

SOUTH AFRICAN ORIENTEERING FEDERATION

ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2018

Duncan T. Eriksson
Chartered Accountants (S.A.)
Registered Chartered Accountants and Auditors
Issued 14 September 2018

**SOUTH AFRICAN ORIENTEERING FEDERATION
ANNUAL FINANCIAL STATEMENTS
For the year ended 30 June 2018**

The reports and statements set out below comprise the annual financial statements presented to the members.

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Approval

The financial statements which appear on pages 2 to 15 were approved by the Management Committee on 14 September 2018.

G. Morrison
President

K. Robinson
Vice President Administration

Johannesburg
14 September 2018



Duncan T. Eriksson
Chartered Accountants (S.A.)
Registered Accountants and Auditors
Information Technology Audit Specialist
Business Advisor

247 Willson Street, Fairland
PO Box 1734, Northcliff, 2115
Tel: 0116789134
Fax: 0866708886
email: dteriksson@mweb.co.za

Report of the independent auditors To the members of SOUTH AFRICAN ORIENTEERING FEDERATION

We have audited the financial statements of South African Orienteering Federation which comprise the balance sheet as at 30 June 2018, the income statement, the statement of movement in funds and cash flow statement for the year ended, and other explanatory notes, as set out on pages 2 to 8 for the year ended 30 June 2018. These financial statements are the responsibility of the executive committee. Our responsibility is the report on these financial statements.

President and committee members' responsibility for the Financial Statements

The entity's president and committee members are responsible for the preparation and fair presentation of these financial statements in accordance with the associations accounting policies. This responsibility include; designing implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement. Whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including an assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide for our audit opinion.

Qualification

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections prior to the initial entry of the collections in the accounting records. Accordingly it was impractical for us to extend our examination beyond the receipts actually recorded.

Qualified audit opinion

Except for the effects of any adjustments which might have been necessary had it been possible for us to extend our examination of the foregoing, in our opinion these financial statements fairly present in all material respects, the financial position of the organisation at 30 June 2018 and the results of its operations for the year ended in conformity with the accounting practices of the organisation.

Supplementary information

The supplementary schedules set out on pages 9 - 15 do not form part of the annual financial statements and are presented as additional information only. We have not audited these schedules and accordingly we do not express an opinion thereon

Johannesburg
14 September 2018

Duncan T. Eriksson
Registered Chartered Accountants and Auditors

SOUTH AFRICAN ORIENTEERING FEDERATION

Statement of Financial Position
As at 30 June 2018

	Notes	2018 R	2017 R
ASSETS			
Non-current assets			
Fixed assets	3	76 344	122 165
Current Assets			
Cash and cash equivalents	4	241 956	274 229
Total current assets		241 956	274 229
Total assets		318 300	396 394
FUNDS AND LIABILITIES			
Funds			
Accumulated funds	Page 4	195 505	296 673
EMIT Replacement fund	2	122 795	99 721
Total Funds		318 300	396 394
Current liabilities			
Accounts payable	5	-	-
Total Funds and Liabilities		318 300	396 394

SOUTH AFRICAN ORIENTEERING FEDERATION**Statement of comprehensive income
For the year ended 30 June 2018**

	Notes	2018 R	2017 R
Revenue	Page 10	444 523	611 345
Expenditure	Page 11	-522 617	-627 611
Net surplus for the year		<u>-78 094</u>	<u>-16 266</u>

SOUTH AFRICAN ORIENTEERING FEDERATION

**Statement of movements in funds
For the year ended 30 June 2018**

	Accumulated Funds R
Balance as at 30 June 2012	219 076
Net surplus for the year per the income statement	29 898
Transfer to EMIT Replacement Fund	-13 236
Balance as at 30 June 2013	<u>235 738</u>
Net surplus for the year per the income statement	115 004
Transfer to EMIT Replacement Fund	-18 090
Balance as at 30 June 2014	<u>332 652</u>
Net surplus for the year per the income statement	-161 138
Transfer to EMIT Replacement Fund	-16 052
Transfer from EMIT Replacement Fund	60 763
Balance as at 30 June 2015	<u>216 225</u>
Net surplus for the year per the income statement	68 204
Transfer to EMIT Replacement Fund	-16 690
Transfer from NLDTF Fund	9 976
Transfer to SRSA Fund	-41 373
Balance as at 30 June 2016	<u>236 342</u>
Net surplus for the year per the income statement	-16 266
Transfer to EMIT Replacement Fund	-12 791
Transfer from SRSA Fund	89 388
Balance as at 30 June 2017	<u>296 673</u>
Net surplus for the year per the income statement	-78 094
Transfer to EMIT Replacement Fund	-23 074
Transfer from SRSA Fund	0
Balance as at 30 June 2018	<u><u>195 505</u></u>

SOUTH AFRICAN ORIENTEERING FEDERATION

Statement of Cash Flow
For the year ended 30 June 2018

	Notes	2018 R	2017 R
Cash Flow from operating activities			
Cash generated from operations	7	-44 714	-12 600
Investment income		12 441	15 749
Net cash flow from operating activities		<u>-32 273</u>	<u>3 149</u>
Cash Flow from investing activities			
Purchase of fixed assets		0	-63 261
Net cash flow from investing activities		<u>0</u>	<u>-63 261</u>
Cash flow from financing activities			
(Decrease) / Increase in capital funds		0	0
Net change in cash and cash equivalents		<u>-32 273</u>	<u>-60 112</u>
Cash and cash equivalents at beginning of year		274 229	334 341
Cash and cash equivalents at end of year		<u>241 956</u>	<u>274 229</u>

SOUTH AFRICAN ORIENTEERING FEDERATION

Notes to the financial statements
For the year ended 30 June 2018

1. Accounting policies

The financial statements are prepared on the historical cost basis. Accounting policies, where appropriate, have been changed to comply with current accounting practice.

Fixed assets policy

Fixed assets are stated at cost and depreciated at rates considered appropriate to reduce carrying values to estimated residual values over their estimated useful lives.

- Equipment 20,00% Straight line

National Lotteries Distribution Trust Fund (Lottery) and Sport and Recreation South Africa (SRSA)

Lottery/ SRSA Grants are recognised where there is reasonable assurance that the Federation will comply with the conditions applicable to the grant and that the grants will be received. Lottery/ SRSA grants that relate to expenses are recognised as income on a systematic and reasonable basis, over the period necessary to match them with the related costs.

	2018 R	2017 R
2. EMIT Replacement Fund		
Balance at beginning of the year	99 721	86 930
<i>Add:</i>		
Transfer from accumulated funds	23 074	12 791
<i>Less:</i>		
Transfer to accumulated funds	0	
Balance at the end of the year	<u>122 795</u>	<u>99 721</u>

3. Fixed Assets

	Cost 2018 R	Accumulated Depreciation 2018 R	Carrying Value 2018 R	Cost 2017 R	Accumulated Depreciation 2017 R	Carrying Value 2017 R
EMIT 2013	109 661	103 865	5 796	109 661	83 865	25 796
EMIT 2015	65 843	34 708	31 135	65 843	21 539	44 304
EMIT 2016	63 261	23 848	39 413	63 261	11 196	52 065
	<u>238 765</u>	<u>162 421</u>	<u>76 344</u>	<u>238 765</u>	<u>116 600</u>	<u>122 165</u>

The carrying amounts of fixed assets can be reconciled as follows:

	2018				2018
	Carrying value value at beginning of year R	Additions R	Disposals R	Depreciation R	Carrying value value at end of year R
EMIT 2013	25 796			-20 000	5 796
EMIT 2015	44 304			-13 169	31 135
EMIT 2016	52 065			-12 652	39 413
	<u>122 165</u>	<u>0</u>	<u>0</u>	<u>-45 821</u>	<u>76 344</u>

SOUTH AFRICAN ORIENTEERING FEDERATION

Notes to the financial statements
For the year ended 30 June 2018 (continued)

	2018 R	2017 R
4. Cash and cash equivalents		
Market Link	214 357	251 876
Current account	<u>27 599</u>	<u>22 353</u>
	<u><u>241 956</u></u>	<u><u>274 229</u></u>
5. Accounts payable		
JWOC 2016	<u>0</u>	<u>0</u>
	<u><u>0</u></u>	<u><u>0</u></u>
6. Administrative expenses		
Administrative expenses includes:		
Depreciation		
Fixed assets	45 821	53 706
7. Cash generated from operations		
Net operating surplus	-78 094	-16 266
Add:		
Depreciation	45 821	53 706
Less:		
Investment income	-12 441	-15 749
	<u>-44 714</u>	<u>21 691</u>
Movements in working capital		
(Increase) / Decrease in receivables	0	0
Increase / (Decrease) in payables	0	-34 291
	<u><u>-44 714</u></u>	<u><u>-12 600</u></u>
8. Taxation		

No taxation has been provided as the association is a non profit organisation.

**Supplementary information
For the year ended 30 June 2018**

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SOUTH AFRICAN ORIENTEERING FEDERATION

Detailed income statement
For the year ended 30 June 2018

	2018 R	2017 R
INCOME		
Affiliation fees	6 303	9 950
Courses	6 000	
Club redistribution		25 500
Development fund	13 601	13 670
Equipment hire	23 074	12 791
Equipment sales	11 090	7 200
JWOC 2017		59 480
Grants		
KZN department of sport		130 916
SRSA	310 612	300 000
	310 612	430 916
Miscellaneous		
Interest received	12 441	15 749
Race Levies	53 502	33 249
Training camps	7 000	2 840
Schools camp		
Schools league	900	
	444 523	611 345
Less:		
Expenditure	-522 617	-627 611
NET SURPLUS for the year	-78 094	-16 266
Transfer to EMIT Replacement Fund	-23 074	-12 791
Transfer from / (to) SRSA Fund	-	89 388
ACCUMULATED FUNDS at beginning of the year	296 673	236 342
ACCUMULATED FUNDS at end of the year	195 505	296 673

SOUTH AFRICAN ORIENTEERING FEDERATION

Expenditure statement
For the year ended 30 June 2018

	2018 R	2017 R
Expenditure		
Accommodation		
International		
Training camps	19 085	28 890
	19 085	28 890
Audit fees	13 110	12 255
Bank charges	3 914	3 379
Clothing		14 905
Coaches fees	56 189	79 591
Depreciation	45 821	53 706
Equipment development		1 839
Event subsidies	23 550	13 012
First aid	4 851	6 954
Insurance	13 500	14 175
International affiliation	13 508	13 206
International competitions		
JWOC 2017	119	59 645
JWOC 2018	3 189	0
Other	1 452	917
	4 760	60 562
ITC (Phone, fax and computer expenses)	2 077	1 877
League participation		
Mapping	96 250	104 238
Meals and entertainment	7 073	4 400
Medals and trophies	1 590	7 888
Office rental	65 500	60 000
Postage and delivery	890	678
Stationery and printing	10 781	2 531
Training courses and materials	32 406	38 759
Training camps		-2 090
Transport	100 570	88 613
Travel - international	5 452	14 575
Travel - local	420	
Venue hire	538	
WRE event costs	781	3 668
	<u>522 617</u>	<u>627 611</u>

Sport and Recreation South Africa Administration Grant
For the year ended 30 June 2018

	SRSA 2016/2017 Grant				SRSA 2017/2018 Grant				
	Budget Apr 2016 to March 2017	SAOF 2015/16 Actual Apr 2016 to June 2016	SAOF 2016/17 Actual July 2016 to March 2017	Under (+)/ Over (-)	Budget Apr 2017 to March 2018	SAOF 2016/17 Actual Apr 2017 to June 2017	SAOF 2017/18 Actual July 2017 to March 2018	Under (+)/ Over (-)	
Accommodation - Domestic	0				2000	0	2000	0	
Auditing/Accounting fee	12000		12255	-255	13500	0	13110	390	
Bank charges	4000	678	2685	637	4000	160	3521	319	
Catering for meetings	0				500	0	0	500	
Insurance	14000		14175	-175	16000	0	13500	2500	
International affiliation fee	13000		13206	-206	16000	0	13508	2492	
Office rental	50000	15000	34333	667	63000	5000	58500	-500	
Printing and stationery	2000	900	727	373	4000	432	1503	2065	
Postal Costs	500		495	5	1500	183	198	1119	
Telephone and fax	1500	447	1430	-377	2500	447	1420	633	
Travel	0				15000	0	32127	-17127	
Other - WRE Fees	3000		3668	-668	6000	0	0	6000	
Other - Medals					6000	0	4391	1609	
Administration	100000	17025	82975	0	150000	6222	143778	0	
Accommodation	5000	2400	4920	-2320	10000	0	9940	60	
Coach fees	2000	0	1000	1000	20000	0	20000	0	
Course material	10000	0	17834	-7834	45000	0	41045	3955	
Equipment	0	0	0	0	0	0	0	0	
Meals/Refreshments	2000	0	0	2000	1500	0	4977	-3477	
Hiring of Venue	0	5695	6154	-11849	0	0	538	-538	
Other - Marketing / Event Subsidies	28000	19367	13823	-5190	17000	2700	14300	0	
Transport	33000	15574	19360	-1934	38500	14574	23926	0	
Development	80000	43036	63091	-26127	132000	17274	114726	0	
Mapper costs	90000	0	90000	0	82000	0	82000	0	
Strategic maps	90000	0	90000	0	82000	0	82000	0	
Electronic Timing Cards	0	0	63261	-63261	0	0	0	0	
Transport	11000	0	11748	-748	17500	0	16687	813	
Accommodation	10000	0	9800	200	6000	0	8960	-2960	
Meals/Refreshment	0	0	0	0	0	0	0	0	
Course Materials	1500	0	1372	128	2000	0	2524	-524	
Coaches Fees	7000	0	7080	-80	10000	0	7829	2171	
Hiring of Venues	500	0	0	500	500	0	0	500	
Other - Performance Incentives	0	0	0	0	0	0	0	0	
High Performance	30000	0	30000	0	36000	0	36000	0	
Total 2016/17	300000	60061	329327	-89388	400000	23496	376504	0	
Underspend 2013/14	48015								
Underspend 2015/16	41373								
Total SRSA	389388	60061	329327	0	400000	23496	376504	0	

Notes

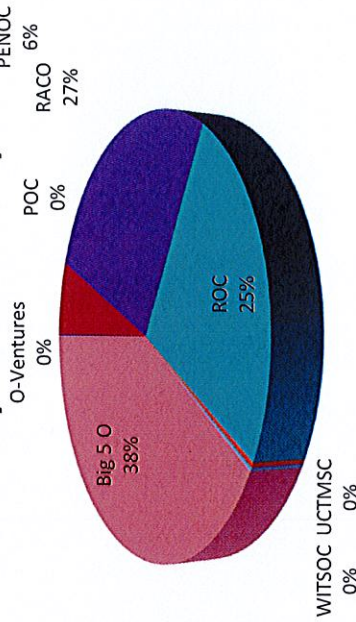
1 In the case of SRSA grants, under-spend in one SRSA financial year (April to March the following year) can be spent in the following year. However, this expenditure must be in terms of the new grant agreement and not the historical allocation.

2 In the 2017 AFS, the SAOF assumed that permission had been granted by SRSA to utilise the 2013/14 and 2015/16 underspend in the 2016/17 grant period. This was later found out to be incorrect. As a result this amount of R89 388 was reallocated to SAOF's own funds. Instead for the 2017/18 grant, SRSA paid the SAOF an amount of R400 000 - R89 388 = R310 622 and hence the underspend from 2013/14 and 2014/15 was utilised as part of the 2017/18 grant. This was done according to the principle in Note 1 above.

**SOUTH AFRICAN ORIENTEERING FEDERATION
INCOME FROM MEMBERS**

	Member											Year			
	O-Ventures	PENOC	POC	RACO	ROC	UCTMSC	WITSOC	Big 5 O	2013/4	2014/5	2015/6	2016/7	2017/8		
Affiliation Fees	R 100	R 495	R -	R 3 060	R 1 925	R 275	R 248	R 100	7 020	7 460	5 840	9 776	6 203		
Emit Hire	R -	R 816	R -	R 5 498	R 4 961	R -	R -	R 11 799	13 236	18 090	13 764	12 427	23 074		
Race Levies	R -	R 3 760	R -	R 13 911	R 13 303	R -	R -	R 22 528	31 707	40 467	32 369	31 710	53 502		
Courses									0			0	0		
School Camp									4 800	5 600	5 800	0	0		
School League											2 580	0	0		
Income 2017/18	R 100	R 5 071	R -	R 22 469	R 20 189	R 275	R 248	R 34 427	51 963	71 617	59 402	53 913	82 779		

Income by Member 2017/18



Income by Type 2017/18

