



**ANNUAL REPORT 2014 – 15**



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The Music In Africa Foundation (MIAF) was established on 27 July 2013 at a founding meeting in Kenya and registered in 2014 as a non-profit organisation, registered in terms of the South African Non-profit Organisations Act, No. 71 of 1997. It is a Pan-African organisation whose membership base is mainly music professionals, organisations and businesses who are actively involved in the African music sector. Music In Africa's vision is to become the leading source of information and exchange in and for the African music sector. The Foundation is championed by a Management Board represented by individuals from organisations and businesses from across the continent. The current board comprises members from six African countries (Ivory Coast, DRC, Kenya, Madagascar, Senegal and South Africa) and Germany. The organisation's head office is in Johannesburg, South Africa and there are four regional offices in Kenya, DRC, Nigeria and Senegal.

## OUR VISION

To be the leading source of information and exchange in and for the African music sector.

### OUR OBJECTIVES:

- providing reliable and useful information that promotes the African music sector and its operators;
- connecting and promoting exchange between music operators from, or related to, Africa and its diaspora;
- promoting and encouraging the creation of content by Africans, about Africa or related to Africa and its diaspora;
- improving the distribution, accessibility and viability of such content;
- promoting the spirit of entrepreneurship among the African music sector;
- enhancing music education;
- facilitating and promoting, through research, development and education, the use by professionals and audiences of current and future technologies; and
- providing one single and viable access point for all of the above that links existing initiatives, services and resources.

### In carrying out these objectives, we aim:

- to create a website to serve as a portal for information collection and dissemination;
- to facilitate the discovery of existing music in Africa by enabling users to listen to it on the portal;
- to act as a platform for interaction and the sharing of reliable information about the African music sector;
- to organise seminars, workshops and other events aimed at the African music sector;
- to commission relevant research in relation to the African music sector;
- to support the African music sector through capacity building and education; and
- to conduct advocacy aimed at protecting the interests of musicians through (but not limited to) awareness campaigns and lobbying in the area of intellectual property right protection.

## CHAIRMAN'S STATEMENT

The Music In Africa Foundation (MIAF) turned 2 years old on 28 July 2015, a few weeks after the end of the fiscal year on which this annual report is based (July 2014 to June 2015). It gives me great pleasure to note that there was significant growth in many aspects of our work in this period.



During the year under review I worked, under the guidance of my colleagues on the Board, to strengthen the Foundation's profile and visibility in the African music sector. I am pleased to see how we have quickly established a reputable professional profile on the continent. We have been able to establish more partnerships with like-minded organisations that are keen to join efforts in enhancing the African music sector. These engagements are crucial to the Foundation, particularly in this phase wherein we explore sustainable means to grow our offline activities.

Developments happening globally show us that the role of the internet and new technologies are becoming even more critical than we imagined. For example, the International Federation of the Phonographic Industry (IFPI) this year reported that global digital revenues increased by 6,9 per cent in 2014. I believe that it is our role as a pan-African, music-focused organisation to explore what role we play in this context. I am particularly pleased that some of our work in the past year contributed to encouraging young people in disadvantaged areas to employ new innovations in producing, marketing and consuming music. That is the key to our partnership with the Wired For Sound project, where young musicians in rural communities in Malawi were encouraged to record songs in remote studios powered by solar energy.

At the same time, we have recorded many great advancements with our flagship offering, the information and exchange web portal [www.musicinafrica.net](http://www.musicinafrica.net). Our coverage of the continent has improved not only in quantity but also in quality and diversity. Our content contributor network continues to grow and content-related strategies have been further improved with a view to address key issues such as reach and sustainability.

On a governance level, we have this year appointed 4 committees to assist the Board on a number of areas, namely the Content Committee, the Risk Management Committee,

**“Our coverage of the continent has improved not only in quantity but also in quality and diversity.”**

the Membership Committee and the Human Resources Committee.

### Appreciation

This year will unfortunately be the last for Ms. Henrike Grohs as a board member. She will be replaced by Mrs. Noemie Njangiru at our 3rd AGM. On behalf of the foundation, I want to acknowledge the many key roles that Henrike has played in the formation of the Music In Africa initiative. To her we say thank you very much and we hope that you will continue to collaborate with the Foundation in the various ways that are available for members and Goethe-Institut offices across Africa.

In closing, I would like to thank the staff of the Foundation based in Dakar, Kinshasa, Nairobi and Johannesburg for their valued commitment. The leadership of our Director, Mr. Edington Hatitye, is highly appreciated in managing the day-to-day affairs of the Foundation.

I am also grateful to my colleagues from the Management Board for their consistent contributions and support to see the Foundation emerging as a leading source of information and exchange for the African music sector. Special thanks go to the Siemens Stiftung and the Goethe-Institut Sub-Saharan Africa for their much-needed support. We look forward to further strong and fruitful collaborations.

**Ribio Nzeza Bunketi Buse**  
Chairperson

## BOARD COMPOSITION

The Music In Africa Management Board comprises individuals and representatives of organisations and businesses active in the field of music in Africa. These are the current Board members:

**Ribio Nzeza Bunketi Buse (DRC)**  
Chairperson



Ribio has extensive experience in journalism, music and cultural research. He has worked for Radio Okapi, a radio station initiated by the Hironnelle Foundation and the UN Stabilization Mission in DRC.

**Aisha Deme (Senegal)**  
Deputy Chairperson



Aisha has a strong passion for art and culture and is very connected to operators in Senegal's diverse arts scene. Her extensive experience in new media includes founding Agendakar.com, a popular arts and culture portal.

**Belisa Rodrigues (South Africa)**  
Treasurer



Belisa Rodrigues is actively involved in developing creative and cultural industries in Africa. She is currently the General Manager of the African Arts Institute (AFAI).

**Seta Ramaroson (Madagascar)**  
Education & archives



Seta is a cultural manager working mainly in the domain of music and photography. He is a freelance artistic director for music events and recording projects.

**André Le Roux (South Africa)**  
Board member



André is the Managing Director of the Southern African Music Rights Organisation (SAMRO) Foundation and past chairman of the Moshito Music Conference & Exhibition and the South African Coalition for Cultural Diversity.

**Henrike Grohs (Côte d'Ivoire)**  
International partnerships & funder management



Henrike heads the Goethe-Institut in Abidjan, Ivory Coast. From 2008 to 2013, she was in charge of programmes in the field of culture and development for the Goethe-Institut in Johannesburg.

**Bill Odidi (Kenya)**  
Communication & membership strategies



Bill has over 10 years' experience in both print and electronic media. He trained as a journalist in Kenya, India and Egypt and is currently the head of the English Service Radio at the Kenya Broadcasting Corporation (KBC).

**Jens Cording (Germany)**  
International partnerships & funder management



Jens is currently the cultural manager of the Siemens Stiftung. He is a certified music teacher and has played in various orchestras and ensembles. He studied culture management at the University of Music and Theatre in Hamburg.

## DIRECTOR'S REPORT

A few years ago, it all seemed impossible to create a comprehensive, pan-African information and exchange portal while addressing diversity, quality, language, cultural and technological challenges and at the same time focusing on the important topic of sustainability. We have not overcome every challenge in this context but we have shown that it is possible and that we are capable.

Our online and offline traction has improved significantly, with 18 African countries covered, over 7000 music professionals documented in our Directory, website traffic growth of 20% month-on-month to nearly 50 000 unique users, and an active network of contributors in many parts of the continent. In addition, we have piloted scalable offline projects, established more partnerships, revamped our business plan, revised our fundraising strategy and most importantly, established Music In Africa as a fully-fledged organisation that can exist beyond its online platform.

One of the strategic focus areas of the Foundation in the year under review was to develop a sustainable programme of offline activities. We piloted and helped to establish a number of successful projects in this regard, notably an instrument building and repair workshop in Zanzibar, an artist exchange programme between Senegal and Munich, and a talent discovery initiative in Malawi called Wired For Sound. As part of our strategic plan for the next three years, we aim to deliver more offline initiatives, creating more possibilities for music professionals in Africa.

We have also had the opportunity to critically look at our work with a view to identify areas of improvement. With regards to our key offering [www.musicinafrica.net](http://www.musicinafrica.net), an important focus area will be increasing the value of the portal



to music professionals. From an organisational standpoint, the topic of sustainability will remain a key focus. From a content perspective, we have concluded Phase 2, our biggest phase to date with 13 countries. The next step is to commence Phase 3, which introduces 9 new countries, namely Togo, Benin, Gabon, Chad, Mauritius, Ethiopia, Eritrea, Zambia and Swaziland. This brings the total number of countries we will be focusing on in the 2015/16 fiscal year to 27.

The main challenges we faced are broadly attributable to demands occasioned by the growth of our organisation. While we have made great improvements with our human resources, particularly in the editorial and fundraising departments, we remain mindful of the need to strengthen and further streamline our IT (web development) and administration responsibilities.

### Acknowledgements

We have an important role to play for the African music sector in this increasingly changing music scene. I would like to thank all our staff for sharing this understanding with me and for working extremely hard to realise our targets. I would also like to thank our founding partners for their continued support and the Board for the wise counsel in these very critical formative years.

**Edington Hatitye**  
Director

# YEAR HIGHLIGHTS

## ● COVERAGE OF AFRICA

- 13 Phase 2 countries completed
- 7000 music professionals in the directory
- 195 research commissions
- 20 regular contributors
- Phase 3 introduced with 9 new countries:

## ● TRACTION & AWARENESS

- 2 launch events in Senegal and DRC
- 7 presentations in Africa and Europe
- 20% traffic growth month-on-month
- 45 000 unique visitors
- 48 newsletters sent (4 per month)
- 50 000 Facebook likes
- 3 online competitions

## ● DEVELOPMENT OF OFFLINE PROGRAMMES

- Instrument building and repair workshop (20 participants/beneficiaries)
- Artist exchange programme between Senegal and Munich (5 participants)
- Wired For Sound project in Malawi (100 participants and 4 community radio stations)

## ● STRENGTHENING THE FOUNDATION

- 4 new committees appointed (improved governance)
- 3-year strategic plan developed
- New contract with Siemens Stiftung initiated (signature in January 2016)
- 15 new partnerships

## ● DEVELOPMENT OF BUSINESS PLAN

- Funding secured for one Archive Project
- Website Advertising activated
- Business plan & fundraising strategy developed



## Challenges

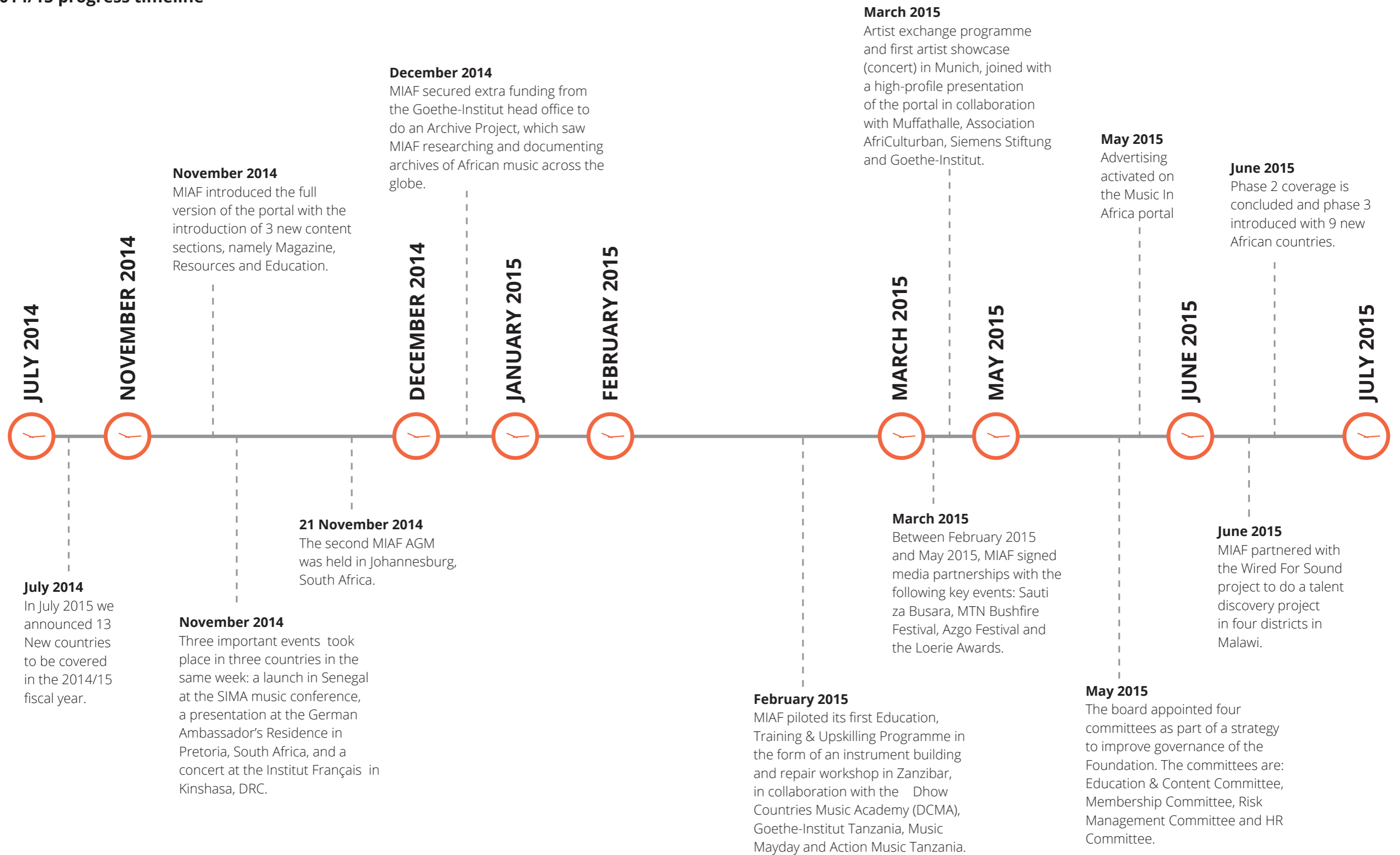
Web development remains a noteworthy challenge in our operations. Changing service providers last year has been hugely helpful but the shortage of senior Drupal web developers in Africa makes it particularly challenging to establish a dependable in-house web development team that fits within requirements.

## Our response

At present we work with freelance Drupal web developers who are based in South Africa. This is an interim solution as the long-term plan is to establish an in-house team to be based in our Johannesburg office.

**YEAR HIGHLIGHTS (continued)**

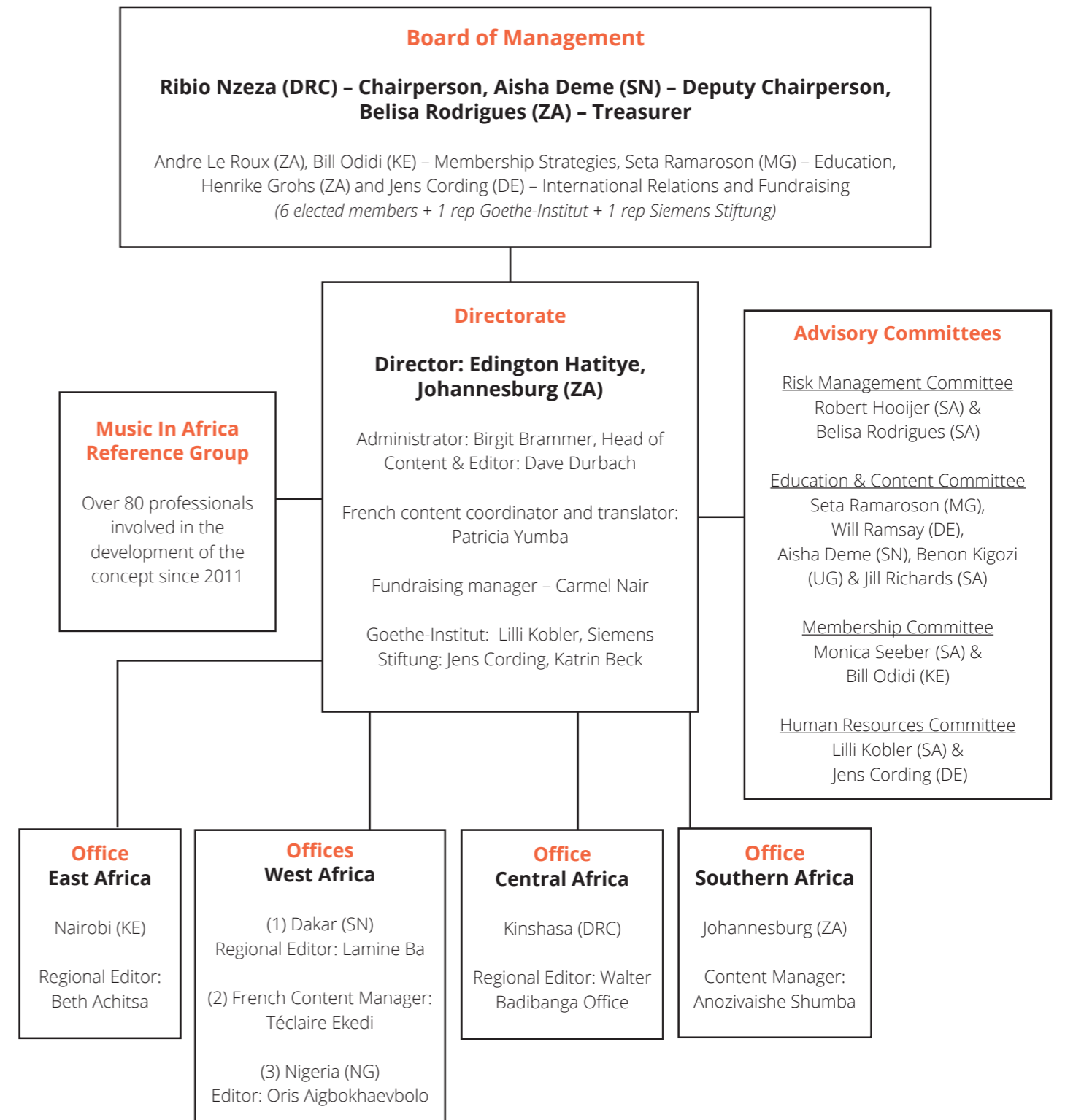
**2014/15 progress timeline**





# ORGANISATIONAL STRUCTURE

AS AT 30 JUNE 2015





## INFORMATION AND EXCHANGE PORTAL



Music In Africa ([www.musicinafrica.net](http://www.musicinafrica.net)) is easily the fastest-growing information and exchange web portal dedicated to the African music sector, reaching thousands of people every day. A non-profit initiative, Music In Africa aims to support the African music sector through information exchange and collaboration. With access to seasoned music journalists and researchers from across the world, we offer a unique range of quality and useful information about the sector. Our main content sections include a Directory where you can find and connect with thousands of professionals who operate in the sector, including but not limited to musicians, funders, record labels, managers and publishers; a Magazine section featuring dynamic content such as news, features, reviews and gig guides; a Resource section with overviews of African music scenes and other practical tools for music professionals; and an Education section offering quality tutorials and other educational content. Music In Africa publishes content in French and English, with five regional offices in Kenya, Nigeria, South Africa, DRC and Senegal. We are making efforts to link our online work with offline activities, including but not limited to educational workshops, training and talent discovery.

“The Music In Africa portal has grown at a rate of 20% month on month since its full launch in November 2014.”

### INFORMATION AND EXCHANGE PORTAL (continued)

Traffic grew from 10 000 page impressions a month in December 2014 to 90 000 page impressions per month and 45 000 unique visitors in June 2015. The directory grew to 7000 music professionals with an average of 30 new entries made daily.



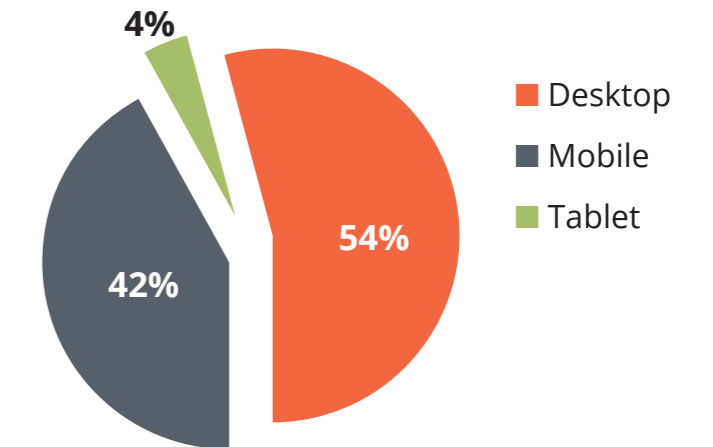
#### Overview

<b>30</b> Music professionals documented/enlisted every day	<b>2</b> Languages (French & English)	<b>7000</b> Music professionals enlisted in the directory (4200 English and 2800 French)
<b>4</b> Newsletters sent out per month (French & English)	<b>3600</b> Newsletter subscribers	<b>700</b> Facebook posts
<b>5</b> Regional editors	<b>2</b> Content managers	<b>95</b> New researchers per year
<b>5</b> Translators	<b>20</b> Regular contributors	

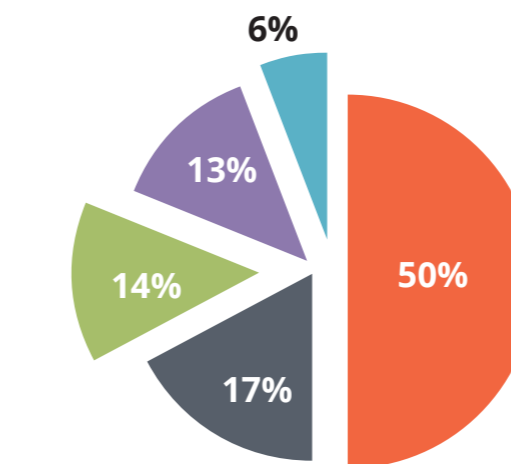
#### Top countries (traffic)

1. South Africa
2. Kenya
3. Indonesia
4. Nigeria
5. Senegal
6. United States
7. India
8. France
9. Congo (DRC)
10. Ghana
11. Germany
12. United Kingdom
13. Côte d'Ivoire
14. Tanzania
15. Namibia
16. Cameroon
17. Zimbabwe
18. Uganda
19. Netherlands
20. Canada

#### Usage by device type



#### Registered professionals by type



- Artists
- Artists service providers
- Archives and media
- Associations
- Events and venues

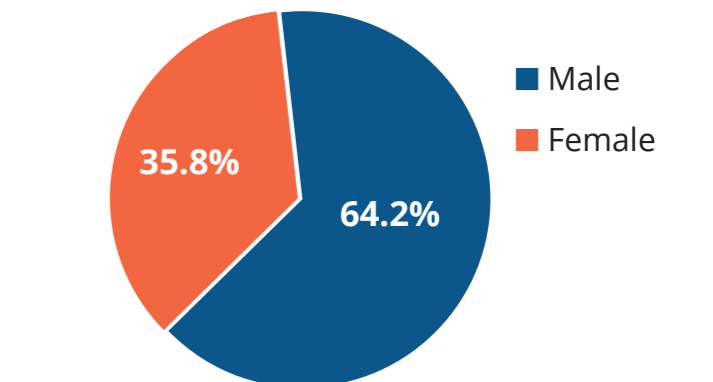
Artists:	3540
Artists service providers:	1180
Archives and media:	900
Associations:	420
Events and Venues:	960

#### Next steps:

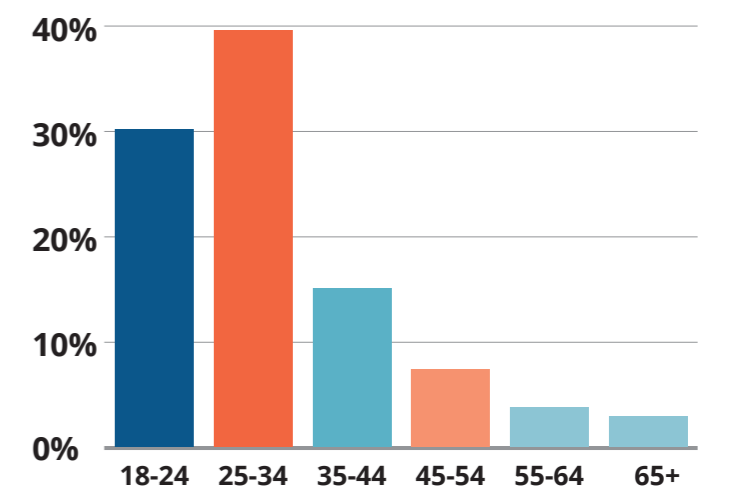
Revamp of the site, particularly to address the following:

- functionality
- user experience
- content architecture
- loading speeds
- optimisation for newer web browsers such as Opera Mini

#### Gender



#### Age



## INFORMATION AND EXCHANGE PORTAL (continued)

### Feedback



**Marcus Gora**

**Band manager (Mokoomba) – Zimbabwe**

“Since its launch, the Music In Africa web portal has been an important resource, bringing to us as music industry practitioners up-to-date information, news and events, as well as access to other players with whom we are now in contact, with the view to develop projects and business opportunities.”



**Amadou Fall Ba**

**Cultural operator – Senegal**

“Music In Africa is a unique platform that truly promotes African music. Furthermore it is bilingual, so it will allow thousands of artists from the continent to have a real digital presence, an aspect that is not yet fully exploited in Africa today given the bad state of connectivity on the continent. We need to encourage young artists to register and explain that today we live in the digital age, so such a platform is an absolute necessity.”



**Ralf GUM**

**Producer & record label owner – Germany/South Africa**

“Music In Africa, as an independent information and exchange portal for and about the African Music sector, is a highly welcome initiative to inform globally about the local music scene. Being one of a kind, the Music In Africa initiative deserves all our support.”



**Moreira Chonguica**

**Musician – Mozambique**

Music In Africa has the potential to be a one-stop shop resource for anyone with an interest in or in the music business on the African continent. With input from artists, managers, recording labels, etc, it is a valuable place to showcase all the music happenings on the continent.”



**Yusuf Mahmood**

**Busara Promotions – Tanzania**

“I had the privilege to be involved with Music In Africa since its enthusiastic yet humble beginnings. With MIAF’s ambitious mission, initially I was privately a little skeptical as to if it would be able to truly represent. Only a few years on, Music In Africa has already grown to be the de-facto online portal for deep insights, news and information on a broad range of issues facing musicians, managers, promoters, educationalists, media and other professionals connected with our wide and diverse industry.”



**Ade Bantu**

**Musician & cultural operator – Nigeria**

“The new platform Music In Africa is certainly an important step in the right direction... For the first time, everything is on one platform, available for everyone. I know some of the authors. They come straight from the scene that they are writing about. That gives the content authenticity that their peers are looking for. It strengthens the individual artists, but also the music sector as a whole.”



**Faisal Kiwewa**

**Bayimba Foundation – Uganda**

“The significance of the Music In Africa portal is its contribution to free music education... One can just learn so much about the diversity of African music and instruments – and be able to access it in your living room or studio. It is a service I hope will shed more light and help music scholars and instrumentalists within and outside Africa.”



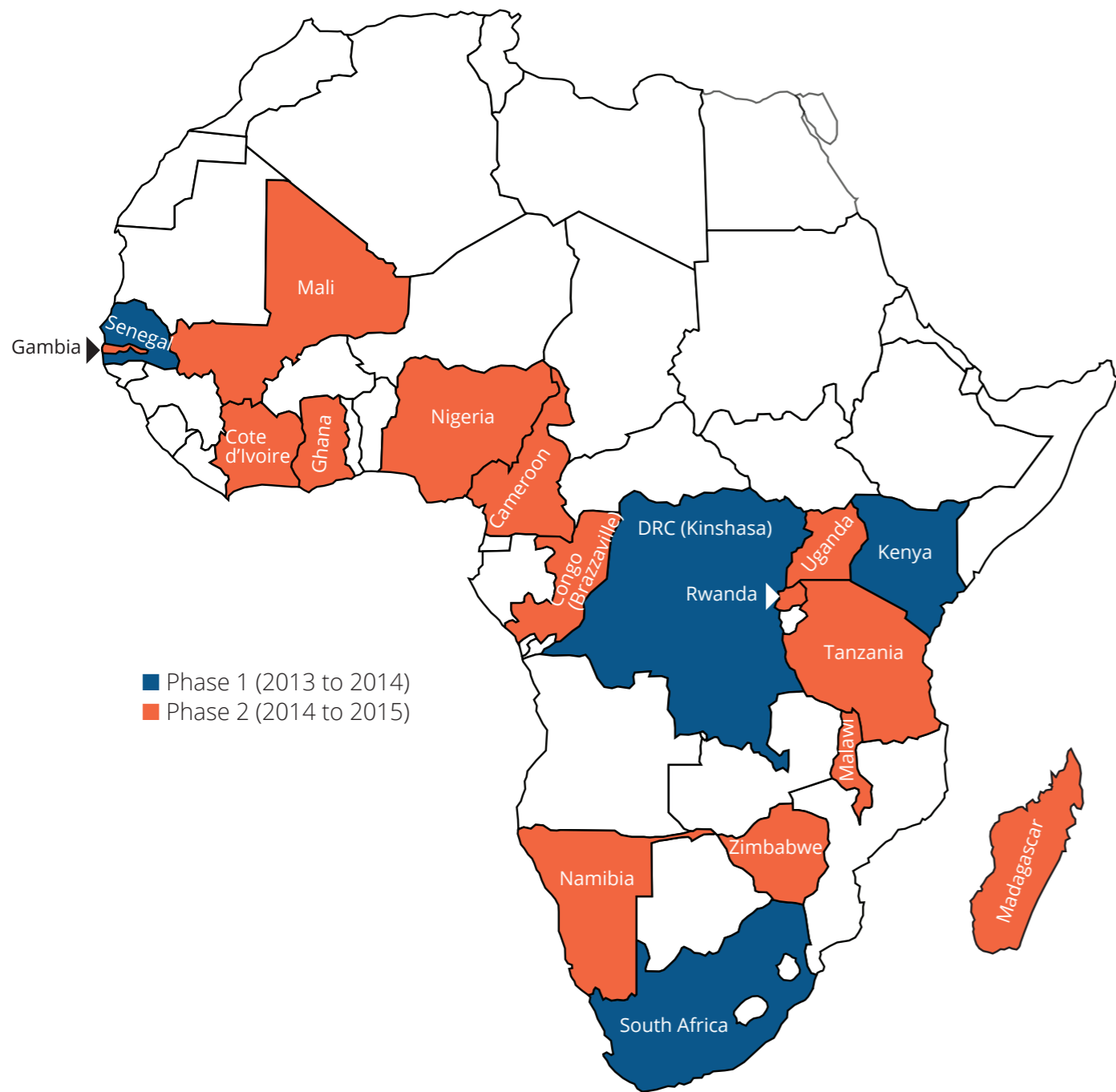
**Yowa Ngoy Yollande Orakle**

**Artist manager – Les Enfoirés, DRC**

“Music In Africa portal has a purpose to exist because it allows artists to communicate, to promote their music, to network with other artists throughout Africa and the world and also to find opportunities.”

# COVERAGE OF THE CONTINENT

Thirteen countries were covered as part of our Phase 2 campaign, which was completed in the fiscal year under review.



Our coverage of a country typically involves the following:

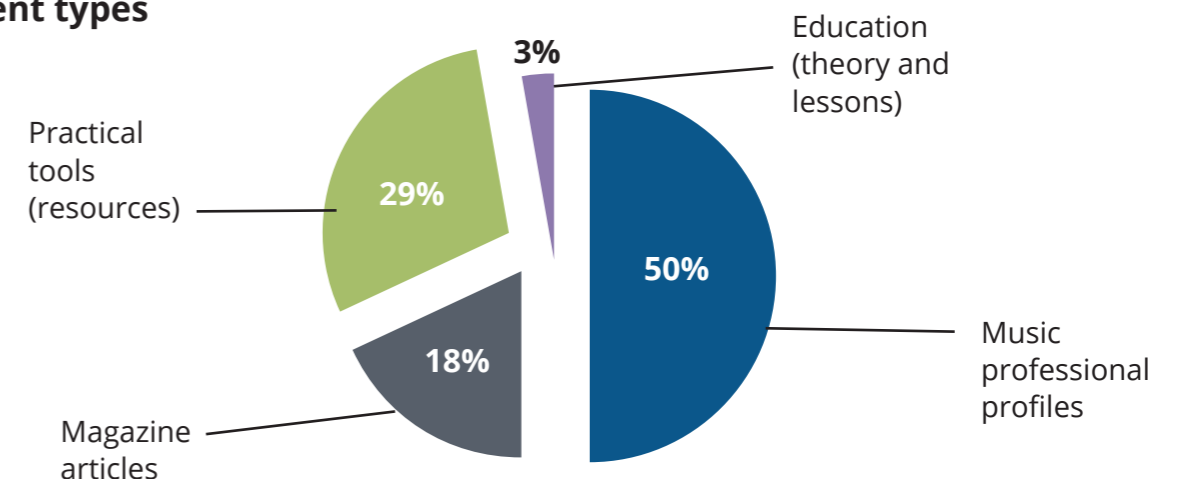
- Step 1: Kick-off meetings and initial research:
  - a. to create a basis for the local sector to be involved
  - b. to identify key needs of a particular sector
  - c. to identify local thought leaders and potential partners
- Step 2: Content development:
  - a. commissioning experts to develop specific content
  - b. devising an in-house content plan executed by regional editors
  - c. setting up local contributors in that country to maintain ongoing content production

### Key topics covered mostly addressed the following themes:

- Legal aspects of the music business
- Opportunities available for musicians
- Recording industry structures
- Live music scenes and music performance
- Media and relation to music industries in Africa
- Cultural policy
- Piracy
- Music genres
- Educational content

As a way of promoting access to and sharing of free, useful information, our content is published under a Creative Commons licence (Creative Commons Attribution-NonCommercial CC BY-NC), except where otherwise noted.

### Content types



NC), except where otherwise noted.

### Increasing participation

In the year under review, we recorded an increase in the number of journalists who applied to become regular contributors. Regular contributors are users, mostly music journalists and researchers, who contribute to the Music In Africa portal by developing and publishing content, particularly in the Magazine section. These contributors are not remunerated. The benefit for them, however, is access to a reputable, exponentially growing pan-African platform on which to showcase their content to a wider audience. For us we see user-generated content as a strong option for the portal to be self-sustainable. Our revamp in the 2015/16 fiscal year will seek to introduce new, effective ways to increase participation.

### Content visibility

MIAF is a recipient of a Google Ad Grant award. The Google Ad Grants programme supports registered non-profit organisations that share Google's philosophy of community service to help the world in areas such as science and technology, education, global public health, the environment, youth advocacy and the arts. Google Ad Grants is an in-kind advertising programme that awards free online advertising to non-profits via Google AdWords. Our digital marketing strategy is implemented internally and externally by Searchoc, a leading marketing agency based in Johannesburg.

**COVERAGE OF THE CONTINENT (continued)**

**Challenges**

Content partnerships help us to incorporate already existing content from other online platforms. This helps us to diversify our content and to generally offer more content to our users. However, we realise that we have to be vigilant in our selection processes to maintain our standards. In the year under review, we have started content exchanges with organisations such as Freemuse.org and Africanhiphop.com. We expect that content partnerships will become easier in future as our reach grows and more people become familiar with our content standards.

**Language**

English is the dominant language on our portal, with about 60% of the content available in English and 40% in French. In general this is attributable to the fact that we have more

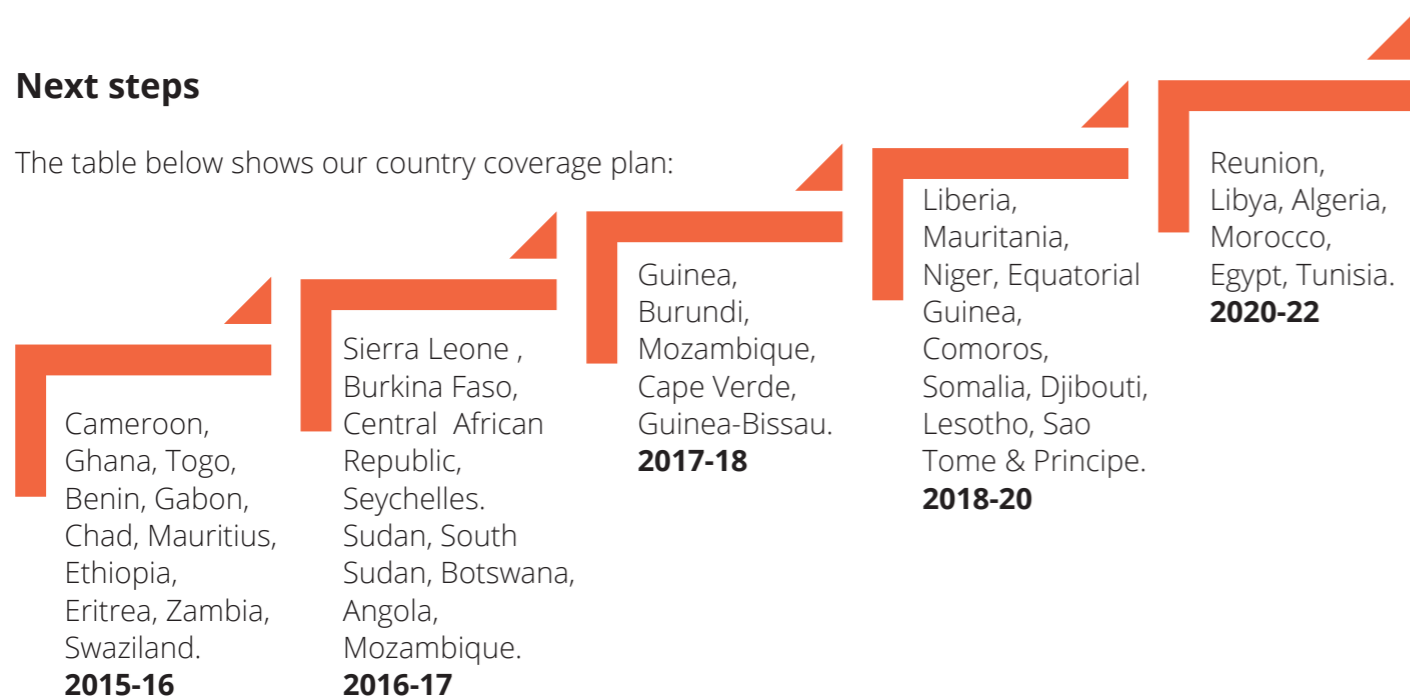
English contributors and partners in Anglophone Africa compared to Francophone Africa. In the next year we want to make efforts to increase the percentage of French content and users.

**Challenging countries**

Every phase presents new countries that prove to be particularly challenging to cover. In the year under review, we had challenges in Mali, Gambia and Congo-Brazzaville. This is partly due to failure to secure good partnerships in these countries and in general less awareness of Music In Africa in these countries. In some cases, political challenges also contribute, as was the case in Mali. Smaller countries like Gambia also tend to be challenging because many music professionals do not have reliable online profiles.

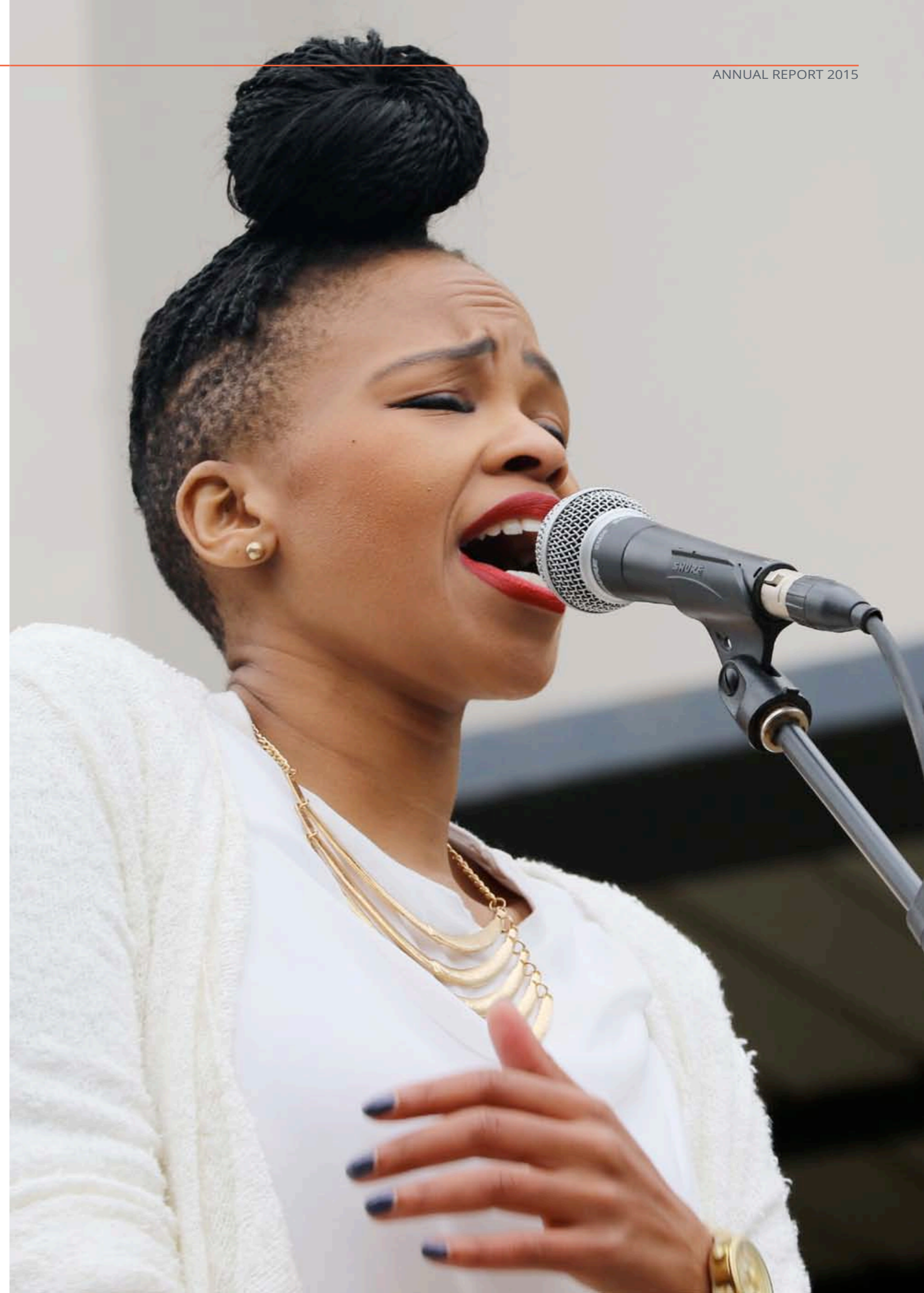
**Next steps**

The table below shows our country coverage plan:



**Language Coverage plan**

2015 – 2016	2018	2020
French & English	Portuguese	Arabic



## OFFLINE ACTIVITIES

Three initiatives stood out in the year under review, namely an instrument building and repair workshop in Zanzibar, an artist exchange programme between Senegal and Germany, and a talent discovery initiative in Malawi.



MIAF workshop in Zanzibar © Mandolin Kahindi

### Instrument Building & Repair Workshop (Zanzibar)

Twenty participants from Tanzania were trained to build and repair 3 musical instruments (the qanun, guitar and rattle). The workshop also covered the commercialisation of musical instruments in Africa. This event also provided MIAF with the opportunity to create strong partnerships with Goethe-Institut Tanzania, the Dhow Countries Music Academy, Music Mayday and Action Music Tanzania. More importantly, participants were trained on how to use online platforms like the Music In Africa portal to market their work and improve their careers. Participants received a certificate of attendance.

#### The broad goals of this workshop were to:

- develop awareness of instrument makers in Africa with a view to promote their work to a wider global audience.
- encourage the formalization and

professionalization of instrument making and repair in Africa, especially in relation to indigenous instruments.

- help instrument makers develop their careers
- foster the rapid monetization and sustainable development of instrument making and repair in Africa.
- promote constant exchange of ideas, expertise, experiences and know-how among instrument makers in Africa.
- facilitate the identification of existing gaps in the field with a view to contribute new solutions.
- facilitate the transfer of knowledge and skills in indigenous instruments between younger and older generations.

#### Overview

- 20 participants
- 4 trainers
- 3 days



Recording in Malawi © Kim Winter

### Talent Discovery, Training & Recording (Malawi)

Towards the end of the year under review, we secured a partnership with Wired For Sound, an extremely important initiative that aims to support the African music sector and its operators.

Spearheaded by members of the internationally acclaimed South African band Freshlyground (Simon Attwell and Julio Sigauque) and SAfm producer Kim Winter, Wired For Sound is a solar-powered mobile recording studio that discovers, records and promotes artists, while also supporting community radio stations by setting up mobile recording studios and offering training. The project was implemented at four sites in Malawi, namely Monkey Bay, Mchinji, Nkhotakota and Karonga.

#### Overview

- 100 musicians recorded
- 50 musicians profiled on the Music In Africa directory
- 10 community radio staff members trained
- 4 recording studios permanently set up at community radio stations
- 1 free promotional CD under production
- 2 participating bands performed at the Lake of Stars festival
- 4 sites across 4 districts

### Performance And Exchange Programme (Senegal-Germany)

Five Senegalese artists worked with various music professionals from Germany, notably the popular hip-hop band Blumentopf, with whom they collaborated on new material in Munich. This event was the culmination of an exchange programme organised by the Muffathalle together with Association AfriCulturban, and presented by the Music In Africa Foundation in conjunction with the Siemens Stiftung and Goethe-Institut.

#### Overview

- 5 Senegalese artists
- 1 popular German band (Blumentopf)
- 5 days
- 1 concert
- 1 presentation of Music In Africa

The concert was preceded by a well-attended panel discussion that integrated a presentation of the Music In Africa portal ([www.musicinafrica.net](http://www.musicinafrica.net)), where Senegalese hip-hop was the main focus.

## AWARENESS & ENGAGEMENT

Various events were held in the past year as part of a strategy to promote awareness and usage of the Music In Africa portal through physical events. Highlights in this area were three events, held in DRC, Senegal and South Africa, in November 2014.



Senegalese artists performing in Munich © Music In Africa

### Munich, Germany (First presentation in Germany)

We presented our initiative for the first time in Germany on 21 March 2015. This was part of the Dox Dajé exchange programme. This event also featured a panel discussion entitled 'Senegalese Urban Art & Culture', in which MIAF Director Eddie Hatitye took part. Keynote speeches from Nathalie von Siemens, Managing Director of the Siemens Stiftung, and Johannes Ebert, Secretary-General of the Goethe-Institut, showed the strong partnerships between MIAF's founding partners.

### Pretoria, South Africa

The Music In Africa initiative was presented to a group of high-profile guests in South Africa at the residence of the German Ambassador. The presentation was done by Mr Jens Cording and Dr. Norbert Spitz (Goethe-Institut regional director). The event also featured a live performance by the South Africa songstress Simphiwe Dana.

### Kinshasa, DRC

On 18 December 2014, MIAF chairperson Ribio Nzeza Bunketi Buse delivered a presentation at the Rumba Parade Festival at the National Arts Institute in Kinshasa. The presentation focused on how the Music In Africa portal can be used as a tool for the promotion of Congolese rumba music.

### Budapest, Hungary

The Music In Africa initiative was seen as a key platform with a potential to provide strong linkages between European broadcasters and African music professionals. Because of this, we were invited to present at an important meeting of the European Broadcasting Union (EBU) in Budapest, Hungary from 14 to 15 October 2014.



MIAF at SIMA 2014 in Dakar

### Dakar, Senegal

Our initiative was a key focus at the 2nd edition of the International Forum of African Music (Salon International de la Musique Africaine – SIMA) held in Dakar, Senegal on 21 November 2014. The event attracted music professionals from all walks of life in an attempt to build and strengthen professional relationships within the African music sector. The collaboration culminated in a concert featuring some of Senegal's finest acts, including Science, Ombre Zion and Takeifa.

### Stonetown, Zanzibar

Thanks to our partnership with Busara Promotions, the Music In Africa initiative was presented as part of the Sauti za Busara 'Movers and Shakers' programme, a platform for music professionals to share information, exchange ideas and network.



DRC concert 2014

### Kinshasa, DRC

The Music In Africa initiative was promoted as part of an opening concert of the new Goethe-Institut liaison office in the DRC in November 2014. The concert featured performances from Congolese acts Jupiter & Okwess International and Jocelyn Balu.

### Social media presence

We currently run three social media platforms: Facebook, Twitter and Google+. In the year under review, our Facebook page grew to 45 000 likes from just 2000 at the beginning of the fiscal year. Approximately 210 messages were received on Facebook, 80% of which were inquiries from artists wanting Music In Africa to support them in showcasing their works. Twitter grew slightly to 800 followers from 300 at the beginning of the fiscal year.



## FURTHER DEVELOPMENT OF PARTNERSHIPS

We have recorded a significant growth in the number of partnerships and collaborations with like-minded organisations. Partnerships are crucial to MIAF as they enable us to attain a strong support system in different parts of the continent, as well as to improve our understanding of the African music sector as a whole.

### Media partnerships

The growth of the Music In Africa portal in the past year means that we are now able to effectively provide visibility opportunities to music events that are focused on the continent. We have established a total of 9 media partnerships with important musical events in Africa and Germany, namely Busara Promotions (for Sauti za Busara festival in Zanzibar), MTN Bushfire festival (Swaziland), WOMEX (Germany), Azgo festival (Mozambique), Breathe Sunshine African Music Conference (South Africa), The Loerie Awards (South Africa), Afropolitan Vibes (Nigeria), Festa2H festival (Senegal) and Festival International Des Peuples Autochtones (DRC).

### Collaborative partnerships

MIAF is not a donor or a sponsor. However, we invest in collaborations and partnerships that allow us to co-create projects consistent with our overarching objectives. We have in the past year collaborated with the following organisations: Bureau Export de la Musique Africaine (BEMA), Association Africulturban (Senegal), Dhow Countries Music Academy (DCMA) in Zanzibar, Music Mayday (Tanzania) and Action Music Tanzania.

In addition, we have maintained good working relations with Ketebul Music (Kenya), SAMRO Foundation (South Africa), International Music Council (IMC) and the African Music Development Programme (France), and Music Crossroads (Belgium).

### New MoUs

This year MIAF is formalising its collaborative relationships with the following organisations by way of signing partnership agreements:

- African Music Development Programme (AMDP) – France
- Music Crossroads – Belgium
- SAMRO Foundation – South Africa
- Senghor University – Egypt

### Continued collaboration between founding partners

At our 2nd AGM in 2014, we stressed the importance of maintaining a strong relationship with our founding partners, who remain critical in the welfare of our Foundation, particularly in these early years. We are happy to report that 2014/15 presented the highest number of opportunities for Goethe-Institut and Siemens Stiftung to work closely together on MIAF events in Africa and Germany.

### The main achievements in this area include:

- Collaboration on the staging of the Dox Dajé exchange programme in Munich.
- Presentation of Music In Africa at the German Ambassador's residence in November 2014.
- Continued involvement of the Siemens Stiftung's representative, Jens Cording, at Board and Directorate level.
- Continued involvement of Goethe-Institut's representatives, Henrike Grohs at Board level and Lilli Kobler as part of the Directorate.



## FURTHER DEVELOPMENT OF PARTNERSHIPS (continued)

- Collaboration between MIAF and Goethe-Institut on the staging of the opening concert in Kinshasa, DRC.
- Collaboration between MIAF and Goethe-Institut Senegal on the staging of the launch event at SIMA in Dakar, Senegal in 2014.
- Collaboration between MIAF and Goethe-Institut Tanzania to pilot the Instrument and repair workshop in Zanzibar in February 2015.

### Key Benefits of Partnerships

Each partnership is unique but the generic mutual beneficiation between MIAF and its partners include:

In-kind support provided by Music In Africa to partners

- Providing an online platform ([www.musicinafrica.net](http://www.musicinafrica.net)) where relevant content from the partners is published, including but not limited to:
  - Biographies of musicians participating in partner activities
  - Press releases
  - Educational content such as features and overview articles
- Promoting partner programmes as follows:
- Offering partners free/subsidised access to paid-for services on the Music In Africa website, such as advertising.
- Encouraging access to partner's offerings: products, services, networks
- Placing partner's logo on the Music In Africa partners page ([www.musicinafrica.net/partners](http://www.musicinafrica.net/partners)) with a bio (in both French and English)
- Sharing and interacting with partner on social media and mentioning the partnership

at events etc.

- Where possible, collaborating to stage offline activities such as workshops and educational events.
- Sharing knowledge, contacts and recommendations that encourage the growth of our organisations.

### In-kind support provided by partners to MIAF

- Providing and uploading relevant content on the Music In Africa website:
  - Promoting the Music In Africa website and programmes offered by MIAF as follows:
  - Encouraging use of the Music In Africa portal within the partners network, by offering means to reach partner members, if relevant (newsletters, website announcements, etc.)
  - Placing Music In Africa logo on partner's websites
  - Placing Music In Africa promotional materials at partner's events (postcards, roll-up banners etc.).
- Sharing and interacting with Music In Africa on social media
- Lobbying for support for the Music In Africa initiative through relevant network.

### Internship programme, encouraging skills development

MIAF has been in talks with the Senghor University (Egypt) on the possibility to start an internship programme wherein students of the university are given opportunities to intern at MIAF satellite offices in Africa. Our talks are at an advanced stage and we plan to start this programme in the first quarter of 2016.

“Partnerships are crucial to MIAF as they enable us to attain a strong support system in different parts of the continent.”



MIAF Director Eddie Hatitye, Secretary General Goethe-Institut Johannes Ebert, Musician Keyti, AfriCulturban Director Amadou Fall Ba and Siemens Stiftung Director Nathalie von Siemens

# INCREASING GRIP ON GOVERNMENT

The Management Board has been outstanding in its commitment to governing the Foundation, with a record 10 meetings held in the 2013/14 fiscal year. The year under review was no different. A particular highlight was the setting up of 4 advisory committees, carefully selected to help the board deliver on its mandate to govern the Foundation.



Members attending MIAF's 2nd AGM in Johannesburg

## Committees appointed in 2015

### • Education and Content Committee

Members: Mrs. Jill Richards | Dr. Benon Kigozi | Mr. Seta Ramaroson | Ms. Aisha Deme | Mr. Will Ramsay

The Education and Content Committee has overall oversight responsibility for ensuring that the content policy of the web portal www.musicinafrica.net adheres to the overall objectives of the Music In Africa Foundation.

### • Human Resources Committee

Members: Mr. Jens Cording | Ms. Lilli Kobler

The Human Resources Committee has overall oversight responsibility for monitoring and assessing the compensation policies of the Foundation, so that the Foundation can attract, motivate and retain competent executive personnel required to meet its business and strategy objectives.

### • Membership Committee

Members: Ms Monica Seeber | Mr. Bill Odidi

The Membership committee oversees formulation and implementation of membership strategies and policy, while ensuring that membership processes adhere to regulations stipulated in the Constitution of the Foundation.

### • Risk Management Committee

Members: Mr. Rob Hooijer | Ms. Belisa Rodrigues

The overall purpose of this committee is to acquire the widest view possible of potential risks to the Foundation and to recommend solutions for identified risks with a view to ensure that the Foundation's risks are effectively managed.

## Board meetings

The Board is required to meet at least twice a year. Seven board meetings were held during the year and attendance was as follows:

Board member	07 Aug 2014	25 Sep 2014	21 Oct 2014	28 Oct 2014	26 Feb 2015	29 May 2015	28 July 2015
Andre Le Roux	-	-	✓	-	✓	-	-
Aisha Deme	✓	✓	✓	✓	✓	✓	-
Belisa Rodrigues	✓	✓	✓	✓	-	✓	-
Jens Cording	✓	✓	✓	✓	✓	-	✓
Henrike Grohs	-	✓	✓	✓	✓	✓	✓
Seta Ramaroson	✓	✓	✓	✓	✓	✓	✓
Bill Odidi	✓	✓	✓	✓	✓	✓	✓
Ribio Nzeza Bunketi Buse	✓	✓	-	✓	✓	✓	✓

✓ [ present]

- [ absent]

## Board composition

The Board of Management is composed of six (6) elected members. A representative of the Siemens Stiftung and a representative of the Goethe-Institut, as initiators of the Foundation, have the right to a seat on the Board as long as the organisations they represent remain involved with the work of the Foundation.

Elected members serve for a period of two (2) years and step down as members in the Annual General Meeting (AGM) taking place in the second year of their membership, but are eligible for re-election; provided that no member of the Board shall serve for longer than six (6) years. Office bearers, including the Chairperson, Deputy Chairperson and Treasurer, are elected by the Board at their first meeting after being elected by the Annual General Meeting.

## The Director

The Board delegates authority for the day-to-day running of the organisation to the Director. This authority is subject to certain areas where the Board must be consulted prior to effecting decisions.

## Conflict of interest

Board members are informed of their fiduciary duty to act in the best interests of the organisation at all times. All board members declare any interests that might conflict with their positions on the Board.

# RISK MANAGEMENT

The Risk Management Committee began its work in July 2015 – reviewing its role, identifying priorities, tabling various types of risk faced by the foundation and the tools to support the work of the committee.

## The Risk Management Committee is responsible for:

1. Identifying and measuring risks facing the Foundation, including but not limited to legal risks, business/financial or funding risks, safety and sustainability issues;
2. Recommending to the Board effective risk management frameworks and internal control systems;
3. Monitoring legal and regulatory compliance, including compliance with applicable copyright, financial and labour laws;
4. Monitoring the implementation of set risk management plans/systems;
5. Reviewing and re-evaluating the effectiveness of set plans and proposing necessary changes to the Board;
6. Examining and determining the sufficiency

- of the Foundation's internal processes for reporting on and managing key risk areas;
7. Assessing and recommending to the board acceptable levels of risk;
8. The Committee may, at the request of the Board or on its own initiative, investigate such other matters as it considers necessary or appropriate in the circumstances.

The Risk Management Committee comprises Mr. Rob Hooijer, former CEO of the Southern African Music Rights Organisation (SAMRO) and Ms. Belisa Rodrigues, Business Development Manager of the African Arts Institute (AFAI). Ms Rodrigues is also the Treasurer of MIAF.

## KING III Compliance Review

The Foundation supports best practice in risk management including but not limited to the King III Report on Corporate Governance for South Africa Code of Corporate Practices and Conduct. The review on page 35 sets out the Foundation's current practice on Risk and Information Technology governance as described in King III.

Item	KING Principles	Current Practice	Comment
<b>Chapter 4: Governance of Risk</b>			
4.1	The board should be responsible for the governance of risk	In practice	This role has been delegated to the committee.
4.2	The board should determine the levels of risk tolerance	In practice	
4.3	The risk committee or audit committee should assist the board in carrying out its risk responsibilities	Introduced in 2015	Risk Committee established in 2015
4.4	The board should delegate to management the responsibility to design, implement and monitor the risk management plan	In practice	
4.5	The board should ensure that risk assessments are performed on a continual basis	Introduced in 2015	The Risk Management Committee meets quarterly
4.6	The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks	In practice	
4.7	The board should ensure that management considers and implements appropriate risk responses	Introduced in 2015	The directorate and Treasurer meet every second month
4.8	The board should ensure continual risk monitoring by management	In practice	
4.9	The board should receive assurance regarding the effectiveness of the risk management process	In practice	The committee makes recommendations to the Board
4.10	The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders	In practice	Included in Annual Report

Item	KING Principles	Current Practice	Comment
<b>Chapter 5: Governance of Information Technology (IT)</b>			
5.1	The board should be responsible for IT governance	In practice	
5.2	IT should be aligned with the performance and sustainability objectives of the company	In practice	Reports being considered on quarterly basis to Risk Committee
5.3	The board should delegate to management the responsibility for the implementation of an IT governance framework	In practice	
5.4	The board should monitor and evaluate significant IT investments and expenditure	In practice	
5.5	IT should form an integral part of the company's risk management	In practice	
5.6	The board should ensure that information assets are managed effectively	Introduced in 2014/5	
5.7	A risk committee and audit committee should assist the board in carrying out its IT responsibilities	Introduced in 2015	

In setting out its agenda for the next year, the Risk Management Committee has identified priority risk areas for which responses have been identified as follows:

Matter/s Identified	Risk Consequences	Allocation of Responsibility	Method & Frequency of monitoring & reporting
<b>Business Risks</b> • Financial stability and sustainability of the Foundation, which connects to: • Independence from funders • Revenue streams • Entrepreneurial risk • Website security	The Foundation would not continue to exist.	Board and Directorate	Quarterly
<b>Legal Risks</b> • Risks connected to content and potential copyright infringements	The Foundation would face serious legal litigation, which may cause serious harm.	Board and Directorate	Quarterly
<b>Regulatory/ Legislative Risks</b> • Legal obligations of the Foundation, which connects to: • Legislative reporting to the registration office • Tax and HR related regulations	The Foundation would face serious penalties, including deregistration	Board and Directorate	Quarterly

### Unknown risks

The Risk Committee is of the view that irrespective of a formal and structured approach to risk identification and management, some risks to the Foundation may be presently unknown. Certain risks may be beyond the control of management and might affect the overall delivery of the Foundation's objectives, whereas other risks, currently regarded as immaterial, may become material. An internal control framework is important to ensure that compliance with internal policies and procedures and external regulatory requirements is achieved. The Foundation's risk evaluation and review will in future include a review of internal controls, including a review of policies and procedures, and verification of adherence to and the relevance of such policies and procedures. It is believed that audit, risk and quality control functions facilitate in the monitoring of the system of internal control.

### Sustainability

The issue of sustainability is being addressed in the form of:

- Securing long-term commitment from current funders;
- The Foundation will for the first time sign an MoU with Siemens-Stiftung in January 2016 as part of our plans to gradually position the Foundation as an independent body from its incubators;
- Revision of the business plan, separating operational costs from project costs and identifying new income streams;
- Enabling revenue generation on the web portal;
- Adopting professional fundraising methods;
- Developing offline activities as income generators;
- Professional fundraising.

### Compliance with laws & regulations

With the Risk Management Committee in place, the Foundation is committed to observing best law practice in South Africa and all applicable territories.

We remain particularly mindful and compliant of laws such as the Protection of Personal Information Bill (South Africa); the Non-profit Organisations Act, No. 71 of 1997 (South Africa); the Broad-Based Black Economic Empowerment (B-BBEE) Act, No. 53 of 2003 (South Africa); and other related laws. In addition, the Foundation submits all statutory reports required in South Africa.

### Website security

The Foundation's servers are supplied and hosted by international company Hetzner Online AG in Germany. We are in the process of acquiring a secondary back-up server in a different data centre to ameliorate any data loss and/or software damage risk.

## OTHER COMMITTEES' WORK AT A GLANCE

Committees comprise members with the necessary blend of skills, competencies and attributes, including the following critical aspects: a thorough knowledge of the Foundation's mandate, operations, principles and their application; the ability to act independently and objectively in the interest of the Foundation; and strong experience on the fundamental challenges that a Committee is set up to address.

### Education and Content Committee

(Leadership by Dr Benon Kigozi)

- **5 members:** Mrs. Jill Richards | Dr. Benon Kigozi | Mr. Seta Ramaroson | Ms. Aisha Deme | Mr. Will Ramsay
- **Meeting frequency:** Quarterly
- **Appointed on:** July 2015
- **Meetings done:** 1
- **Priority focus areas in 2015:**
  - To finalise the strategy and policy for the education section
  - Growing the contributor community on the Music In Africa portal
  - Increasing accessibility of content
  - Achieving a balance in covering Africa

### Membership Committee

(Leadership by Ms. Monica Seeber)

- **2 Members:** Ms Monica Seeber | Mr. Bill Odidi
- **Appointed on:** July 2015
- **Meetings done:** 1
- **Meeting frequency:** Quarterly
- **Priority focus areas in 2015:**
  - To grow membership
  - To devise convenient payment methods for members in different parts of the continent
  - To increase benefits for members
  - To attract high-profile members in the music sector

### HR Committee

(Leadership by Mr. Jens Cording)

- **2 Members:** Mr. Jens Cording | Ms. Lilli Kobler
- **Appointed on:** July 2015
- **Meetings done:** 2
- **Meeting frequency:** Quarterly
- **Priority focus areas in 2015:**
  - To ensure the formulation of the Foundation's HR policy
  - To ensure the smooth transition of the Foundation to employ its staff by January 2016.



# FINANCIAL STATEMENTS

## Directorate's responsibilities and approval

The directorate are required by their Constitution, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the foundation as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with its accounting policies.

The external auditors are engaged to express an independent opinion on the financial statements.



2nd MIAF AGM proceedings © Dave Durbach

The financial statements are prepared in accordance with our accounting policies and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Management Board acknowledge that they are ultimately responsible for the system of internal financial controls established by the foundation and place considerable importance on maintaining a strong control environment. To enable the directorate to meet these responsibilities, they set out 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 foundation and employees are required to maintain the highest ethical standards in ensuring the foundation's business is conducted in a manner that in all reasonable circumstances is above reproach.

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

The directorate are of the opinion, based on the information and explanations given by management, that the system of internal controls provides reasonable assurance that the financial records may be relied on for the presentation of the financial statements.

However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directorate have reviewed the foundation's cash flow forecast for the year to 30th June 2016 and, in the light of this review and the current financial position, they are satisfied that the foundation has or has access to adequate resources to continue in operational existence for the foreseeable future

The directorate is primarily responsible for the financial affairs of the foundation. The external auditors are responsible for independently reviewing and reporting on the foundation's financial statements. The financial statements have been examined by the foundation's external auditors and their reports are presented on pages 43 and 44.

Funds reported in this report were administered for MIAF by Goethe-Institut South Africa. The financial statements set out on pages 45 to 48, were approved by the directorate on the 2th October 2014 and were signed on its behalf by:

**Edington Hatitye**  
Director

**Ribio Nzeza Bunketi Buse**  
Chairperson

# DIRECTOR'S REPORT

## To the members

We have the pleasure in submitting our second annual report and audited financial statements for the year ended 30 June 2015.

### Grants and donations

Cash received from donors and members increased by 32% to €255 333 from €193 023 in the previous fiscal year.

### Expenditure and noteworthy areas

Overall expenditure increased by 38,6% from €167 193 last year to €231 706 in the year under review. Our operations reached an optimum level after the launch of our website and this contributed to expense increases in marketing, human resources and content production.

We acknowledge a significant increase in HR expenses by 53% from €48 326 to €74 021. This was occasioned by the hiring of new staff in the areas of content management and web development. We expect to see a slight increase in the next fiscal year but we do not anticipate another significant increase.

### MIAF partner events

A new expenditure category has been created this year to record expenses borne by Goethe-Institut in the staging of a promotional event in DRC where MIAF directly benefited.

### Assets

Non-current assets increased to €219 290 from €197 583 in the previous year. Intangible assets are accountable for €213 085 and tangible assets account for €6 205 of this year's total.

### Intangible contributions

#### Siemens Stiftung

The Siemens-Stiftung supports the Foundation through its worldwide network, communications, marketing activities and events, and more importantly support for educational initiatives aimed at developing content for the Foundation. The contribution is estimated at over €49 000 annually.

#### Goethe-Institut

The Goethe-Institut supports the Foundation through its worldwide network, contacts and communications as well as the local running costs in terms of the infrastructure in Johannesburg. The Goethe-Institut contributes to the Foundation with its long-time partnerships, network and its appreciation within the cultural scene on the continent. Rent, admin personnel, events and running costs, including Internet and communication expenses are estimated at over €60 000 for the previous year.

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF THE MUSIC IN AFRICA FOUNDATION

### Report on the financial statements

We have audited the accompanying financial statements of the Music In Africa Foundation, which comprises the statement of financial position as at 30 June 2015, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 45 to 55.

### Directorate's responsibility for the financial statements

The directorate is responsible for the preparation and the fair presentation of these financial statements in accordance with their accounting policies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's responsibility

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

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

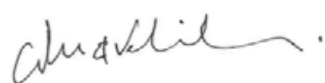
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT (continued)****Unqualified opinion**

In our opinion, these financial statements fairly present, in all material respects, the financial position of the Music In Africa Foundation as at 30 June 2015, and of its financial performance and its cash flows for the period then ended in accordance with its accounting policies.

**Emphasis of matter**

As is explained in note 11 to the financial statements, the foundation needs ongoing donor support if it is to continue operations. These financial statements have been prepared on the basis of accounting practices applicable to a going concern which assumes that the foundation will generate sufficient funds by way of grants from donors to continue funding its activities in the ensuing year. Accordingly they do not include any adjustments, relating to the recoverability and classification of assets or to the amounts and classification of liabilities, that would be necessary if the foundation were unable to continue as a going concern.


**Douglas & Velchich****Chartered Accountants (S.A.)**

Registered Accountants and Auditors

Johannesburg, South Africa  
2 October 2015**STATEMENT OF FINANCIAL POSITION****AT 30 JUNE 2015**

	Note	2015 €	2014 €	2015 R	2014 R
<b>ASSETS</b>		<b>412.277</b>	<b>396.020</b>	<b>5.358.040</b>	<b>5.195.998</b>
<b>Non current assets</b>		<b>219.290</b>	<b>197.583</b>	<b>2.729.199</b>	<b>2.440.509</b>
Equipment	2	6.205	2.197	82.867	26.737
Intangible assets	3	213.085	195.386	2.646.332	2.413.772
<b>Current assets</b>		<b>192.987</b>	<b>198.437</b>	<b>2.628.841</b>	<b>2.755.489</b>
Cash and cash equivalents	4	10.311	72	140.467	1.020
Funds held by Goethe - Institut	5	182.676	198.365	2.488.374	2.754.469
<b>Total assets</b>		<b>412.277</b>	<b>396.020</b>	<b>5.358.040</b>	<b>5.195.998</b>
<b>RESERVES AND LIABILITIES</b>		<b>412.277</b>	<b>396.020</b>	<b>5.358.040</b>	<b>5.195.998</b>
<b>Reserves</b>		<b>219.695</b>	<b>197.583</b>	<b>2.734.701</b>	<b>2.440.509</b>
Accumulated funds		405	-	5.502	-
Equipment fund - intangible assets		213.085	195.386	2.646.332	2.413.772
Equipment fund - tangible assets		6.205	2.197	82.867	26.737
<b>Current liabilities</b>		<b>192.582</b>	<b>198.437</b>	<b>2.623.339</b>	<b>2.755.489</b>
Accounts payable	6	3.816	17.782	51.742	190.030
Deferred income	7	188.766	180.655	2.571.597	2.565.459
<b>Total reserves and liabilities</b>		<b>412.277</b>	<b>396.020</b>	<b>5.358.040</b>	<b>5.195.998</b>



# STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2015

	Note	2015 €	2014 €	2015 R	2014 R
<b>INCOME</b>		<b>255.333</b>	<b>193.023</b>	<b>3.490.065</b>	<b>2.705.260</b>
Grants and donations	8	255.260	192.947	3.489.067	2.704.156
Membership fees		73	76	998	1.104
<b>EXPENDITURE</b>		<b>231.706</b>	<b>167.193</b>	<b>3.177.650</b>	<b>2.328.212</b>
Bank charges		150	40	2.060	584
Consultant fees		1.418	15.893	18.806	212.473
Content development		17.976	13.159	245.387	184.000
Key events and travel		38.093	41.972	520.698	567.017
Marketing and PR		17.091	4.942	231.786	70.351
MIAF partner events (Goethe)		11.160	-	152.677	-
Office expenses		12.634	14.208	188.497	200.587
Offline initiatives		7.276	-	96.411	-
Regional editors		39.072	26.346	533.912	374.582
Salaries		74.021	48.326	1.012.941	684.076
Web and IT development		12.815	2.307	174.475	34.542
<b>SURPLUS FOR THE YEAR</b>		<b>23.627</b>	<b>25.830</b>	<b>312.415</b>	<b>377.048</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Transfer to equipment fund		(23.222)	(25.830)	(306.913)	(377.048)
- Equipment purchased		(5.523)	(444)	(74.353)	(6.662)
- Intangible (Web development)		(17.699)	(25.386)	(232.560)	(370.386)
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>405</b>	<b>-</b>	<b>5.502</b>	<b>-</b>

# STATEMENT OF CHANGES IN RESERVES

FOR THE PERIOD ENDED 30 JUNE 2015

	Accumulated funds €	Equipment fund Intangible assets €	Tangible assets €	Total €
Assets bought in at net book value at the 1 July 2013	-	170.000	2.975	172.975
<b>Other comprehensive income</b>	<b>-</b>	<b>25.386</b>	<b>444</b>	<b>25.830</b>
Surplus for the year	25.830	-	-	25.830
Transfer to equipment fund	(25.830)	25.386	444	-
Assets acquired during the year	(25.830)	25.386	444	-
Depreciation for the year	-	-	(1.222)	(1.222)
<b>Balance at 30 June 2014</b>	<b>-</b>	<b>195.386</b>	<b>2.197</b>	<b>197.583</b>
<b>Other comprehensive income</b>	<b>405</b>	<b>17.699</b>	<b>5.523</b>	<b>23.627</b>
Surplus for the year	23.627	-	-	23.627
Transfer to equipment fund	(23.222)	17.699	5.523	-
Assets acquired during the year	(23.222)	17.699	5.523	-
Depreciation for the year	-	-	(1.515)	(1.515)
<b>Balance at 30 June 2015</b>	<b>405</b>	<b>213.085</b>	<b>6.205</b>	<b>219.695</b>
	Accumulated funds R	Equipment fund Intangible assets R	Tangible assets R	Total R
Assets bought in at net book value at the 1 July 2013	-	2.043.386	34.098	2.077.484
<b>Other comprehensive income</b>	<b>-</b>	<b>370.386</b>	<b>6.662</b>	<b>377.048</b>
Surplus for the year	377.048	-	-	377.048
Transfer to equipment fund	(377.048)	370.386	6.662	-
Assets acquired during the year	(377.048)	370.386	6.662	-
Depreciation for the year	-	-	(14.023)	(14.023)
<b>Balance at 30 June 2014</b>	<b>-</b>	<b>2.413.772</b>	<b>26.737</b>	<b>2.440.509</b>
<b>Other comprehensive income</b>	<b>5.502</b>	<b>232.560</b>	<b>74.353</b>	<b>312.415</b>
Surplus for the year	312.415	-	-	312.415
Transfer to equipment fund	(306.913)	232.560	74.353	-
Assets acquired during the year	(306.913)	232.560	74.353	-
Depreciation for the year	-	-	(18.223)	(18.223)
<b>Balance at 30 June 2015</b>	<b>5.502</b>	<b>2.646.332</b>	<b>82.867</b>	<b>2.734.701</b>

# STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2015

	Note	2015 €	2014 €	2015 R	2014 R
Cash received from donors and members		263.444	373.678	3.496.203	5.270.719
Cash paid to suppliers and employees		(245.672)	(149.411)	(3.315.938)	(2.138.182)
<b>Cash generated from operations</b>	<b>10</b>	<b>17.772</b>	<b>224.267</b>	<b>180.265</b>	<b>3.132.537</b>
Interest received		-	-	-	-
<b>Cash flows from operating activities</b>		<b>17.772</b>	<b>224.267</b>	<b>180.265</b>	<b>3.132.537</b>
<b>Cash flows from investing activities</b>		<b>(23.222)</b>	<b>(25.830)</b>	<b>(306.913)</b>	<b>(377.048)</b>
Assets purchased during the year		(5.523)	(444)	(74.353)	(6.662)
Website development		(17.699)	(25.386)	(232.560)	(370.386)
<b>Cash flows from financing activities</b>		<b>15.689</b>	<b>(198.365)</b>	<b>266.095</b>	<b>(2.754.469)</b>
Funds held in Trust - Goethe Institut		15.689	(198.365)	266.095	(2.754.469)
<b>Net increase in cash and cash equivalents</b>		<b>10.239</b>	<b>72</b>	<b>139.447</b>	<b>1.020</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>72</b>	<b>-</b>	<b>1.020</b>	<b>-</b>
<b>Cash and cash equivalents at end of year</b>	<b>4</b>	<b>10.311</b>	<b>72</b>	<b>140.467</b>	<b>1.020</b>

# NOTES TO THE FINANCIAL STATEMENT

FOR THE PERIOD ENDED 30 JUNE 2015

## ACCOUNTING POLICIES

### 1. PRESENTATION OF FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the foundation's accounting policies. The annual financial statements have been prepared on the historical cost basis, except for financial instruments and incorporate the principal accounting policies set out below.

#### 1.1 TANGIBLE ASSETS

The cost of an item of tangible assets is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of tangible assets 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 tangible assets, the carrying amount of the replaced part is derecognised.

Tangible assets are carried at cost less accumulated depreciation and any impairment losses. Depreciation is provided on all tangible assets other than freehold land, to write down the cost, less residual value, by equal instalments over their useful lives as follows:

Item	Useful life
Computer equipment	3 years
Office equipment	5 years

The depreciation charge for each period is recognised in equipment fund, unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognising of an item of property, plant and equipment is included in the equipment fund when the item is derecognised. The gain or loss arising from the derecognising of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

#### 1.2 INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

Intangible assets with indefinite useful lives are tested for impairment annually. Such intangibles are not amortised. The useful life an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

#### 1.3 FINANCIAL INSTRUMENTS

##### Measurement

Financial instruments carried on the statement of financial position include bank balances, accounts receivable and accounts payable. Financial instruments are initially measured at cost as at trade date, which includes transaction costs. Subsequent to initial recognition, the following instruments are measured as set out below :-

##### Accounts receivable

Accounts receivable is stated at cost less provision for impairment losses.

##### Cash and cash equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk in change in value.

Cash and cash equivalents are measured at fair value.

**ACCOUNTING POLICIES (continued)****Accounts payable**

Accounts payable which are short - term obligation, are stated at their nominal value.

**1.4 EQUIPMENT FUND**

In order that operating reserves reflect assets available to the operations of the organisation, an equipment fund is maintained to separate out the funding of such assets.

The mechanism whereby this fund is maintained at a value equal to the carrying value of such assets in the statement of financial position is that an amount equal to the cost of assets acquired be charged against operating income each year and credited to the fund.

Depreciation, and profits and losses on disposal are adjusted annually against the fund.

**1.5 REVENUE**

Income from grants is brought to account in the financial period to which it relates. Donations, membership and other income is brought to account as and when received.

**1.6 INTEREST INCOME**

Interest is brought to account as and when received.

**1.7 EXPENDITURE**

Expenditure is accounted for on the accrual basis of accounting.

**1.8 PROJECT ACCOUNTING AND EXPENSE ALLOCATION**

In terms of its contractual obligations to donors, The foundation's policy is to allocate project expenses that are clearly identifiable as such, directly against project funds. Indirect and shared costs are apportioned on the basis of management estimates.

Accrued and deferred grant income is based on the balance of the project fund after taking into account the direct, indirect and shared costs as described above. The unexpended surplus of the project fund is deferred to the following year or the deficit is accrued in the year under review.

**1.9 EMPLOYEE BENEFITS****Short-term employee benefits**

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care) are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employee renders service that increases their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

**1.10 FOREIGN CURRENCY TRANSLATION**

Grants and donations income has been converted at the spot rate on the dates of receipt. Other income and expenditure, has been converted at the average exchange rate for each month as determined by the Goethe-Institut.

**NOTES TO THE FINANCIAL STATEMENT (continued)**

<b>2. EQUIPMENT</b>			
	<b>Computer equipment</b>	<b>Office equipment</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>30 June 2015</b>			
<b>Net book value - 1 July 2014</b>	<b>2.197</b>	<b>-</b>	<b>2.197</b>
At cost	4.004	-	4.004
Accumulated depreciation	(1.807)	-	(1.807)
Additions during the year	3.691	1.832	5.523
Depreciation for the year	(1.454)	(61)	(1.515)
<b>Net book value - 30 June 2015</b>	<b>4.434</b>	<b>1.771</b>	<b>6.205</b>
At cost	7.695	1.832	9.527
Accumulated depreciation	(3.261)	(61)	(3.322)
<b>30 June 2014</b>			
<b>Net book value - 1 July 2013</b>	<b>2.975</b>	<b>-</b>	<b>2.975</b>
At cost	3.560	-	3.560
Accumulated depreciation	(585)	-	(585)
Additions during the year	444	-	444
Depreciation for the year	(1.222)	-	(1.222)
<b>Net book value - 30 June 2014</b>	<b>2.197</b>	<b>-</b>	<b>2.197</b>
At cost	4.004	-	4.004
Accumulated depreciation	(1.807)	-	(1.807)
	<b>Computer equipment</b>	<b>Office equipment</b>	<b>Total</b>
	<b>R</b>	<b>R</b>	<b>R</b>
<b>30 June 2015</b>			
<b>Net book value - 1 July 2014</b>	<b>26.737</b>	<b>-</b>	<b>26.737</b>
At cost	47.108	-	47.108
Accumulated depreciation	(20.371)	-	(20.371)
Additions during the year	49.514	24.839	74.353
Depreciation for the year	(17.395)	(828)	(18.223)
<b>Net book value - 30 June 2015</b>	<b>58.856</b>	<b>24.011</b>	<b>82.867</b>
At cost	96.622	24.839	121.461
Accumulated depreciation	(37.766)	(828)	(38.594)
<b>30 June 2014</b>			
<b>Net book value - 1 July 2013</b>	<b>34.098</b>	<b>-</b>	<b>34.098</b>
At cost	40.446	-	40.446
Accumulated depreciation	(6.348)	-	(6.348)
Additions during the year	6.662	-	6.662
Depreciation for the year	(14.023)	-	(14.023)
<b>Net book value - 30 June 2014</b>	<b>26.737</b>	<b>-</b>	<b>26.737</b>
At cost	47.108	-	47.108
Accumulated depreciation	(20.371)	-	(20.371)

## NOTES TO THE FINANCIAL STATEMENT (continued)

2. EQUIPMENT	Computer equipment €	Office equipment €	Total €
<b>30 June 2015</b>			
<b>Net book value - 1 July 2014</b>	<b>2.197</b>	<b>-</b>	<b>2.197</b>
At cost	4.004	-	4.004
Accumulated depreciation	(1.807)	-	(1.807)
Additions during the year	3.691	1.832	5.523
Depreciation for the year	(1.454)	(61)	(1.515)
<b>Net book value - 30 June 2015</b>	<b>4.434</b>	<b>1.771</b>	<b>6.205</b>
At cost	7.695	1.832	9.527
Accumulated depreciation	(3.261)	(61)	(3.322)
<b>30 June 2014</b>			
<b>Net book value - 1 July 2013</b>	<b>2.975</b>	<b>-</b>	<b>2.975</b>
At cost	3.560	-	3.560
Accumulated depreciation	(585)	-	(585)
Additions during the year	444	-	444
Depreciation for the year	(1.222)	-	(1.222)
<b>Net book value - 30 June 2014</b>	<b>2.197</b>	<b>-</b>	<b>2.197</b>
At cost	4.004	-	4.004
Accumulated depreciation	(1.807)	-	(1.807)
	<b>Computer equipment R</b>	<b>Office equipment R</b>	<b>Total R</b>
<b>30 June 2015</b>			
<b>Net book value - 1 July 2014</b>	<b>26.737</b>	<b>-</b>	<b>26.737</b>
At cost	47.108	-	47.108
Accumulated depreciation	(20.371)	-	(20.371)
Additions during the year	49.514	24.839	74.353
Depreciation for the year	(17.395)	(828)	(18.223)
<b>Net book value - 30 June 2015</b>	<b>58.856</b>	<b>24.011</b>	<b>82.867</b>
At cost	96.622	24.839	121.461
Accumulated depreciation	(37.766)	(828)	(38.594)
<b>30 June 2014</b>			
<b>Net book value - 1 July 2013</b>	<b>34.098</b>	<b>-</b>	<b>34.098</b>
At cost	40.446	-	40.446
Accumulated depreciation	(6.348)	-	(6.348)
Additions during the year	6.662	-	6.662
Depreciation for the year	(14.023)	-	(14.023)
<b>Net book value - 30 June 2014</b>	<b>26.737</b>	<b>-</b>	<b>26.737</b>
At cost	47.108	-	47.108
Accumulated depreciation	(20.371)	-	(20.371)

## NOTES TO THE FINANCIAL STATEMENT (continued)

	2015 €	2014 €	2015 R	2014 R
<b>3. INTANGIBLE ASSETS</b>				
<b>Website development</b>				
Website development - 2013	170.000	170.000	2.043.386	2.043.386
Website development - 2014	25.386	25.386	370.386	370.386
Website development - 2015	17.699	-	232.560	-
	<b>213.085</b>	<b>195.386</b>	<b>2.646.332</b>	<b>2.413.772</b>
The website is an intangible asset with an indefinite useful life. The website will be tested annually for impairment.				
<b>4. CASH AND CASH EQUIVALENTS</b>				
Standard Bank - current account	<b>10.311</b>	<b>72</b>	<b>140.467</b>	<b>1.020</b>
<b>5. FUNDS HELD IN TRUST</b>				
Goethe - Institut	<b>182.676</b>	<b>198.365</b>	<b>2.488.374</b>	<b>2.754.469</b>
<b>6. ACCOUNTS PAYABLE</b>				
Accruals	<b>3.816</b>	<b>17.782</b>	<b>51.742</b>	<b>190.030</b>
<b>7. DEFERRED INCOME</b>				
Goethe Institut	9.907	-	134.965	-
Siemens	178.859	180.655	2.436.632	2.565.459
	<b>188.766</b>	<b>180.655</b>	<b>2.571.597</b>	<b>2.565.459</b>
<b>8. GRANTS AND DONATIONS</b>				
Goethe Institut	58.371	35.000	714.884	479.886
Goethe Institut - Music In Africa Archive Project	93	-	1.294	-
Received	10.000	-	141.934	-
Deferred to 2015/16 fiscal year	(9.907)	-	(140.640)	-
Siemens	196.796	157.947	2.772.889	2.224.270
Received	195.000	250.000	2.644.062	3.577.905
Deferred to 2013/14 fiscal year	-	88.602	-	1.211.824
Deferred to 2014/15 fiscal year	180.655	(180.655)	2.565.459	(2.565.459)
Deferred to 2015/16 fiscal year	(178.859)	-	(2.436.632)	-
	<b>255.260</b>	<b>192.947</b>	<b>3.489.067</b>	<b>2.704.156</b>
<b>9. TAXATION</b>				
No provision has been made for income tax as the foundation has qualified for exemption from tax in terms of section 10(1)(cN) as read with section 30 of the Income Tax Act.				
<b>10. CASH GENERATED FROM/(UTILISED IN) OPERATIONS</b>				
Surplus for the year/period	23.627	25.830	312.415	377.048
Adjusted for:				
(Decrease)/increase in deferred income	8.111	180.655	6.138	2.565.459
<b>Operating surplus before working capital changes</b>	<b>31.738</b>	<b>206.485</b>	<b>318.553</b>	<b>2.942.507</b>
<b>Working capital changes</b>	<b>(13.966)</b>	<b>17.782</b>	<b>(138.288)</b>	<b>190.030</b>
(Decrease)/increase in accounts payable	(13.966)	17.782	(138.288)	190.030
<b>Cash generated from/(utilised in) operations</b>	<b>17.772</b>	<b>224.267</b>	<b>180.265</b>	<b>3.132.537</b>

**NOTES TO THE FINANCIAL STATEMENT (continued)****11. GOING CONCERN**

The existence of the foundation is dependent on the continued support of its donors, by way of grants and donations. Should the grants and donations be withdrawn it is highly unlikely that the foundation will be able to continue as a going concern. The foundation is aware of this risk and has started implementing a revenue generation strategy on its portal and is making efforts to diversify its funding base.

**12. FINANCIAL RISK****12.1 Interest rate risk**

The Foundation has no significant exposure to interest rate risk.

**12.2 Credit risk**

The Foundation's credit risk is attributable to funds held in trust and liquid funds. The credit risk on liquid fund is limited because the counter party is a bank with credit rating assigned by international credit-rating agencies. The Foundation has a significant balance of funds held with the Goethe-Institut South Africa.

**12.3 Liquidity risk**

The Foundation manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.

**SUPPLEMENTARY INFORMATION****Registered Office Address**

Music In Africa Foundation  
119 Jan Smuts Avenue  
Parkwood 2193  
Johannesburg  
South Africa

**Registration Number**

133-617-NPO

**Postal Address**

119 Jan Smuts Avenue  
Parkwood 2193  
Johannesburg  
South Africa

**Telephone number**

+27 11 442 3232

**Bankers**

Standard Bank  
Trust fund banker name: Nedbank

**Web:** [www.musicinafrica.net](http://www.musicinafrica.net)

**Facebook:** Music In Africa

**Twitter:** @MusicInAfrica