

ANNUAL REPORT



March 2013

Prepared by Casterbridge Music Development
Academy

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SYNOPSIS



In 2011 our founding donor, the Department of Culture, Sport and Recreation made a grant of R300,000 to the Casterbridge Music Development Academy (CMDA) which established the CMDA as a meaningful music development program in Mpumalanga. In 2012, many other donors joined us to assist us in delivering our Program and this includes Dave Matthews from the Dave Matthews Band who personally donated R400,000 and this donation was matched by Seasons in Africa and several private donors including HCI and Singular Systems. Additional funding from The Mackenzie Foundation and another local private donor has allowed us to start a Lowveld Community Orchestra with a brass section from Pienaar and a string section from Lydenburg. From the outset and with whose support this program would not have been possible, Coca-Cola has been an active supporter of our program assisting with the many associated costs of all of our live concerts.

A significant donation in the form of rent relief by the Casterbridge Lifestyle Centre and Louis van der Merwe in particular makes it possible for the program to operate from the current premises at the Performing Arts Centre.

To diversify our income stream and improve the delivery of our program, Singular Systems, a Johannesburg software development company has assisted the CMDA by developing a NPO management system and educational platform that in 2013 will be used to deliver free and meaningful educational content to all South Africans. Their donation in excess of R650,000 in programming costs has made this project possible.

In 2012, the CMDA continued to deliver its music program through its existing hub structures. In this, we managed to deliver 935 hours of coaching to 459 students by 16 paid music coaches. This focused on our three pillars: development of new students within our hubs, band development focussing on advanced members and a Peer to Peer program which culminated in a production based loosely on STOMP in October. This was followed up with a December workshop week based at the Performing Arts Centre with 100 children focusing on vocal training, theatre & stage skills, sound recording, film making and band development with the input of 10 coaches.

We continue to rely on a very small management team, our music coaches, hub managers and circuit coordinator, in addition to the many volunteers and community members who help us to function effectively. It is a program that has captured the hearts and minds of many people and we wish to thank everyone, especially corporate and private donors, for their ongoing support.

This report will detail the progress made In 2012 our plans and requirements for 2013.

A thank you note from one of our students who participated in our December workshop: 'I enjoyed the communication workshop, it helped me a lot because I'm not very good with public speaking, so that was really helpful. And I enjoyed the practices, and the singing is a new thing for me; it's difficult but I'm determined to pull through and make it work. Being surrounded by people that have the same passion as I do makes it enjoyable and fun and there was always something new I learnt every day, so it really was worthwhile to me. Thank you so much!' - Zanika.

2012 REPORT

DONATIONS RECEIVED

Below is a summary of the donors for 2012

Mpumalanga Department of Culture, Sport and Recreation	150,000
Dave Matthews	399,160
Seasons in Africa	100,000
Hoskin Consolidated Investment	50,000
The Mackenzie Foundation	50,000
Private Individuals	320,047
Singular Systems	402,812
Coca Cola	107,432
Venue Income	427,604

The venue income shown above is the gross venue income from Jozi and the Performing Arts Centre and was sufficient to cover all the admin costs of the program. As a result, the gross amount of all other donations was used in the delivery of our program, including all coaching, transport and other related program fees.

Below, there is additional detail on each of the activities provided at the CMDA and attached is a detailed breakdown of our income statement and how each donor's funds were allocated in 2012.

It is important to note that we have been very cautious in our plans for 2012 as a result of the current economic situation and the dramatic reduction in funding for Non Profit Organisations in general. As a result, at the end of 2012 the CMDA still had approximately R625,000 in unallocated donor funding. This will be allocated in 2013.

We wish to thank all our donors, employees, friends and supporters for their contribution to the success of our program. We know that we are making a positive impact in the communities in which we operate and especially to those members who have actively participated in our program. In 2013 have plans to both diversify what we offer and to dramatically increase our reach.



FACILITIES

Our facilities in 2012 remained unchanged from 2011. We continue to operate out of 3 hubs in White River, kaBokweni and Zwelisha. The Performing Arts Centre continues to flourish and with the funds raised in 2012, an investment was made to purchase equipment, additional lighting, professional microphones, a library of 50 CD's of traditional African music and a set of Marimba's all of which have been put to good use.

From income generated from venue hire and the Jozi Bar, a surplus was realized that covered the costs of the salary costs of the staff working at the PAC which permitted a greater percentage of the donations to be directed towards the beneficiaries of the program.

MEMBERSHIP BREAKDOWN

Total membership for the academy is 459 broken down as follows:

PDI		Non PDI	
Total	385	Total	74
Female	139	Female	30
Male	246	Male	44

COACHING HOURS

HUB Coaching	Casterbridge	kaBokweni	Zwelisha
Total Hours	300	346	289

Other (Group Contact Sessions)	Band Development	Peer to Peer	Workshop
Total Hours	303	166	107

Princess Indlovukazi: "The CMDA continues to change lives, identifying and developing , nurturing talent ! U raising stars!! May the good Lord bless the founders, sponsors, employees, members of the CMDA..



2012 – MAJOR PERFORMANCES

Bands from the CMDA performed at the following functions:

1. CANSA Relay for life
2. Uplands Festival
3. Opened for Craig Hinds at the PAC
4. Opened for Elvis Blue at the PAC
5. Opened for Mango Groove at the WESSA Concert at Riverside Mall
6. Summerhill 4 x 4 Festival
7. Rhythm and Pulse at the PAC, our Peer to Peer performance
8. Several CMDA performances at the PAC, in various schools, shopping malls and at the Alliance Church during our birthday celebrations.
9. CMDA Donor Concert
10. Ground Zero

I was happy and couldn't believe that it was true that I was going to meet the 2 time award winning and 3rd best band of the new millennium, Linkin Park. I really want to talk about other enjoyable things that happened during our journey to JHB - we learnt a lot about how different races do things and I made new friends and spoke to a few people I had never had a conversation with.

For me, being able to talk to other CMDA band mates and getting to know more about them was the best thing ever and lastly, going there with my heads Musa, Sonya, Mike and Paul was a great experience. When we arrived in Jo'burg and drove around it was fun because Mike and Musa taught us more about the history of the places we went past. We drove to soccer city where we had a chance to get a stage toured where Linkin Park was going to set foot and play, and standing in front of +-50 000 fans was the best feeling ever. I felt like I would also 1 day perform for a crowd as big. I thank CMDA for such a great experience! – *Odysius relating his trip to Linkin Park at Soccer City*



CMDA PATRONS

The CMDA has been actively engaging headline bands and musicians in an attempt to convince them to support the CMDA as their social investment program. In this regard, we are fortunate to have Craig Hinds from Watershed on our Board and he and Watershed regularly support our project.

In 2012, the Parlotones agreed to become a patron of our program and we are planning a festival in December 2013 with other headline musicians who have agreed to assist us. This includes Vusi Mahlasela, Elvis Blue, The Brother Moves On, Daniel Baron, TKZ and we remain in contact with other bands in this regard.



MPOWERFM OPEN MIC SERIES HOSTED AT THE PAC

BACKGROUND

In association with MPowerFM, the CMDA has embarked on a process of raising awareness for unsigned Mpumalanga musicians. The Open Mic Series is a music competition and has no age restriction. It offers the best of Mpumalanga's talent an opportunity to show off their music skills with the single requirement that they have to be accompanied on stage by a musical instrument and in the case of rappers, to have composed their own song. In addition, it provides the musicians air-time on MPower and the winners of the final will receive a substantial prize.

During 2012, there were six qualifying rounds featuring eight acts each. Musicians came from as far afield as Emalahleni. From each qualifying round, the top four based on MPowerFM listener votes were asked to perform in a semi-final round. Both semi final rounds have been completed and in 2013 will see the final being hosted at the PAC.

This initiative will continue with MPowerFM in 2013 and the series will broaden its scope to offer anyone with a talent, music or otherwise, an opportunity to perform on stage.

Just to say thanks for the opportunity to perform in the Open Mic competition, it was a privilege to be on stage and hear such excellent sound! I think there are some amazing acts out there, and they now have the chance to get exposure thanks to PAC.



CELEBRITY INTERACTION

BACKGROUND

We continue to promote celebrities to meet or share a stage with our bands. The purpose is to have our members realise that success comes through dedication and that success, whether in music or elsewhere, is within their grasp.

During 2012, our bands performed with Craig Hinds, Elvis Blue and Mango Groove. They also had the pleasure of meeting The Parlotones who travelled down to White River specifically to see our program. Fortunately this celebrity interaction is likely to increase in the future as Big Concerts has agreed to invite a group of our members to several of their concerts featuring international stars where they will meet the band, the road crew and tour the stage before the concert itself. The first of these trips was to Linkin Park where the CMDA group was warmly received and thereafter watched the show from the Golden Circle.

Our members were also fortunate to spend 3 hours with Craig Hinds and Elvis Blue who made themselves available to run a workshop before their concerts each with a group of 50 of our members.

DEVELOPMENT PLANS FOR 2012/13



HUBS

Currently three hubs are fully functional – kaBokweni, Zwelisha and Casterbridge. In managing these hubs we have come to learn a few lessons:

1. For every ten hubs, there needs to be one centre of excellence where the Band Development and Peer to Peer program can take place. In view of this, our immediate plans are to establish the ten hubs with the Performing Arts Centre as the centre of excellence.
2. To mitigate against the significant equipment repairs as a result of an erratic electricity supply and electrical surges, especially in the kaBokweni and Zwelisha hubs, that the focus is to shift away from electrically operated equipment in these areas. As a result, we plan to diversify the types of hubs we have and to create several acoustic hubs with Marimbas, wind and other percussion equipment. Where we have electrically operated hub equipment, we will protect these with a UPS.
3. Many rural teachers cannot read music and the fundamentals such as music theory is not being taught to our students. In view of this, the CMDA has developed the 2Enable learning platform and we will be delivering educational content to all our students through the hub structures via this platform. It will include a variety of music coaching lessons (Music Theory, Recorder, Guitar and Violin) and academic subjects (Maths and Science). This application is discussed in greater detail below.

As a result of the above and with funds that we now believe will be provided by the National Lottery, we will be opening a further four hubs in 2013, four in 2014 and two in 2015. This will bring the total number of hubs to thirteen by 2015 and two of these hubs will then be developed into regional centres of excellence in Malalane and Hazyview. As a result of this expansion, we will be working closely with other non-profit organisations in these areas.

2ENABLE SOFTWARE PLATFORM

Based on the experience gained in delivering a music program in rural Mpumalanga to largely underprivileged teenagers, the CMDA has developed a web based computer platform that is an effective enabling tool to improve its delivery in a number of areas. The purpose of this application is to enable the CMDA to provide a better service to its members including the delivery of educational content which is lacking within their schools, such as mathematics and science.

With the assistance of Dell, who have agreed to provide the CMDA with 25 computers, the CMDA plans to establish 25 digital learning areas within our area of operation delivering content using our 2Enable platform. Many of these will be aligned with our hubs where we will be providing a rich resource to our members in what we hope will become beacons of light in these communities.

The platform addresses issues common to many Public Benefit Organisations and as such, is designed to assist with:

1. Member enrolment, event management (contact sessions) and communication, event attendance, analysis and public event management.
2. Creating and delivering meaningful educational content free of charge; either online to those with high speed internet connectivity or largely offline via digital learning centres that can be established in rural communities. Any organisation (anywhere in South Africa) can establish a digital learning centre for their beneficiaries and this makes expanding the reach of the library of educational content easy to achieve. This is available free of charge.
3. Fundraising through coordinated and managed community events.

The software is called 2Enable and has the express purpose of permitting users to enable others and allow users to enable themselves. It operates from the domain www.2Enable.org and is a platform designed to deliver learning content created by registered organisations for free access by the public. The platform is free for use by any NPO that needs access to tools and free to any user that wishes to access the public content.

Benefits of the application to a donor are as follows:

1. All content creation relies on a once off donation. A donor does not need to feel obligated to provide year-on-year funding and any content created remains in place thereafter.
2. Costs are reasonable and most companies can afford to fund a meaningful learning area or content on the platform.

3. Each user's utilisation is tracked, and detailed accurate and relevant analysis can be provided for each learning area. Improvements between academic results and utilisation can also be measured in a real time environment.
4. All donations relating to content creation are made to Casterbridge Music Development Academy and as such are tax deductible.
5. Donors will benefit from the marketing value of the platform where their logo will be present on each grade that they sponsor.

Other Sponsorship Options:

1. To fund a 'digital learning centre'. This is a computer cluster specifically for rural locations, to be placed in school classrooms or community hubs. This is essentially a computer network with a basic (slow or 3G) internet connection permitting rural users to access this content. Note: at a hub, the content is hosted locally and the internet connection is used to track user progress and is used to deliver new content to each hub once only. Users cannot use a hub for unfettered internet surfing.
2. To fund other Learning Areas such as Science or any other subject of their choice. Funding a Learning Area permits a donor to have their brand advertised on the site for specific number of tests - a test being the assessment of a user that is completed at the end of each module. This cost is to pay appropriately qualified teachers to arrange existing internet based video content into a curriculum aligned structure. It includes creating text book and worksheet content for each module and to provide a test of appropriate difficulty for each module in each learning area. Each grade will have on average five modules.
3. To fund the cost of sms bundles, for a minimum of R12,000 per bundle of 20,000 sms's. Each sms will have a donor tag line attached, such as "Donor Name', investing in South Africa's youth" creating brand awareness for the donor in the minds of the users. Our initial target is to have 100,000 users accessing the content and to send out 1,000,000 sms's in our first 18 months of operation.

ROUTE 40 MUSIC FESTIVAL

The CMDA will build on the existing music program that will culminate in an International Youth Music Festival in White River in December 2013 and repeat every year thereafter. This is planned to become the leading youth development festival in the country with 3,000 visitors per day over the Festival period. It will consist of five days of development workshops from the Monday to Friday, followed by live performances on the Friday, Saturday and Sunday.

In the months leading up to the festival, our students will begin collaborating online with US based music organisations supported by the Hollywood Rock Foundation using the online training courses of Carnegie Hall (<http://www.carnegiehall.org/Education/>). The purpose of this is to develop relationships between our students and US based students with similar interests. In December 2013, several US based youth bands and representatives of Carnegie Hall will then attend our Festival.

The Festival will be based on the “The Voice”, a US based television program. The purpose of the festival is to have South African headline bands, specifically the Parlotones, Watershed, Vusi Mahlasela, Elvis blue and others to each adopt a youth band that they will coach and rehearse during the workshop period of the Festival and then perform with the youth bands on the Friday evening, Saturday and Sunday. The performances will be advertised and tickets will be sold to the public for the event and funds raised by the festival will be reinvested in music development for the youth.

The Sunday afternoon show will feature our newly established Lowveld Community Orchestra, The Johannesburg Youth Orchestra and a closing performance by Vusi Mahlasela.

We are relying on funding from the NAC and other interested donors to make this possible and the festival will only go ahead once the funding is confirmed. We believe the Festival will grow in stature and be fully financially independent from the outset. All surplus proceeds from the Festival will then be reinvested in South African music organisations focusing on the development of South African youth musicians by providing sponsorship of their fees at music academies around the country. Based on our current budget, we believe that the CMDA will have R700,000 per annum available for this purpose. The Festival will initially rely on headline acts that have become Patrons of our program who have committed to perform free of charge during the event. This is a unique combination of successful musicians reinvesting their knowledge and experience in a rural South African program that has many benefits for the community and South Africa as a whole.

SPECIFIC FUNDING REQUIRED FOR 2012/2013

MUSIC PROGRAM FUNDING OPTIONS

Lowveld Community Orchestra	75,000
Hub Coaching Costs	150,000
Band Development Costs	97,500
Peer to Peer Program	95,000
Workshop	55,000
Hub Coordinator	90,000
Office Overheads incl. Salaries	300,000
Transport Costs	45,000

2ENABLE FUNDING OPTIONS

Computer Costs	Total Cost	Cost / Seat
Cost to Upgrade an Existing Computer to 4 Seats	8,682.24	2,170.56
Cost to Upgrade an Existing Computer to 6 Seats	13,157.42	2,192.90
Cost to Upgrade an Existing Computer to 11 Seats	21,839.66	1,985.42
Cost to Purchase a Computer with 4 Seats	14,555.52	3,638.88
Cost to purchase a Computer with 6 Seats	19,030.70	3,171.78
Cost to Purchase a Computer with 9 Seats	25,899.89	2,877.77
Cost to Purchase a Computer with 11 Seats	30,375.07	2,761.37
Note: above exclude the cost of a 3G internal modem (R1100)		
Learning Area Development Costs		
Learning Grade 8-12	156,800.00	
Learning Grade	33,600.00	
Learning Grade Module (several per Grade)	7,280.00	
SMS Bundle (20,000 SMS's)	12,000.00	

ROUTE 40 MUSIC FESTIVAL FUNDING OPTIONS

Naming Sponsor	R390,000
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AUDITED FINANCIAL STATEMENTS

Price Waterhouse Coopers currently conduct the audit of our organization. If you require a copy of our Audited Accounts, please email info@mpuma-music.org.za and we will happily provide you a copy.

OFFICE BEARERS AND CONTACT DETAILS

MANAGEMENT COMMITTEE

<p>Michael Matthews <u>Program Director</u> <i>BSc (Mech) Eng</i> Mobile: +27 82 9215172 Email: mike@mpuma-music.org.za</p>	<p>Craig Padayachee <u>Government Liaison</u> <i>MEC for Economic Development (2009)</i> <i>MEC Education (2004)</i> <i>MEC Housing and Local Government (1994 - 1999)</i> <i>Teacher (1982-1993)</i> Mobile: +27 79 8875124</p>
<p>Paul Bruce-Brand <u>Donor Liaison</u> Social Science Honours Social Science Honours (Psychology) Psych trauma counselling 2010 (UNISA) Mobile: +27 83 4486150 Email: paul@mpuma-music.org.za</p>	<p>Jose De Aguiar (Aggi) <u>Training</u> <i>Musician</i> Mobile: +27 82 4161889 Email: aggi@mpuma-music.org.za</p>
<p>Sonya Caldecott <u>Program and Event Manager</u> Mobile: +27 84 3624855 Email: sonya@mpuma-music.org.za</p>	<p>Musawenkosi Ndlovu <u>Hub Manager</u> Mobile: +27 71 0387558 Email: musa@mpuma-music.org.za</p>

ADDRESS

<p>Postal Address: Postnet Suite 1 Private Bag X9910 White River 1240</p>	<p>Physical Address: Casterbridge Lifestyle Centre Corner R40 and Numbi Roads White River 1240</p>
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SOCIAL MEDIA

Website: www.mpuma-music.org.za
Facebook: www.facebook.com/mpuma.music
Youtube: www.youtube.com/mpumacmda
Twitter: @MpumaMusic

BANK ACCOUNT DETAILS

Casterbridge Music Development Academy 083298NPO

Bank: Standard Bank
Account: 330487612
Branch Code: 053-052
Swift Code: SBZAJJ

ATTACHMENTS

1. Original Tax Clearance Certificate
2. Certified copy of Organisation's Registration Certificate

TAX CLEARANCE CERTIFICATE



Tax Clearance Certificate Number
0070/2/2012/0002312361

Tax Clearance Certificate - Good Standing

Enquiries
0800 00 7277

Approved Date
2012-03-01

Expiry Date
2013-03-01

Trading Name	Casterbridge Music Development Academy
Legal Name	Casterbridge Music Development Academy
Identity Number/ Passport Number	
Company Registration Number	083298NPO
Income Tax Reference Number	9593565162
VAT/Diesel Registration Number	
PAYE Registration Number	
SDL Registration Number	
UIF Registration Number	
Tender Number	GoodStanding

It is hereby confirmed that, on the basis of the information at my disposal, the above-mentioned taxpayer has not contravened the provisions of Income Tax Act (1962), Value Added Tax Act (1991), Employees Tax (PAYE as contained within the Income Tax Act 1962), Skills Development Levies Act (1999) or Unemployment Insurance Contributions Act (2002), as at date of this certificate.

This Certificate is Valid for a period of 1 (One) Year from the date of approval.

Verification of this certificate can be done at any SARS Revenue office nationwide.

Photo copies of this certificate are not valid.

SARS reserves the right to withdraw this certificate at any time should any taxes, levies or duties become due and outstanding by the above taxpayer during the one year period for which the certificate is valid.

This certificate is issued free of charge by SARS.

REGISTRATION CERTIFICATE

G.P.-S. 012-0123



CERTIFICATE OF REGISTRATION OF NONPROFIT ORGANIZATION

In terms of the Nonprofit Organisation Act, 1997, I am satisfied that

Casterbridge Music Development Academy

.....
(name of the nonprofit organization)

meets the requirements for registration.

09 November 2010

The organisation's name was entered into the register on

(date)

Registration number

083-298-NPO

Director's signature

[Handwritten signature]

Date

09 November 2010

Department of Social



Development

PBO LETTER FROM SOUTH AFRICAN REVENUE SERVICE

TAX EXEMPTION UNIT



Enquiries
Mrs. RM Gomes

Telephone
012 422 8823

Facsimile
012 422 8830

Email

PBO Exemption No*
930 036 016

Date
7 June 2011

Messrs. Orange Apple Solutions
PO Box 1197
WHITE RIVER
1240

Attention: Ms. J Taljaard

South African Revenue Service

Tax Exemption Unit (TEU)
Pro Equity Court
1250 Pretorius Street
Hatfield, 0083

PO Box 11955
Hatfield, 0028

SARS online: www.sars.gov.za
Email: teu@sars.gov.za
Switchboard: 012 422 8800

* Please quote the PBO exemption number in your correspondence with the TEU

Dear Madam,

EXEMPTION FROM TAXES AND DUTIES: CASTERBRIDGE MUSIC DEVELOPMENT ACADEMY

I refer to your e-mail dated 3 June 2011:

1. It is confirmed that: -

- 1.1 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.
- 1.2 donations by or to the public benefit organisation are exempt from donations tax in terms of section 56(1)(h) of the aforementioned Act;
- 1.3 bequests or accruals from the estates of deceased persons in favour of the public benefit organisation are exempt from the payment of estate duty in terms of section 4(h) of the Estate Duty Act, 45 of 1955.

2/...

2. Kindly note that the relevant exemptions are subject to the following conditions:

2.1 Annual returns of income and accounts (IT12 EI), be submitted to the Tax Exemption Unit.

2.2 The public benefit organisation must, formally amend the founding document to comply with the provisions of section 30 of the Act within a period of 12 months from the date hereof.

Sincerely


Mrs. RM Gomes
Tax Exemption Analyst
for THE COMMISSIONER SOUTH AFRICAN REVENUE SERVICE