

**SOUTH AFRICA SHOW JUMPING
(REGISTRATION NUMBER 136-781 NPO)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Draft

South Africa Show Jumping

(Registration number: 136-781 NPO)

Annual Financial Statements for the year ended 31 December 2023

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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the constitution of the association.

Preparer

SP Swanepoel
Registered Auditor

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Councils' Responsibilities and Approval

The Council are required by the constitution of the association, 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 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 to meet these responsibilities, the Council 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 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 have reviewed the association's cash flow forecast for the year to 31 December 2024 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 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 to 7.

The annual financial statements set out on pages 3 to 27, which have been prepared on the going concern basis, were approved by the Council on 01 March 2024 and were signed by them or on their behalf by:

M White (President)

C Fourie (Treasurer)

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Councils' Report

1. Nature of business

South Africa Show Jumping was incorporated in South Africa with interests in the sports and recreation industry. The association operates in South Africa.

The association holds the status of a constituent member under the SAEF Constitution with jurisdiction over the equestrian sport of show jumping in South Africa.

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

The Council has pleasure in submitting their report on the annual financial statements of South Africa Show Jumping for the year ended 31 December 2023.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the constitution of the association. 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 association are set out in these annual financial statements.

3. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the association or in the policy regarding their use.

4. Auditors

LSG Integrated continued in office as auditors for the association for 2023.

5. Secretary

The association had no company secretary during the year.

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Councils' Report

6. Council

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

Council	Changes
M White (President)	
L Williams (Vice President)	
C Fourie (Treasurer)	
C van Der Merwe (National Athletes Commission)	
N Hawley (KZN President)	
Dr S Miller (Veterinary Liason Co-opted)	
E Platt (Marketing)	
B Taylor (International)	Elected 2 May 2023
A Bosman (Western Cape)	
T Glicksman (Coaches Co-opted)	
P Morrison (International)	Ended term 2 May 2023
T Du Plessis (Free State)	Elected mid 2023
NS Riley (Development & Transformation)	
J Nicholau (Limpopo)	Elected 27 October 2022
H Mpofo (National Venues)	Elected 2 May 2023
S Coetzee (Mpumalanga)	
T Siciliano (Legal)	
B Martin (Gauteng)	
M Ras (North West)	
D Botes (Acting president - Eastern Cape)	Elected March 2023
R Hobbs (Officials)	
G Shaw (Administration)	Elected 2 May 2023
R Ras (Nothern Cape)	Ended term 2 May 2023
G Langley (EXCO Co-opted)	Ended term 2 May 2023
T Greyling (EXCO Technical)	Deceased 2 August 2023
L van der Merve (Limpopo)	Ended term October 2023
H Pretorius (National Venues)	Ended term 2 May 2023
C Newton (Eastern Cape)	Resigned March 2023

7. Events after the reporting period

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

8. Going concern

The Council 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 has 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 are not aware of any new material changes that may adversely impact the association. The Council 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.

LSG INTEGRATED

REGISTERED AUDITORS

Entrepreneurial Specialists for SMME

Integrated value added financial services

Divisions:

Accounting and Bookkeeping Services
Auditing and Assurance Services
Company Secretarial Services
Trusts and Estate Planning
Taxation Services

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6 Kikuyu Road
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Website: www.lsgintegrated.co.za

Independent Auditor's Report

To the council of South Africa Show Jumping

Qualified Opinion

We have audited the annual financial statements of South Africa Show Jumping (the association) set out on pages 8 to 24, which comprise the statement of financial position as at 31 December 2023, statement of comprehensive income, 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, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the annual financial statements present fairly, in all material respects, the financial position of South Africa Show Jumping 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 constitution of the association.

Basis for Qualified Opinion

As with similar organisations, it is not feasible for the association to institute accounting controls over other income prior to the initial entry in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the income actually recorded. Consequently, we were unable to express an opinion on the completeness of other income.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the fact that the organisation did not appoint a president for the Northern Cape Council in terms of its constitution and did not hold their annual general meeting within four months of the year end as per the constitution.

Other Information

The Council are responsible for the other information. The other information comprises the information included in the document titled "South Africa Show Jumping annual financial statements for the year ended 31 December 2023", which includes the Councils' Report as required by the constitution of the association and the supplementary information as set out on pages 25 to 27. The other information does not include the annual financial statements and our auditor's report thereon.

Independent Auditor's Report

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.

Furthermore, without qualifying our opinion, we draw attention to the fact that the supplementary information set out on pages 25 to 27 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Responsibilities of the Directors for the Annual Financial Statements

The Council 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 constitution of the association, and for such internal control as the Council 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 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 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:

- 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.

Independent Auditor's Report

- Conclude on the appropriateness of the Council 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 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.

LSG Integrated
B Gordon
Partner
Registered auditor

01 March 2024
Sunninghill

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South Africa Show Jumping

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Annual Financial Statements for the year ended 31 December 2023

Statement of Financial Position as at 31 December 2023

	Note(s)	2023 R	2022 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	382 414	380 604
Intangible assets	3	1	1
		382 415	380 605
Current Assets			
Inventories	4	246 453	292 520
Trade and other receivables	5	808 531	555 750
Cash and cash equivalents	6	12 854 872	10 621 100
		13 909 856	11 469 370
Total Assets		14 292 271	11 849 975
Equity and Liabilities			
Equity			
Reserve fund	7	6 749 414	6 279 122
Accumulated surplus		6 722 008	5 097 426
		13 471 422	11 376 548
Liabilities			
Current Liabilities			
Trade and other payables	8	820 849	464 267
Current tax payable		-	9 160
		820 849	473 427
Total Equity and Liabilities		14 292 271	11 849 975

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Annual Financial Statements for the year ended 31 December 2023

Statement of Comprehensive Income

	Note(s)	2023 R	2022 R
Revenue	10	6 124 688	5 926 923
Other income	11	1 796 334	812 972
Operating expenses		(6 696 526)	(5 099 345)
Operating surplus	12	1 224 496	1 640 550
Investment revenue	13	861 218	488 807
Surplus before taxation		2 085 714	2 129 357
Taxation	14	9 160	6 111
Surplus for the year before transfer of funds		2 094 874	2 135 468
Funds transferred to specific reserves	15	(470 292)	(490 404)
Surplus for the year		1 624 582	1 645 064
Surplus attributable to:			
Council Members of South Africa Show Jumping:			
From sport and recreational activities		2 094 874	2 135 468
Funds transferred to specific reserves		(470 292)	(490 404)
		1 624 582	1 645 064

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Statement of Changes in Equity

	Reserve fund Accumulated Total equity		
	R	surplus R	R
Balance at 01 January 2022	5 788 718	3 452 362	9 241 080
Surplus for the year	-	2 135 468	2 135 468
Transfer to reserves	490 404	(490 404)	-
Total changes	490 404	(490 404)	-
Balance at 01 January 2023	6 279 122	5 097 426	11 376 548
Surplus for the year	-	2 094 874	2 094 874
Transfer to reserves	470 292	(470 292)	-
Total changes	470 292	(470 292)	-
Balance at 31 December 2023	6 749 414	6 722 008	13 471 422

Note

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Annual Financial Statements for the year ended 31 December 2023

Statement of Cash Flows

	Note(s)	2023 R	2022 R
Cash flows from operating activities			
Cash generated from operations	9	1 473 571	1 918 001
Interest income		861 218	488 807
Tax received		-	5 534
Net cash from operating activities		2 334 789	2 412 342
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(112 645)	(417 254)
Net movement of financial assets		11 628	(194 877)
Net cash from investing activities		(101 017)	(612 131)
Total cash movement for the year		2 233 772	1 800 211
Cash and cash equivalents at the beginning of the year		10 621 100	8 820 889
Total cash at end of the year	6	12 854 872	10 621 100

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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 constitution of the association. 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 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment testing

The association reviews and tests the carrying value of property, plant and equipment and intangible assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Financial assets measured at cost and amortised cost

The association assesses its financial assets measured at cost and amortised cost for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for financial assets measured at cost and amortised cost is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting period that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the association holds for its own use or for rental to others and which are expected to be used for more than one period.

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Accounting Policies

1.2 Property, plant and equipment (continued)

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the association, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment 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 property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the association.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Computer equipment	Straight line	3 years
Furniture and fittings	Straight line	6 years
Office equipment	Straight line	5 years
Team equipment	Straight line	5 years
Timing equipment	Straight line	5 years

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

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:

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Accounting Policies

1.3 Intangible assets (continued)

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

1.4 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.

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit or loss.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

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Accounting Policies

1.5 Leases (continued)

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

1.7 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.

Contingent assets and contingent liabilities are not recognised.

1.8 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.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Revenue from membership fees, horse registration and levies are recognised on the accrual basis in accordance with the substance of the relevant agreements.

1.9 Investment revenue

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

1.10 Other income

Fund raising income is recognised in profit or loss when the association's right to receive payment has been established.

Prize money and grant income is recognised on the accrual basis in accordance with the substance of the relevant agreements.

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Annual Financial Statements for the year ended 31 December 2023

Accounting Policies

1.11 Specific reserves

Province Reserves

30% of membership fees and 30% of show levies is transferred to a reserve for each province that can be spent by the various provinces for the advancement of the discipline of show jumping. Included in the province reserves are other income items specifically approved by the council which the association may collect from time to time on behalf of each province and expenses incurred on behalf of each province. The income and expenses are reflected in the statement of comprehensive income and transferred to specific reserves.

Equestrian Development Scheme (EDS) Levies Reserve

EDS levies are amounts retained for future use and are accessible to previously disadvantaged candidates. The EDS levies are received from show entries and are used for training day shows, clinics with show jumping coaches and seminars for riders. EDS levies income and related expenses are reflected in the statement of comprehensive income and transferred to specific reserves.

Athletes Fund Reserve

Athletes Fund are amounts retained for future use for riders. The funds are received from prize money received by riders at certain status shows, as well as any income specifically approved by the council to be designated as such. The funds are used for contributions towards expenses for venues to have world class shows and for competitors who represent South Africa in international competitions. International Riders Fund income and related expenses are reflected in the statement of comprehensive income and transferred to specific reserves.

National Lottery Reserve

The National Lottery paid a lump sum to South African Show Jumping which will be used to finance show jumping timing equipment and for hosting Tri Nations and capacity building. The funds received and related expenses are transferred to the National Lottery reserve.

Pole and Timing Equipment Reserve

Pole and Timing Equipment reserves is a special project that is made up of 20% of the province unused reserve funds for the 2020 and 2021 financial year. The objective of the reserve is to obtain FEI Poles and Cups and Electronic Timing equipment. This reserve fund is to benefit South Africa Show Jumping as all provinces has contributed to the reserve fund.

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Accounting Policies

1.12 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

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Notes to the Annual Financial Statements

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Computer equipment	108 510	(94 373)	14 137	99 442	(86 767)	12 675
Furniture and fittings	89 144	(77 118)	12 026	76 239	(76 222)	17
Office equipment	14 631	(12 426)	2 205	14 631	(10 258)	4 373
Team equipment	28 500	(28 496)	4	28 500	(28 496)	4
Timing equipment	681 155	(327 113)	354 042	590 485	(226 950)	363 535
Total	921 940	(539 526)	382 414	809 297	(428 693)	380 604

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	12 675	9 069	(7 607)	14 137
Furniture and fittings	17	12 904	(895)	12 026
Office equipment	4 373	-	(2 169)	2 205
Team equipment	4	-	-	4
Timing equipment	363 535	90 671	(100 164)	354 042
	380 604	112 644	(110 835)	382 414

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	10 453	9 564	(7 342)	12 675
Furniture and fittings	17	-	-	17
Office equipment	3 523	3 019	(2 169)	4 373
Team equipment	4	-	-	4
Timing equipment	49 616	404 671	(90 752)	363 535
	63 613	417 254	(100 263)	380 604

Registers with details of property, plant and equipment are available for inspection by the members or their duly authorised representatives at the registered office of the association.

Property, plant and equipment pledged as security

No item of property, plant and equipment is pledged as security.

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Notes to the Annual Financial Statements

	2023			2022		
	R			R		
3. Intangible assets						
	2023			2022		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	555 607	(555 606)	1	555 607	(555 606)	1

Reconciliation of intangible assets - 2023

	Opening balance	Closing balance
Computer software	1	1

Reconciliation of intangible assets - 2022

	Opening balance	Closing balance
Computer software	1	1

4. Inventories

Clothing	33 045	39 340
Pole equipment	213 408	253 180
	246 453	292 520

5. Trade and other receivables

Trade receivables	767 889	517 688
Deposits	10 156	10 156
VAT	30 486	-
Employee costs in advance - PAYE	-	27 906
	808 531	555 750

The Council consider that the carrying amount of trade and other receivables approximates their fair value.

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	573	109
Bank balances	12 854 299	10 620 991
	12 854 872	10 621 100

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Annual Financial Statements for the year ended 31 December 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
7. Specific reserves		
Opening balance	6 279 121	5 788 718
Funds transferred to specific reserves	1 204 030	1 235 868
Expenses funded by specific reserves	(733 737)	(745 465)
	6 749 414	6 279 121
Gauteng province	1 206 388	1 084 752
KwaZulu-Natal province	236 301	266 077
Western Cape province	254 083	221 705
Eastern Cape province	176 889	126 326
Free State province	24 769	17 887
Mpumalanga province	21 929	13 236
North-West province	214 654	159 158
Northern Cape province	5 915	2 580
Limpopo province	198 024	205 690
Athletes fund	2 394 752	2 055 960
Equity Development Scheme	1 843 878	1 953 677
National Lottery Reserve	143 711	143 711
Pole and Timing Equipment Reserve	28 362	28 362
	6 749 414	6 279 121
8. Trade and other payables		
Accruals	699 637	266 680
Accrued audit fees	67 005	62 775
Amounts received in advance	16 426	55 161
Deposits received	2 300	1 550
Trade payables	35 481	67 876
VAT	-	10 225
	820 849	464 267
The Council consider that the carrying amount of trade and other payables approximates their fair value.		
9. Cash generated from operations		
Net surplus before taxation	2 085 714	2 129 357
Adjustments for:		
Depreciation and amortisation	110 835	100 263
(Profit) loss on sale of assets	(11 628)	194 877
Interest received	(861 218)	(488 807)
Changes in working capital:		
(Increase) decrease in inventories	46 067	(235 340)
(Increase) decrease in trade and other receivables	(252 781)	145 571
Increase (decrease) in trade and other payables	356 582	72 080
	1 473 571	1 918 001

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Annual Financial Statements for the year ended 31 December 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R
10. Revenue		
Membership fees	2 779 822	2 652 961
Levies	3 064 723	3 000 083
EDS Levies	280 143	273 879
	6 124 688	5 926 923
11. Other income		
Prize money	630 946	589 277
Profit on sale of pole equipment and clothing	11 628	-
Sundry income	1 153 760	223 695
	1 796 334	812 972
12. Operating surplus		
Operating surplus for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	108 534	90 840
Other financial assets	-	194 877
Depreciation on property, plant and equipment	110 835	100 263
Employee costs	1 600 643	1 511 546
13. Investment revenue		
Interest revenue		
Bank	861 218	488 807

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Annual Financial Statements for the year ended 31 December 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
14. Taxation		
Major components of the tax income		
Current taxation		
South African normal tax - prior period (over) under provision	(9 160)	(6 111)
Reconciliation of the tax expense		
Accounting profit	2 085 714	2 129 357
Tax at the applicable tax rate of 28% (2022: 28%)	584 000	596 220
Tax effect of adjustments on taxable income		
Exempt income		
Exempt income	(2 459 027)	(2 048 952)
	(2 459 027)	(2 048 952)
Non-deductible expenses		
Expenses attributable to exempt income	1 875 027	1 452 732
	1 875 027	1 452 732
Other		
Prior period (over) under provisions in current tax	(9 160)	(6 111)
	(9 160)	(6 111)

Non provision of tax

The association has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act No 58 of 1962, and the receipts and accruals are exempt from income tax in terms of section 10(1)(cN) of the Income Tax Act No 58 of 1962.

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Annual Financial Statements for the year ended 31 December 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
15. Funds transferred to specific reserves		
Levies transferred to specific reserves	911 446	892 935
Membership fees transferred to specific reserves	520 994	470 829
Equity Development Scheme income transferred to specific reserves	280 143	273 879
Prize money transferred to specific reserves	630 948	589 277
Other income transferred to reserves	104 474	27 430
Equity Development Scheme expenses transferred from specific reserves	(389 942)	(235 505)
IRF Fund expenditure transferred from specific reserves	(292 153)	(131 392)
Gauteng - expenses	(740 591)	(611 803)
KwaZulu-Natal - expenses	(210 639)	(173 684)
Western Cape - expenses	(212 632)	(190 563)
Eastern Cape - expenses	(29 922)	(54 744)
Mpumalanga - expenses	(25 985)	(27 803)
Northern Cape - expenses	-	(43 313)
Limpopo - expenses	(46 029)	-
Pole and timing equipment reserve - expenses	(241)	(295 109)
	470 294	490 404
16. Auditor's remuneration		
Fees	67 005	62 775
Adjustment for previous year	960	864
	67 965	63 639
17. Depreciation, amortisation and impairments		
The following items are included within depreciation, amortisation and impairments:		
Depreciation		
Property, plant and equipment	110 835	100 263
18. Employee costs		
Employee costs		
Basic	1 578 233	1 490 050
UIF	7 316	7 152
SDL	15 094	14 344
	1 600 643	1 511 546

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Annual Financial Statements for the year ended 31 December 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
19. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
- within one year	107 344	107 334
- in second to fifth year inclusive	521 396	485 808
	628 740	593 142

Operating lease payments represent rentals payable by the association for certain of its office properties. Leases are negotiated for an average term of 1 year. No contingent rent is payable.

20. Loss on sale of clothing

Sales	-	-
Less: Cost of sales	(6 295)	(17 840)
Opening Stock	(39 340)	(57 180)
Purchases	-	-
Closing stock	33 045	39 340
	(6 295)	(17 840)

21. Profit/(loss) on sale of pole equipment

Sales	51 400	88 984
Less: Cost of sales	(39 772)	(283 861)
Opening Stock	(253 180)	(537 041)
Purchases	-	-
Closing stock	213 408	253 180
	11 628	(194 877)

22. Going concern

The Council 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 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 are not aware of any new material changes that may adversely impact the association. The Council 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.

23. Events after the reporting period

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

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Annual Financial Statements for the year ended 31 December 2023

Statement of Financial Performance

	Note(s)	2023 R	2022 R
Revenue			
EDS Levies		280 143	273 879
Levies		3 064 723	3 000 083
Membership fees		2 779 822	2 652 961
	10	6 124 688	5 926 923
Other income			
Gains on disposal of pole equipment	21	11 628	-
Interest received	13	861 218	488 807
Prize money		630 946	589 277
Sundry income		1 153 760	223 695
		2 657 552	1 301 779
Expenses (Refer to page 26)		(6 696 526)	(5 099 345)
Surplus before taxation		2 085 714	2 129 357
Taxation	14	9 160	6 111
Surplus for the year before transfer of funds		2 094 874	2 135 468
Funds transferred to specific reserves	15	(470 292)	(490 404)
Surplus for the year		1 624 582	1 645 064

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Annual Financial Statements for the year ended 31 December 2023

Statement of Financial Performance

	Note(s)	2023 R	2022 R
Operating expenses			
Accounting fees		384 048	342 183
Administration fees		104 000	102 300
Advertising		75 076	24 367
Affiliation fees		1 500	-
Athlete fund expenses		1 400	131 392
Auditors remuneration	16	67 965	63 639
Bank charges		103 526	116 781
Coaches clinic		-	29 127
Computer and software expenses		162 753	188 942
Depreciation, amortisation and impairments	17	110 835	100 263
Development costs		-	10 800
EDS expenses		389 942	235 505
Electricity and water		40 452	31 910
Employee costs	18	1 600 643	1 511 546
Entertainment		3 210	11 800
Gifts		9 474	8 580
Insurance		41 507	41 837
Interest and penalties		-	166
Levies		16 761	-
Loss on sale of clothing	20	6 295	17 840
Loss on sale of pole equipment and clothing	21	-	194 877
Medical expenses		353	-
Medication control and drug testing		95 740	44 911
Meetings		23 577	34 000
National awards		208 529	164 854
Officials		277 267	221 909
Pole and equipment profit		-	(290 249)
Pony height measuring		-	6 555
Postage		923	-
Printing and stationery		44 975	16 543
Provincial profits		-	266 198
Provincial rewards		108 061	95 044
Rent		108 534	90 840
Repairs and maintenance		4 620	14 198
Results capturing		152 617	-
Rising stars		274 142	-
Security		9 500	-
Show expenses		82 463	41 748
Sponsorship		70 984	56 000
Staff welfare		35 575	23 901
Storage container rental		11 869	12 243
Team expenses		269 649	483 034

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Annual Financial Statements for the year ended 31 December 2023

Statement of Financial Performance

	Note(s)	2023 R	2022 R
Telephone and fax		11 963	8 765
Timing equipment and maintenance		107 970	4 580
Training		119 380	264 477
Trophies and engraving		123 472	108 843
Venue assistance		-	26 737
World jumping challenge		1 377 361	-
Youth series		57 615	240 359
		6 696 526	5 099 345

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