

**South Africa National Equestrian Centre (Pty) Ltd  
(Registration number 1972/005124/07)  
Annual Financial Statements  
for the year ended 31 July 2020**

These annual financial statements were prepared by:  
West End Corporate Services (Pty) Ltd

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act  
71 of 2008.

Issued 04 December 2020

# **South Africa National Equestrian Centre (Pty) Ltd**

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

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## South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

### Directors' Responsibilities and Approval

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The directors are required in terms of the Companies Act 71 of 2008 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 company 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 International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.


The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.


The directors 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 directors have reviewed the company's cash flow forecast for the year to 31 July 2021 and, in light of this review and the current financial position, they are satisfied that the company has or had 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 company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 5 to 6.

The annual financial statements set out on pages 7 to 16, which have been prepared on the going concern basis, were approved by the board of directors on 04 December 2020 and were signed on their behalf by:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

# South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

## Directors' Report

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The directors have pleasure in submitting their report on the annual financial statements of South Africa National Equestrian Centre (Pty) Ltd for the year ended 31 July 2020.

### 1. Incorporation

The company was incorporated on 19 May 1972 and obtained its certificate to commence business on the same day.

### 2. Nature of business

South Africa National Equestrian Centre (Pty) Ltd was incorporated in South Africa with interests in the rental property. The company operates in South Africa.

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

### 3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008. 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 company are set out in these annual financial statements.

### 4. Share capital

	2020		2019	
	Number of shares		Number of shares	
<b>Authorised</b>				
Ordinary shares			2,800	2,800
Class A ordinary shares			7,200	7,200
	2020	2019	2020	2019
	R	R	Number of shares	Number of shares
<b>Issued</b>				
Ordinary shares	200	200	2,800	2,800
Class A ordinary shares	22,357,738	22,357,738	5,296	5,296
	<b>22,357,938</b>	<b>22,357,938</b>	<b>8,096</b>	<b>8,096</b>

There have been no changes to the authorised or issued share capital during the year under review.

### 5. Directorate

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

#### Directors

SJ Burn  
AMK Esslinger  
GRJ Walker  
GA Mowatt  
G Reid  
JS Curtin

#### Changes

Resigned 21 July 2020

### 6. Events after the reporting period

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

# **South Africa National Equestrian Centre (Pty) Ltd**

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

## **Directors' Report**

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### **7. Going concern**

The directors 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 directors are not aware of any new material changes that may adversely impact the company. The directors 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.

On the 15th of March 2020, the President of the Republic of South Africa declared the COVID-19 outbreak a national disaster. Further to this, he then announced a mandatory lock down which was initially planned for 21 days except for essential services from midnight on the 26 March 2020 to the 16th April 2020. It was later extended as announced by the President on 9 April 2020. The president then briefed the nation on what government's plan is to aid and sustain the economy during the COVID-19 lockdown period, and the plan included a phased recovery of economic activity. Management have also described how they plan to deal with these events and circumstances and will continue to remain alert to the situation and monitor the performance of the company.

### **8. Auditors**

Thort Chartered Accountants Inc will continue in office in accordance with section 90 of the Companies Act of 2008. continued in office as auditors for the company for 2020.

## Independent Auditors' Report

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**To the shareholders of South Africa National Equestrian Centre (Pty) Ltd**

### **Opinion**

We have audited the annual financial statements of South Africa National Equestrian Centre (Pty) Ltd (the company) set out on pages 7 to 15, which comprise the statement of financial position as at 31 July 2020, and the statement of profit or loss and other 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, the annual financial statements present fairly, in all material respects, the financial position of South Africa National Equestrian Centre (Pty) Ltd as at 31 July 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards 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 sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. 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 the possible effects of the future implications of COVID-19 on the company's future prospect, performance and cashflows. Management is of the opinion that the company has adequate financial resources to continue operations in the foreseeable future.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "South Africa National Equestrian Centre (Pty) Ltd annual financial statements for the year ended 31 July 2020", which includes the Directors' Report as required by the Companies Act 71 of 2008 and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditors' 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we have required to report that fact. We have nothing to report in this regard.

## Independent Auditors' Report

### Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors 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 directors 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditors' 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 directors.
- Conclude on the appropriateness of the directors' 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 have required to draw attention in our auditors' 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 auditors' 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 directors 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.



Thort Chartered Accountants Inc  
Registered Auditors  
Chartered Accountants (SA)

04 December 2020  
Fourways

# South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

## Statement of Financial Position as at 31 July 2020

Figures in Rand	Note(s)	2020	2019
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	7,349,300	7,279,493
Loans to shareholders	3	-	94,404
		<b>7,349,300</b>	<b>7,373,897</b>
<b>Current Assets</b>			
Trade and other receivables		344,541	157,689
Current tax receivable		9,506	-
Cash and cash equivalents		14,879,186	14,999,889
		<b>15,233,233</b>	<b>15,157,578</b>
<b>Total Assets</b>		<b>22,582,533</b>	<b>22,531,475</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	4	22,357,938	22,357,938
Retained income		30,927	4,500
		<b>22,388,865</b>	<b>22,362,438</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Loans from shareholders	5	13,849	-
<b>Current Liabilities</b>			
Trade and other payables		179,819	142,179
Current tax payable		-	26,858
		<b>179,819</b>	<b>169,037</b>
<b>Total Liabilities</b>		<b>193,668</b>	<b>169,037</b>
<b>Total Equity and Liabilities</b>		<b>22,582,533</b>	<b>22,531,475</b>



## South Africa National Equestrian Centre (Pty) Ltd

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Annual Financial Statements for the year ended 31 July 2020

### Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2020	2019
Revenue		1,350,497	1,752,969
Other operating income		96,703	192,425
Other operating expenses		(2,254,167)	(2,884,922)
<b>Operating loss</b>		<b>(806,967)</b>	<b>(939,528)</b>
Investment income		846,271	960,516
Finance costs		(1,871)	(6,904)
<b>Profit before taxation</b>		<b>37,433</b>	<b>14,084</b>
Taxation	6	(11,005)	(5,860)
<b>Profit for the year</b>		<b>26,428</b>	<b>8,224</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>26,428</b>	<b>8,224</b>

## South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

### Statement of Changes in Equity

Figures in Rand	Share capital	Retained income	Total equity
<b>Balance at 01 August 2018</b>	<b>22,350,063</b>	<b>(3,724)</b>	<b>22,346,339</b>
Profit for the year	-	8,224	8,224
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>8,224</b>	<b>8,224</b>
Issue of shares	7,875	-	7,875
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>7,875</b>	<b>-</b>	<b>7,875</b>
<b>Balance at 01 August 2019</b>	<b>22,357,938</b>	<b>4,499</b>	<b>22,362,437</b>
Profit for the year	-	26,428	26,428
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>26,428</b>	<b>26,428</b>
<b>Balance at 31 July 2020</b>	<b>22,357,938</b>	<b>30,927</b>	<b>22,388,865</b>
Note(s)	4		

# South Africa National Equestrian Centre (Pty) Ltd

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## Statement of Cash Flows

Figures in Rand	Note(s)	2020	2019
<b>Cash flows from operating activities</b>			
Cash used in operations	7	(929,703)	(1,293,580)
Interest income		846,271	960,516
Finance costs		(1,871)	(61)
Tax paid		(47,369)	-
<b>Net cash from operating activities</b>		<b>(132,672)</b>	<b>(333,125)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(96,284)	(215,196)
Loans to shareholders repaid		94,404	41,750
<b>Net cash from investing activities</b>		<b>(1,880)</b>	<b>(173,446)</b>
<b>Cash flows from financing activities</b>			
Proceeds on share issue	4	-	7,875
Proceeds from shareholders loan		13,849	-
<b>Net cash from financing activities</b>		<b>13,849</b>	<b>7,875</b>
<b>Total cash movement for the year</b>		<b>(120,703)</b>	<b>(498,696)</b>
Cash at the beginning of the year		14,999,889	15,498,585
<b>Total cash at end of the year</b>		<b>14,879,186</b>	<b>14,999,889</b>

# South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

## Accounting Policies

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### 1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

#### 1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act 71 of 2008 of South Africa, as amended.

These annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the company's functional currency.

These accounting policies are consistent with the previous period.

#### 1.2 Property, plant and equipment

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

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 company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

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 company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year 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 company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

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
Furniture and fixtures	Straight line	6 Years
Office equipment	Straight line	5 Years

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The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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

# South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

## Accounting Policies

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### 1.2 Property, plant and equipment (continued)

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.

### 1.3 Financial instruments

#### Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

#### Loans to (from) group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

#### Loans to shareholders, directors, managers and employees

These financial assets are classified as loans and receivables.

#### Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

#### Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

# South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

### 1.4 Tax

#### Current tax assets and liabilities

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

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

#### Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

### 1.5 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the company in which they are declared.

### 1.6 Turnover

Turnover comprises of sales to customers and service rendered to customers. Turnover is stated at the invoice amount and is exclusive of value added taxation.

### 1.7 Borrowing costs

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

# South Africa National Equestrian Centre (Pty) Ltd

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Annual Financial Statements for the year ended 31 July 2020

## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
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### 2. Property, plant and equipment

	2020			2019		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	7,105,327	-	7,105,327	7,105,327	-	7,105,327
Furniture and fixtures	159,907	(18,173)	141,734	72,950	(10,153)	62,797
Office equipment	41,705	(23,429)	18,276	41,705	(15,088)	26,617
Audio Visual Equipment	103,496	(19,533)	83,963	94,169	(9,417)	84,752
<b>Total</b>	<b>7,410,435</b>	<b>(61,135)</b>	<b>7,349,300</b>	<b>7,314,151</b>	<b>(34,658)</b>	<b>7,279,493</b>

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

	Opening balance	Additions	Depreciation	Total
Buildings	7,105,327	-	-	7,105,327
Furniture and fixtures	62,797	86,957	(8,020)	141,734
Office equipment	26,617	-	(8,341)	18,276
Audio Visual Equipment	84,752	9,327	(10,116)	83,963
	<b>7,279,493</b>	<b>96,284</b>	<b>(26,477)</b>	<b>7,349,300</b>

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

	Opening balance	Additions	Depreciation	Total
Buildings	6,988,650	116,677	-	7,105,327
Furniture and fixtures	65,742	4,350	(7,295)	62,797
Office equipment	34,958	-	(8,341)	26,617
Other property, plant and equipment	-	94,169	(9,417)	84,752
	<b>7,089,350</b>	<b>215,196</b>	<b>(25,053)</b>	<b>7,279,493</b>

#### Details of properties

##### Property 1

Jr situated in the pretoria district ,in extent of 21.9826 hectares, with building thereon,held under Deed of transfer NO 25231/1973.

- Purchase price: 1 December 2005	130,410	130,410
- Additions since purchase or valuation	1,700,541	1,700,541
-Additions at cost -2004	213,545	213,545
-Additions at cost -2005	281,488	281,488
-Additions at cost -2006	356,124	356,124
-Additions at cost -2007	36,000	36,000
-Additions at cost -2008	157,818	157,818
-Additions at cost -2010	459,327	459,327
-Additions at cost -2011	758,241	758,241
-Additions at cost -2012	62,465	62,465
-Additions at cost -2013	54,725	54,725
- Capitalised expenditure	2,777,966	2,777,966
-Additions at cost -2019	116,677	116,677
	<b>7,105,327</b>	<b>7,105,327</b>

# South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

## Notes to the Annual Financial Statements

Figures in Rand	2020	2019
<b>3. Loans to shareholders</b>		
Kyalami Park Club	-	94,404
The loan is unsecured, bears interest at variable rate and has no fixed terms of repayment.		
<b>4. Share capital</b>		
<b>Authorised</b>		
2800 Ordinary Class A no par value shares	2,800	2,800
7200 Ordinary Class B no par value shares	7,200	7,200
	<b>10,000</b>	<b>10,000</b>
<b>Issued</b>		
Ordinary	22,357,938	22,357,938
<b>5. Loans from shareholders</b>		
Kyalami Park Club	13,849	-
The loan is unsecured, bears interest at variable rate and has no fixed terms of repayment.		
<b>6. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current</b>		
Local income tax - current period	11,005	5,860
<b>7. Cash used in operations</b>		
Profit before taxation	37,433	14,084
<b>Adjustments for:</b>		
Depreciation and amortisation	26,477	25,053
Interest income	(846,271)	(960,516)
Finance costs	1,871	6,904
<b>Changes in working capital:</b>		
Trade and other receivables	(186,854)	(138,080)
Trade and other payables	37,641	(241,025)
	<b>(929,703)</b>	<b>(1,293,580)</b>
<b>8. Related parties</b>		
<b>Relationships</b>		
Shareholder with significant influence	Kyalami Park Club	
<b>Related party balances</b>		
<b>Loan accounts - Owing (to)/by related parties</b>		
Kyalami Park Club	(13,849)	94,404



# South Africa National Equestrian Centre (Pty) Ltd

(Registration number 1972/005124/07)

Annual Financial Statements for the year ended 31 July 2020

## Detailed Income Statement

Figures in Rand	Note(s)	2020	2019
<b>Revenue</b>			
Rental income		1,350,497	1,752,969
<b>Other operating income</b>			
Sundry income		96,703	188,254
Discount received		-	4,171
		<b>96,703</b>	<b>192,425</b>
<b>Other operating expenses</b>			
Accounting fees		36,110	40,120
Auditors remuneration		78,071	22,000
Bank charges		5,986	4,640
Cleaning		29,693	964
Computer expenses		6,178	7,158
Consulting and professional fees		322,843	656,740
Depreciation		26,477	25,053
Discount allowed		-	4,171
Employee costs		791,481	543,464
Entertainment		-	4,305
Insurance		81,311	73,381
Legal fees		-	32,200
Motor vehicle expenses		28,458	7,528
Municipal expenses		440,749	342,923
Printing and stationery		3,936	689
Repairs and maintenance		324,432	1,065,286
Secretarial fees		3,500	5,500
Security		53,576	40,300
Staff welfare		8,698	-
Subscriptions		12,518	7,900
Telephone and fax		150	600
		<b>2,254,167</b>	<b>2,884,922</b>
<b>Operating loss</b>		<b>(806,967)</b>	<b>(939,528)</b>
Investment income		846,271	960,516
Finance costs		(1,871)	(6,904)
<b>Profit before taxation</b>		<b>37,433</b>	<b>14,084</b>
Taxation	6	(11,005)	(5,860)
<b>Profit for the year</b>		<b>26,428</b>	<b>8,224</b>