

**SOUTH AFRICAN NATIONAL EQUESTRIAN SCHOOLS ASSOCIATION (SANESA) - NPO**

(Registration number 9475619178)

Annual financial statements  
for the year ended 31 December 2020



THE  
**ASHTON**  
CA (SA) GROUP INC.

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To promote competitive equestrian sport in South Africa through the development, participation and excellence in achievements within school structures
<b>Members</b>	Alta Olivier (National Chairperson) Barbara Lovell (National Treasurer) Joan Bekker (National Secretary) Marjorie Greyling Katie de Chaves Sandra Copeland Kirsten Armitage Joanne Hulley Lientjie van Wyk
<b>Registered office</b>	111 Oak Road Kyalami 1684
<b>Auditors</b>	The Ashton CA(SA) Group Inc. Chartered Accountants (SA) Registered Auditors
<b>Tax reference number</b>	Tax Exemption number: 9475619178
<b>Level of assurance</b>	The annual financial statements are audited.
<b>Preparer</b>	The annual financial statements were independently compiled by: The Ashton CA (SA) Group Inc.

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

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# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Members' Responsibilities and Approval

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The members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The accounting officer is responsible to determine that the annual financial statements are in agreement with the accounting records, summarised in the manner required by section 58(2)(d) of the Act.

The members are also responsible for the company's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the annual financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the members to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements have been prepared on the going concern basis, since the members have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

The members of the company confirm that as at 31 December 2020, the assets of the company exceeded its liabilities.

The annual financial statements set out on page 4, were approved by the National Chairperson on 1 December 2021 and have been signed by them or on their behalf by:

### Approval of annual financial statements



Alta Olivier (National Chairperson)

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Members' Report

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The members submit their report for the year ended 31 December 2020.

### 1. Review of activities

#### Main business and operations

The Association is engaged in to promote competitive equestrian sport in South Africa through the development, participation and excellence in achievements within school structures and operates principally in South Africa.

### 2. Going concern

The members believe that the company 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 directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The members are not aware of any new material changes that may adversely impact the company. The 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 company.

The South African National Equestrian Schools Association's main form of income is through equestrian showing. Due to Covid-19 restrictions have been placed on certain industries, making it impossible to host equestrian showing. If these restrictions are not lifted it will have a vast effect on the South African National Equestrian Schools Association's going concern.

### 3. Events after the reporting period

The 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.

### 4. Members

The members of the Association during the year and to the date of this report are as follows:

#### Members:

Alta Olivier (National Chairperson)  
Barbara Lovell (National Treasurer)  
Joan Bekker (National Secretary)  
Marjorie Greyling  
Katie de Chaves  
Sandra Copeland  
Kirsten Armitage  
Joanne Hulley  
Lientjie van Wyk

### 5. Auditors

The Ashton CA(SA) Group Inc. will continue in office for the next financial period.



THE  
**ASHTON**  
CA (SA) GROUP INC.  
REGISTERED ACCOUNTANTS  
AND AUDITORS

## Independent Auditor's Report

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### To the Members of South African National Equestrian Schools Association (SANESA) - NPO

#### Opinion

We have audited the annual financial statements of South African National Equestrian Schools Association (SANESA) - NPO set out on pages 7 to 15, which comprise the statement of financial position as at 31 December 2020, 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, the annual financial statements present fairly, in all material respects, the financial position of South African National Equestrian Schools Association (SANESA) - NPO as at 31 December 2020, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008..

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company 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.

#### Emphasis of Matter

We draw attention to Note 2 (Going Concern) of the Members Report on page 6 to the annual financial statements which indicates the impact of Covid-19. []. Our opinion is not modified in respect of this matter.

#### Other Information

The members are responsible for the other information. The other information comprises the information included in the document titled "South African National Equestrian Schools Association (SANESA) - NPO annual financial statements for the year ended 31 December 2020", which includes the Members' Report as required by the Companies Act 71 of 2008 of South Africa, and the supplementary information as set out on page 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.

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#### Address

Ashton House, 51 Lebombo St,  
Ashlea Gardens, 0181  
PO Box 1620, Groenkloof, 0027  
Tel: +27 (0)12 460 3050  
Fax: +27 (0)12 460 1263  
E-mail: [karin@ashtongroup.co.za](mailto:karin@ashtongroup.co.za)

#### Directors

A. Robberts B.Compt (Hons) CA (SA) RA  
H.J. Windell B.Compt (Hons) CA (SA) RA  
W. Delpont B.Compt (Hons) CA (SA) RA

#### Professional Assistants

C. E. Möller B.Com (PGDA) CA (SA)  
A. Deysel Professional Accountant (SA) B.Com CIMA  
T.C. Moyo Professional Accountant (SA) B.Com Acc Sci

# Independent Auditor's Report

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## Responsibilities of the Members for the Annual Financial Statements

The members are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the 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 members are responsible for assessing the company'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 members either intend to liquidate the company 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the 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 company'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 company 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 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.



The Ashton CA(SA) Group Inc.

HJ Windell

Director

Chartered Accountants (SA)

Registered Auditors

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Statement of Financial Position as at 31 December 2020

Figures in Rand	Note(s)	2020	2019
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	7 049	16 107
<b>Current Assets</b>			
Trade and other receivables	3	10 000	106 221
Cash and cash equivalents	4	110 422	45 350
		<b>120 422</b>	<b>151 571</b>
<b>Total Assets</b>		<b>127 471</b>	<b>167 678</b>
<b>Equity and Liabilities</b>			
<b>Members' interest and reserves</b>			
Accumulated loss		(397 719)	37 966
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	197 493	129 712
Other financial liabilities	6	150 000	-
Deferred income	7	177 697	-
		<b>525 190</b>	<b>129 712</b>
<b>Total Equity and Liabilities</b>		<b>127 471</b>	<b>167 678</b>



# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Statement of Comprehensive Income

Figures in Rand	Note(s)	2020	2019
Revenue	8	3 616 325	11 002 362
Other income	9	112 800	430 642
Operating expenses		(4 169 737)	(11 390 168)
<b>Operating (loss) profit</b>		<b>(440 612)</b>	<b>42 836</b>
Investment revenue		4 927	17 831
<b>(Loss) profit for the year</b>		<b>(435 685)</b>	<b>60 667</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss) income for the year</b>		<b>(435 685)</b>	<b>60 667</b>

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Statement of Changes in Equity

Figures in Rand	Accumulated loss	Total equity
<b>Balance at 01 January 2019</b>	<b>(22 701)</b>	<b>(22 701)</b>
Profit for the year	60 667	60 667
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>60 667</b>	<b>60 667</b>
<b>Balance at 01 January 2020</b>	<b>37 966</b>	<b>37 966</b>
Loss for the year	(435 685)	(435 685)
Other comprehensive income	-	-
<b>Total comprehensive loss for the year</b>	<b>(435 685)</b>	<b>(435 685)</b>
<b>Balance at 31 December 2020</b>	<b>(397 719)</b>	<b>(397 719)</b>

Note(s)

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Statement of Cash Flows

Figures in Rand	Note(s)	2020	2019
<b>Cash flows from operating activities</b>			
Cash (used in) generated from operations		(89 855)	23 257
Interest income		4 927	17 831
<b>Net cash from operating activities</b>		<b>(84 928)</b>	<b>41 088</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	-	(18 776)
Sale of property, plant and equipment	2	-	(1)
<b>Net cash from investing activities</b>		<b>-</b>	<b>(18 777)</b>
<b>Cash flows from financing activities</b>			
Repayment of other financial liabilities		150 000	-
<b>Net cash from financing activities</b>		<b>150 000</b>	<b>-</b>
<b>Total cash movement for the year</b>		<b>65 072</b>	<b>22 311</b>
Cash at the beginning of the year		45 350	23 039
<b>Total cash at end of the year</b>	4	<b>110 422</b>	<b>45 350</b>

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Accounting Policies

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### 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 , and the Close Corporations Act of South Africa. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, 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 Property, plant and equipment

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

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.

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 close corporation 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.

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 close corporation.

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

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Item	Depreciation method	Average useful life
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Computer software	Straight line	5 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable 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.

#### 1.2 Revenue

Revenue is recognised to the extent that the close corporation 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 close corporation. 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.

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in Rand

2020

2019

### 2. Property, plant and equipment

	2020			2019		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Showjumping Equipment	-	-	-	22 298	(22 298)	-
Office equipment	8 850	(8 702)	148	8 850	(6 932)	1 918
IT equipment	51 954	(45 053)	6 901	67 481	(53 292)	14 189
Computer software	8 665	(8 665)	-	8 665	(8 665)	-
<b>Total</b>	<b>69 469</b>	<b>(62 420)</b>	<b>7 049</b>	<b>107 294</b>	<b>(91 187)</b>	<b>16 107</b>

#### Reconciliation of property, plant and equipment - 2020

	Opening balance	Depreciation	Closing balance
Office equipment	1 918	(1 770)	148
IT equipment	14 189	(7 288)	6 901
	<b>16 107</b>	<b>(9 058)</b>	<b>7 049</b>

#### Reconciliation of property, plant and equipment - 2019

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Office equipment	3 689	-	-	(1 771)	1 918
IT equipment	3 844	18 776	1	(8 432)	14 189
Computer software	1 067	-	-	(1 067)	-
	<b>8 600</b>	<b>18 776</b>	<b>1</b>	<b>(11 270)</b>	<b>16 107</b>

### 3. Trade and other receivables

Trade receivables	10 000	106 221
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### 4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	105 641	40 495
Short-term deposits	4 781	4 855
	<b>110 422</b>	<b>45 350</b>

### 5. Trade and other payables

Trade payables	141 470	66 118
SARS payroll taxes	12 795	34 141
Accruals	43 228	29 453
	<b>197 493</b>	<b>129 712</b>

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>6. Other financial liabilities</b>		
<b>At amortised cost</b>		
Loan - H Fourie	150 000	-
This loan is unsecured, bearing interest at a variable rate, with no fixed terms of repayment.		
<b>Current liabilities</b>		
At amortised cost	150 000	-
<b>7. Deferred income</b>		
Deferred income	177 697	-
<b>8. Revenue</b>		
Rendering of services	3 371 325	10 775 262
Sponsorship Income	245 000	227 100
	<b>3 616 325</b>	<b>11 002 362</b>
<b>9. Other income</b>		
National Sponsorship	112 800	-
Awards & Other income	-	430 642
	<b>112 800</b>	<b>430 642</b>

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>10. National operating expenses</b>		
AGM meeting expenses	9 033	59 984
Accounting Fees	331 657	378 855
Bad debts	276 702	-
Bank Charges	12 825	29 235
Committee costs	-	3 265
Computer Expenses	107 627	206 269
Courier & Postage	-	2 173
Development - Dressage	9 201	11 402
Development - Endurance	15 564	-
Development - Equitation	-	9 370
Development - Eventing	-	480
Development - Saddle Seat	1 290	-
Development - Showing	11 279	16 411
Development - Vaulting	4 185	-
Development - WMG	2 950	-
Development - Western Riding	1 378	-
Insurance	-	45 036
Legal Fees	13 800	-
Meeting Expenses - Council	-	41 449
Meeting Expenses - Executive	-	9 211
Printing & Stationery	16 473	34 164
Salaries & Wages	599 254	618 828
Sponsorships - Entry Fees	18 270	54 180
Sponsorships - Nationals Trucking	-	332 071
Telephone & Fax	3 912	16 721
Travel & Accommodation	3 765	57 358
	<b>1 439 165</b>	<b>1 926 462</b>

# South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>11. Show operating expenses</b>		
Administration	51 251	124 798
Award Functions	5 000	415 126
Bank Charges	490	1 832
Certificates	-	22 467
Committee costs	-	3 265
Copy Charges	17 698	69 475
Hiring of Equipment	6 056	25 432
Internet expense	1 000	3 147
JOC Expenses	-	1 464
Marketing	-	13 856
Trophies & Medals	16 404	164 007
Medics	156 605	595 874
Officials	884 931	2 439 195
Officials Catering	145 801	670 473
Officials Travel & Accom	56 350	374 821
Rosettes	163 553	626 856
Security	7 764	25 285
Show Equipment	500	4 949
Stabling Expenses	61 669	498 546
Stationery	9 090	14 935
Team Clothing	-	4 199
Telephone	3 860	12 917
Venue Levies	918 302	2 744 461
Venue Operated Show Expenses	154 125	492 816
Provincial Sponsorships	25 368	49 591
Provincial Meeting Expenses	5 749	6 297
	<b>2 691 566</b>	<b>9 406 084</b>



## South African National Equestrian Schools Association (SANESA) - NPO

(Registration number: 9475619178)

Annual Financial Statements for the year ended 31 December 2020

### Detailed Income Statement

Figures in Rand	Note(s)	2020	2019
<b>Revenue</b>			
Entry fees		3 371 325	10 775 262
Sponsorship income		245 000	227 100
	8	<b>3 616 325</b>	<b>11 002 362</b>
<b>Other income</b>			
National sponsorship		112 800	-
Awards & other income		-	430 642
		<b>112 800</b>	<b>430 642</b>
<b>Operating expenses</b>			
Auditors remuneration		(21 965)	(20 930)
Depreciation		(9 058)	(11 270)
Donations		-	(10 000)
National operating expenses	10	(1 439 165)	(1 941 796)
Show operating expenses	11	(2 691 567)	(9 403 304)
Fines and penalties		(7 982)	(2 868)
		<b>(4 169 737)</b>	<b>(11 390 168)</b>
<b>Operating (loss) profit</b>		<b>(440 612)</b>	<b>42 836</b>
Investment income		4 927	17 831
<b>(Loss) profit for the year</b>		<b>(435 685)</b>	<b>60 667</b>

