



**EQUESTRIAN SOUTH AUSTRALIA**  
**ANNUAL REPORT 2017-18**

## Table of Content

Chairman's Report	Page 3
Carriage Driving Report	Page 6
Coaching Report	Page 7
Eventing Report	Page 8
Interschool Report	Page 10
Show Horse Report	Page 12
Jumping Report	Page 14
Vaulting Report	Page 16
Finance, Audit and Risk Management Committee Report	Page 18
Auditors Report	Page 21
Financial Report	Page 23

## Chairman's Report

The year that was, it has been one that has produced many positives following on from the base set by the previous year's Board, especially the vision to move forwards in a positive manner.

Our new accounting system offered the challenges one would expect but with the incredibly hard work and expertise from within the Board, by February we were able to deliver monthly reports to the Discipline committees that offered transparency and the detail they had been asking for.

The Strategic Plan that was finalised last year, has been reviewed with many outcomes already nearing completion. It has also been through a yearly review, which has indicated some things may not be achievable until the National body, Equestrian Australia, has also stabilized and reviewed their direction

As a Board member, I attended my first board meeting in early December and was welcomed into a very hard working and united group of volunteers who were all willing to get the tasks at hand done.

In late December the Board was asked to hold an urgent meeting with a group of members, both current and ex-Chairs of discipline committees, and some other members that had been on committees.

The Board obliged this group, and met within a very short time frame, having to forgo many pre-Christmas commitments to accommodate this request, and we made a commitment to consider their views, and review some of the historic events that were presented.

Unfortunately, before the Board had sufficient time to fully review and implement ways forward, part of the group sought the Boards attention again - this time accusing us of inaction, even though none of the issues discussed had been formal requests but had been delivered as an insight as to how we as a Board could move forwards.

The Board decided to request the individuals to meet with some members of the Board to allow a more individual discussion, based on the issues of their own discipline, however only two disciplines took up this offer.

To me this has led to totally unnecessary angst amongst our members, who have been fed rumors, and uninformed accusations concerning staff and the Board. Since this time, the Board has had to endure continual criticism, yet those critics offered no actual incidents that we could action to resolve, nor any indication of how they are planning to solve the supposed "mess" we have made.

We as a Board may not be perfect, however we have had one common goal, and as Directors are required to provide good governance to achieve this. This has not been popular in some circles, especially where we have had to act within legal boundaries, which are in the best interests of the all members and the Association, and I truly hope that one day all of you will appreciate our endeavors.



Our Disciplines and working parties have continued to hold their own and run the Championships that are expected by the membership, and to those volunteers who have done this I say 'Thank You'. Without your support as genuine members who just wish to see your sport succeed we as an organisation would see most of the members disadvantaged.

While the Board was enduring all the above, we delivered many positives that you the membership asked for. I will list these below, however we have much more to achieve for you as members, and we are willing to work with you all to achieve your desires.

This is just a short list of the delivered achievement you expected while a small group of others have worked to distract us from the goals being achieve for you as members, and finalised some of the improvements implemented by the previous Board.

We have continued with a new accounting package, and sought auditor input into financial management practices by increased financial accounting expertise and I thank the FARMC for their strong input in this matter.

We offered and were pleased by the Disciplines support, at an open training session for Disciplines on the new system; accounting principles and financial requirements; and standardised and increased transparency in monthly financial reporting to Disciplines.

We identified a need to appoint an independent investigator to review member complaints and concerns, and then acted on the outcomes of these investigations.

It was obvious that clear guidelines and expectations for the office staff on behaviors, customer service and support services to members needed review, and we have appointed an Industrial Relations Partner to review employment and office policies. We are currently undertaking a strategic review of the structure, staffing and resourcing required to move the organisation forward, but it all takes time and valuable resources.

We have upheld a zero-tolerance policy of any form of bullying, ensured all complaints received have been taken very seriously and thoroughly investigated by the independent investigator. In saying this the Board has endured considerable unwarranted written abuse, but as individuals we have chosen not to inflame situations by making comment.

These investigations have been completely impartial, and the Board had undertaken appropriate action upon completion of investigations with review measures put in place to ensure any disciplinary action is consistent, reasonable and fair.

In very early July I was asked by the Board to take on the role of Chair, in an extremely turbulent time. The media had already started to attack Equestrian for varied reasons, and ESA had not gone under the radar. Social media was in its element.

Through guidance, I believe we as an organisation have come through this a little wiser, but also much stronger in listening to our "general membership" not just those with short term grievances

Personally, and this maybe hurtful to some within this room, if you as individual members and small splinter groups continue to press boundaries outside what the Board can deliver legally, I wish you well, but let the overall membership decide your destination.

Before I close, as only having held the Chair position for short of 3 months, I thank every member, every staff member and all that have worked tirelessly to make ESA a better place.

But to the current Board I just say thank you. You all know I do not need to say more, as to have represented you has been an absolute privilege.

I, and your Board are looking forward to working with you all in the coming years.

**Peter Graham**

Chairman



## Carriage Driving

Due to difficulties experienced by our Committee having a working relationship with the CEO of Equestrian South Australia, our activities have been undertaken largely through Angas EA affiliated club this year.

These included Driven Dressage days and rallies.

We received a grant from the EA NCDC which enabled us to hold a very successful clinic in May with Max Pearce NCAS Coach and EA judge.

Three members of the EA NCDC are South Australians – Jackie Boyd, Di Norris and Christine Gibbons.

We will be involved again in organising and running the Cones and Obstacle driving competitions at the Adelaide Royal Show.

We look forward to running our carriage driving event in November this year in association with the Adelaide International Horse Trials at Victoria Park which was very successful in 2017.

Our main goal at present is to rebuild an active and enthusiastic Carriage Driving Committee.

Anne Lindh



## Coaches Report

Our last coach's update was held in December 2017. It was a great success with most SA coaches attending a very informative session with the renowned Mr Martin Plewa.

We are expecting to have another update this year with Mr Plewa, again as a joint effort with the judges working group using a different theme. Keep the date 30/11/18 free for this we will be encouraging all disciplines to attend, riders, coaches, judges.

We have lost a number of higher level coaches this year, condolences to the families of Gill Rolton and Gavin Ramsey and also the retirement of Mary Hovers and Di Keach. We are looking to encourage new coaches into the system and current coaches to upgrade to the next level.

There is a new equestrian national pathways administrator Ms Amy McGregor, it will be interesting to see any new developments in the educational pathways.

Currently there are about six new trainees in the SA system and an orientation to coaching will be held very soon.

A professional development opportunity for coaches on the 21/9/18 with the Helen Davies seminar run by horse SA. This seminar accrues update points for coaches.

Lynda Smith  
Chair  
Coaching Committee ESA





## Eventing Report

The Eventing discipline committee would like to thank all the hard working Organizing Committees, Technical Delegates, Course Designers, Course Builders, Judges, Stewards and the masses of volunteers who make Eventing possible in this state for all our riders junior to senior from 50cm to 4\*

Unlike the Eastern States, South Australia has a small number of competitors and it is very encouraging for South Australian Organizing Committees to get 100 plus riders enter their events.

This does however present the ever consistent funding problems for the maintenance and development of cross country courses, equipment and the wanting to run FEI competitions for the star classes

The 2017/2018 year with the assistance of the Terry Snow Foundation saw the implementation of frangible MIMS clips for 1\* and above cross country track on fences where they required and we will endeavor to roll out more of these MIMS clips Free Of Charge to Organizing Committees in 2018/2019

We have had some very exciting young riders work their way up through the grades and make it onto the State Squad list with most of these riders making the pilgrimage to Melbourne International 3DE to compete in their first CCI\*.

This competition exposes the horse and rider combinations to a very different atmosphere which can present a vast array of different challenges for each combination, there is always something that needs to be worked on in this very challenging sport.

The Gillian Rolton Youth Development weekend was held in January, 2018 at Strathalbyn with the other disciplines and at Kirkcaldy Park on Sunday for the cross country.

We had lots of applicants for this weekend with the 12 highest performed riders being selected to attend the weekend.

Tracey Leigh was our selector and Prue Barrett was our coach for the weekend. The riders all enjoyed the weekend with Steph Hann being awarded the Youth Development Scholarship for the 2<sup>nd</sup> consecutive year.



It is on a sad note that I must mention the passing of Gillian Rolton in November 2017, a well-respected rider, coach, mentor, FEI Official, driving force behind AIHT and more importantly friend to all who knew her. Gill will be greatly missed by everyone who is or has been involved in Equestrian especially in South Australia.

Wishing everyone involved in Eventing in South Australia a successful 2018/2019.

Eventing Discipline Committee



## Interschool Report

It has been a massive year for Interschool in South Australia, with the highest level of registration of competitors since inception.

Continuing with the format introduced in 2015, riders participated in a series of official Interschool qualifying competitions between January and May, with 3-7 events for each discipline. Most of the events were held in conjunction with official events for each discipline. Without the ongoing support of the committees of these events it would be difficult to provide enough opportunities for our junior riders to qualify to represent South Australia at the Australian Interschool Championships.

The qualifying competition period was one carried with challenges to say the least. Behind the scenes there was countless hours from the Equestrian SA office staff and volunteers to help run the events for Interschool riders. Without the support of parents, volunteers and sponsors Interschool events would not be possible. Thank you to everyone who contributed in any way during 2018, we look forwards to your continued support in 2019.

### Interschool State Championships

Interschool State Championships were held at the Royal Adelaide Show Grounds Saturday 14<sup>th</sup> and Sunday 15<sup>th</sup> April. Due to the inclement weather on the Saturday the Executive Committee of Equestrian SA and the Organisers of the State Championships made the decision to transfer Saturday's events to Monday 16<sup>th</sup> April for the safety and welfare of both rider and horse.

### Fundraising and Donations

Fundraising was strong this year with proceeds raised through Bunnings BBQ, Cadbury Chocolates and donations valued at more than \$4,000 that were raffled at the Interschool State Championships and Annual Awards Dinner. Thank you to all that supported or contributed to these events.

### Annual Awards Dinner

The Annual Awards Dinner held at the end of June is an important part of our Interschool calendar and recognises the achievements of riders from each discipline. Well done to everyone who has competed this year and congratulations to those who won Discipline Awards.

### Australian Interschool Championships

Forty-eight riders have been selected onto the South Australian Interschool Squad to compete at the 2018 Australian Interschool Championships to be held in Victoria, at Werribee Park National Equestrian Centre from 1<sup>st</sup> October to 5<sup>th</sup> October.

Our team will be looking bright and professional in the new red, white and navy uniform in conjunction with their horses and ponies smart looking show rugs.

We are delighted and privileged to have Megan Jones, Tamsin Adcock and Clive Reed as Coaches for the team, Marie Nitschke as Chef d'Equipe and Lyndal Clarke as Team Manager.

We wish to congratulate those on their selection to represent South Australia at the Australian Interschool Championships and wish you every success.



### Interschool Format 2018-2019

Whilst getting the 2018 qualifying competition completed there has been plenty of activity behind the scenes, listening to your feedback and how Equestrian South Australia can improve upon the Interschool format.

As interest and registration for Interschool continues to increase it was pleasing to gain the support of the Equestrian SA Board to have Interschool treated as a discipline in its own right and support the proposal to form an Interschool committee at the AGM.

The Equestrian SA Board will rely on support from the Interschool discipline committee and also from volunteers and parents to help run events and ensure we have an event better Team SA for 2019.

### Major Sponsor

We are very pleased and excited to announce Thomas Farms as the Major Sponsor of Equestrian SA Interschool for the next three years, providing their very substantial support of \$10,000 each year.

Thank you Thomas Farms. As a result of your generous sponsorship Interschool South Australia will be able to provide a competition structure that will give opportunities for South Australian Interschool riders to progress from grass roots level to a National level with the aim of developing excellence in equestrian sport.

Lyndal Clarke

**Interschool Equestrian SA**



## Show Horse Report

A Show Horse Working Party was appointed by the board at the end of 2017.

Alyson Emery, Leanne Donoghue and Mishka Ker were appointed to the group, with Kerry Halliday and Maddison Maitland later in the year.

Alyson Emery was appointed by the Board as SA Rep for the National Show Horse Committee.

2018 saw the Tomich Wines Hack Show being held at the Winery. The initial day was cancelled due to weather conditions and re-scheduled. The show was not well supported and this was disappointing.

2018 also saw the start of the Gala Shows being qualifiers for the Southern Cross Horse Spectacular and SA High Point awards with the Summer Gala Show being the first held at Oakbank Racecourse in January.

Ms Francesca Christie from Victoria and Mrs Elizabeth Haggett from South Australia were the judges.

The Autumn Show was held at the University of Adelaide, Roseworthy Campus with Mr Mark Kenzig from Victoria judging. Numbers were low, but quality of the competitors was of a high caliber.

The Winter Show was a High Point show only and we held an Encourage Childs ring at the Indoor arena at Wistow. Once again not well supported by members but was a good event.

The Spring Show will be held on the 16 September at Strathalbyn Polo grounds with Mrs Michelle Chamberlain from Vic officiating. Numbers are better for this event and the weather looks fine.

Horse Of The Year preparation is under way with the event being held once again at RAHS Wayville Show Grounds on Friday 12<sup>th</sup>, Saturday 13<sup>th</sup> and Sunday 14<sup>th</sup> October.

We are once again required to have all horses stabled at this event with costs remaining the same as in 2017. Competitors are able to share stabling with others who may not be competing on the same day.

Show Hunters are on the Saturday with Show Horses on the Sunday.



Events on Friday will include Newcomers, Owner Riders, Garland and Shetland Classes. Newcomer entries are positive and close on the 14 September. All other entries close on the 21<sup>st</sup> September.

With the working party finishing and a new committee being formed we are hoping to look into grant proposals to help escalating costs for competitors at our HOTY and then Nationals.

We wish the new committee all the best.

Alyson Emery and Leanne Donoghue  
**Show Horse Working Party**



## Jumping Report

The Jumping Committee continues to work hard to support all areas of our sport of Jumping in South Australia. We have a great group of dedicated people with different skill sets, working together to manage our sport both functionally and financially, striving to improve the sport for all jumping riders in this State.

Our Jumping Squads have continued to improve with at least three members of our Junior Development Squad upgrading to the Junior Young Rider Squad. Our Junior Riders from last year are also now competitive in Young Rider classes, including Troy Woollard who was a first-time winner of the National Young Rider selection series class at the recent 2018 Adelaide Royal Show.

We held two clinics with David Cameron and one with Jamie Coman this year. All clinics have been extremely well supported and we are planning more.

Our State Championships at Wayville was once again a huge success and we are indebted to our great sponsors and business partners. This year saw record entries from here and interstate and whilst the normally perfect grounds at Wayville had its flaws this year, we still received rave reviews for the event. Our continued success with this annual event provides further funding to upgrade and maintain our jumping equipment and reinvest in our sport. Whilst many interstate riders had success in some of our championship classes, Anthony Thomas won the Senior State Speed Championship and Conor Reed won the State Young Rider Championship and Junior Speed Championship.

We have improved our information available to our jumping riders and show organisers via the Equestrian SA website. This is now a 'one stop shop' for everything related to jumping in our State including the annual event calendar incorporating special award classes, up to date Leader-boards, Jumping Squad criteria, Show Organiser information and much more. Our sincere thanks to Felicity in the ESA Office for helping to make this possible.

Unfortunately, we have experienced trying times with the Equestrian SA Board, particularly in regards to their reluctance to meet with the "joint chairs" of our state's Olympic disciplines. The joint chairs position was intended to benefit all disciplines as a whole. As well as other matters, a key point was for disciplines to be given the opportunity to provide skilled advice in the utilisation of the HP funding to ensure it was applied efficiently across all of our sports. Regrettably, their refusal to meet with the Discipline Chairs as a group resulted in the resignation of some of our State's most experienced equestrian minds and was the catalyst that caused ill feeling with a vast number of our members across all disciplines.

Finally, on a far more positive note, congratulations must go to our SA jumping riders whose results have been recognised nationally:

- Sarah Wigney and Conor Reed selected on the National Young Rider Elite Squad.
- Conor Reed making the final 4 to attend the Youth Olympic Games selection trial and success in the Australian Junior Team, winning the Junior Nations Cup team event in Beijing, China.
- Sarah Wigney, Troy Woollard, Liam McMaugh and Conor Reed gaining points for the 2019 National Young Rider Squad from selection events held at our State Championships and Adelaide Royal with one more SA event to be held later in the year at the Mt Gambier Junior / Young Rider Carnival.

Happy Jumping!

Clive Reed  
**Chairperson, Jumping SA Discipline Committee**



## Vaulting Report

The Vaulting SA committee this year has had a very successful vaulting program. The Committee members have all put in a lot of thought and effort into the years program which has been influential in the success and support shown by the Vaulting participants coming to events. The feedback from the participant's has been positive with most having pleasurable experiences at the events.

A Vaulting display demonstration was presented to the RDA Coaches group this year at their request, to see what opportunities the sport had for RDA. The event went well and a follow up program is being developed to involve RDA at an event planned for November.

March Competition had to be cancelled due to unfavorable weather conditions being too hot and windy. A training day was held subsequently at the Reeves Plains Indoor Arena.

The South Australian Regional Championships were conducted at McClaren Vale Arena in April. This competition was organised by the Quicksilver Vaulting Club and proved most successful for them and the sport.

The State Championships were held at The Kersbrook Equestrian Centre this year. The event was very successful with a group coming up from Victoria to participate at the competition. The new surface at the Centre proved most suitable for vaulters and horses. Congratulations goes to Zac Singlehurst for achieving Male State Champion Vaulter and Rebecca Vandeppear for Achieving Female State Champion Vaulter. Champion PDD went to Sophie Thomson and Skye Barrowcliffe. Best Vaulting Horse was awarded to McGuinness. Congratulations to all vaulters who placed in their classes as well at such a high standard event.

The next competition is programed for November at the Kersbrook Equestrian Centre. If you haven't had an opportunity to observe the sport come along and see the participants and horses performing their routines. I guaranty you will have an enjoyable experience.

Three South Australian Vaulters have been overseas this year participating in CVI Vaulting Competitions Internationally.

Rebecca Vandeppear competed at two competitions, namely CVI Rugby and CVI Pezinok. Ben Rosiak competed at CVI Rugby. Jamie Hocking who has been living in Denmark has been training with Lasse Kristensen. Jamie and his horse French Kiss have been competing at several CVI Competitions and World Cups this year placing well. They are in the process of relocating to America for WEG at present with French Kiss and Jamie due to fly out of Denmark to Tryon with the contingent of European horses bound for WEG.



Two Officials were accredited with their FEI qualifications this year. Sam Franklin was accredited as FEI Veterinary Steward and Bianca Stawairski attained FEI Steward for vaulting.

Congratulations and a most grateful thankyou to all those vaulters , parents, volunteers, coaches, judges, officials and spectators who gave up their valuable time this year to come a be part of such a wonderful sport. Thank you also to the ESA Office for their support that goes on behind the scenes. Thanks to the Vaulting SA Committee members for the hours of work everyone has provided to conduct and promote the sport. Looking forward to further developments and prosperity for the sport.

Tony Richardson  
**Chairperson, Vaulting SA Discipline Committee**



# Finance Audit and Risk Management Committee

## Annual Report – 2018

### Introduction

This is the third Annual Report of the ESA Finance, Audit and Risk Management Committee (“FARMC”) which covers the activities of the Committee for the period July 2017 to June 2018 and the ESA financial results for the year.

### FARMC Membership

The membership comprises:

- Jo Cottle (Chair)
- Stuart Platt
- Peter Graham
- Joe Hooper (to June 2018)

The FARMC Terms of Reference are available on the ESA website.

### What we have achieved

This was our first full year of utilising Xero, a cloud base accounting system, which included the restructure of the chart of accounts and improved financial reporting capabilities.

Increased and more transparent financial reporting to Disciplines. Historically financial reports provided to Disciplines were ad-hoc, only supplied upon request (usually not at end of month) and, in our opinion, did not contain adequate information to understand the transactions processed for the month making up the result reported. In January 2018, we introduced and communicated with the Disciplines, the provision of a standard set of month reports, including profit and loss versus budget statement for the month and year to date (budget variance report), detailed transaction listing (making up the profit and loss results) and an end of month debtors listing all of which were provided within five business days after end of month. We believe this better assisted the Disciplines to manage their actual results and understand how their results were tracking to budget.

We have also formalised our risk management process by identifying, addressing and putting in place strategies to mitigate and reduce current risks facing the organisation.

On 17<sup>th</sup> May 2018 we held a workshop for Chairs, Treasurers and key Discipline Committee members to increase financial awareness and understanding, clarify the relationship between the Board and the Committees, communication flows and budget preparation. This was supported by the Office for Recreation, Sport and Racing with the provision of an independent facilitator specialising in finance and governance. Feedback received during and following the session was very positive.

We have also introduced electronic voting allowing the membership, which is geographically disbursed throughout the state, to have their say on Board composition.

Engaged an independent investigator to investigate member complaints to ensure impartiality and due process was followed. Acted on the outcomes of these investigations.

### External audit report

The 2018 audit report shows a continued improvement in the management of the ESA finances, consistent with prior years, excluding the cash receipt qualification (which states “as is common for organisations of this type, it is not practicable for ESA to maintain an effective system of internal control over all income from various sources prior to its receipt. Accordingly,

*it was not practicable for our examinations of those areas to extend beyond amount recorded in the accounting records of the Association.”) the audit opinion was clean.*

The auditors have made some minor improvement recommendations/suggestions and appropriate actions are in place to address these.

I would also like to take this opportunity to thank Luke Williams and Galpins for their work on the audit this year and their wiliness to move the audit forward to facilitate the earlier AGM date.

#### The Result for the Year

The net deficit for the year was \$15,168 (2017: deficit of \$35,707).

Overall income decreased by \$6,377 or 1.4%. Membership income was the main contributor to the decrease (\$34,472) with membership numbers declining from prior year. The prior year figures were also adjusted to show the impact of the member levies payable to Equestrian Australia separately in note 9, which also increased compared to prior year.

Grant income increased \$40,990 in 2018, from \$37,500 in 2017 as a result of an additional grant from the Sport and Recreation Development and Inclusion Program – Equitation to run regional clinics.

Total expenditure decreased \$26,916 or 5.4%. Employment expenditure increased slightly, but included a contractor this year to set up the Interschool program. Office expenditure in 2017 included a large amount of legal fees associated with disciplinary proceedings, including one matter which amounted to \$55,000 (refer commentary in 2017 annual report). This year include a bad debt write off of \$10,000 levied against a member as a result of a disciplinary matter. Our opinion this should not have been raised as a debtor (and recognised as income) in prior years as it was not collectable as it was contingent upon member actions being undertaken (i.e. the member applied to be reinstated prior to his suspension ending).

Carriage Driving and Vaulting recognised small deficits for the year while other Disciplines recorded surpluses.

The make-up of the balance sheet accounts at 30 June 2018 and related detail can be seen through the notes to the accounts (notes 10-18). I would like to draw your attention to grants in advance which included \$3,680 for Show Jumping and \$11,510 for off horse training. These funds were not fully utilised for the purposes granted during 2017-18 and Equestrian Australia approved their rollover. The Office and Board will work with the Disciplines to run off horse sessions in FY18/19 to utilise these funds.

#### Discipline Reserves

Retained Earnings of the organisation are split into members funds from prior year surpluses (show as Branch Operations, Trading and Administration) and Discipline Reserves (shown as Constitutional Committees). Following the sale of the Frederick Street, Richmond property a decision was made to invest much of this in a tangible asset with a reasonably achievable capital growth made. The result was the purchase of Unit 10, 2 Cameron Road Mount Barker. As noted in last year’s annual report the Board and the FARMC continue to appreciate that the Retained Earnings whether they be in discipline reserves or general retained profits are members’ funds. With the investment in property at Unit 10, 2 Cameron Road being a very significant portion of members’ funds. In effect, the members’ funds have been sequestered in real property which has capital growth opportunity. Whilst the efforts of the various Disciplines made this acquisition possible, it is still all members’ funds. These reserves are not held in a “vault” but able for Disciplines to utilise as required.

During the financial year there was some confusion of the application of accounting rules with Disciplines who had “applied” and had the use of their reserves approved for FY17/18. Reserve



represent a “fund” which Disciplines can access, following Board approval of a plan/business case to benefit members – such as for equipment purchases, deficits due to timing issues and unforeseen events etc – we are not aware of any requests to date which have been rejected. The reserve balances for all Disciplines can be seen in note 18 of the financial statements.

At some point, contrary to auditor’s advice, some key Discipline members, with ESA staff agreed the approach to showing utilisation of Reserves was to re-recognising Reserve balances (ie prior year accumulated surpluses). This treatment is not allowable under the Australian Accounting Standards. The error/misunderstanding was identified by the FARMC, it was immediately communicated to the Disciplines, and traced back to the 30 June 2017 Management Letter from auditors highlighting this is not allowable. We realise a number of our members are not familiar with accounting rules, but to put it simply you do not get paid your salaries twice and then pay income tax twice and therefore this is like taking your savings in your bank account and then re-recognising it as income. Instead I would explain it as follows a Discipline reserves operates like a pool of funds, when you make a surplus for the year you add to the pool, and when you make a deficit for the year (as a result of timing issues when for example you collect member levies one year but utilise them for expenditure the next) or invest in equipment purchases you take from the pool. The healthier the organisation, or in this case the Discipline, the bigger the pool you have to use in the future. These reserves can then be used based on Discipline wishes and feels, with Board approval (which is not unreasonably withheld - it is the Discipline’s funds), is in the best interest of its members.

#### FARMC – A focus on the future

With a strategic review of staffing taking place following the end of the financial year, including the accounting needs of the organisation, we will look to bring more of the finance function in house, to save costs, increase management oversight, commensurate with members’ service delivery expectations. As a working Board, this will also increase operational oversight and financial accountability the FARMC will provide to the organisation.

A number of positive initiatives have been introduced so far but we acknowledge there is more to do. High priority items for the next 12 months include:

- Continue to review ESA costs with a view to contain costs where possible, commensurate with members’ service delivery expectations;
- Implement the strategic review and provide hands on financial oversight to the organisation;
- Work with Disciplines to manage the financial aspects of their sports and continue to enhance the Disciplines understanding of their financial information, budgets and results;
- Introduce strategies to combat the increase in insurance levies from Equestrian Australia, noting the impact and \$\$ of the increase was not known when the FY18/19 membership fees were set;
- Assist the Board in developing policies and process documents for the governance and financial management of the association;
- Continue to improve the practical risk management strategy, in consultation with EA and other EA state bodies; and
- Focus on internal controls and processes to mitigate risks, acknowledging internal processes resulted in unauthorised data (name, email and member numbers) being provided to Sportspass to generate membership cards.

#### **Joanne Cottle**

Chair, Finance Audit and Risk Management Committee  
10 September 2018



David Chant CA, FCPA  
Simon Smith CA, FCPA  
David Sullivan CA, CPA  
Jason Seidel CA  
Renae Nicholson CA  
Tim Muhlhausler CA  
Aaron Coonan CA  
Luke Williams CA, CPA  
Daniel Moon CA



CHARTERED ACCOUNTANTS™  
AUSTRALIA • NEW ZEALAND

## Mount Gambier

233 Commercial Street West  
PO Box 246, Mount Gambier SA 5290  
P: (08) 8725 3068  
F: (08) 8724 9553  
E: admin@galpins.com.au

## Stirling

Unit 4, 3-5 Mount Barker Road  
PO Box 727, Stirling SA 5152  
P: (08) 8339 1255  
F: (08) 8339 1266  
E: stirling@galpins.com.au

## Norwood

3 Kensington Road, Norwood SA 5067  
PO Box 4067, Norwood South SA 5067  
P: (08) 8332 3433  
F: (08) 8332 3466  
E: norwood@galpins.com.au

W: www.galpins.com.au

ABN: 30 630 511 757

Liability limited by a scheme approved  
under Professional Standards Legislation

## INDEPENDENT AUDITOR'S REPORT

To the members of Equestrian South Australia Inc.

### Report on the Audit of the Financial Report

#### Qualified Audit Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Equestrian South Australia Inc., which comprises the statement of financial performance, statement of financial position as at 30 June 2018, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

In our opinion, except for the possible effects of the matter(s) described in the Basis for Qualified Audit Opinion paragraph, the accompanying financial report of the Association presents fairly, in all material respects, the financial position of the Association as at 30 June 2018, and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the *Associations Incorporation Act SA 1985*.

#### Basis for Qualified Audit Opinion

As is common for organisations of this type, it is not practicable for Equestrian South Australia Inc. to maintain an effective system of internal control over all income from various sources prior to its receipt. Accordingly, it was not practicable for our examination of those areas to extend beyond amounts recorded in the accounting records of the Association.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia, and we have fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report is a special purpose financial report that has been prepared to assist the Association to meet the requirements of the *Associations Incorporation Act SA 1985*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

## Responsibility of Committee for the Financial Report

Committee is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Associations Incorporation Act SA 1985* and is appropriate to meet the needs of the members. Committee responsibility also includes such internal control as Committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Committee is responsible for overseeing the Association's financial reporting process.

## Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association'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 financial report 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 Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

## GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



**Luke Williams** CA, CPA Registered Company Auditor  
Partner

11 / 09 / 2018



# **Equestrian South Australia Inc.**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 June 2018**

## **Equestrian South Australia Inc.**

### **Contents**

Committee's Report	2
Statement of Financial Performance	3
Statement of Financial Position	4
Notes to the Financial Statements	5
Statements by Members of the Committee	10



## EQUESTRIAN SOUTH AUSTRALIA INC.

### COMMITTEE'S REPORT

Your committee members submit the financial report of Equestrian South Australia Inc. for the financial year ended 30 June 2018.

#### Committee Members

The names of committee members throughout the year and at the date of the report are:

Joe Hooper, Chairperson	Resigned June 2018
Peter Graham, Chairperson (June 2018)	Appointed October 2017
Stuart Platt, Vice Chairperson	Appointed October 2016
Joanne Cottle, Treasurer	Appointed August 2017
Karin Edwards	Appointed October 2016
Jacqueline Lang	Appointed October 2016
Elizabeth Fricker	Term expired October 2017
Sarah Hocking	Term expired October 2017

#### Principal Activities

The principal activities of the association during the financial year were to act as administrator for Equestrian Sport in South Australia.

#### Significant Changes

No significant changes in the nature of these activities occurred during the year.

#### Operating Result

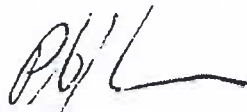
The Association recorded an operating deficit of \$15,169 (2017: deficit of \$35,707)

#### Subsequent Events

No events have occurred since 30 June 2018 that would have a material effect on the information disclosed in this financial report.

Signed in accordance with a resolution of the Members of the Committee

Dated this 7<sup>th</sup> day of September 2018

  
Peter Graham  
Chairperson



Joanne Cottle  
Chair - Finance Audit Risk Management Committee

**EQUESTRIAN SOUTH AUSTRALIA INC.**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>Income</b>			
Constitutional Committees	2	10,019	14,230
Interest Revenue		955	2,295
Grant Income	3	78,490	37,500
Memberships Income	4	341,058	375,530
Operational Income	5	26,947	34,004
Sundry Income		123	410
<b>Total Income</b>		<b>457,592</b>	<b>463,969</b>
<b>Expenditure</b>			
Building Expense	6	11,854	11,478
Employment Expense	7	230,232	226,599
Office Expense	8	76,851	144,643
Operational Expense	9	153,698	116,743
Interest Expense		125	213
<b>Total Expenses</b>		<b>472,760</b>	<b>499,676</b>
<b>Net Income / (Loss)</b>		<b>(15,168)</b>	<b>(35,707)</b>

*The accompanying Notes form part of these financial statements*



**EQUESTRIAN SOUTH AUSTRALIA INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	10	193,040	162,042
Prepaid Expenses		1,249	1,995
Receivables	11	3,164	21,442
Stock On Hand		6,209	1,611
<b>Total Current Assets</b>		<u>203,662</u>	<u>187,090</u>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	12	606,731	610,351
<b>Total Non-Current Assets</b>		<u>606,731</u>	<u>610,351</u>
<b>Total Assets</b>		<u>810,393</u>	<u>797,441</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	13	53,883	49,002
Employee Benefits	14	26,047	19,165
Other Current Liabilities	15	68,693	48,141
<b>Total Current Liabilities</b>		<u>148,623</u>	<u>116,308</u>
<b>Non-Current Liabilities</b>			
Employee Benefits	16	4,801	8,996
<b>Total Non-Current Liabilities</b>		<u>4,801</u>	<u>8,996</u>
<b>Total Liabilities</b>		<u>153,424</u>	<u>125,304</u>
<b>Net Assets</b>		<u>656,969</u>	<u>672,137</u>
<b>Member's Funds</b>			
Branch Operations, Trading and Administration	17	307,199	332,386
Constitutional Committees	18	349,770	339,751
<b>Total Members Funds</b>		<u>656,969</u>	<u>672,137</u>

*The accompanying Notes form part of these financial statements*

**Galpins**



**EQUESTRIAN SOUTH AUSTRALIA INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**1 Statement of Significant Accounting Policies**

This financial report is a special purpose financial report prepared in order to satisfy the requirements of the Associations Incorporation Act of South Australia. The Committee Members have determined that the association is not a reporting entity because there are no users dependent on general purpose financial reports.

The financial report has been prepared in general accordance with the presentation, materiality and measurement principles set down in the Australian Accounting Standards. No specific standards have been applied to the special purpose financial report unless otherwise specified below.

The financial report is prepared in Australian dollars under the historical cost convention, except for certain assets which, as noted, are at fair value. Comparative information is reclassified where appropriate to enhance comparability.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report;

**(a) Comparatives**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(b) Cash and Cash Equivalents**

Cash and cash equivalents include short-term highly liquid investments with original maturities of three months or less, such as cash on hand, deposits held at call with banks and bank overdrafts.

**(c) Revenue Recognition**

Revenue from membership subscriptions are recognised as income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is determined by reference to the membership year.

Grant revenue is recognised as income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant will be measured reliably.

Interest revenue is recognised as it accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

**(d) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

**(e) Income Tax**

The association is exempt from income tax under the current provisions of Income Tax Assessment Act (1997). Accordingly, there is no income tax expense or income tax payable recognised in the financial report.

**(f) Property, Plant and Equipment**

Land and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. A valuation was conducted in September 2014, where Land and Buildings were determined to be worth \$580,000. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The depreciable amount of all fixed assets is depreciated over the useful lives of the asset to the association commencing from the time the asset is held ready to use.

**(g) Employee Leave Provisions**

Provisions for employee entitlements owing in respect of annual holiday and long service leave are accrued at the current rates of pay applicable for each employee. The provision for long service leave is calculated based on the duration of service of an employee and factors in the probability of staff reaching 7 years of service in order for this to be payable.

**EQUESTRIAN SOUTH AUSTRALIA INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**2 Constitutional Committees - Trading**

	<b>2018</b>			<b>2017</b>
	<b>Income</b>	<b>Expenditure</b>	<b>Net Result</b>	<b>Net Result</b>
Carriage Driving Committee	218	750	(532)	(4,883)
Coaching Committee	2,745	2,117	628	(520)
Dressage Committee	57,861	54,162	3,699	1,796
Eventing Committee	28,885	27,965	920	10,881
Interschool Committee	51,804	50,637	1,167	(497)
Show Horse Committee	94,789	94,066	723	977
Show Jumping Committee	102,251	97,509	4,742	8,290
Vaulting Committee	2,964	4,292	(1,328)	(1,814)
<b>Total</b>	<b>341,517</b>	<b>331,498</b>	<b>10,019</b>	<b>14,230</b>

The balance of reserves held by each committee is displayed in Note 18.

**3 Grant Income**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Grants - Other*	8,490	10,000
Grants - Govt	70,000	27,500
<b>Total</b>	<b>78,490</b>	<b>37,500</b>

\* Grants - Other reported above includes amounts relating to Branch. Grants relating to Dressage (\$3,680) and Eventing (\$7,343) have been recorded as income in the relevant Committees above in Note 2.

**4 Memberships Income**

Licences	5,059	4,281
Memberships	274,199	312,343
Performance Cards	19,430	18,939
Registrations	30,545	26,931
Transfers	11,825	13,036
<b>Total</b>	<b>341,058</b>	<b>375,530</b>

**5 Operational Income**

Admin Fee Income	1,481	2,118
Miscellaneous Income	7,129	13,554
Ticket Sales	18,337	18,332
<b>Total</b>	<b>26,947</b>	<b>34,004</b>

**EQUESTRIAN SOUTH AUSTRALIA INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>6 Building Expense</b>		
Insurance	6,662	4,598
Maintenance & Repairs	1,178	2,842
Rates	4,014	3,726
Security	-	312
<b>Total</b>	<b>11,854</b>	<b>11,478</b>
<b>7 Employment Expense</b>		
Salaries & Wages	206,391	226,177
Staff Amenities	-	422
Contractors	23,841	-
<b>Total</b>	<b>230,232</b>	<b>226,599</b>
<b>8 Office Expense</b>		
Accounting Fees	9,489	11,659
Audit Fees	2,500	2,300
Bank Fees	2,686	2,351
Consultants	5,281	6,524
Depreciation	3,622	4,840
Legal Fees	2,800	66,620
Nominate Fees	15,646	18,815
Office Maintenance	28,255	27,370
Utilities	6,572	4,164
<b>Total</b>	<b>76,851</b>	<b>144,643</b>
<b>9 Operational Expense</b>		
Awards	17,932	15,873
Advertising	353	270
Bad and Doubtful Debts	10,000	-
Catering	829	601
Coaching	14,524	5,464
Equipment Hire	250	840
Member Levies	86,149	79,728
Miscellaneous	2,216	170
Publications	6,593	6,872
Scholarships	4,825	1,800
Travel Expenses	4,127	5,055
Trophies/Sashes	136	70
Venue Hire	2,346	-
Sundry	3,418	-
<b>Total</b>	<b>153,698</b>	<b>116,743</b>



**EQUESTRIAN SOUTH AUSTRALIA INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018 \$	2017 \$
<b>10 Cash and Cash Equivalents</b>		
Cash at Bank - Cheque Account	27,170	2,127
Cash at Bank - Long Service Leave/Holiday Leave Account	7,329	7,294
Cash at Bank - Online Saver Account	158,541	152,621
<b>Total</b>	<b>193,040</b>	<b>162,042</b>
<b>11 Receivables</b>		
Accounts Receivable	3,164	21,442
<b>Total</b>	<b>3,164</b>	<b>21,442</b>
<b>12 Property Plant and Equipment</b>		
Fair Value* - Land/Buildings	580,000	580,000
Furniture and Fittings	12,976	15,169
Accumulated Depreciation	(8,868)	(10,728)
Office Equipment	37,495	30,942
Accumulated Depreciation	(34,482)	(26,882)
Plant & Equipment	54,404	54,404
Accumulated Depreciation	(34,794)	(32,554)
<b>Total</b>	<b>606,731</b>	<b>610,351</b>
* Revaluation of Land & Buildings occurred on 15 September 2014 by Opteon Pty Ltd's Matthew Ruiz, AAPI Certified Practicing Valuer (79881). The revalued amount was \$580,000 exclusive of GST.		
<b>13 Accounts Payable</b>		
Accounts Payable	30,772	44,882
Credit Cards	2,138	(2,198)
PAYG Withholding	3,230	2,940
GST Payable	12,699	3,015
Superannuation Payable	5,044	363
<b>Total</b>	<b>53,883</b>	<b>49,002</b>
<b>14 Current Employee Benefits</b>		
Provision Holiday Pay	26,047	19,165
<b>Total</b>	<b>26,047</b>	<b>19,165</b>

**EQUESTRIAN SOUTH AUSTRALIA INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
<b>15 Other Current Liabilities</b>		
Income In Advance	53,503	48,141
Grants in Advance	15,190	-
<b>Total</b>	<b>68,693</b>	<b>48,141</b>

**16 Non-Current Employee Benefits**

Provision for Long Service Leave	4,801	8,996
<b>Total</b>	<b>4,801</b>	<b>8,996</b>

**17 Equity - Branch**

Opening Balance 1 July 2017	332,386	382,323
Result	(25,187)	(49,937)
<b>Closing Balance 30 June 2018</b>	<b>307,199</b>	<b>332,386</b>

**18 Equity - Constitutional Committees**

	Balance 1 July 2017	Note 2 Net Result	Balance 30 June 2018
Reserve Carriage Committee	5,245	(532)	4,713
Reserve Coaching Committee	28,128	628	28,756
Reserve Dressage Committee	66,343	3,699	70,042
Reserve Eventing Committee	86,827	920	87,747
Reserve Interschool Committee	37,983	1,167	39,150
Reserve Show Horse Committee	41,001	723	41,724
Reserve Show Jumping Committee	47,324	4,742	52,066
Reserve Vaulting Committee	26,900	(1,328)	25,572
<b>Total</b>	<b>339,751</b>	<b>10,019</b>	<b>349,770</b>

**19 Committee Members**

The following persons were committee members of Equestrian South Australia Inc during the financial year and up to the date of this report:

Joe Hooper, Chairperson	Resigned 2018
Peter Graham, Chairperson (June 2018)	Appointed October 2017
Stuart Platt, Vice Chairperson	Appointed October 2016
Joanne Cottle, Treasurer	Appointed August 2017
Karin Edwards	Appointed October 2016
Jacqueline Lang	Appointed October 2016
Elizabeth Fricker	Term expired October 2017
Sarah Hocking	Term expired October 2017

**EQUESTRIAN SOUTH AUSTRALIA INC.  
STATEMENT TO THE MEMBERS BY THE COMMITTEE  
FOR THE YEAR ENDED 30 JUNE 2018**

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

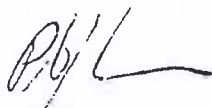
In the opinion of the Committee the Statement of Financial Performance, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents a true and fair view of the financial position of Equestrian South Australia Inc as at 30 June 2018 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Equestrian South Australia Inc will be able to pay its debts as and when they fall due.

The Committee is responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Dated this 7<sup>th</sup> day of September 2018

  
Peter Graham  
Chairperson

  
Joanne Cottle  
Chair - Finance Audit Risk Management Committee



