

**Endurance Ride Association of South Africa  
Annual Financial Statements  
For the year ended 31 December 2021**



## **Endurance Ride Association of South Africa (ERASA)**

(Registration number: 124-153 NPO)

**Annual Financial Statements for the year ended 31 December 2021**

### **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 and manage endurance riding as an amateur sport amongst all population groups in South Africa
<b>Council members</b>	Pieter Streicher – President Danie Kasselmann – Vice President Mohamed Bhyat – Treasurer Minette Nortman-Botha - Athletes Representative: Hennie Bosman Danie Bierman Jimmy Neethling Ronel Coetzee Antoinette Birch – Eastern Cape Province Werner Bosch – Free State Province Wilna Meiring – Gauteng Province Sakkie Olivier – Limpopo Province Attie Bezuidenhout – Mpumalanga Province Willem Kotze – Northern Cape Province (Interim) Gideon Keyser - North West Province DP Burger – Western Cape Province Dube Pricemoor – Kwa Zulu Natal
<b>Business address</b>	9 Senekal Street Wierda Park x2 Centurion 0156
<b>Postal address</b>	PO Box 9084 Centurion 0046
<b>Bankers</b>	ABSA
<b>Registration number</b>	124-153 (NPO)

**Endurance Ride Association of South Africa (ERASA)**  
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**Annual Financial Statements for the year ended 31 December 2021**

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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 17 July 2022 and were signed on its behalf by:

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**President**

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**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 2021 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.

I would like to draw the attention of the members to the impact of Covid-19 on the Endurance Ride Association of South Africa. The endurance season proceeded uninterrupted for most of 2021, except that Fauresmith was cancelled due to Covid and in stead a number of Inter-Provincial Challenges were hosted by the various Unions across the country.

**Mohamed Bhyat**  
**Chartered Accountant (SA)**  
**SAICA membership nr 03345672**  
**20 July 2022**

## **Compilation Report**

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### **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 2021, 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**

**20 July 2022**

## Endurance Ride Association of South Africa (ERASA)

(Registration number: 124-153 NPO)

Annual Financial Statements for the year ended 31 December 2021

### Statement of Financial Position for the year ended 31 December 2021

Figures in Rand	Note(s)	2021	2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	14,118	5,616
Loan Account - U.V.V.S.A Trust		<u>3,680,551</u>	<u>3,680,551</u>
		<u>3,694,669</u>	<u>3,686,167</u>
<b>Current Assets</b>			
Trade and other receivables	3	14,900	8,069
Cash and cash equivalents		<u>2,428,734</u>	<u>2,109,618</u>
		<u>2,443,634</u>	<u>2,117,687</u>
<b>TOTAL ASSETS</b>		<u>6,138,303</u>	<u>5,803,854</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Retained income		<u>5,450,689</u>	<u>5,107,495</u>
		<u>5,450,689</u>	<u>5,107,495</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	4	166,083	174,828
Provisions	5	<u>521,531</u>	<u>521,531</u>
		<u>687,614</u>	<u>696,359</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>6,138,303</u>	<u>5,803,854</u>

## Endurance Ride Association of South Africa (ERASA)

(Registration number: 124-153 NPO)

Annual Financial Statements for the year ended 31 December 2021

### Statement of Comprehensive Income for the year ended 31 December 2021

Figures in Rand	Note(s)	2021	2020
Turnover	6	1,859,582	1,713,716
<b>Gross Profit</b>		<u>1,859,582</u>	<u>1,713,716</u>
Operating expenses	7	(1,607,366)	(1,369,268)
<b>Operating profit</b>		<u>259,056</u>	<u>344,448</u>
Interest received	8	90,978	114,878
<b>Profit before taxation</b>		<u>343,194</u>	<u>459,326</u>
Taxation		-	-
<b>Total comprehensive profit</b>		<u>343,194</u>	<u>459,326</u>

## Endurance Ride Association of South Africa (ERASA)

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Annual Financial Statements for the year ended 31 December 2021

### Statement of Changes in Equity for the year ended 31 December 2021

Figures in Rand

<b>Balance at 1 January 2020</b>	4,648,169
Total comprehensive profit for the year	459,326
Total changes	<u>459,326</u>
<b>Balance at 1 January 2021</b>	<b><u>5,107,495</u></b>
Total comprehensive profit for the year	<u>343,194</u>
Total changes	<u>343,194</u>
<b>Balance at 31 December 2021</b>	<b><u><u>5,450,689</u></u></b>



## Endurance Ride Association of South Africa (ERASA)

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### Statement of Cash Flows for the year ended 31 December 2021

Figures in Rand	Note(s)	2021	2020
<b>Cash flows from operating activities</b>			
Cash generated from operations		243,334	275,178
Finance income		90,978	114,878
Net cash from operating activities		<u>334,312</u>	<u>390,056</u>
<b>Cash flows from Investing activities</b>			
Purchase of property, plant and equipment		(15,196)	-
Net cash from investing activities		<u>(15,196)</u>	<u>-</u>
<b>Total cash movement for the year</b>			
Cash at the beginning of the year		2,109,618	1,719,562
<b>Total cash at end of the year</b>		<u><u>2,428,734</u></u>	<u><u>2,109,618</u></u>

# Endurance Ride Association of South Africa (ERASA)

(Registration number: 124-153 NPO)

Annual Financial Statements for the year ended 31 December 2021

## Accounting Policies

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### 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.

## **Endurance Ride Association of South Africa (ERASA)**

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Annual Financial Statements for the year ended 31 December 2021

### **Accounting Policies (continued)**

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#### **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.

## Endurance Ride Association of South Africa (ERASA)

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Annual Financial Statements for the year ended 31 December 2021

### Notes to the Financial Statements

#### 2. Property, plant and equipment

	2021			2020		
	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	55,428	41,312	14,116	40,232	34,618	5,614
Electronic equipment	1,950	1,950	-	1,950	1,950	-
Office equipment	31,672	31,671	1	31,672	31,671	1
<b>Total</b>	<b>101,125</b>	<b>87,007</b>	<b>14,118</b>	<b>85,929</b>	<b>80,313</b>	<b>5,616</b>

#### Reconciliation of property, plant and equipment

– 2021

	Opening balance	Additions	Disposal	Depreciation	Total
Checkpoint Trailer	1	-	-	-	1
Computer equipment	5,614	15,196	-	(6,694)	14,116
Electronic equipment	-	-	-	-	-
Office equipment	1	-	-	-	1
	<b>5,616</b>	<b>15,196</b>	<b>-</b>	<b>(6,694)</b>	<b>14,118</b>

#### Reconciliation of property, plant and equipment

–2020

	Opening balance	Additions		Depreciation	Total
Checkpoint Trailer	1	-	-	-	1
Computer equipment	10,425	-	-	(4,811)	5,614
Electronic equipment	-	-	-	-	-
Office equipment	1	-	-	-	1
	<b>10,427</b>	<b>-</b>	<b>-</b>	<b>(4,811)</b>	<b>5,616</b>

## Endurance Ride Association of South Africa (ERASA)

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### Notes to the Financial Statements

Figures in Rand	2021	2020	
<b>3. Trade and other receivables</b>			
Affiliations fees and event levies	9,915	8,069	
Value Added Tax	4,985	-	
	<b>14,900</b>	<b>8,069</b>	
<b>4. Trade and other payables</b>			
FEI Ride Costs	58,517	58,517	
Illegal Substance Testing	26,992	26,992	
Income received in advance	80,574	79,873	
Value Added Tax	-	9,446	
	<b>166,083</b>	<b>174,828</b>	
<b>5. Provisions</b>			
<b>Reconciliation of provisions – 2021</b>			
	<b>Opening balance</b>	<b>Movements</b>	<b>Total</b>
Illegal substance allowance	273,871	-	273,871
Illegal substance Invoiced	350,762	-	350,762
Illegal substance Paid	(103,102)	-	(103,102)
	<b>521,531</b>	<b>-</b>	<b>521,531</b>
<b>Reconciliation of provisions – 2020</b>			
	<b>Opening balance</b>	<b>Movements</b>	<b>Total</b>
Illegal substance allowance	273,871	-	273,871
Illegal substance Invoiced	305,760	45,002	350,762
Illegal substance Paid	(58,100)	(45,002)	(103,102)
	<b>521,531</b>	<b>-</b>	<b>521,531</b>
<b>6. Revenue</b>			
Affiliation fees – Erasa	839,743	1,198,331	
Affiliation fees – SAEF	467,274	-	
Ride levies	419,236	269,261	
Other income	133,329	246,124	
	<b>1,859,582</b>	<b>1,713,716</b>	

#### Total Membership

**1,359**

**1,384**

As from 2021 SAEF Affiliation fees were collected by Erasa from members on behalf of SAEF and paid over in full to SAEF.

Erasa Affiliation fees is down in 2021 when compared to 2020 because of the Covid relief rebate given to 2020 fully paid members due to rides been cancelled in 2020 as a result of Covid.

## Endurance Ride Association of South Africa (ERASA)

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### Notes to the Financial Statements

Figures in Rand	2021	2020
<b>7. Operating expenses</b>		
Accounting remuneration	107,149	94,686
Consulting fees	47,959	48,600
Employee costs	720,100	781,755
Telephone and fax	17,839	30,784
Travel and accommodation	<u>7,690</u>	<u>6,061</u>
<b>8. Interest Received</b>		
Bank interest	<u>90,978</u>	<u>114,878</u>
<b>9. Cash generated from operations</b>		
Profit for the year	343,194	459,326
<b>Adjustments for:</b>		
Depreciation	6,694	4,811
Loss on disposal of assets	-	-
Finance income	(90,978)	(114,878)
<b>Change in working capital:</b>		
Trade and other receivables	(6,831)	11,291
Trade and other payables	<u>(8,745)</u>	<u>(85,372)</u>
	<u><b>243,334</b></u>	<u><b>275,178</b></u>

## Endurance Ride Association of South Africa (ERASA)

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### Detailed Income Statement

Figures in Rand	Note(s)	2021	2020
<b>Revenue</b>			
Affiliation fees – Erasa		839,743	1,198,331
Affiliation fees – SAEF		467,274	-
Ride Levies		419,236	269,261
		<u>1,726 253</u>	<u>1,467,592</u>
Bibs sold		19,378	15,303
FEI Calendar Fees and Ride Levies recovered		-	94,481
Passport Fees Recovered		91,747	69,233
Other cost recoveries		3,465	14,629
Horse export levies		18,739	52,478
		<u>1,859,582</u>	<u>1,713,716</u>
Interest received		90,978	114,878
<b>Total Income</b>		<u><b>1,950,560</b></u>	<u><b>1,828,594</b></u>

## Endurance Ride Association of South Africa (ERASA)

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### Detailed Income Statement

Figures in Rand	Note(s)	2021	2020
<b>Operating expenses</b>			
Accounting fees		107,149	94,686
AGM expenses		-	1,303
Bad debts		-	20,000
Bank charges		17,180	16,361
Bib costs		13,778	8,132
CEI levy provision		-	58,517
Computer costs		3,218	1,500
Consulting fees		47,959	48,600
Council meeting		2,500	3,439
Courier & postage		3,292	4,248
Depreciation		6,694	4,811
Fauresmith maintenance		58,839	78,632
Illegal substance testing		38,400	-
Insurance		34,885	24,820
Legal fees		-	65,373
Printing & stationery		8,998	9,415
SAEF Affiliation fees paid		482,894	-
FEI calendar fees and Ride levies		-	88,781
Salaries and wages		720,100	781,755
Telephone & fax		17,839	30,784
Travel & accommodation		7,690	6,061
Website cost		35,951	22,050
		<u>1,607,366</u>	<u>1,369,268</u>
<b>Profit for the year</b>		<u><b>343,194</b></u>	<u><b>459,326</b></u>