

The Eventing Association of South Africa

(Registration number NPO 170-073)

Annual Financial Statements

for the year ended 31 December 2023

The Eventing Association of South Africa

(Registration number: NPO 170-073)

Annual Financial Statements for the year ended 31 December 2023

General Information

Country of incorporation	South Africa
Nature of business	Promotion of competitive eventing
Council members	D Welsh (President) P Evans (Vice President) K Gill (Treasurer) C du Sautoy (Gauteng) R Thomas (Kwa-Zulu Natal) C Williams (Eastern Cape) I Theron (Free State) R Beck (Western Cape) Q George (Athletic Representative) L Van Wyk (Mpumalanga)
Auditors	Burns Acutt Audit Services Incorporated Chartered Accountants (S.A.) Registered Auditors
Association registration number	NPO 170-073
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: Burns Acutt Financial Services Incorporated Chartered Accountants (S.A.)
Issued	27 August 2024

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Council Members' Responsibilities and Approval

The council members are required by the Companies Act of South Africa, 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 company. 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.

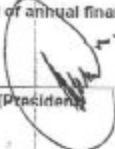
The council members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal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

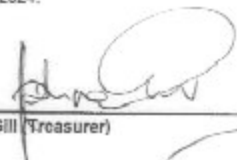
The council members have reviewed the association's cash flow for the ensuing financial year and, in light of this review and the current financial position, they are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors 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 auditors and their report is presented on page 5 - 6.

The annual financial statements set out on pages 7 to 14, which have been prepared on the going concern basis, were approved and signed by the council members on 27 August 2024:

Approval of annual financial statements


D Walsh (President)


K Gill (Treasurer)

The Eventing Association of South Africa

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Annual Financial Statements for the year ended 31 December 2023

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 2023.

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 of South Africa. 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:

D Welsh (President)	
R Massaro (Vice President)	Resigned Wednesday, 26 April 2023
P Evans (Vice President)	Appointed Thursday, 27 April 2023
K Gill (Treasurer)	
C du Sautoy (Gauteng)	
R Thomas (Kwa-Zulu Natal)	
D Patrick (Western Cape)	Resigned Tuesday, 11 July 2023
C Williams (Eastern Cape)	
J Nicolaou (Limpopo)	Resigned Thursday, 30 November 2023
I Theron (Free State)	
R Beck (Western Cape)	Appointed Tuesday, 05 September 2023
Q George (Athletic Representative)	Executive
L Van Wyk (Mpumalanga)	Executive

R Massaro (Vice president) resigned as a council member effective 26 April 2023. P Evans (Vice president) was appointed on 27 April 2023. D Patrick (Western Cape) resigned as a council member effective 11 July 2023. R Beck (Western Cape) was appointed on 05 September 2023.

J Nicolaou (Limpopo) resigned as a council member effective 30 November 2023.

The council members expressed their sincere appreciation to the outgoing council members for their contribution during their respective periods of office.

4. Events after the reporting period

The council members are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the annual financial statements for the year ended 31 December 2023, and/or disclosure in the notes thereto.

5. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The 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

Burns Acutt Audit Services Incorporated were reappointed as auditors for the association for 2023.

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 7 to 14, which comprise the statement of financial position as at 31 December 2023, statement of income and retained earnings, statement of changes in equity and statement of cash flows for the year then ended, and the 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 2023, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The council members are responsible for the other information. The other information comprises the information included in the document titled "The Eventing Association of South Africa annual financial statements for the year ended 31 December 2023", which includes the Council Members' Report as required by the Companies Act of South Africa and the supplementary information as set out on pages 15 to 16. The 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 the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, 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.

Independent Auditor's Report

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:

- 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 Snyman

Burns Acutt Audit Services Incorporated

Per: L.E.Snyman

Chartered Accountants (S.A.)

Registered Auditors

27 August 2024

The Eventing Association of South Africa

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Annual Financial Statements for the year ended 31 December 2023

Statement of Financial Position as at 31 December 2023

Figures in Rand	Notes	2023	2022
Assets			
Non-Current Assets			
Property, plant and equipment	2	1	1
Intangible assets	3	1	1
		<u>2</u>	<u>2</u>
Current Assets			
Trade and other receivables	4	18 187	40 629
Cash and cash equivalents	5	660 882	881 583
		<u>679 069</u>	<u>922 212</u>
Total Assets		<u>679 071</u>	<u>922 214</u>
Equity and Liabilities			
Equity			
Reserves	11	303 506	370 684
Retained income		341 819	518 786
		<u>645 325</u>	<u>889 470</u>
Liabilities			
Current Liabilities			
Trade and other payables	6	33 746	32 744
Total Equity and Liabilities		<u>679 071</u>	<u>922 214</u>

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Statement of Income and Retained Earnings

Figures in Rand	Notes	2023	2022
Revenue	7	467 402	525 830
Cost of sales		(52 288)	(61 300)
Gross profit		415 114	464 530
Other income	8	245 858	258 625
Operating expenses		(882 613)	(581 079)
Operating (loss) profit		(221 641)	142 076
Interest received		44 674	41 673
(Loss) profit for the year		(176 967)	183 749
Retained income at the beginning of the year		518 786	335 037
Retained income at the end of the year		341 819	518 786

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Statement of Cash Flows

Figures in Rand	Notes	2023	2022
Cash flows from operating activities			
Cash receipts from customers			
Cash paid to suppliers and employees			
Cash (used in) generated from operations	10	(198 197)	128 547
Interest income		44 674	-
Net cash from operating activities		(153 523)	128 547
Cash flows from investing activities			
Net movement on specific reserves		(67 178)	(20 916)
Total cash movement for the year		(220 701)	107 631
Cash and cash equivalents at the beginning of the year		881 583	773 952
Total cash at end of the year	5	660 882	881 583

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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. 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 as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	3 years

If the association 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 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the 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.

1.3 Impairment of assets

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

If there is any such indication, the recoverable amount of any affected asset 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 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 in prior years. A reversal of impairment is recognised immediately in profit or loss.

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Accounting Policies

1.4 Provisions and contingencies

Provisions are recognised when the association has an obligation at the reporting date as a result of a past event; it is probable that the association 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.

1.5 Revenue

Revenue is recognised to the extent that the association 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 association. 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.

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Notes to the Annual Financial Statements

Figures in Rand

2023

2022

2. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Mims clip kits	16 000	(15 999)	1	8 000	(7 999)	1

3. Intangible assets

	2023			2022		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	125 000	(124 999)	1	125 000	(124 999)	1

4. Trade and other receivables

Trade receivables	18 187	40 629
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5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	660 882	881 583
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6. Trade and other payables

Trade payables	15 102	15 854
Amounts received in advance	15 420	16 890
National Levy Fund	169	-
Debtors with credit balances	3 055	-
	33 746	32 744

7. Revenue

Levies EC	21 670	27 443
Levies GP	111 530	125 280
Levies KZN	95 425	117 905
Levies MPU	2 365	7 340
Levies WC	98 588	114 148
Development levy	51 413	61 288
Revenue 2	6 320	-
Miscellaneous other revenue	19 300	-
EDS levies	9 378	11 138
Development levy	51 413	61 288
	467 402	525 830

Notes to the Annual Financial Statements

Figures in Rand

2023

2022

8. Other income

Sundry income	326	-
Event income	13 960	-
Olympic fund	2 774	-
Membership fees	199 693	177 370
SHB fees	3 080	4 200
Inter Africa	12 700	-
Sponsor membership	3 475	2 205
Club fees	8 050	6 560
QR's	-	290
Advertising on web	1 800	-
Development grant	-	68 000
	245 858	258 625

9. Taxation

Non provision of tax

No provision has been made for 2023 tax as the company is registered as a Public Benefit Organisation for income tax purposes.

10. Cash (used in) generated from operations

Net (loss) profit before taxation	(176 967)	183 748
Investment income	(44 674)	(41 673)
Changes in working capital:		
(Increase) decrease in trade and other receivables	22 442	(38 224)
Increase (decrease) in trade and other payables	1 002	(16 977)
	(198 197)	86 874

11. Provincial reserves

Eastern Cape	5 375	13 608
Gauteng	68 307	78 837
Kwa-Zulu Natal	17 183	18 899
Limpopo	725	-
Mpumalanga	4 919	4 469
North West	-	7 250
Western Cape	45 076	61 613
Gauteng Paramed	47 086	46 564
Kwa-Zulu Natal Officials	62 545	46 105
EDS Reserve	47 985	41 303
National Levy Reserve	-	47 734
Levy reserves	4 305	4 302
	303 506	370 684

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Notes to the Annual Financial Statements

Figures in Rand	2023	2022
12. EDS levy		
Heading		
Income	9 378	11 138
Expenses	(2 812)	(24 950)
	<u>6 566</u>	<u>(13 812)</u>
13. National Levy		
Heading		
Income	51 413	61 288
Expenses	(86 934)	(114 926)
	<u>(35 521)</u>	<u>(53 638)</u>

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Detailed Income Statement

Figures in Rand	Notes	2023	2022
Levies			
Levies EC		21 670	27 443
Levies GP		111 530	125 280
Levies KZN		95 425	117 905
Levies MPU		2 365	7 340
Levies WC		98 588	114 148
EDS levies		19 300	-
Development levy		51 413	61 288
EDS levies		9 378	11 138
National levy income		51 413	61 288
Show levies		6 320	-
	7	467 402	525 830
Provincial funds			
Provincial levy transferred to provincial funds		(52 288)	(61 300)
Total levies		415 114	464 530
Total membership			
Sundry income		326	-
Millstreet shadow event		13 960	-
Olympic fund		2 774	-
Membership fees		199 693	177 370
SHB Fees		3 080	4 200
Inter Africa		12 700	-
Sponsor membership		3 475	2 205
Club fees		8 050	6 560
QR's		-	290
Advertising on web		1 800	-
Development grant		-	68 000
		245 858	258 625
Expenses (Refer to page 16)		(882 613)	(581 079)
Operating (loss) profit		(221 641)	142 076
Investment income		44 674	41 673
(Loss) profit for the year		(176 967)	183 749

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Detailed Income Statement

Figures in Rand	Notes	2023	2022
Operating expenses			
Accounting fees		(2 013)	(637)
Auditors remuneration		(9 488)	(1 093)
Bank charges		(11 121)	(9 073)
Consulting fees		(255 962)	(255 962)
EDS expense		(2 695)	(11 138)
FEI show assistance		(260 000)	-
FEI Solidarity development expense April 2022		-	(68 000)
FEI officials training		(55 661)	(74 779)
FEI show costs		(31 273)	-
FEI show costs (ex National Fund)		-	(61 288)
Insurance		(7 485)	(7 486)
Inter Africa		(24 701)	-
Meetings		-	(1 916)
Millstreet expenses		(133 928)	-
Officials at shows		-	(41 009)
Officials training		-	(8 885)
Team expenses		(117)	-
Trophies, medals and engraving		(2 164)	-
Small assets		-	(8 000)
Subscriptions		(7 246)	(6 829)
Transfer to/from EDS fund		(6 683)	-
Transfer to/from National Levy Fund		(51 413)	-
Web development		(20 663)	(24 984)
		(882 613)	(581 079)

Signature Certificate

Reference number: MCA6U-NUECY-XDS3Q-3QESS

Signer

Timestamp

Signature

Leslie Snoyman

Email: leslie@burnsacutt.co.za

Sent:

17 Sep 2024 10:15:52 UTC

Viewed:

17 Sep 2024 10:26:33 UTC

Signed:

17 Sep 2024 10:28:49 UTC



Recipient Verification:

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