

**SOUTH AFRICAN SHOW JUMPING
(REGISTRATION NUMBER 136-781 NPO)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

LSG Integrated
Registered Auditor
Issued 17 July 2018

South African Show Jumping

(Registration number: 136-781 NPO)

Annual Financial Statements for the year ended 31 December 2017

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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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Annual Financial Statements for the year ended 31 December 2017

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.

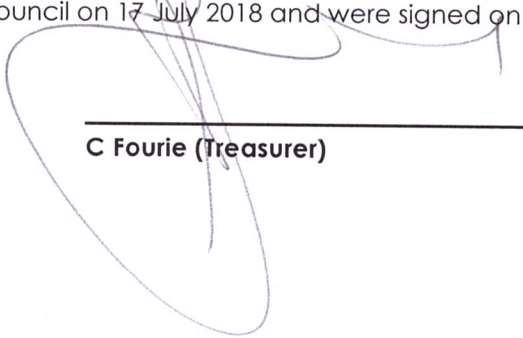
The Council have reviewed the association's cash flow forecast for the year to 31 December 2018 and, in the light of this review and the current financial position, They are satisfied that the association has or has access to adequate resources to continue in operational existence for the foreseeable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

The external 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 pages 5 to 7.

The annual financial statements set out on pages 8 to 22, which have been prepared on the going concern basis, were approved by the Council on 17 July 2018 and were signed on its behalf by:



B Dewar (President)



C Fourie (Treasurer)

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Councils' Report

The Council have pleasure in submitting their report on the annual financial statements of South African Show Jumping for the year ended 31 December 2017.

1. Nature of business

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.

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 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. Council

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

Council

B Dewar (President)
H Pretorius (Vice President)
C Fourie (Treasurer)
D Baxter (Technical)
C Cunningham (Coaching)
G Triggol (EXCO)
P Lepart (Legal Advisor)
M Clough (PR)
D Pienaar (Veterinary)
P Morrison (Gauteng)
A Bosman (Western Cape)
B Kok (Mpumalanga)
R Ras (Northern Cape)
R Martin (Kwazulu Natal)
M Zofka (North West)
R Gerber (Eastern Cape)
E Platt (Eastern Cape)
D Pieterse (Limpopo)
L Van Der Merwe (Limpopo)
B Webber (Free State)

Changes

Appointed 25 November 2016
Appointed 25 November 2016
Resigned 28 May 2016
Resigned 28 May 2016

Appointed 28 June 2017
Resigned 20 June 2017
Appointed 20 June 2017
Resigned 22 April 2017
Appointed 22 April 2017
Dissolved 29 May 2016

4. 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.

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Councils' Report

5. 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.

6. 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.

7. Auditors

LSG Integrated continued in office as auditors for the association for 2017.

8. Secretary

The association had no secretary during the year.

Address: East Wing
6 Kikuyu Road
Sunninghill 2157

Integrated value added financial services

Postal: PO Box 457
Rivonia 2128

Divisions:

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

Telephone: (011)807-1974/(011) 253-7400
Facsimile: (011)807-1973

Email: lsg@lsgintegrated.co.za
Website: www.lsgintegrated.co.za

Independent Auditor's Report

To the members of South African Show Jumping

Qualified opinion

We have audited the annual financial statements of South African Show Jumping set out on pages 8 to 22, which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, 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, 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 African Show Jumping 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 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 association is in contravention of the following paragraphs of the constitution:

7.2 - The constitution states that there shall be 9 provincial council members, as at 31 December 2017, there are only 8 provincial members.

Independent Auditor's Report

Other information

The Council are responsible for the other information. The other information comprises the Councils' Report as required by the constitution of the association, 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.

Furthermore, without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 23 to 24 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 Council for the Annual Financial Statements

The Council 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 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.

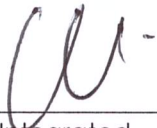
As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 Councils' 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

17 July 2018
Sunninghill

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Statement of Financial Position as at 31 December 2017

	Note(s)	2017 R	2016 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	114 192	171 294
Intangible assets	3	1	23 133
		114 193	194 427
Current Assets			
Inventories	4	68 765	121 531
Trade and other receivables	5	97 590	372 657
Other financial assets	6	-	300 000
Cash and cash equivalents	7	2 921 943	1 540 677
		3 088 298	2 334 865
Total Assets		3 202 491	2 529 292
Equity and Liabilities			
Equity			
Reserves	8	2 972 969	2 133 580
Retained income		(167 770)	168 145
		2 805 199	2 301 725
Liabilities			
Current Liabilities			
Trade and other payables	9	397 292	227 567
Total Equity and Liabilities		3 202 491	2 529 292

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Statement of Comprehensive Income

	Note(s)	2017 R	2016 R
Revenue		3 496 862	3 479 650
Other income		628 016	520 821
Operating expenses		(2 522 975)	(2 690 690)
Operating surplus		1 601 903	1 309 781
Investment revenue	10	152 057	147 969
Finance costs	12	(4 794)	(17 661)
Surplus (deficit) for the year		1 749 166	1 440 089
Funds transferred to specific reserves	20	(2 085 081)	(1 666 134)
Deficit for the year		(335 915)	(226 045)

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Statement of Changes in Equity

	Specific reserves R	Retained income R	Total equity R
Balance at 01 January 2016	1 853 786	394 190	2 247 976
Surplus (Deficit) for the year	279 794	(226 045)	53 749
Balance at 01 January 2017	2 133 580	168 145	2 301 725
Surplus (Deficit) for the year	839 389	(335 915)	503 474
Balance at 31 December 2017	2 972 969	(167 770)	2 805 199
Note(s)	8		

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Statement of Cash Flows

	Note(s)	2017 R	2016 R
Cash flows from operating activities			
Cash generated from operations	15	2 186 071	1 379 936
Interest income		152 057	147 969
Finance costs		(4 794)	(17 661)
Net cash from operating activities		2 333 334	1 510 244
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(6 376)	-
Movement of financial assets		300 000	(300 000)
Movement in specific reserves		(1 245 692)	(1 386 338)
Net cash from investing activities		(952 068)	(1 686 338)
Total cash movement for the year		1 381 266	(176 094)
Cash at the beginning of the year		1 540 677	1 716 771
Total cash at end of the year	7	2 921 943	1 540 677

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Annual Financial Statements for the year ended 31 December 2017

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

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

Financial assets measured at cost and amortised cost

The association reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date. During the current year, the members determined that the useful lives of certain items of surveillance equipment should be shortened, due to developments in technology.

The financial effect of this reassessment, assuming the assets are held until the end of their estimated useful lives, is to increase the depreciation expense in the current financial year and for the next 3 years, by the following amounts:

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.

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.

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.

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Accounting Policies

1.2 Property, plant and equipment (continued)

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the association and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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
Furniture and fittings	Straight line	6 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	3 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, on a straight-line basis, as follows:

Item	Useful life
Computer software	3 years

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Accounting Policies

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. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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 and 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.

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.

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Accounting Policies

1.6 Inventories

Inventories are measured at the lower of cost and net realisable value, on the first-in, first-out (FIFO) basis.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.8 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.

1.9 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants are measured at the fair value of the asset received or receivable.

1.10 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.

1.11 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.12 Specific reserves

Province Reserves

30% of membership fees and 50% 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

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Annual Financial Statements for the year ended 31 December 2017

Accounting Policies

1.12 Specific reserves (continued)

province. The income is reflected in the statement of comprehensive income and transferred to specific reserves. The related expenditure from each province is recorded directly to each reserve and the surplus/deficit for the year for all provinces is shown as a separate line item on the Statement of Changes in Equity.

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 is reflected in the statement of comprehensive income and transferred to specific reserves. The related expense is recorded directly to reserves and the surplus/deficit for the year is shown as a separate line item on the Statement of Changes in Equity.

International Riders Fund Reserve

International Riders 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 is reflected in the statement of comprehensive income and transferred to specific reserves. The related expense is recorded directly to reserves and the surplus/deficit for the year is shown as a separate line item on the Statement of Changes in Equity.

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 are transferred to the National Lottery reserve and expenses are recognised directly against the reserve.

1.13 Other income

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

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

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

Grant income is recognised on the accrual basis in accordance with the substance of the relevant agreements.

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Notes to the Annual Financial Statements

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fittings	76 239	(54 973)	21 266	76 239	(42 267)	33 972
Office equipment	3 787	(3 234)	553	3 787	(2 476)	1 311
Computer equipment	53 398	(47 126)	6 272	47 022	(44 883)	2 139
Team equipment	28 500	(20 425)	8 075	28 500	(14 725)	13 775
Timing equipment	210 357	(132 331)	78 026	210 357	(90 260)	120 097
Total	372 281	(258 089)	114 192	365 905	(194 611)	171 294

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fittings	33 972	-	(12 706)	21 266
Office equipment	1 311	-	(758)	553
Computer equipment	2 139	6 376	(2 243)	6 272
Team equipment	13 775	-	(5 700)	8 075
Timing equipment	120 097	-	(42 071)	78 026
	171 294	6 376	(63 478)	114 192

Reconciliation of property, plant and equipment - 2016

	Opening balance	Depreciation	Closing balance
Furniture and fittings	46 674	(12 702)	33 972
Office equipment	2 068	(757)	1 311
Computer equipment	13 053	(10 914)	2 139
Team equipment	19 475	(5 700)	13 775
Timing equipment	162 169	(42 072)	120 097
	243 439	(72 145)	171 294

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

3. Intangible assets

	2017			2016		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	555 607	(555 606)	1	555 607	(532 474)	23 133

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Notes to the Annual Financial Statements

	2017 R	2016 R
3. Intangible assets (continued)		
Reconciliation of intangible assets - 2017		
	Opening balance	Amortisation
Computer software	23 133	(23 132)
		Total
		1
Reconciliation of intangible assets - 2016		
	Opening balance	Amortisation
Computer software	195 856	(172 723)
		Total
		23 133
4. Inventories		
Clothing	68 765	72 880
Safety cups	-	48 651
	68 765	121 531
5. Trade and other receivables		
Trade receivables	78 782	349 043
Prepayments	10 130	22 458
Deposits	1 156	1 156
VAT	7 522	-
	97 590	372 657
6. Other financial assets		
At amortised cost		
Shongweni Club	-	300 000
This loan is unsecured, bore interest at 7% per annum and was repayable in 2 instalments of R150,000 i.e. June 2017 and August 2017, the interest was to be added to the latter payment.		
Current assets		
At amortised cost	-	300 000
7. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	3 250	435
Bank balances	2 918 693	1 540 242
	2 921 943	1 540 677

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Notes to the Annual Financial Statements

	2017 R	2016 R
8. Specific reserves		
Opening balance	2 133 580	1 853 786
Funds transferred to specific reserves	2 085 081	1 666 134
Expenses funded by specific reserves	(1 151 735)	(1 397 340)
Money refunded to the National Lottery	(93 957)	-
GP contribution to Lottery Reserve	-	11 000
	2 972 969	2 133 580
Gauteng province	807 286	530 215
KwaZulu-Natal province	42 069	6 452
Western province	191 358	227 749
Eastern Cape province	159 946	120 136
Free State province	17 378	16 736
Mpumalanga province	8 456	2 120
North-West province	32 308	13 045
Northern Cape province	9 441	13 157
Limpopo province	151 172	130 393
International Riders Fund	363 537	41 223
Equity Development Scheme	1 046 307	794 685
National Lottery Reserve	143 711	237 669
	2 972 969	2 133 580
9. Trade and other payables		
Trade payables	231 175	90 031
Amounts received in advance	57 045	19 425
VAT	-	14 872
Salaries clearing account	37 266	23 619
Accrued audit fees	71 306	79 120
Deposits received	500	500
	397 292	227 567
The members consider that the carrying amount of trade and other payables approximates their fair value.		
10. Investment revenue		
Interest revenue		
Bank	152 057	147 969

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Notes to the Annual Financial Statements

	2017 R	2016 R
11. Employee cost		
Employee costs		
Basic	738 926	686 351
UIF	3 838	3 805
SDL	5 310	6 556
	748 074	696 712
12. Finance costs		
Late payment of tax	4 794	17 661
13. Taxation		
The association has been approved as a public benefit organisation in terms of section 30 of the Income Tax Act, and the receipts and accruals are exempt from income tax in terms of section 10(1)(cN) of the Act.		
14. Auditor's remuneration		
Fees	58 270	50 582
15. Cash generated from operations		
Profit before taxation	1 749 166	1 440 089
Adjustments for:		
Depreciation and amortisation	86 612	244 866
Interest received	(152 057)	(147 969)
Finance costs	4 794	17 661
Changes in working capital:		
Inventories	52 766	(96 211)
Trade and other receivables	275 067	(27 340)
Trade and other payables	169 723	(51 160)
	2 186 071	1 379 936
16. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
- within one year	6 529	6 529

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.

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Annual Financial Statements for the year ended 31 December 2017

Notes to the Annual Financial Statements

	2017	2016
	R	R
17. Related parties		
Relationships		
Close family member of key management		T. Dewar
Related party balances and transactions with other related parties		
Related party transactions		
Salary paid to related parties		
T. Dewar	389 595	
18. Going concern		
<p>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.</p>		
19. Events after the reporting period		
<p>The council members are not aware of any material event which occurred after the reporting date and up to the date of this report.</p>		
20. Funds transferred to specific reserves		
Levies transferred to specific reserves	817 275	783 026
Membership fees transferred to specific reserves	340 083	356 145
Equity Development Scheme income transferred to specific reserves	266 489	259 571
Prize money transferred to specific reserves	363 486	255 081
2015 IRF fund not transferred	279 767	-
Other income transferred to reserves	17 981	12 311
	2 085 081	1 666 134

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Annual Financial Statements for the year ended 31 December 2017

Notes to the Annual Financial Statements

	2017 R	2016 R
21. Profit (Loss) on sale of clothing and safety cups		
Opening inventory	(121 531)	(25 320)
Clothing and Cups income	56 649	18 803
Purchases	(520)	(110 602)
Closing inventory	68 765	121 531
	3 363	4 412
22. FEI annual subscriptions		
FEI annual subscriptions	41 691	79 922

23. Special settlement

The special settlement of R 100,000 (excluding VAT) relates to the settlement agreement between South African Equestrian Federation and South African Show Jumping for the full and final settlement of all outstanding fees owed to the South African Equestrian Federation regarding 2014 affiliation fees.

24. Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

Profit or Loss

Membership fees	43 344
Fundraising income	(43 344)

South African Show Jumping

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Annual Financial Statements for the year ended 31 December 2017

Statement of Financial Performance

	Note(s)	2017 R	2016 R
Revenue			
Membership fees		1 568 542	1 654 027
EDS levies		266 489	259 572
Levies		1 661 831	1 566 051
		3 496 862	3 479 650
Cost of sales			
Opening stock		(121 531)	(25 320)
Purchases		52 766	(96 211)
Closing stock		68 765	121 531
		-	-
Other income			
Profit on sale of clothing and safety cups	21	3 363	4 412
Prize money		363 486	255 082
Sundry income		261 167	261 327
Interest received	10	152 057	147 969
		780 073	668 790
Expenses (Refer to page 24)		(2 522 975)	(2 690 690)
Operating surplus		1 753 960	1 457 750
Finance costs	12	(4 794)	(17 661)
Surplus (Deficit) for the year		1 749 166	1 440 089
Funds transferred to specific reserves		(2 085 081)	(1 666 134)
Deficit for the year		(335 915)	(226 045)

South African Show Jumping

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Annual Financial Statements for the year ended 31 December 2017

Statement of Financial Performance

	Note(s)	2017 R	2016 R
Operating expenses			
Accounting fees		208 940	225 200
Advertising		15 078	12 000
Auditors remuneration	14	58 270	50 582
Bad debts		14 518	-
Bank charges		58 350	61 797
Computer expenses		310 311	397 068
Consulting and professional fees		5 500	26 250
Depreciation, amortisation and impairments		86 612	244 866
Employee costs	11	748 074	696 712
Entertainment		1 000	1 875
FEI annual subscriptions	22	41 691	79 922
FEI seminar		81 886	-
Fines		-	4 474
Insurance		51 993	54 879
Lease rentals on operating lease		79 976	78 351
Legal expenses		-	181 076
Medication control and drug testing		103 597	178 325
Meetings		34 187	37 044
Municipal expenses		19 528	16 200
National awards		121 189	-
Officials		78 613	90 799
Organising dues		-	8 758
Pony height measuring		4 150	22 529
Postage		544	1 669
Printing and stationery		12 442	8 110
Repairs and maintenance		97 016	33 357
Security		7 960	7 490
Show expenses		31 787	25 535
Special settlement	23	100 000	-
Staff welfare		18 292	18 431
Subscriptions		-	200
Telephone and fax		24 011	25 468
Training		85 231	45 491
Trophies and engraving		21 781	56 232
Venue inspections		448	-
		2 522 975	2 690 690