

# **ASSOCIATION FOR VISUAL ARTS GALLERY**

Trading as

**AVA GALLERY**

**(Registration Number 035-161-NPO)**

**Annual Financial Statements**

**for the year ended 31 December 2020**

## **Audited Financial Statements**

Prepared by: Abigale Möller

Professional designation: Business Accountant in Practice (SA)

Reviewed by: Craig Whittle Accounting

Professional designation: Independent Auditor

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Annual Financial Statements for the year ended 31 December 2020

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

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# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Annual Financial Statements for the year ended 31 December 2020

## General Information

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<b>COUNTRY OF INCORPORATION AND DOMICILE</b>	South Africa
<b>NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES</b>	Promotion of art and artists
<b>MANAGEMENT</b>	Mirjam Asmal Renée Holleman Cheryl Traub-Adler Wonder Marthinus Ricardo van Lingen Jane Taylor Annebelle Schreuders Philippa Tumubweinee (Appointed 22 September 2020) Marinda Claasen (Appointed 22 September 2020) Lindsey Samuels (Appointed 22 September 2020) Noncedo Gxekwa (Appointed 22 September 2020) Boitumelo Tlhoale (Appointed 22 September 2020) Athena Sotomi (Resigned 3 May 2020) Diana Williams (Resigned 25 September 2020)
<b>REGISTERED OFFICE</b>	35 Church Street Cape Town 8001
<b>BUSINESS ADDRESS</b>	35 Church Street Cape Town 8001
<b>INDEPENDENT AUDITORS</b>	Craig Whittle Accounting Postnet Suite #52 Private Bag X16 Constantia Cape Town 7848

## **Independent Auditor's Report**

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### **To the Management of Association for Visual Arts Gallery**

#### **Qualified Opinion**

We have audited the financial statements of Association for Visual Arts Gallery set out on pages 9 to 18, which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, the statement of changes in reserves and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Association for Visual Arts Gallery as at 31 December 2020, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

#### **Basis for Qualified Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organisation 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 qualified opinion.

#### **Responsibilities of the Management for the Financial Statements**

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

In preparing the financial statements, the management are responsible for assessing the organisation'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 management either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

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

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

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

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

**Craig Whittle Accounting**

**30 July 2021**

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**Per: Craig Whittle (CA) SA  
Director / Partner  
Business Accountant in Practice (SA)**

**Postnet Suite #52  
Private Bag X16  
Constantia  
Cape Town  
7848**

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Annual Financial Statements for the year ended 31 December 2020

## Management's Responsibilities and Approval

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Management is required 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 as to form and content and present fairly the statement of financial position, results of operations and business of the organisation, and explain the transactions and financial position of the business of the organisation at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the organisation and supported by reasonable and prudent judgements and estimates.

Management acknowledges that they are ultimately responsible for the system of internal financial control established by the organisation and place considerable importance on maintaining a strong control environment. To enable management to meet these responsibilities, the management committee sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the organisation and all employees are required to maintain the highest ethical standards in ensuring the organisations business is conducted in a manner that in all reasonable circumstances is above reproach.

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

Management is 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 management has no reason to believe that the organisation will not be a going concern in the foreseeable future. The financial statements support the viability of the organisation.

The financial statements have been audited by the independent auditing firm, Craig Whittle Accounting, who have been given unrestricted access to all financial records and related data, including minutes of all meetings. Management believes that all representations made to the independent auditor during the audit were valid and appropriate. The external auditors' qualified audit report is presented on page 3 to 4.

The annual financial statements as set out on pages 9 to 18 were approved by the management committee on 30 July 2021 and were signed on its behalf by:

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Mirjam Asmal

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Renée Holleman

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Cheryl Traub-Adler

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Wonder Marthinus

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# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Annual Financial Statements for the year ended 31 December 2020

## Management's Responsibilities and Approval

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\_\_\_\_\_  
Ricardo van Lingen

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Jane Taylor

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Annebelle Schreuders

\_\_\_\_\_  
Philippa Tumubweinee

\_\_\_\_\_  
Marinda Claasen

\_\_\_\_\_  
Lindsey Samuels

\_\_\_\_\_  
Noncedo Gxekwa

\_\_\_\_\_  
Boitumelo Tlhoale

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Annual Financial Statements for the year ended 31 December 2020

## Management's Report

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The management committee present their report for the year ended 31 December 2020.

### 1. Review of activities

#### Main business and operations

The principal activity of the organisation is promotion of art and artists and there were no major changes herein during the year.

The operating results and statement of financial position of the organisation 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 basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The management have given due consideration to the potential impact of the COVID-19 pandemic on the organisation's ability to continue as a going concern. The management believe that the pandemic will have a temporary impact on the business activities. Notwithstanding these short-term challenges the management are of the view that the organisation has sufficient resources to continue as a going concern.

### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

#### Impact of COVID-19

Since 31 December 2019, the spread of the COVID-19 virus has severely impacted most economies around the globe. In any countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic lockdown. Global stock markets have also experienced great volatility and a significant weakening. Government and the South African Reserve Bank have responded with monetary and fiscal interventions to stabilise economic conditions.

The management have determined that these events are non-adjusting events. Accordingly, the financial position and results of operations for the year ended 31 December 2020 have not been adjusted to reflect the impact. The duration and impact of the COVID-19 pandemic, as well the effectiveness of Government and The South African Reserve Bank responses, remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial performance and financial position of the organisation for future periods. The management are not aware of any other material event which occurred after the reporting date and up to the date of this report.

### 4. Management

The management of the organisation during the year and to the date of this report are as follows:

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Annual Financial Statements for the year ended 31 December 2020

## Management's Report

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Mirjam Asmal  
Renée Holleman  
Cheryl Traub-Adler  
Wonder Marthinus  
Ricardo van Lingen  
Jane Taylor  
Annebelle Schreuders  
Philippa Tumubweinee  
Marinda Claasen  
Lindsey Samuels  
Noncedo Gxekwa  
Boitumelo Tlhoaele  
Athena Sotomi  
Diana Williams

### 5. Independent Auditors

Craig Whittle Accounting were the independent auditors for the year under review.

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Statement of Financial Position

Figures in R	Notes	2020	2019
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	225,718	217,801
<b>Current Assets</b>			
Trade and other receivables	4	79,751	183,344
Cash and cash equivalents	5	983,711	741,723
		<b>1,063,462</b>	<b>925,067</b>
<b>Total Assets</b>		<b>1,289,180</b>	<b>1,142,868</b>
<b>Reserves and Liabilities</b>			
<b>Reserves</b>			
Other components of equity	6	160,000	220,000
Retained earnings		1,118,836	893,671
		<b>1,278,836</b>	<b>1,113,671</b>
<b>Current Liabilities</b>			
Trade and other payables	7	10,344	29,197
<b>Total Reserves and Liabilities</b>		<b>1,289,180</b>	<b>1,142,868</b>

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Statement of Comprehensive Income

Figures in R	Notes	2020	2019
<b>Revenue</b>	8	554,457	1,014,214
Cost of sales	9	(551,219)	(271,807)
Gross surplus		<u>3,238</u>	<u>742,407</u>
Other income	10	1,237,857	767,047
Operating costs		(1,013,192)	(1,140,672)
<b>Operating surplus</b>		<b><u>227,903</u></b>	<b><u>368,782</u></b>
Finance income		2,015	-
Finance costs	12	(4,753)	(10,016)
<b>Surplus for the year</b>		<b><u>225,165</u></b>	<b><u>358,766</u></b>

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Statement of Changes in Reserves

Figures in R	Reserve 1	Accumulated surplus	Total
<b>Balance at 1 January 2019</b>	220,000	534,905	754,905
<b>Total comprehensive income for the year</b>			
Surplus for the year		358,766	358,766
<b>Total comprehensive income for the year</b>	-	358,766	358,766
<b>Balance at 31 December 2019</b>	<b>220,000</b>	<b>893,671</b>	<b>1,113,671</b>
<b>Balance at 1 January 2020</b>	220,000	893,671	1,113,671
<b>Total comprehensive income for the year</b>			
Surplus for the year		225,165	225,165
<b>Total comprehensive income for the year</b>	-	225,165	225,165
Transfer	(60,000)		(60,000)
<b>Balance at 31 December 2020</b>	<b>160,000</b>	<b>1,118,836</b>	<b>1,278,836</b>
<b>Note</b>	6		

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Statement of Cash Flows

Figures in R	Note	2020	2019
<b>Cash flows from operating activities</b>			
Surplus for the year		225,165	358,766
<i>Adjustments for:</i>			
Finance costs		4,753	10,016
Depreciation of tangible assets		35,371	(30,332)
Investment income		(2,015)	-
<b>Operating cash flow before working capital changes</b>		<u>263,274</u>	<u>338,450</u>
<i>Working capital changes</i>			
Decrease / (increase) in trade and other receivables		103,593	(113,261)
(Decrease) / increase in trade and other payables		(18,853)	20,199
<b>Net cash flows from operations</b>		<u>348,014</u>	<u>245,388</u>
Investment income		2,015	-
Finance costs		(4,753)	(10,016)
<b>Net cash flows from operating activities</b>		<u><b>345,276</b></u>	<u><b>235,372</b></u>
<b>Cash flows used in investing activities</b>			
Property, plant and equipment acquired	3	(43,288)	(33,448)
<b>Net cash flows used in investing activities</b>		<u><b>(43,288)</b></u>	<u><b>(33,448)</b></u>
<b>Cash flows (used in) / from financing activities</b>			
AVA 50 Circle Collectors contributions		(60,000)	220,000
Other		-	118
<b>Net cash flows (used in) / from financing activities</b>		<u><b>(60,000)</b></u>	<u><b>220,118</b></u>
Net increase in cash and cash equivalents		241,988	422,042
Cash and cash equivalents at beginning of the year		741,723	319,681
<b>Cash and cash equivalents at end of the year</b>	5	<u><b>983,711</b></u>	<u><b>741,723</b></u>

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Accounting Policies

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### 1. General information

Association for Visual Arts Gallery is a non-profit organisation.

### 2. Summary of significant accounting policies

These annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

#### 2.1 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the organisation's activities. Revenue is shown net of value-added tax, returns, and discounts.

The organisation recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the organisation's activities, as described below:

##### Services revenue

The service rendered is recognised as revenue by reference to the stage of completion of the transaction at the balance sheet date.

#### 2.2 Government grants

Grants from the government are recognised at their fair value in profit or loss where there is a reasonable assurance that the grant will be received and the organisation has complied with all attached conditions. Grants received where the organisation has yet to comply with all attached conditions are recognised as a liability (and included in deferred income within trade and other payables) and released to income when all attached conditions have been complied with. Government grants received are included in 'other income' in profit or loss.

#### 2.3 Income taxes

The association has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, (the Act) and the receipts and accruals are exempt from income tax in terms of section 10(1)(cN) of the Act.

#### 2.4 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Accounting Policies

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### *Summary of significant accounting policies continued...*

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

Building improvements	4.00%
Furniture and fittings	16.67%
IT equipment	33.33%

### **2.5 Trade and other receivables**

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the organisation will not be able to collect all amounts due according to the original terms of the receivables.

### **2.6 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.

### **2.7 Trade payables**

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate method.

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in R

2020

2019

### 3. Property, plant and equipment

	Cost	Accumulated depreciation	2020 Carrying value	Cost	Accumulated depreciation	2019 Carrying value
<i>Owned assets</i>						
Building improvements	215,000	34,400	<b>180,600</b>	215,000	25,800	189,200
Furniture and fittings	152,304	136,093	<b>16,211</b>	125,804	123,082	2,722
IT equipment	213,116	184,209	<b>28,907</b>	196,329	170,450	25,879
	<b>580,420</b>	<b>354,702</b>	<b>225,718</b>	<b>537,133</b>	<b>319,332</b>	<b>217,801</b>

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2020 Carrying value at end of year
<i>Owned assets</i>					
Building improvements	189,200	-	-	(8,600)	180,600
Furniture and fittings	2,722	26,501	-	(13,012)	16,211
IT equipment	25,879	16,787	-	(13,759)	28,907
	<b>217,801</b>	<b>43,288</b>	<b>-</b>	<b>(35,371)</b>	<b>225,718</b>

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2019 Carrying value at end of year
<i>Owned assets</i>					
Building improvements	150,787	-	-	38,413	189,200
Furniture and fittings	1,232	2,448	-	(958)	2,722
IT equipment	2,002	31,000	-	(7,123)	25,879
	<b>154,021</b>	<b>33,448</b>	<b>-</b>	<b>30,332</b>	<b>217,801</b>

### 4. Trade and other receivables

Trade debtors	63,052	155,400
Deposits	5,000	5,000
Value Added Taxation	11,699	22,944
	<b>79,751</b>	<b>183,344</b>

### 5. Cash and cash equivalents

#### Favourable cash balances

Cash on hand	1,120	339
Nedbank Current Acc: 1009933299	50	516,319
Artreach Western Cape: 1009933310	-	214,900
FNB Current Account: 628 3313 6733	820,526	10,165
AVA Investment/Circle Endowment Fund	162,015	-
	<b>983,711</b>	<b>741,723</b>

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in R

	2020	2019
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### 6. Other components of equity

The Circle - AVA 50 Collectors contributions will go towards the establishment of an endowment fund that will ensure the AVA's ongoing sustainability in the rapidly growing and commercialising Cape Town visual arts eco system.

### 7. Trade and other payables

Trade creditors	9	29,197
EMP control account	10,335	-
	<u>10,344</u>	<u>29,197</u>

### 8. Revenue

An analysis of revenue is as follows:

Artist in Residence	-	47,200
Books and Catalogues	3,620	9,861
Gallery rental	21,870	156,000
Membership fees	14,471	15,495
Venue & Events	20,827	91,587
Courier & framing	54,112	25,889
Commission received	438,514	640,183
Insurance claims	-	10,956
Installation services	1,043	17,043
	<u>554,457</u>	<u>1,014,214</u>

### 9. Cost of Sales

Alcohol & Catering	1,416	1,391
Artfairs	6,197	14,634
Artist in Residence	2,153	44,048
Artreach	53,214	7,430
Circle - AVA 50 Collectors	5,718	69,690
Commmission paid	316,903	-
Equipment, Printing & Postage	-	7,850
Events & Special Projects	-	6,345
Exhibition Expenses / Installation	11,285	26,888
Framing	-	4,163
Freight & Packaging	58,404	29,603
Installation Crew Training	36,659	48,755
Internships	18,050	7,200
Lounge +	28,027	-
Travel & Transport	-	800
Workshops	13,193	3,010
	<u>551,219</u>	<u>271,807</u>

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in R

	2020	2019
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### 10. Other Income

Donations Received	492,157	622,036
Grants	745,700	145,011
	<u>1,237,857</u>	<u>767,047</u>

*Detailed breakdown:*

#### Donations received

Donations box & First Thursdays	1,757	14,998
Joan St Leger Lindbergh Charitable Trust	180,000	180,000
Spier Arts Trust/Yellowwoods Social Investments NPC	200,000	235,698
Strauss & Co	30,000	30,000
Jaegerman Family	-	20,000
Brendan Leitch	-	11,060
Scheryn Art Collection	-	30,280
Fondation Antoine de Galbert	95,400	-
AVA 50 Circle Collectors Events Contributions *	(15,000)	100,000
	<u>492,157</u>	<u>622,036</u>

#### Grants received

PGWC Department of Cultural Affairs & Sport	20,000	49,211
VANSA	5,700	-
Arts & Culture Trust	70,000	16,000
BASA	30,000	-
National Lotteries Commission	520,000	79,800
National Arts Council	100,000	-
	<u>745,700</u>	<u>145,011</u>

#### \* Circle - AVA 50 Collectors Events Contributions breakdown:

Georgina Jaffee	-	5,000
Lizelle & Frank Kilbourn	-	10,000
Patrick Chapman	-	5,000
Teresa Raposo	-	5,000
Joan St Leger Lindbergh Charitable Trust	-	25,000
Josephine Grindrod	-	20,000
Dominique & Adrian Enthoven	(5,000)	5,000
Grizelda Hall	-	5,000
Jonathan Bloch	-	5,000
Spier Farm Management (Pty) Ltd	(10,000)	10,000
Catherine Owen	-	5,000
	<u>(15,000)</u>	<u>100,000</u>

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

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2020

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### 11. Profit before tax

The following items have been recognised as expenses (income) in determining profit before tax:

Depreciation - Tangible assets	35,371	(30,332)
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### 12. Finance costs

SARS	4,599	9,832
Other	154	184
	<u>4,753</u>	<u>10,016</u>

### 13. Going Concern & the COVID-19 Impact

Management believes that the organisation will be a going concern in the year ahead. The impact of COVID-19 on the gallery has been well-managed with relief funding obtained, future committed donations from long term donors secured, pivoting sales online and reopening to the public. Due to the measures implemented and cash reserves, we continue to adopt the going concern basis in preparing the financial statements.

### 14. Approval of annual financial statements

These financial statements were approved by the managing committee and authorised for issue on 30 July 2021.

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Detailed Income Statement

Figures in R	2020	2019
<b>Gross Revenue</b>		
Artist in Residence	-	47,200
Books and Catalogues	3,620	9,861
Commission received	438,514	640,183
Courier & framing	54,112	25,889
Gallery rental	21,870	156,000
Installation services	1,043	17,043
Insurance claims	-	10,956
Membership fees	14,471	15,495
Venue & Events	20,827	91,587
	<u>554,457</u>	<u>1,014,214</u>
<b>Cost of Sales</b>		
Alcohol & Catering	1,416	1,391
Artfairs	6,197	14,634
Artist in Residence	2,153	44,048
Artreach	53,214	7,430
Circle - AVA 50 Collectors	5,718	69,690
Commission paid	316,903	-
Equipment, Printing & Postage	-	7,850
Events & Special Projects	-	6,345
Exhibition Expenses / Installation	11,285	26,888
Framing	-	4,163
Freight & Packaging	58,404	29,603
Installation Crew Training	36,659	48,755
Internships	18,050	7,200
Lounge +	28,027	-
Travel & Transport	-	800
Workshops	13,193	3,010
	<u>551,219</u>	<u>271,807</u>
<b>Gross Profit</b>	<u><b>3,238</b></u>	<u><b>742,407</b></u>
<b>Other Income</b>		
Donations Received	492,157	622,036
Grants	745,700	145,011
Investment income	2,015	-
	<u>1,239,872</u>	<u>767,047</u>
	<u><b>1,243,110</b></u>	<u><b>1,509,454</b></u>

# ASSOCIATION FOR VISUAL ARTS GALLERY

(Registration Number 035-161-NPO)

Financial Statements for the year ended 31 December 2020

## Detailed Income Statement

Figures in R	2020	2019
<b>Expenditure</b>		
Accounting fees	38,177	16,258
Advertising	28,852	30,799
Auditors' remuneration	3,000	6,000
Bank charges	15,253	29,663
Cleaning	1,936	2,622
Computer expenses	1,797	8,190
Consulting fees	-	6,800
Depreciation - Tangible assets	35,371	(30,332)
Donations	652	-
Finance costs	4,753	10,016
Hire - Equipment	3,550	1,250
Insurance	20,249	19,844
Loss on foreign exchange	-	137
Packaging	1,958	14,702
Postage	1,431	1,638
Premises costs	137,550	140,057
Printing and stationery	2,876	5,919
Repairs and maintenance	21,680	15,526
Salaries	633,853	833,685
Security	6,301	5,118
Small assets	3,149	2,745
Staff welfare	8,632	5,416
Stewardship	3,410	1,576
Subscriptions	35,266	7,291
Telephone and fax	7,353	10,256
Training	-	146
Travel - local	896	5,366
	<u>1,017,945</u>	<u>1,150,688</u>
<b>Surplus for the year</b>	<b>225,165</b>	<b>358,766</b>