirstRand Foundation - Research	155,713	155,713

The above programmes have concluded and management is engaging with the respective funders regarding the appropriate treatment of the remaining balances.

DSAC Debut Programme	1,186,120	597,761
Opening balance	597,761	28,302
Total receipts	3,663,000	4,080,403
Total allocations	(3,074,641)	(3,510,944)

The above programme will continue into the 2027 financial year.

British Council Projects	75,250	10,381
Opening balance	10,381	890,840
Total receipts	75,250	1,112,586
Total allocations	(10,381)	(1,993,045)

The above programme will continue into the 2027 financial year.

12. Auditor's remuneration

Internal Audit Fees	-	258,896
Independent External Audit Fees	12,075	132,000
	12,075	390,896

13. Revenue

Revenue comprises:

Government Grants	2,900,000	9,517,000
Other grants received	10,000	10,000
Creative Futures Project income	392,391	-
Total revenue	3,302,391	9,527,000

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements continued...
Figures in R

14. Government Grants

The Department of Sports, Arts and Culture (DSAC) grant appropriations for the 2025/26 and 2026/27 financial years have been received. The allocations are inclusive of improvements of conditions of service.

The company is obliged to use the funds for the purpose set out in the Memorandum of Association (MOA). Grants are received in installments and recognised as revenue when the entity is entitled to it.

During the current financial year, DSAC provided grant funding of R2.9 million, compared to the approximate R10 million allocation reflected in the 2025/2026 Estimates of National Expenditure. The resulting shortfall in funding has been recognised in these Annual Financial Statements, and only funding actually received has been recognised as grant income.

The following amounts are allocated to the Business Arts of South Africa over the following periods:

<u>DSAC Annual allocation:</u>		
2023/24 - Total		10,603,000
2024/25		9,517,000
2025/26		2,900,000
2026/27		7,000,000
<u>DSAC Debut:</u>		
2024/25		4,000,000
2025/26		4,000,000
2026/27		2,000,000

15. Costs relating to grants received

Costs relating to grants received comprise:

Supporting grants made	1,000,000	2,000,000
Reversal of prior year grant accruals	(510,000)	-
Special projects	691,272	192,878
Total costs relating to grants received	1,181,272	2,192,878

16. Other income

Other income comprises:

BASA Awards income	50,000	50,000
Admin and management fees received	320,000	400,000
Membership fees received	99,980	339,974
Total other income	469,980	789,974

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements continued...
Figures in R

17. Loss from operating activities

Loss from operating activities includes the following separately disclosable items

Property plant and equipment		
- Depreciation	76,686	87,045
<u>Audit fees</u>		
Internal Audit Fees	-	258,896
Independent External Audit Fees	12,075	132,000
	12,075	390,896

18. Finance income

Finance income comprises:

Banking institutions	339,025	871,171
SARS interest	-	7,768
Total finance income	339,025	878,939

19. Finance costs

Finance costs included in profit or loss:

SARS penalties and interest	11,343	7,379
Banking institutions	-	25
Total finance costs	11,343	7,404

20. Income tax expense

No provision has been made for 2026 tax due to the company being exempt from Income tax in terms of s10(1)(cN) of the Income Tax Act.

21. Events after the reporting date

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

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements continued...
Figures in R

20262025

22. Going concern

The annual financial statements have been prepared on the going concern basis, which presumes that funds will be available to finance future operations and that assets will be realised and liabilities settled in the ordinary course of business.

Assessment of Financial Position and Forecasts

In assessing the company's ability to continue as a going concern, the directors have reviewed financial forecasts for the period ending 31 March 2027, covering a period of at least 12 months from the date of approval of these financial statements. The company has experienced significant losses of approximately R4.73 million (2025: R2.61 million), primarily due to a reduction in government grants received in the 2026 financial year. The directors acknowledge the seriousness of this financial position and the resulting pressure on the company's liquidity, cash flow and longer-term financial sustainability. The position requires active cost management, close monitoring of cash flows and the timely securing of sufficient funding to sustain the company's operations.

Mitigating Actions and Future Revenue

To address these challenges and ensure the company's continued viability, the directors have implemented a series of mitigating actions, including:

- Continued Cost-Containment: Management has successfully reduced operating expenses from R11.6 million in 2025 to R7.65 million in 2026 and will continue to monitor and manage costs rigorously.
- Reversal of Non-Compliant Grant Commitments: In prior years, the company had accrued R510,000 in respect of supporting grants payable to certain beneficiaries. During the current financial year, it was established that these beneficiaries had not complied with the applicable grant conditions, and the related commitments were accordingly cancelled and reversed.
- Secured Funding: The company has secured grant funding from the Department of Sport, Arts and Culture (DSAC) for the 2027 financial year, amounting to R9 million (R7 million annual allocation and R2 million for the DSAC Debut Programme), which provides a solid financial base for the forthcoming period.
- New Programmatic Initiatives: The company has announced the fourth iteration of the Debut Fund Programme, which is expected to generate further income and activity during the 2027 financial year.
- Operational Improvements: The board continues to monitor the effectiveness of the operational enhancements implemented following the recent internal audit and review, as disclosed in the Directors' Report, to strengthen long-term sustainability.

Based on these forecasts, secured funding, available cash resources of R3.09 million, and the implementation of the plans outlined above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual financial statements.

23. Related parties

23.1 Other related parties

Entity name	Nature of relationship
Directors	Refer to directors report for the names of all the directors.

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Notes to the Annual Financial Statements continued...
Figures in R

Related parties continued...

23.2 Compensation paid to directors and prescribed officers

2026 Name	Salaries, bonuses and performance related payments	Expense allowance	Amounts paid or payable to pension schemes	Medical Aid Contributions	Total remuneration	Amounts related to services rendered as CEO of the company	Total remuneration as CEO
BA Arendse (CEO from 1 July 2025)	931,201	-	18,000	32,616	981,817	981,817	981,817
SZ Mdiya (Acting CEO for 1 April 2025 - 30 June 2025)	324,617	-	2,400	8,820	335,837	198,105	198,105
Total compensation paid to directors and prescribed officers	1,255,818	-	20,400	41,436	1,317,654	1,179,922	1,179,922

2025 Name	Salaries, bonuses and performance related payments	Expense allowance	Amounts paid or payable to pension schemes	Medical Aid Contributions	Total remuneration	Amounts related to services rendered as CEO of the company	Total remuneration
A Johaardien (CEO, 1 April 2024 - 30 November 2024)	848,272	14,000	30,358	20,580	913,210	913,210	913,210
Total compensation paid to directors and prescribed officers	848,272	14,000	30,358	20,580	913,210	913,210	913,210

DETAILED INCOME STATEMENT

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Detailed Income Statement

Figures in R	Notes	2026	2025
Revenue	13		
Creative Futures Project income		392,391	-
Government Grants		2,900,000	9,517,000
Other grants received		10,000	10,000
		<u>3,302,391</u>	<u>9,527,000</u>
Costs relating to grants received	15		
Special projects		(691,272)	(192,878)
Supporting Grants Made		(1,000,000)	(2,000,000)
Reversal of prior year grant accruals		510,000	-
		<u>(1,181,272)</u>	<u>(2,192,878)</u>
Gross profit		<u>2,121,119</u>	<u>7,334,122</u>
Other income	16		
Admin and management fees received		320,000	400,000
BASA Awards income		50,000	50,000
Membership fees received		99,980	339,974
		<u>469,980</u>	<u>789,974</u>

DETAILED INCOME STATEMENT CONTINUED

Business and Arts South Africa NPC

(Registration Number 1997/001920/08)
Annual Financial Statements for the year ended 31 March 2026

Detailed Income Statement continued...

Figures in R	Notes	2026	2025
Other expenses			
Accounting fees		(98,151)	(101,250)
Audit Fees - Internal	12	-	(258,896)
Award ceremony expense		-	(17,832)
Bad debts		-	(35,033)
Bank charges		(37,364)	(30,680)
Cleaning		(6,236)	(5,992)
Computer expenses		(342,528)	(444,053)
Consulting fees		(538,600)	(425,020)
Cultural Producers Programme		-	(1,163,898)
Depreciation - property, plant and equipment		(76,686)	(87,045)
Employee costs - directors		(1,179,922)	(913,210)
Employee costs - salaries		(3,195,475)	(5,852,746)
Entertainment		(36,296)	(23,567)
General expenses		(11,202)	(6,084)
Governance costs		(352,550)	-
Independent External Audit Fees	12	(12,075)	(132,000)
Insurance		(96,684)	(78,771)
Leases		(375,318)	(470,269)
Legal expenses		(33,800)	(72,425)
Marketing		(475,920)	(682,556)
Member events		(165,600)	(80,989)
Municipal charges		(54,461)	(63,700)
Organisational Restructuring Cost		-	(230,477)
Postage		(7,220)	(9,130)
Printing and stationery		(7,507)	(8,878)
Publicity		(1,823)	(98,468)
Relocation expenses		(164,454)	-
Repairs and maintenance		(8,143)	-
Staff recruitment		(140,975)	-
Staff welfare		(74,467)	(126,234)
Storage		-	(5,230)
Subscriptions		(15,878)	(13,573)
Telephone & Fax		(78,000)	(51,790)
Training		(4,935)	-
Travel - Local		(57,993)	(114,628)
		<u>(7,650,263)</u>	<u>(11,604,424)</u>
Loss from operating activities	17	<u>(5,059,164)</u>	<u>(3,480,328)</u>

Business and Arts South Africa NPC			
(Registration Number 1997/001920/08)			
Annual Financial Statements for the year ended 31 March 2026			
Detailed Income Statement continued...			
Figures in R	Notes	2026	2025
Finance income	18		
Banking institutions		339,025	871,171
SARS interest		-	7,768
		<u>339,025</u>	<u>878,939</u>
Finance costs	19		
Bank overdraft		-	(25)
SARS penalties and interest		(11,343)	(7,379)
		<u>(11,343)</u>	<u>(7,404)</u>
Loss for the year		<u>(4,731,482)</u>	<u>(2,608,793)</u>





PHOTOGRAPHY CREDITS

Photography by Thabang R Photography, Geminivision and KhoibrewMzansi Photography.

BUSINESS AND ARTS SOUTH AFRICA (BASA)

ANNUAL REPORT 2025/2026

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