

**Endurance Ride Association of South Africa
Annual Financial Statements
For the year ended 31 December 2023**



Endurance Ride Association of South Africa (ERASA)

(Registration number: 124-153 NPO)

Annual Financial Statements for the year ended 31 December 2023

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To promote and manage endurance riding as an amateur sport amongst all population groups in South Africa
Council members	Gideon Keyser – President Danie Bierman – Vice President Mohamed Bhyat – Treasurer Minette Nortman-Botha - Athletes Representative: Kathy Price Moor Henk Basson Hennie Bosman Wilna Meiring Antoinette van Zyl – Eastern Cape Province Eduard Marais – Free State Province Rinie White – Gauteng Province Schalk van der Merwe – Limpopo Province Attie Bezuidenhout – Mpumalanga Province Gert van der Walt – Northern Cape Province Ludi Fourie - North West Province DP Burger – Western Cape Province Dube Pricemoor – Kwa Zulu Natal
Business address	9 Senekal Street Wierda Park x2 Centurion 0156
Postal address	PO Box 9084 Centurion 0046
Bankers	ABSA
Registration number	124-153 (NPO)

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The reports and statements set out below comprise of the financial statements presented to the council members:

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The financial statements set out on pages 6 -14 , which have been prepared on the going concern basis, were approved by the council on 3 July 2024 and were signed on its behalf by:

President

Vice President

Accounting Officer's Report

To the members of the Endurance Ride Association of South Africa

I have performed the duties of accounting officer to the Endurance Ride Association of South Africa for the year ended 31 December 2023 as required by Section 17 of the Nonprofit Organisations Act, 1997. The annual financial statements of the Endurance Ride Association of South Africa set out on pages 6 - 16 are the responsibility of the Council Members of the Association. No audit or review is required by the Act to be carried out and no audit or review was conducted. Accordingly, I do not imply or express an opinion or any other form of assurance on the annual financial statements.

Duties of accounting officer

I have determined that the annual financial statements are in agreement with the accounting records, and have done so by adopting such procedures and conducting such enquiries in relation to the accounting records as I considered necessary in the circumstances. I have also reviewed the accounting policies, which have been represented to me as having been applied in the preparation of the annual financial statements, and I consider that they are appropriate to the Association.

Mohamed Bhyat
Chartered Accountant (SA)
SAICA membership nr 03345672
3 July 2024

Compilation Report

To the members of the Endurance Ride Association of South Africa (ERASA).

We have compiled the Annual Financial Statements of ERASA, as set out on pages 6 - 16, based on the information you have provided. These Annual Financial Statements comprise the statement of financial position of ERASA as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these Annual Financial Statements in accordance with the Accounting Policies set out in note 1 to these statements. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These Annual Financial Statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these Annual Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these Annual Financial Statements are prepared in accordance with the Accounting Policies set out in note 1 to these statements.

CV Ferreira

Accountant

3 July 2024

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Statement of Financial Position for the year ended 31 December 2023

Figures in Rand	Note(s)	2023	2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	11,262	20,734
Loan Account - U.V.V.S.A Trust		3,680,551	3,680,551
		<u>3,691,813</u>	<u>3,701,285</u>
Current Assets			
Trade and other receivables	3	65,752	455
Cash and cash equivalents		2,411,204	2,694,078
		<u>2,476,956</u>	<u>2,694,533</u>
TOTAL ASSETS		<u>6,168,769</u>	<u>6,395,818</u>
EQUITY AND LIABILITIES			
Equity			
Retained income		5,536,217	5,734,126
		<u>5,536,217</u>	<u>5,734,126</u>
Liabilities			
Current liabilities			
Trade and other payables	4	111,021	140,161
Provisions	5	521,531	521,531
		<u>632,552</u>	<u>661,692</u>
TOTAL EQUITY AND LIABILITIES		<u>6,168,769</u>	<u>6,395,818</u>

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Statement of Comprehensive Income for the year ended 31 December 2023

Figures in Rand	Note(s)	2023	2022
Turnover	6	4,067,135	3,405,129
Gross Profit		<u>4,067,135</u>	<u>3,405,129</u>
Operating expenses	7	(4,493,173)	(3,269,770)
Operating profit		<u>(426,038)</u>	<u>135,359</u>
Interest received	8	228,129	148,078
Profit before taxation		<u>(197,909)</u>	<u>283,437</u>
Taxation		-	-
Total comprehensive profit		<u>(197,909)</u>	<u>283,437</u>

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Statement of Changes in Equity for the year ended 31 December 2023

Figures in Rand

Balance at 1 January 2022	5,450,689
Total comprehensive profit for the year	283,437
Total changes	<u>5,734,126</u>
Balance at 1 January 2023	5,734,126
Total comprehensive profit for the year	(197,909)
Total changes	<u>(197,909)</u>
Balance at 31 December 2023	<u>5,536,217</u>

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Statement of Cash Flows for the year ended 31 December 2023

Figures in Rand	Note(s)	2023	2022
Cash flows from operating activities			
Cash generated from operations		(511,003)	130,484
Finance income		228,129	148,078
Net cash from operating activities		<u>(282,874)</u>	<u>278,562</u>
Cash flows from Investing activities			
Purchase of property, plant and equipment		-	(13,218)
Net cash from investing activities		<u>-</u>	<u>(13,218)</u>
Total cash movement for the year			
Cash at the beginning of the year		2,694,078	2,428,734
Total cash at end of the year		<u><u>2,411,204</u></u>	<u><u>2,694,078</u></u>

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Annual Financial Statements for the year ended 31 December 2023

Accounting Policies

1. Presentation of Financial Statements

The annual financial statements have been prepared on the historical cost basis and are presented in South African rand. They incorporate the principal financial policies, which is consistent with those of the previous year, set out below.

1.1 Significant judgements and estimates

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

Provisions

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

1.2 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation. Cost includes all costs directly attributable to bringing the assets to working condition for their intended use.

Depreciation is calculated to write off the cost of these assets on a straight-line basis over their expected useful lives.

Item	Average useful life
Computer equipment	3 years
Office equipment	8 years
Fencing and development cost	10 years

The residual value, useful life and method of depreciation are reviewed only where there is an indication that there has been a significant change from the previous estimate.

The depreciation charge for each period is recognised in the operating expenses of the statement of comprehensive income.

1.3 Leases

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

Operating Leases

Lease of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

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Accounting Policies (continued)

1.4 Revenue recognition

Affiliation fees, ride levies and other income is recognised as revenue in the year to which it applies and when no significant uncertainty as to its collectability exists.

Interest is recognised, in the statement of comprehensive income, using the effective interest rate method.

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Notes to the Financial Statements

2. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Checkpoint Trailer	12,075	12,074	1	12,075	12,074	1
Computer equipment	68,646	57,386	11,260	68,646	47,914	20,732
Electronic equipment	1,950	1,950	-	1,950	1,950	-
Office equipment	31,672	31,671	1	31,672	31,671	1
Total	114,343	103,081	11,262	114,343	93,609	20,734

Reconciliation of property, plant and equipment

– 2023

	Opening balance	Additions	Disposal	Depreciation	Total
Checkpoint Trailer	1	-	-	-	1
Computer equipment	20,732	-	-	(9,472)	11,260
Electronic equipment	-	-	-	-	-
Office equipment	1	-	-	-	1
	20,734	-	-	(9,472)	11,262

Reconciliation of property, plant and equipment

–2022

	Opening balance	Additions		Depreciation	Total
Checkpoint Trailer	1	-	-	-	1
Computer equipment	14,116	13,218	-	(6,602)	20,732
Electronic equipment	-	-	-	-	-
Office equipment	1	-	-	-	1
	14,118	13,218	-	(6,602)	20,734

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Notes to the Financial Statements

Figures in Rand	2023	2022	
3. Trade and other receivables			
Affiliations fees and event levies	13,134	(763)	
Value Added Tax	52,618	1,218	
	65,752	455	
4. Trade and other payables			
FEI Ride Costs	58,517	58,517	
Illegal Substance Testing	26,992	26,992	
Income received in advance	25,512	54,652	
	111,021	140,161	
5. Provisions			
Reconciliation of provisions – 2023			
	Opening balance	Movements	Total
Illegal substance allowance	273,871	-	273,871
Illegal substance Invoiced	350,762	-	350,762
Illegal substance Paid	(103,102)	-	(103,102)
	521,531	-	521,531
Reconciliation of provisions – 2022			
	Opening balance	Movements	Total
Illegal substance allowance	273,871	-	273,871
Illegal substance Invoiced	350,762	-	350,762
Illegal substance Paid	(103,102)	-	(103,102)
	521,531	-	521,531
6. Revenue			
Affiliation fees – Erasa	1,117,198	1,190,334	
Affiliation fees – SAEF	482,714	477,518	
Ride levies	480,782	460,602	
Other income	1,986,441	1,276,675	
	4,067,135	3,405,129	
Total Membership	1,376	1,383	

As from 2023 SAEF Affiliation fees were collected by Erasa from members on behalf of SAEF and paid over in full to SAEF.

Number of paid Fauriesmith entries for 2023 was 289.

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Notes to the Financial Statements

Figures in Rand	2023	2022
7. Operating expenses		
Accounting remuneration	115,967	115,731
Consulting fees	60,933	48,000
Employee costs	911,530	752,893
Telephone and fax	22,085	16,540
Travel and accommodation	13,317	3,384
	<u>228,129</u>	<u>148,078</u>
8. Interest Received		
Bank interest	<u>228,129</u>	<u>148,078</u>
9. Cash generated from operations		
Profit for the year	(197,909)	283,437
Adjustments for:		
Depreciation	9,472	6,602
Loss on disposal of assets	-	-
Finance income	(228,129)	(148,078)
Change in working capital:		
Trade and other receivables	(65,297)	14,445
Trade and other payables	(29,140)	(25,922)
	<u>(511,003)</u>	<u>130,484</u>

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Detailed Income Statement

Figures in Rand	Note(s)	2023	2022
Revenue			
Affiliation fees – Erasa		1,117,198	1,190,334
Affiliation fees – SAEF		482,714	477,518
Ride Levies		480,782	460,602
		<u>2,080,694</u>	<u>2,128,454</u>
Bibs sold		25,450	21,044
Fauresmith Income		1,278,225	1,074,274
SAIC Income		467,420	-
Passport Fees Recovered		177,389	140,810
Other cost recoveries		31,685	33,417
Horse export levies		6,272	7,130
		<u>4,067,135</u>	<u>3,405,129</u>
Interest received		228,129	148,078
Total Income		<u>4,295,264</u>	<u>3,553,207</u>

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Detailed Income Statement

Figures in Rand	Note(s)	2023	2022
Operating expenses			
Accounting fees		115,967	115,731
Bank charges		20,388	22,593
Bib costs		17,193	21,136
Computer costs		-	4,307
Consulting fees		60,933	48,000
Council meeting		1,000	7,243
Courier & postage		20,421	19,631
Depreciation		9,472	6,602
Fauresmith expenses		1,896,167	1,345,317
Fauresmith maintenance		58,043	51,683
Illegal substance testing		37,087	65,787
Insurance		54,679	50,854
Printing & stationery		3,560	10,369
SAEF Affiliation fees paid		493,509	477,891
Salaries and wages		911,530	752,893
SAIC		659,273	-
Team Expenses		47,741	215,838
Telephone & fax		22,085	16,540
Travel & accommodation		13,316	3,384
Website cost		50,809	33,971
		<u>4,493,173</u>	<u>3,269,770</u>
Profit for the year		<u>(197,909)</u>	<u>283,437</u>