

THE EVENTING ASSOCIATION OF SOUTH AFRICA
Annual Financial Statements
for the year ended 31 December 2017

These annual financial statements were prepared by:
Burns Acutt Financial Services Incorporated
Chartered Accountants (S.A.)

THE EVENTING ASSOCIATION OF SOUTH AFRICA

Annual Financial Statements for the year ended 31 December 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Promotion of competitive eventing
Council Members	P Thomas (President) P Young (Vice President) K Gill (Treasurer) K Peskens (Eastern Cape) S Eggersglusz (Mpumalanga) P Evans (Gauteng) A Norbury (Kwa-Zulu Natal) N Thurgood (Athletic Representative) Phil Cunningham (Western Cape)
Auditors	Leslie Snoyman & Associates Chartered Accountants (S.A.)
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled by: Burns Acutt Financial Services Incorporated Chartered Accountants (S.A.)
Issued	06 March 2018

THE EVENTING ASSOCIATION OF SOUTH AFRICA

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Council Members' Responsibilities and Approval

The council members are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the association as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The council members acknowledge that they are ultimately responsible for the system of internal financial control established by the association and place considerable importance on maintaining a strong control environment. To enable the council members to meet these responsibilities, the council members sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the association and all employees are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the association is on identifying, assessing, managing and monitoring all known forms of risk across the association. While operating risk cannot be fully eliminated, the association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

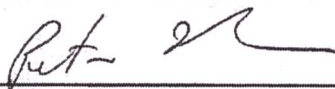
The council members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The council members have reviewed the association's cash flow forecast for the year to 31 December 2018 and, in the light of this review and the current financial position, they are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable future.

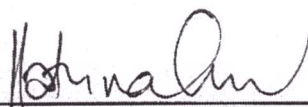
The external auditor's are responsible for independently auditing and reporting on the association's annual financial statements. The annual financial statements have been examined by the association's external auditor's and their report is presented on page 4.

The annual financial statements set out on pages 6 to 13, which have been prepared on the going concern basis, were approved by the council members on 06 March 2018 and were signed on its behalf by:

Approval of financial statements



P Thomas (President)



K Gill (Treasurer)

Independent Auditor's Report

To the council members of THE EVENTING ASSOCIATION OF SOUTH AFRICA

Opinion

We have audited the annual financial statements of THE EVENTING ASSOCIATION OF SOUTH AFRICA set out on pages 8 to 12, which comprise the statement of financial position as at 31 December 2017, and the statement of income and retained earnings, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of THE EVENTING ASSOCIATION OF SOUTH AFRICA as at 31 December 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the association in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The council members are responsible for the other information. The other information comprises the Council Members' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the council members for the Annual Financial Statements

The council members are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the council members determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the council members are responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the council members either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Annual Financial Statements

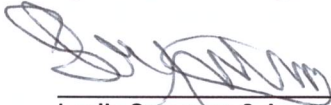
Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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

Independent Auditor's Report

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

We communicate with the council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Leslie Snoyman & Associates
Chartered Accountants (SA)

06 March 2018

THE EVENTING ASSOCIATION OF SOUTH AFRICA

Annual Financial Statements for the year ended 31 December 2017

Council Members' Report

The council members have pleasure in submitting their report on the annual financial statements of THE EVENTING ASSOCIATION OF SOUTH AFRICA for the year ended 31 December 2017.

1. Nature of business

The association was formed in South Africa on 01 August 2013. The association's objective is the administration, development, co-ordination and promotion of competitive eventing as a sport. The association operates in South Africa.

There have been no material changes to the nature of the association's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Council members

The council members in office at the date of this report are as follows:

P Thomas (President)
P Young (Vice President)
K Gill (Treasurer)
K Peskens (Eastern Cape)
S Eggersglusz (Mpumalanga)
P Evans (Gauteng)
A Norbury (Kwa-Zulu Natal)
N Thurgood (Athletic
Representative)
Phil Cunningham (Western Cape)

There have been no changes to the council for the period under review.

4. Events after the reporting period

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

5. Going concern

The council members believe that the association has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The council members have satisfied themselves that the association is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The council members are not aware of any new material changes that may adversely impact the association. The council members are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the association.

6. Auditors

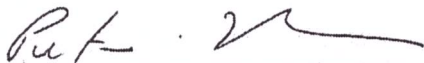
Leslie Snoyman & Associates were appointed as auditors for the association for 2017.

THE EVENTING ASSOCIATION OF SOUTH AFRICA

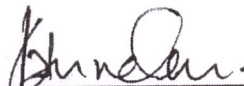
Annual Financial Statements for the year ended 31 December 2017

The annual financial statements set out on pages 6 to 13, which have been prepared on the going concern basis, were approved by the council members on 06 March 2018, and were signed on its behalf by:

Approval of annual financial statements



P Thomas (President)



K Gill (Treasurer)

THE EVENTING ASSOCIATION OF SOUTH AFRICA

Annual Financial Statements for the year ended 31 December 2017

Statement of Financial Position as at 31 December 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Non-Current Assets			
Intangible assets	2	83 333	125 000
Current Assets			
Trade and other receivables	3	23 582	26 073
Cash and cash equivalents	4	133 990	125 297
		157 572	151 370
Total Assets		240 905	276 370
Equity and Liabilities			
Equity			
Reserves		119 165	98 117
Retained income		84 555	115 832
		203 720	213 949
Liabilities			
Current Liabilities			
Trade and other payables	5	37 185	62 421
Total Equity and Liabilities		240 905	276 370

THE EVENTING ASSOCIATION OF SOUTH AFRICA

Annual Financial Statements for the year ended 31 December 2017

Statement of Income and Retained Earnings

Figures in Rand	Note(s)	2017	2016
Revenue		351 214	352 579
Other income		91 892	122 824
Operating expenses		(474 383)	(456 094)
Operating (loss) profit		(31 277)	19 309
(Loss) profit for the year		(31 277)	19 309
Retained income at the beginning of the year		115 832	168 557
Funds transferred to specific reserves		-	(72 034)
Retained income at the end of the year		84 555	115 832

THE EVENTING ASSOCIATION OF SOUTH AFRICA

Annual Financial Statements for the year ended 31 December 2017

Statement of Cash Flows

Figures in Rand	Note(s)	2017	2016
Cash flows from operating activities			
Cash (used in) generated from operations	6	(12 355)	147 856
Cash flows from investing activities			
Purchase of other intangible assets	2	-	(125 000)
Net movement on specific reserves		21 048	(129 839)
Net cash from investing activities		21 048	(254 839)
Total cash movement for the year		8 693	(106 983)
Cash at the beginning of the year		125 297	232 280
Total cash at end of the year	4	133 990	125 297

THE EVENTING ASSOCIATION OF SOUTH AFRICA

Annual Financial Statements for the year ended 31 December 2017

Accounting Policies

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Research and development costs are recognised as an expense in the period incurred.

Amortisation is provided to write down the intangible assets, on a straight-line basis, as follows:

Item	Useful life
Computer software	3 years

If the company is unable to make a reliable estimate of the useful life of an intangible asset, the life is presumed to be 10 years.

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

1.2 Impairment of assets

The company assesses at each reporting date whether there is any indication that intangible assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.3 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.4 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

THE EVENTING ASSOCIATION OF SOUTH AFRICA

Annual Financial Statements for the year ended 31 December 2017

Notes to the Annual Financial Statements

Figures in Rand	2017			2016		
2. Intangible assets						
	2017			2016		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	125 000	(41 667)	83 333	125 000	-	125 000
Reconciliation of intangible assets - 2017						
		Opening balance	Amortisation	Total		
Computer software		125 000	(41 667)	83 333		
Reconciliation of intangible assets - 2016						
		Opening balance	Additions	Total		
Computer software		-	125 000	125 000		
3. Trade and other receivables						
Trade receivables			23 582	26 073		
4. Cash and cash equivalents						
Cash and cash equivalents consist of:						
Bank balances			133 990	125 297		
5. Trade and other payables						
Trade payables			36 359	62 421		
Amounts received in advance			826	-		
			37 185	62 421		
6. Cash (used in) generated from operations						
(Loss) profit before taxation			(31 277)	19 309		
Adjustments for:						
Depreciation and amortisation			41 667	-		
Changes in working capital:						
Trade and other receivables			2 491	130 456		
Trade and other payables			(25 236)	(1 909)		
			(12 355)	147 856		

THE EVENTING ASSOCIATION OF SOUTH AFRICA

Annual Financial Statements for the year ended 31 December 2017

Detailed Income Statement

Figures in Rand	Note(s)	2017	2016
Revenue			
EDS levies		-	9 734
GHS medical reserve		-	33 750
Membership fees		116 724	106 282
Show levies		234 490	202 813
		351 214	352 579
Other income			
Advertising		3 600	5 400
Bad debts recovered		-	1 300
Calendar fees recovered		21 060	-
Donations received		200	-
EADCMP recovered		20 921	43 793
Fines income		250	1 800
Government grant		-	30 409
Organising dues recovered		38 161	-
QR fees		200	3 200
Solidarity income		-	36 922
Sponsorship		7 500	-
		91 892	122 824
Operating expenses			
Accounting fees		(9 305)	(7 980)
Administration and management fees		(205 200)	(205 200)
Amortisation		(41 667)	-
Auditors remuneration		(16 848)	(25 299)
Bad debts		-	(4 069)
Bank charges		(8 679)	(8 344)
Computer expenses		(7 841)	(1 838)
Event costs		(812)	(19 601)
FEl seminar costs		-	(7 541)
FEl subs		(23 500)	-
Functions and meetings		(1 921)	(7 701)
Gifts & flowers		(860)	-
Insurance		(8 162)	(5 826)
Medication control EADCMP		(23 657)	-
Officials development		(6 729)	(2 066)
Organising dues and calendar costs		(59 221)	(75 722)
Printing and stationery		(96)	(248)
Refunds		(49 600)	-
Subscriptions		(596)	(46 312)
Team expenses		(9 689)	(36 000)
Telephone and fax		-	(2 347)
		(474 383)	(456 094)
(Loss) profit for the year		(31 277)	19 309