

File

1st August, 1963.

Mr. Krishna Shah,
 Apartment 1-B,
 252 West 75th Street,
 New York 23,
NEW YORK.....U.S.A.

Dear Krishna,

Your letter of July 26th only arrived after I had posted my letter to you yesterday. I have very little to add to what I wrote yesterday, except that I do want to try and get you to understand the position regarding royalties. You wrote "For a few hundred rand from Kimberley and Cape Town, you are blocking all our money, which you can easily afford to give from the gross receipts from other towns."

This is simply not the case. Ever since we did Mr. Paljas last year, we have been in serious financial difficulties. We operate completely without capital, and get separate financial backing for each of the projects we undertake. Thus, the schools theatre project is operated through a grant from the Congress for Cultural Freedom. The money in this account can only be used for the schools theatre project. Then, we have a major tie-up with the makers of Castle Beers, which pays for our running expenses for seven months of the year, during which period we run a promotion for them in the townships. Sponono was financed by means of guarantees against loss. People like Bill Wilson, Robert Loder, other friends of the organisation and even myself have undertaken to put up amounts ranging from one hundred to one thousand rand. The bank provided us with an overdraft of five thousand rand, secured by these guarantees. At the end of the tour we were overdrawn to the full extent of our overdraft, which is why I have not had the money to pay the royalties. The money we are waiting for from Kimberly and Cape Town is not just for royalties. Over two thousand rand is owed ~~via~~ from Cape Town and nearly seven hundred from Kimberley. Even after these amounts arrive we will be showing a loss on Sponono, but we will then be able to finalise the Sponono accounts and call up the difference from our guarantors.

Sorry to be so long winded, but I thought it was important that you should understand exactly what was happening. I tried without success, to explain this to you in previous letters. I hope that it is clear from this explanation, that your money is quite

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secured, it is just taking an impossibly long time to finalise. A little money has come through from Port Elizabeth and Maritzburg, and I will see that these amounts are transferred to you as soon as Colin Brayshaw gets back.

Please do everything in your power to get copies of the Life article to me quickly. It may swing the Ministers' decision in our favour. Please let me know when this can be expected.

Again with kind regards.

Yours sincerely,



IAN E. BERNHARDT.
MANAGER.