

# Annual Report 2012

South African Institute for  
Drug-Free Sport



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# SPONSORS AND SUPPORTERS

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South Africa Doping  
Control Laboratory:  
University of the Free  
State



Sport and  
Recreation South  
Africa



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ANNUAL REPORT 2012



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SAIDS Organogram



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# INTRODUCTION

## THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT (SAIDS) IS A PUBLIC ENTITY ESTABLISHED BY AN ACT OF PARLIAMENT, ACT NO. 14 OF 1997

“To promote participation in sport free from the use of prohibited substances or methods intended to artificially enhance performance, thereby rendering impermissible doping practices which are contrary to the principles of fair play and medical ethics, in the interest of the health and well-being of sportspersons; and to provide matters connected therewith.”

The Drug-Free Sport Act grants the Institute statutory drug testing powers and the authority to conduct and enforce a national anti-doping programme. By virtue of the Institute’s legislative ambit, all sports entities are obligated to co-operate with the Institute.



a campaign  
that caught the  
imagination of  
the country

**I PLAY  
FAIR**

**SAY NO!  
TO DOPING**

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# CHAIRMAN'S REPORT

ANNUAL REPORT

**AUGUST 2012**

*South African Institute for  
Drug-Free Sport*



# THE 'I PLAY FAIR – SAY NO TO DOPING' CAMPAIGN CAUGHT THE IMAGINATION OF THE COUNTRY IN THE YEAR UNDER REVIEW.

The campaign's aim, which was to create awareness and embed the message of anti-doping in the public conscience, was largely successful, with many sportsmen and women, as well as members of the public endorsing the message by putting their signatures to the anti-doping pledge.

Importantly the anti-doping message was placed within the context of a larger ethical message of 'playing fair'. High profile athletes, the Minister of Sport and the Premier of the Western Cape did their bit to ensure that the message had as wide a reach as possible. The Minister and Premier put their feet to the pedals in completing the Cape Argus Cycle Tour in order to promote the message of Fair Play. In this Olympic year it served as an

unequivocal message that our society expects nothing but Fair Play. Sadly an aspiring Olympian violated this sacred principle and paid the price

This annual report lays down the achievements of the Agency in the last year. I am sure that all who read it will come to the same conclusion – that it has been a remarkable year for SAIDS. Our high profile awareness and education campaigns have addressed the educational needs of athletes, particular the young. A successful supplements symposium produced a useful position statement that assists athletes and medical professionals in supplement use and prescription. In addition to our deterrence strategy, our detection campaign – through targeted testing – has proven enormously successful evidenced by an increase in positive tests. Our prosecution services and independent Tribunals have become highly competent and professional in all respects demonstrated by the high quality of written judgments. Our DCO workshop was a resounding success by all measures, and





serves to enhance the quality of sample collection.

The next year promises to be another challenging one, as we get close to hosting the next WADA Conference in 2013 in Johannesburg, where amendments to the current World Anti-Doping Code will be finalised. It is also the year that South Africa takes over the chairmanship of the International Anti-Doping Agreement (IADA) an inter-governmental agreement that includes ten of the most influential anti-doping agencies in the world operating through a rotating chairmanship. Furthermore we are indeed proud of our Deputy-Minister Gert Oosthuizen who has been elected to chair the UNESCO Conference of Parties to the International Convention against Doping in Sport (ICADS). Minister of Sport, Fikile Mbalula, has also done the country proud having been elected on the Executive Committee of the World Anti-Doping Agency (WADA). The Olympic and Paralympic Games in 2012 will see SAIDS staff participating as Doping Control Officers and Independent Observers for WADA. We also continue to contribute significantly to anti-doping efforts in the rest of Africa – through testing, DCO training, sharing expertise and experience, and bilateral visits.

As an agency we also look forward to implementing the schools anti-doping programme that will see targeted interventions at schools – including primarily, awareness and educational programmes aimed at developing life-skills among the youth and at the same time ensure that they are equipped to adequately deal with the enticements of doping. Testing in schools, which has

become necessary because of the evident scourge of drugs in this environment, will serve as an additional deterrent. This is necessary because of the evident scourge of drugs in our schools. Thankfully we now have the commitment of many schools and I am confident more will join once this programme gains momentum.

The issues of athletes consuming supplements has been a problematic issue for SAIDS. While aware of the desire by athletes to take supplements, we have been unable to afford any assistance in this regard because the lack of quality control does not allow us to determine whether such supplements contain prohibited substances or not. Thankfully an approach is now being considered where independent testing will be performed on supplements to guide athletes in their use. I am sure this will come as a welcome relief to many athletes.

The SAIDS Legal Project will hopefully see more results next year with the drafting of a new Act, a new Policy and the auditing of the anti-doping policies of the various national federations. There have been a number of seminars to address this issue, as well as to develop competency among our legal advisors and tribunal members.

I am also pleased to report that through our cooperation with law enforcement agencies there have been a number of breakthroughs in exposing the manufacture, importation and supply chain of prohibited substances. These successes will now have to be converted to successful criminal prosecutions as well as prosecution of end-uses for anti-doping

rule violations. This is a challenge that we need to urgently address in order to serve as a deterrent to others.

Success is attributed to our committed and dedicated staff, doping control officers, tribunal members as well as the members of the TUE and Doping Control Review Committees. My fellow board members are thanked for the unstinting support, wisdom and participation during our tenure. The Minister and Deputy-Minister of Sport have always been strong pillars of support and have always accepted our invitations by joining us in person to promote the cause of anti-doping.

Last but not least I pay tribute to the late Professor Winston Hawksworth, who was a legend in the anti-doping community. He served as a SAIDS Board member for a decade and thereafter continued to support us as Chairman of the Doping Control Review Committee. He also served in a similar capacity at FINA. His passing after a short illness has left a huge gap in the anti-doping movement. His humanity, humour, wisdom, intelligence and international networks served us well. He was a wonderful repository of knowledge and stories that kept us enthralled, not least of all his fishing exploits. Go in Peace, Prof



Dr. SHUAIB MANJRA



partnerships that  
share our ideals  
of drug-free sport

**I PLAY  
FAIR**

**SAY NO!  
TO DOPING**

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# CEO'S REPORT

ANNUAL REPORT

**AUGUST 2012**

*South African Institute for  
Drug-Free Sport*



# OUR STRATEGIC PLAN PLACES SUBSTANTIAL EMPHASIS ON THE **VALUE OF BUILDING PARTNERSHIPS** WITH ORGANISATIONS AND BUSINESSES THAT SHARE OUR IDEALS OF DRUG-FREE SPORT.



**BEST USE OF PR IN A SPORT CAMPAIGN**

**NIKE  
KAISER CHIEFS KIT LAUNCH**  
AGENCY: IN-HOUSE

Nike's kit launch for the Kaiser Chiefs was of the high standard expected from the global brand, which anticipated a mixed reaction from the launch of a sport industry offshoot to preceding kits. Aware of that situation, Nike worked hard to connect the new kit with the team's heritage. Ahead of the launch, Nike prepared a strategy designed to focus, excite and launch the new kit to media and consumers respectively, with a call to action to get behind your team in the new kit and re-engage the team and the football community. The design inspiration was the platform for the overall campaign. Row Xhosa Five, which has itself now become a regular trending topic on social media during Kaiser Chiefs games. Aspiring players were given the opportunity to train with the team, with Nike running other interactive events to drive digital engagement. These were designed not just to launch the kit but to bring media and consumers closer to Nike and the Kaiser Chiefs.

**SAIDS  
I PLAY FAIR SAY NO TO DOPING**  
AGENCY: THE CAN PHILEAS ATPLAY BANTON'S SAIDPH DESIGN

The objective of the ongoing PR campaign incorporating I Play Fair was to profile the SA Institute of Drug Free Sport and associate the brand with the values of fair play, ethics and drug-free sporting practices. It was also designed to strengthen positive relationships between the media and SAIDS, to educate and inform the public and athletes about drug-free sport, and to gain athletes' trust and belief in the brand value. The campaign was launched at a press conference with Sports Minister Fikile Mkhuthe and Deputy Minister Gert Oosthuizen, and the endorsement of SA Rugby Union, Springboks star Bryan Habana signed an anti-doping pledge and encouraged others to do the same at an event covered by SuperSport. Perhaps most impressively, negative stories around failed drugs tests at leading schools and an increased percentage in the number of failed tests in South Africa as a whole also included reference to the campaign and to the work SAIDS is doing to tackle the problem, including on the front pages of major newspapers, helping SAIDS maximise the opportunity offered by a negative situation and reach more than 132 million people.

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The achievements over the past year testify to the leverage that these partnerships had on the implementation of our anti-doping education campaign.

The early endorsements by the Minister of Sport and the Premier of the Western Cape of the I Play Fair Say No! To Doping campaign created excitement among potential partners to support the principles of ethics and fair play in sport. I am pleased that in spite of a modest budget, our campaign was able to generate very high public awareness with front page newspaper headlines and feature coverage on prime time television and radio. The effectiveness of our anti-doping education campaign was further acknowledged with a nomination in two categories for the 2012 Virgin Active Sports Industry Awards.

In the area of doping control, we continue to see an increase in the anti-doping rule violations (positive dope tests). For one athlete, an adverse analytical finding for human chorionic growth hormone (HcG) turned out to be fortuitous news when the finding of a high level triggered further

medical investigations which revealed the early stages of testicular cancer. The athlete was able to seek medical treatment for cancer.

During the year under review, the stimulant, Methylhexanamine was particularly troubling for many athletes, in spite of our many warnings to be vigilant of this substance in sports supplements. We continue to strive to shed more information on the role of sports supplements in sport. In June 2011, following a national symposium on sports supplements, we published a position statement on the use of sports supplements to better guide our athletes and coaches in their decision-making. Currently, we are working on establishing a partnership with internationally renowned Informed Sport so that supplements can be independently tested and verified in terms of their ingredients and whether they contain any banned substances.

I am particularly pleased to mention the advancements that we have made in centralising the anti-doping tribunals

system. Over the past year independent adjudicating panels have heard all doping cases. The establishment of these panels is part of our strategy towards eventually creating a national court of arbitration in sport for South Africa.

SAIDS still faces many challenges in terms of compliance with the onerous legislation governing public entities. The independent audit performed on the agency is far beyond a "normal" financial audit and its scope is that of a regulatory audit where, in our case, close to 100% of the samples were audited. I am therefore proud to still deliver on an unqualified audit report.

I invite you to review the enclosed report wherein our operational and financial performance is outlined.



**Khalid Galant**  
Chief Executive Officer



**I PLAY  
FAIR**

**SAY NO!  
TO DOPING**

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# BOARD OF DIRECTORS

ANNUAL REPORT

**AUGUST 2012**

*South African Institute for  
Drug-Free Sport*



# BOARD OF DIRECTORS

- **Dr. Shuaib Manjra, (Chairman)**  
MBChB BSc (Med.) (Hons), Sports Medicine, DOH
- **Mr. Raymond Hack,**  
Attorney-At-Law
- **Mr. Chris Hattingh,**  
BScPharm
- **Dr. Ismail Jakoet,**  
MBChB MSc (Sports Medicine), Diploma Labour Law
- **Ms. Nomveliso Ntanjana,**  
B.Proc (Law)
- **Dr. Victor Ramathesele,**  
MBChB, MSc (Sports Medicine)
- **Dr. Harold Adams,**  
MBChB
- **Prof. Rochelle Le Roux**  
Prof of Law
- **Dr. M. Qobose**  
MBChB
- **Ms. Geraldine Pillay-Viret**  
former African and Commonwealth sprint champion





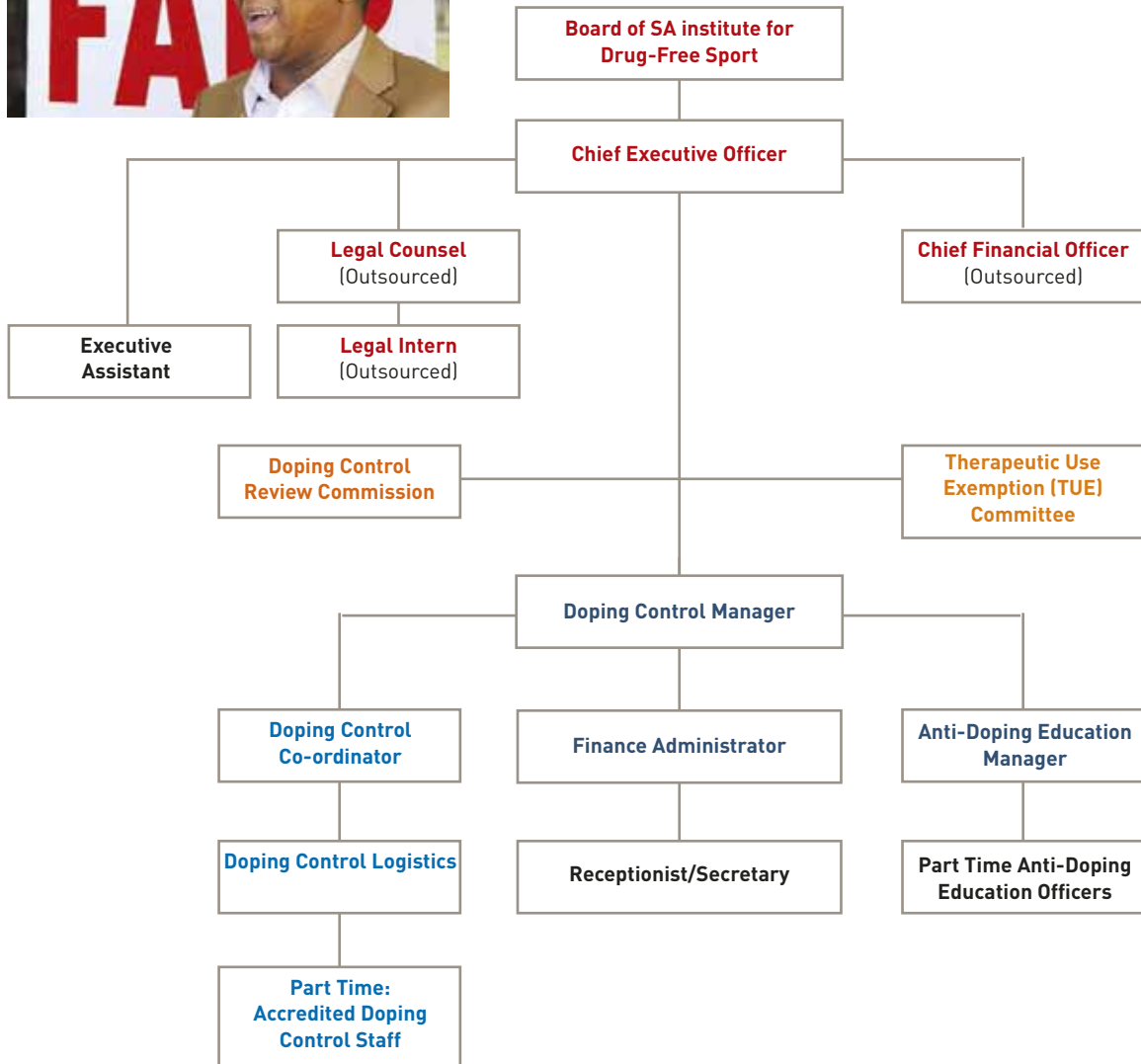
# BOARD ATTENDANCE REGISTER

Board Member	New Board Members Appointed	Date of Board Meeting	Attended	Apology	Absent without notice/apology
Dr. Shuaib Manjra		12 May 2011	x		
		08 Nov 2011	x		
		09 Mar 2012	x		
Mr. Chris Hattingh		12 May 2011	x		
		08 Nov 2011	x		
		09 Mar 2012	x		
Dr. Ismail Jakoet		12 May 2011	x		
		08 Nov 2011		x	
		09 Mar 2012	x		
Mr. Raymond Hack		12 May 2011	x		
		08 Nov 2011	x		
		09 Mar 2012	x		
Ms. Noveliso Ntanjana		12 May 2011		x	
		08 Nov 2011	x		
		09 Mar 2012	x		
Dr. Victor Ramathesele		12 May 2011	x		
		08 Nov 2011	x		
		09 Mar 2012			
Dr. Harold Adams		12 May 2011			x
		08 Nov 2011			x
		09 Mar 2012			x
Dr. M Qobose	Oct 2011	12 May 2011			
		08 Nov 2011	x		
		09 Mar 2012	x		
Prof. R Le Roux	Oct 2011	12 May 2011			
		08 Nov 2011	x		
		09 Mar 2012	x		
Ms. G Pillay-Viret	Oct 2011	12 May 2011			
		08 Nov 2011	x		
		09 Mar 2012	x		





**Minister of Sport:** Mr Fikile Mbalula





**I PLAY  
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TO DOPING**

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# DOPING CONTROL

ANNUAL REPORT

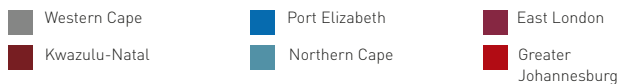
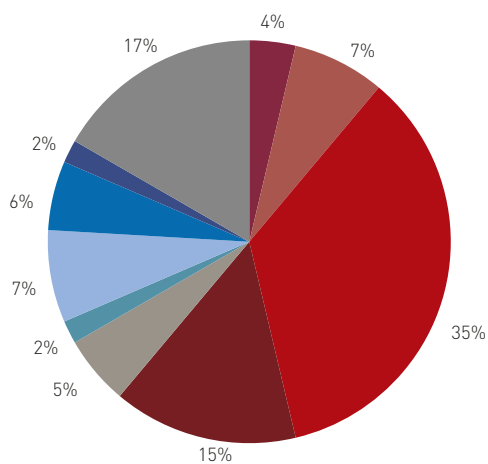
**AUGUST 2012**

*South African Institute for  
Drug-Free Sport*

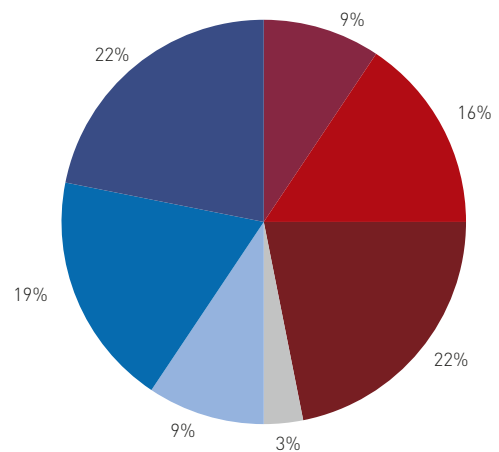


# RESOURCES

**GEOGRAPHICAL DISTRIBUTION OF DOPING CONTROL OFFICERS IN SOUTH AFRICA**



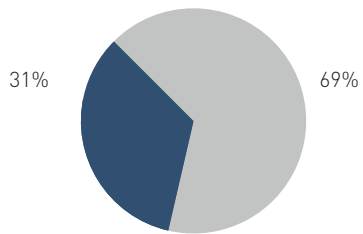
**GEOGRAPHICAL DISTRIBUTION OF TRAINEE DOPING CONTROL OFFICERS IN SOUTH AFRICA**



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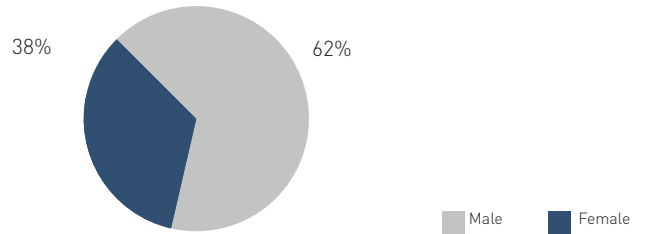
### DOPING CONTROL OFFICERS:

GENDER



### TRAINEE DOPING CONTROL OFFICERS:

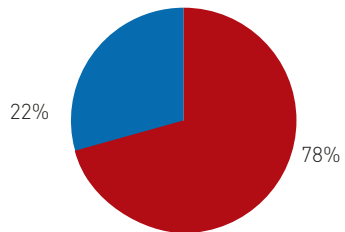
GENDER



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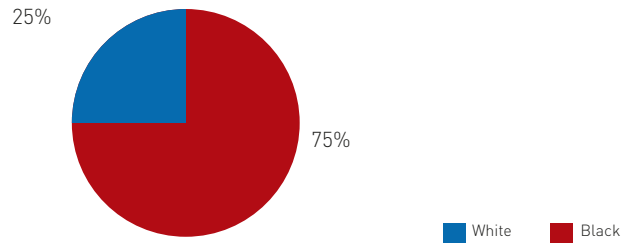
### DOPING CONTROL OFFICERS:

RACIAL DIVERSITY



### TRAINEE DOPING CONTROL OFFICERS:

RACIAL DIVERSITY





contributing to the  
harmonisation and  
improvement of standards  
and practices in all anti-  
doping issues





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# OBJECTIVES & ACHIEVEMENTS

ANNUAL REPORT

AUGUST 2012

*South African Institute for  
Drug-Free Sport*



# OBJECTIVES AND ACHIEVEMENTS

PERFORMANCE AGAINST OBJECTIVES: DOPING CONTROL				
MEDIUM TERM		2011 - 2012		
OBJECTIVE	STRATEGY	OUTPUT	PERFORMANCE: MEASURE/ INDICATOR/TARGET	WORK PERFORMED (data is cumulative)
To conduct an effective and efficient documented doping prevention programme	Manage and administer doping control services that are required in terms of international sport regulations	<ol style="list-style-type: none"> <li>Doping Risk profile for all national sports codes</li> <li>National test distribution plan</li> </ol>	<ul style="list-style-type: none"> <li>National test program- 2300 tests for the year                             <ul style="list-style-type: none"> <li>o 150 EP tests</li> <li>o 150 bloods</li> </ul> </li> <li>Sports Codes in doping risk profile – 35 codes</li> <li>Implementation of RTP testing program (size of pool)                             <ul style="list-style-type: none"> <li>o 150 athletes</li> </ul> </li> <li>Implementation of Athlete Biological Passport (ABP) program                             <ul style="list-style-type: none"> <li>o 50 athletes</li> <li>o 50 steroid profiles</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>2348 tests</li> <li>68 EPO</li> <li>59 blood tests</li> </ul> <p>37 Sports codes</p> <p>RTP testing program – ongoing</p> <p>Athlete Biological Passport program</p> <ul style="list-style-type: none"> <li>12 athletes (blood profiles)</li> <li>11 athletes (steroid profiles)</li> </ul> <ul style="list-style-type: none"> <li>65 Adverse Analytical Findings reported by the SA Doping Control Laboratory                             <ul style="list-style-type: none"> <li>o 18 test confirmed as not Anti-Doping Rule Violations (ADRV)</li> <li>o 8 cases under review by Doping Control Review Commission                                     <ul style="list-style-type: none"> <li>o 39 ADRV cases (positives) opened</li> </ul> </li> </ul> </li> </ul>
	Administer an effective results management system within the confines of the SA Anti-Doping laws	Strengthen legal framework within which to administer results management program.	<ul style="list-style-type: none"> <li>Constitute regional tribunals to sit for doping rule violation hearings</li> <li>Constitute national appeals board</li> </ul>	<p>The results management program has the capacity to constitute 47 regional tribunals to hear anti-doping rule violations.</p> <ul style="list-style-type: none"> <li>Number of Appeals lodged = 7</li> </ul>

# Effek: Aggressie, depressie, steriel

Jong sportlui trap al hoe meer in die steroïed-strik

Met 'n ligtevoet van jou eterwil, verligte-voetstaptinge en 'n paar sagte brensdoringe toe... Thomas Florus die Olympiese manuskripte van 1904 gewen, sterf-sterf dat die gharale was... (The text continues with a detailed article about steroid use in sports, mentioning athletes like Jesse Owens and the impact of steroids on performance and health.)



## PERFORMANCE AGAINST OBJECTIVES: EDUCATION

MEDIUM TERM		2011 - 2012		
OBJECTIVE	STRATEGY	OUTPUT	PERFORMANCE: MEASURE/ INDICATOR/TARGET	WORK PERFORMED (data is cumulative)
To implement a comprehensive national education and awareness programme	Provide anti-doping education to differentiated target audiences	Deliver anti-doping programmes and projects to different target audiences	<ul style="list-style-type: none"> <li>Implement a national public awareness campaign around anti-doping themes to sports public</li> <li>Implement 5 anti-doping outreach projects, specific to adolescent and teen sports events</li> <li>Establish alliances with organizations who have specialized skills for prioritised target groups</li> </ul>	<ul style="list-style-type: none"> <li>Continuation of national public awareness campaign "I Play Fair" campaign.</li> <li>Delivered 20 anti-doping outreach projects.</li> <li>Established the following alliances to advance the anti-doping education initiatives:                             <ul style="list-style-type: none"> <li>Minister of Sport</li> <li>SA Rugby</li> <li>WADA: Outreach Team</li> <li>Independent Counselling Advisory Services (ICAS)</li> <li>Office of the Premier: Western Cape</li> <li>Argus Cycle Tour Company</li> <li>Cycle Lab Retail</li> <li>Ironman SA</li> <li>Future Life: Nutrition</li> <li>Velocity Sports Labs</li> </ul> </li> </ul>



## PERFORMANCE AGAINST OBJECTIVES: EDUCATION

PERFORMANCE AGAINST OBJECTIVES: EDUCATION				
MEDIUM TERM		2011 – 2012		
OBJECTIVE	STRATEGY	OUTPUT	PERFORMANCE: MEASURE/ INDICATOR/TARGET	WORK PERFORMED (data is cumulative)
	Develop and enhance strategic alliances to advance the cause of anti-doping agenda	<ul style="list-style-type: none"> <li>• Develop and enhance communication and reporting to government/ non-government entities</li> <li>• Develop and enhance communication and reporting to media</li> <li>• Develop and enhance communication/ participation to sports entities that share common strategic objectives as it pertains to advancing anti-doping initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Optimise interaction and create leverage with Ministry of Sport/ SRSA</li> <li>• Foster relationships with various media outlets to advance coherent anti-doping messages</li> <li>• Participate and contribute to forums/ conferences to share and exchange best practices and to explore potential for joint venture projects</li> </ul>	<ul style="list-style-type: none"> <li>• Minister of Sport becomes chief patron of the “I Play Fair” campaign</li> <li>• 19 press releases drafted and distributed to various media outlets</li> <li>• Formulated partnership with SA Dietetics to support the formulation of a national position paper on sports supplements</li> <li>• Implemented partnership with SA Sports Medicine Association to co-host national symposium on Sports Supplements</li> <li>• Concluded an Memorandum of Understanding with the Mozambique Organizing Committee of the All Africa Games to provide training and technical support for doping control services</li> <li>• Co-sponsored WADA’s continental education conference where best practices were shared among our African counterparts</li> <li>• Hosted a delegation from the Nigerian Ministry of Sport on a best practice visit to SAIDS</li> <li>• Participated in the following international forums:               <ul style="list-style-type: none"> <li>o RADO Technical Committee (Southern Africa): Jhb</li> <li>o International Anti-doping Agreement: Paris</li> <li>o UNESCO Anti-Doping Convention: Paris</li> <li>o Sports Law and Anti-Doping Seminar: UK Anti-Doping – London</li> <li>o WADA Annual anti-doping conference: Lausanne</li> </ul> </li> </ul>

## PERFORMANCE AGAINST OBJECTIVES: OPERATIONS

MEDIUM TERM		2011 - 2012		
OBJECTIVE	STRATEGY	OUTPUT	PERFORMANCE: MEASURE/ INDICATOR/TARGET	WORK PERFORMED (data is cumulative)
To manage and administer the operations of the agency in a fiscally conservative manner	Ensure financial stability over the long term	Develop and implement 5 year income and strategic plan	Ensure government funding addresses the gaps between current and desired fund requirements	Motivated for increased funding to the Parliamentary Portfolio Committee on Sport to meet expanded strategic objectives
	Ensure that all activities are performed within a robust quality management framework	Maintain a quality assurance system for all operations	Update Quality Manual	Ongoing process. Current service provider contract was terminated for slow delivery
	Maintain an effective governance infrastructure to provide assurance to compliance to legislative and internal policies and procedures	Establish sound management infrastructure that provides assurance to compliance framework	Ensure compliance with PMFA and other Treasury guidelines	<ul style="list-style-type: none"> <li>Reformatted strategic plan to better comply with treasury guidelines</li> <li>Adopted payroll and accounting software to ensure better compliance with financial management regulations</li> </ul>





# STATISTICS

## FOR THE PERIOD: APRIL 2011 – MARCH 2012

SPORT CODE	URINE TESTS	BLOOD TESTS	EPO TESTS
Archery	8	0	0
Athletics	326	14	15
Basketball	3	0	0
BMX	16	0	0
Bodybuilding	14	0	0
Boxing (A)	40	0	0
Boxing (P)	31	0	0
Canoeing	45	1	0
Climbing	4	0	0
Cricket	146	0	0
Cycling	175	9	23
Duathlon	10	0	0
Football	208	0	0
Golf	20	0	0
Gymnastics	18	0	0
Handball	2	0	0
Hockey	47	0	0
Judo	33	0	0

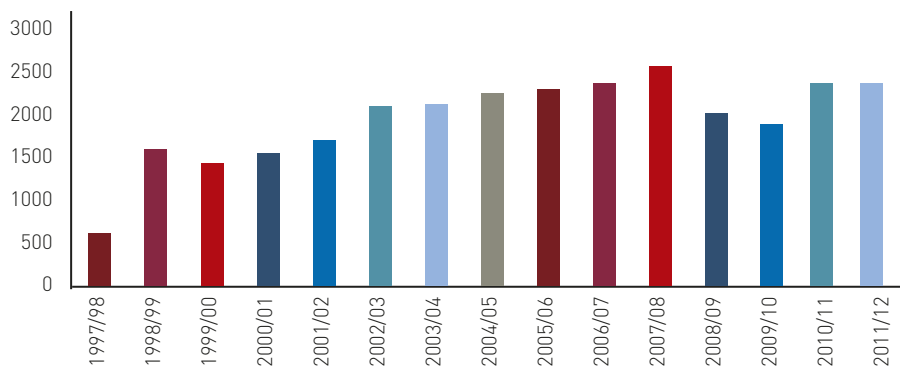
Lifesaving	3	0	0
Mountain Bike	66	7	10
Motor Sport	7	0	0
Netball	37	0	0
Paralympic Sport	23	0	0
Powerlifting	64	0	0
Rowing	25	0	0
Rugby	652	23	0
Sailing	12	0	0
Shooting	18	0	0
Softball	21	0	0
Surfing	1	0	0
Swimming	111	0	0
Tae Kwon Do	1	0	0
Tennis	13	0	0
Triathlon	81	5	20
Volleyball	1	0	0
Weightlifting	52	0	0
Wrestling	14	0	0
<b>Total</b>	<b>2348</b>	<b>59</b>	<b>68</b>

## TRIBUNAL MEMBERS:

Alex Abercrombie, Andrew Breetzke, Beverley Peters, Prof. Denver Hendricks, Dr. GJ (Deon) van Tonder, Dr. Deon-Jacques Pieterse, Dr. Mzwake Qobose, Dr. Nasir Jaffer, Prof. Elmarie Terblanche, Dr. George van Dugteren, Dr. Glen Hagemann, Greg Fredericks, Adv. Jannie Lubbe, Jerome Thomas, John Bush, Dr. Jon Patricios, Yusuf Abrahams, Leon Fleiser, Michael Murphy, Monty Hacker, Adv. Nicholas Kock, Adv. Norman Arendse, Ray Brink, Dr. Rob Collins, Dr. Sello Motaung, Siven Samuel, Tony Irish, William Newman, Prof. Yoga Coopoo



## NUMBER OF TESTS



**SAY NO!**  
launch in South Africa

The Sports Council of South Africa, with national drug testing laboratories in place, have today announced that they have launched the 'SAY NO!' anti-doping campaign.

The aim is to educate the general public on the dangers of doping and to encourage athletes to compete at the highest level without resorting to doping. The campaign is supported by the Department of Sport and Recreation, the South African Olympic Committee and the South African Sports Confederation and Olympic Committee.

According to a statement by the Sports Council, the campaign is a vital tool in the fight against doping. It is designed to educate the general public on the dangers of doping and to encourage athletes to compete at the highest level without resorting to doping.

**"Awareness is a vital tool in the fight against doping in sport."**

The Sports Council is committed to ensuring that all athletes competing at the highest level do so without resorting to doping. The campaign is a vital tool in the fight against doping and is designed to educate the general public on the dangers of doping and to encourage athletes to compete at the highest level without resorting to doping.

**BODY LAUNCHES ANTI-DOPE DRIVE**

**Supplements a big problem**

**Supplements a big problem**

The South African Institute for Drug-Free Sport (SAIDFS) is concerned about the increasing use of performance-enhancing supplements in sports in the country.

The Institute is launching the 'Body Launches Anti-Dope Drive' campaign aimed at preventing drug use and helping athletes to stay clean and healthy.

The Institute's programme, which includes a range of educational and support services, will also spread the message of clean sport and fair play.

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The Institute's programme, which includes a range of educational and support services, will also spread the message of clean sport and fair play.

## APPEAL BOARD MEMBERS:

Alex Abercrombie, Dr. Sello Motaung, Prof. Denver Hendricks

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# THERAPEUTIC TUE EXEMPTIONS (TUE)

FOR THE PERIOD: APRIL 2011 - MARCH 2012

SPORT	TOTAL TUES RECEIVED	TOTAL TUES APPROVED	TOTAL TUES DENIED	PENDING	NO TUE REQUIRED
Archery	0	0	0	0	0
Athletics	9	5	0	0	4
Biathlon	3	3	0	0	0
Bisley	1	1	0	0	0
Boxing	0	0	0	0	0
Canoeing	2	1	1	0	0
Cricket	0	0	0	0	0
Cycling	13	6	4	2	1
Dancesport	0	0	0	0	0
Duathlon	1	1	0	0	0
Equestrian	0	0	0	0	0
Figure Skating	0	0	0	0	0
Football	3	2	1	0	0
Golf Ladies	0	0	0	0	0
Golf Men	0	0	0	0	0
Gymnastics	1	1	0	0	0
Hockey	2	1	1	0	0
Ice Hockey	0	0	0	0	0
Ice Skating	1	0	0	1	0
Judo	7	5	0	0	2
Kickboxing	0	0	0	0	0

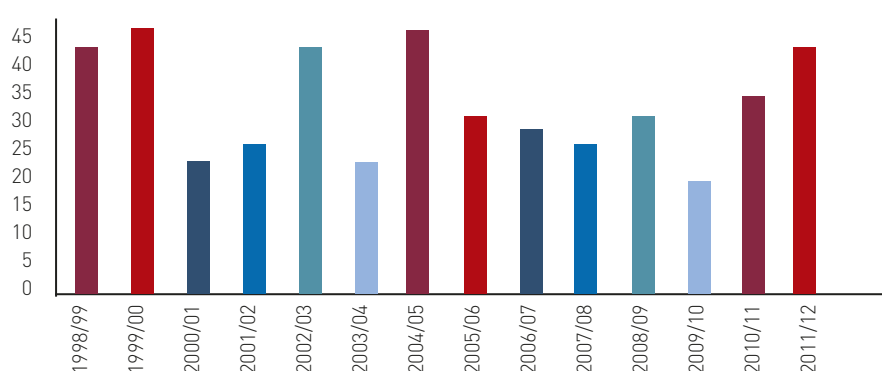
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## THERAPEUTIC USE EXEMPTION (TUE) COMMITTEE

- Dr Demitri Constantinou, MBBCh., BSc (Med.Hons.) Sports Science
- Dr. Kevin Subban – BSc, MBChB, MMedSc (Sports Medicine)

Lifesaving	2	2	0	0	0
Modern Pentathlon	0	0	0	0	0
Motorsport	2	2	0	0	0
Netball	1	1	0	0	0
Powerlifting	3	0	2	0	1
Rowing	34	24	4	5	1
Rugby	11	8	2	0	1
Sailing	1	1	0	0	0
Shooting	2	1	0	0	1
Softball	1	1	0	0	0
Snooker	0	0	0	0	0
Squash	0	0	0	0	0
Swimming	30	23	3	1	3
Tennis	0	0	0	0	0
Triathlon	7	4	2	0	1
Wheelchair Basketball	0	0	0	0	0
Wrestling	0	0	0	0	0
<b>TOTAL</b>	<b>137</b>	<b>93</b>	<b>20</b>	<b>9</b>	<b>15</b>

## ANTI-DOPING RULE VIOLATIONS



## DOPING CONTROL REVIEW COMMISSION

- Prof Winton Hawsworth, Phd (Biochemistry), Professor Emeritus
- Dr. Jeroen Swart - MBChB, MPhil (Sports Medicine)
- Prof. Andrew Bosch - PhD
- Dr. Michael J Webb - MBChB, M.Med(Int. Med), Cert. (Clin. Haem)
- Dr. Louis Holtzhausen – MBChB, M Phil (Sports Medicine), FAFP

## IN MEMORY OF PROF. WINTON HAWSWORTH 1935 – 2012

# RULE VIOLATIONS

No.	Test Date	Surname	Name	G	Sport	Test Type	Substance Identified or Failure to Comply	Class of Substance	Sanctions Imposed
1	17-Oct-10	Young	Johnny	M	Triathlon	IC	19-Norandrosterone	Anabolic Agent	1 Year Suspension
2	22-Oct-10	Professional Golfer		M	Golf	IC	19-Norandrosterone	Anabolic Agent	*See Below
3	09-Feb-11	Frylinck	Robbie	M	Cricket	IC	Hydroxy(cyclobutane)-bis-norsibutramine Hydroxylisopropyl-bis-norsibutramine	Stimulant	Warning
4	13-Mar-11	Lund	Russel	M	Cycling	IC	Methandienone	Anabolic Agent	2 Year Sanction
5	26-Mar-11	Minor		M	Athletics	IC	Methandienone Methylhexaneamine	Anabolic Agent Stimulant	18 Month Suspension
6	29-Mar-11	Waller	Kevin	M	Paralympic Sport	IC	Prednisone and Prednisolone	Glucocorticosteroid	2 Week Suspension
7	22-May-11	Mavuso	Richard	M	Athletics	IC	19-Norandrosterone and 19-Noreticholanolone	Anabolic Agent	2 Year Suspension
8	29-May-11	Matima	Molefi	M	Boxing (P)	IC	19-Norandrosterone and 19-Noreticholanolone	Anabolic Agent	2 Year Suspension
9	24-Jun-11	van Dyk	Renate	F	Powerlifting	IC	Hydrochlorothiazide Amiloride Furosemide	Diuretics	1 Year Suspension
10	25-Jun-11	Kleinsmit	Ruan	M	Powerlifting	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	4 Month Suspension
11	11-Jul-11	Minor		M	Rugby Union	OOB	19-Norandrosterone and 19-Noreticholanolone	Anabolic Agent	2 Year Suspension
12	12-Jul-11	Minor		M	Rugby Union	IC	Epimetendiol, 17 $\alpha$ -methyl-5 $\beta$ -androstane-3 $\alpha$ ,17 $\beta$ -diol	Anabolic Agent	2 Year Suspension
13	06-Aug-11	Maikhi	Thapelo	M	Weightlifting	IC	Failure to Comply	Not Applicable	2 Year Suspension
14	06-Aug-11	Omaticus	Darron Winston	M	Bodybuilding	IC	Methylhexaneamine	Stimulant	6 Month Suspension
15	06-Aug-11	Ngxongo	Nzuzo Bathadwa	M	Bodybuilding	IC	Furosemide	Diuretic	2 Year Suspension
16	06-Aug-11	Adonis	Alphonso	M	Weightlifting	IC	Methylhexaneamine	Stimulant	4 Month Suspension

\* Name withheld as part of agreement between athlete and Sunshine Tour

No.	Test Date	Surname	Name	G	Sport	Test Type	Substance Identified or Failure to Comply	Class of Substance	Sanctions Imposed
17	13-Aug-11	Nkoana	Gregory	M	Wheelchair Basketball	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	2 Month Suspension
18	19-Aug-11	Muller	Reg	M	Rugby Union	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	11 Week Suspension
19	20-Aug-11	Joseph	Giovanni	M	Hockey	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	4 Month Suspension
20	20-Aug-11	Mulholland	Tiegen	M	Hockey	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	4 Month Suspension
21	27-Aug-11	Phalula	Lebogang	F	Athletics	IC	Methylhexaneamine	Stimulant	3 Month Suspension
22	27-Aug-11	Tshabalala	Julie	F	Boxing (P)	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	3 Month Suspension
23	25-Sep-11	Gondongwana	Mdibanisi Anthony	M	Athletics	IC	Prednisone/Prednisolone	Glucocorticosteroid	3 Month Suspension
24	10-Sep-11*	Minor		M	Rugby Union	IC	Prednisone/Prednisolone	Glucocorticosteroid	Hearing 7 Aug 2012
25	08-Oct-11	van Staden	Harold	M	Rugby Union	IC	2 $\alpha$ -Methyl-5 $\alpha$ -androstan-3 $\alpha$ -ol-17-one	Anabolic Agent	2 Year Suspension
26	22-Oct-11	Goosen	Sloane	M	Wrestling	IC	Furosemide	Diuretics	18 months Suspension
27	22-Oct-11	Veldman	Frikkie	M	Powerlifting	IC	2 $\alpha$ -Methyl-5 $\alpha$ -androstan-3 $\alpha$ -ol-17-one	Anabolic Agent	2 Year Suspension
28	22-Oct-11	Grobler	Martinus	M	Powerlifting	IC	Testosterone	Anabolic Agent	2 Year Suspension
29	29-Oct-11	Lezzi	Enzo	M	Cycling	IC	19-Norandrosterone and 19-Noreticholanolone	Anabolic Agent	15 Month Suspension
30	21-Dec-11	Thebakang	Reuben	M	Football	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	3 Month Suspension
31	19-Jan-12	Minor		M	Rugby	OOC	17 $\beta$ -hydroxymethyl-17 $\alpha$ -methyl-18-nor-androst-1,4; 13-triene-3-one and 17 $\alpha$ -methyl-androstane-3 $\alpha$ ,17 $\beta$ diol, Boldenone 5 $\beta$ -androst-1-en-17 $\beta$ -ol-3-one	Anabolic Agent	18 months Suspension

No.	Test Date	Surname	Name	G	Sport	Test Type	Substance Identified or Failure to Comply	Class of Substance	Sanctions Imposed
32	06-Feb-12	Pieterse	Johan	M	Rugby	IC	Methylhexaneamine	Stimulant	4 Month Suspension
33	08-Feb-12	Minor		F	Athletics	IC	Methylhexaneamine	Stimulant	18 Month Suspension
34	08-Feb-12	Minor		M	Athletics	IC	3'-hydroxystanozolol 4β-hydroxystanozolol 16β-hydroxystanozolol Stanozolol	Anabolic Agent	2 Year Suspension
35	17-Feb-12	Kleinveldt	Rory	M	Cricket	IC	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	3 Month Suspension
36	25-Feb-12	Kumbane	Kagisho	M	Athletics	IC	19-Norandrosterone and 19-Noreticholanolone	Anabolic Agent	2 Year Suspension
37	25-Feb-12	Welgemoed	Cornel	M	Powerlifting	IC	Methylhexaneamine	Stimulant	3 Month Suspension
38	06-Mar-12	Professional Golfer		M	Golf	IC	Benzoylcegonine	Stimulant	6 Month Suspension
39	27-Feb-12	Snyman	Earl	M	Rugby	IC	Methylhexaneamine	Stimulant	6 Month Suspension
40	04-Mar-12	Rheeder	Jaco	M	Cycling	IC	Methamphetamine (d-)	Stimulant	2 Year Suspension
41	20-Mar-12	Manyonga	Luvo	M	Athletics	IC	Methamphetamine (d-)	Stimulant	18 Month Suspension
42	24-Mar-12	Loubser	Albert	M	Weightlifting	OOO	Epimetendiol 17α-methyl-5β-androstane-3α 17β-diol Epimethandienone 6β-hydroxymethandienone	Anabolic Agent	Hearing to Take Place 19 Oct 2012
43	01-Apr-12	Collin	Wayne	M	MTB	IC	Boldenone 5β-androst-1-ene-17β-ol-3-one Hydrochlorothiazide	Anabolic Agent Diuretic	Hearing to Take Place 23 Oct 2012
44	31-Mar-12	Hasheni	Siviwe	M	Boxing	IC	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	3 Month Suspension
45	31-Mar-12	Duma	Ntobeko Patrick	M	Boxing	IC	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	2 Month Suspension
46	07-Apr-12	Nonyana	Lucas	M	Athletics	IC	Methylhexaneamine	Stimulant	One Month Suspension

No.	Test Date	Surname	Name	G	Sport	Test Type	Substance Identified or Failure to Comply	Class of Substance	Sanctions Imposed
47	20-Apr-12	Kekana	Thabiso	M	Athletics	IC	19-Norandrosterone 19-Noreticholanone	Anabolic Agent	Hearing to Take Place 2 Oct 2012
48	20-Apr-12	Sefamyetso	Rapula	M	Athletics	IC	Tesosterone	Anabolic Agent	Hearing to Take Place 13 Sep 2012
49	14-Apr-12	Masire	Olebogeng Jonas	M	Athletics	IC	19-Norandrosterone	Anabolic Agent	Hearing to Take Place 9 Oct 2012
50	26-Apr-12	Kilian	Zane	M	Rugby Union	IC	Hydroxy(cyclobutane)-bis-norsibutramine Hydroxy(isopropyl)-bis-norsibutramine	Stimulant	Hearing to Take Place 23 Aug 2012
51	05-May-12	van Niekerk	Jaco	M	Wheelchair Basketball	IC	Methylhexaneamine	Stimulant	3 Month Suspension
52	05-May-12	Claasen	Ruan Michael	M	Athletics	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	Hearing to Take Place 28 Aug 2012
53	05-May-12	Bochedi	Makwane	M	Wheelchair Basketball	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	Hearing to Take Place 30 Aug 2012
54	19-May-12	Mbatha	Bonsumuso	M	Athletics	IC	Methylhexaneamine	Stimulant	Hearing to Take Place 4 Oct 2012
55	19-May-12	van Straaten	Andries	M	Athletics	IC	Methylhexaneamine	Stimulant	Hearing to Take Place 6 Oct 2012
56	19-May-12	Barnard	Charmaine	M	Athletics	IC	Failure to Comply	Failure to Comply	Hearing to Take Place 18 Oct 2012
57	03-Jun-12	Mamabolo	Ludwick	M	Athletics	IC	Methylhexaneamine	Stimulant	Hearing Still to Take Place
58	03-Jun-12	Adoro	Lephetesang	M	Athletics	IC	Testosterone Prednisone/Prednisolone	Anabolic Agent Glucocorticosteroid	Jurisdiction of Lesotho
59	23-Jun-12	Jurrius	Marnus	M	Powerlifting	IC	Failure to Comply	Failure to Comply	Hearing to Take Place 11 Oct 2012
60	23-Jun-12	Hurlin	Daniel Ross	M	Powerlifting	IC	19-Noreticholanone	Anabolic Agent	Hearing to Take Place 16 Oct 2012
61	30-Jun-12	Mdingi	Odinga	M	Wheelchair Basketball	IC	11-nor-delta9-tetrahydrocannabinol-9-carboxylic acid	Cannabinoids	Hearing to Take Place 11 Sep 2012

# INTERNATIONAL



## Strategic Objective

To participate in relevant international anti-doping alliances and collaborate and co-operate with SAIDS counterparts throughout the world, with a focus on Africa, for the purpose of contributing to the harmonisation and improvement of standards and practices in all anti-doping issues

## Performance Against Objectives

SAIDS was officially represented in the following international activities.

Khalid Galant	April 2011: Maputo, Mozambique	All Africa Games Planning Meeting: Doping Control
Khalid Galant/Mbali Hadebe	April 2011: Maputo, Mozambique	All Africa Games Facilities Inspection: Doping Control
Fahmy Galant/Nic Rautenbach	May 2011: Canberra, Australia	Anti-Doping Investigations and Intelligence Course
Walid Bergstedt	July 2011, Windhoek, Namibia	Doping Control Officer Conducting Testing on behalf of the IRB
Nigerian Anti-Doping Organisation	May 2011: Cape Town and Bloemfontein, South Africa	Nigeria Best Practice Visit to SAIDS and the South African Doping Control Laboratory
Khalid Galant/ Fahmy Galant/ Leaquid Khan	August 2011: Maputo, Mozambique	All Africa Games Doping Control Officer Training
Darius Geldenhuys	August 2011: Daegu, South Korea	Doping Control Officer at the IAAF World Athletics Championships
Leaquid Khan/Eileen Khan	August 2011: Harare, Zimbabwe	Doping Control Officers Conducting Testing on behalf of FIM Africa Motocross Championships
Walid Bergstedt	August 2011: Windhoek, Namibia	Doping Control Officer Conducting Testing on behalf of the IRB
Khalid Galant/ Fahmy Galant	September 2011: Maputo, Mozambique	All Africa Games Planning: Doping Control





Robert Phiri/ Nelisiwe Mthimkhulu/Leaquid Khan	September 2011: Maputo, Mozambique	Doping Control Officers/ Coordinators at the All Africa Games
Zinzi Sitoto	September 2011: Maputo, Mozambique	WADA Outreach and Education Team at the All Africa Games
Hilton Mitileni/Patricia Nell	October 2011: London, United Kingdom	Doping Control Officer Training: London 2012 Olympic Games
Leaquid Khan	October 2011: Gaborone, Botswana	Doping Control Officer Training: Botswana Doping Control Officers
Kassiem Adams	November 2011: Harare, Zimbabwe	Doping Control Officer Training: Zimbabwe Doping Control Officers
SAIDS management	November 2011: Johannesburg, South Africa	WADA's African Continental Anti-Doping Education Symposium
Kenya RADO (Regional Anti-Doping Organization) Member	November 2011: Cape Town, South Africa	Kenyan Best Practice Visit
Khalid Galant	November 2011: Paris, France	UNESCO Conference and IADA Meetings
Leaquid Khan	November 2011: Maseru, Lesotho	Doping Control Officer Training: Lesotho Doping Control Officers
Shaun Willemse, Kennedy Motluli, Lucia Masheane, John Jansen, Monseraat Isaacs	December 2011, Maseru, Lesotho	Doping Control Officers Conducting Testing at the Lesotho High Altitude Marathon on behalf of the Lesotho Ministry of Sport
Khalid Galant/Nic Kock	March 2012: London, United Kingdom	Sports Law and Anti-Doping Conference
Khalid Galant	March 2012: Lausanne, Switzerland	WADA's-International Federations/Anti-Doping Organizations Symposium
Leaquid Khan/Fahmy Galant	March 2012: Windhoek, Namibia	Doping Control Officer Training: Namibian Doping Control Officers



prepared in accordance with the South African Standards of Generally Accepted Accounting Practice. (SA Standards of GRAP)



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# ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED

**31 MARCH 2012**

*South African Institute for  
Drug-Free Sport*



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**THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT**  
**STATEMENT OF RESPONSIBILITY**

The Public Finance Management Act, 1999 (Act No.1, 1999), as amended, requires the Board of Directors (Accounting Authority) to ensure that the SA Institute for Drug-Free Sport keeps full and proper records of its financial affairs. The annual financial statements should fairly present the state of the SA Institute for Drug-Free Sport, its financial results, its performance against predetermined objectives and its financial position at the end of the year in terms of Generally Recognised Accounting Practices (GRAP) including any interpretations of such Statements issued by the Accounting Practices Board, with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board replacing the equivalent GAAP Statement. The annual financial statements are the responsibility of the Accounting Authority.

The external auditors (Auditor General) are responsible for independently auditing and reporting on the financial statements.

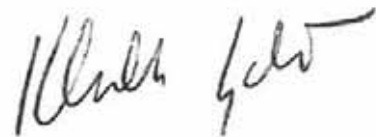
The annual financial statements have been prepared in accordance with South African Standards of Generally Accepted Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa. These annual financial statements are based on the consistent use of appropriate accounting policies, supported by reasonable and prudent judgements and estimates.

In the opinion of the directors, based on the information available to date, the annual financial statements fairly present the financial position of the South African Institute for Drug-Free Sport at 31 March

2012 and the results of its operations and cash flow information for the year under review.



**Dr. Shuaib Manjra**  
Chairman of the Board



**Khalid Galant**  
Chief Executive Officer

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ANNUAL FINANCIAL STATEMENTS  
31 MARCH 2012

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**THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT**  
**(Act No. 14 of 1997)**

**THE ANNUAL FINANCIAL STATEMENTS, SET OUT ON PAGES 58 TO 78, HAVE BEEN APPROVED BY THE CHAIR-PERSON AND ARE SIGNED BY HIM.**

### **BOARD MEMBERS**

DR. S.I. MANJRA (Chairperson)

MR. R. HACK

MR. C. HATTINGH

DR. H. ADAMS

DR. I. JAKOET

MS. N. NTANJANA

DR. J.R.V. RAMATHESELE

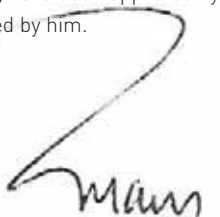
PROF ROCHELLE LE ROUX

DR. M QOBOSE

Ms. GERALDINE PILLAY-VIRET

### **APPROVAL OF FINANCIAL STATEMENTS**

The annual financial statements, set out on pages 58 to 78, have been approved by the Chairperson and are signed by him.



DR. S.I. MANJRA  
31 JULY 2012

# REPORT OF THE AUDITOR-GENERAL TO THE NATIONAL PARLIAMENT ON THE **FINANCIAL STATEMENTS** OF THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT

## REPORT ON THE FINANCIAL STATEMENTS

### Introduction

1. I have audited the financial statements of the South African Institute for Drug-Free Sport set out on pages 58 to 78, which comprise the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Accepted Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the South African Institute for Drug-Free Sport Act, 1997 (Act No. 14 of 1997), and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. 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 the assessment of the risks of material misstatement of 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 management, as well as evaluating the overall presentation of the financial statements.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the South African Institute for Drug-Free Sport as at 31 March 2012, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the PFMA.

### Emphasis of matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### Restatement of corresponding figures

8. As disclosed in note 24 to the financial statements, the corresponding figures for 31 March 2011 have been restated as a result of an error discovered during 2012 in the financial statements of the South African Institute for Drug-Free Sport at, and for the year ended 31 March 2011.

### **Additional matters**

9. I draw attention to the matter below. My opinion is not modified in respect of this matter:

### **Unaudited supplementary information**

10. The supplementary information set out on pages 79 to 81 does not form part of the financial statements and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

### **Predetermined objectives**

11. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 24 to 28 of the annual report.

12. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for managing programme performance information.

13. The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

14. The material findings are as follows:

### **Usefulness of information**

#### **Presentation**

15. A total of 100% (>20%) of major variances between planned and actual achievements were not explained in the annual performance report for the year under review as per the National Treasury annual report preparation guide. This was due to a lack of documented and approved internal policies and procedures to address reporting processes and events pertaining to performance management and reporting.

#### **Consistency**

#### **Reported targets not consistent with planned targets**

16. Treasury Regulation 30.1.3(g) requires that the strategic plan should form the basis for the annual report, therefore, requiring the consistency of objectives, indicators and targets between planning and reporting documents. A total of 46% (>20%) of the reported targets are not consistent with the targets as per the approved strategic plan. This is due to the lack of policies and procedures not being implemented to ensure compliance with treasury regulations.

#### **Compliance with laws and regulations**

17. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA are as follows:

#### **Annual financial statements**

18. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 55(1)(b) of the Public Finance Management Act (PFMA). The material misstatements identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified opinion.

#### **Expenditure management**

19. The accounting authority did not take effective steps to prevent irregular expenditure as required by section 51(1)(b)(ii) of the PFMA.



### **Procurement and contract management**

20. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by Treasury Regulation 16A6.1.

21. Goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by Treasury Regulation 16A6.1.

23. The accounting authority made awards to suppliers who failed to provide written proof from the South African Revenue Service that that supplier either has no outstanding tax obligations or has made arrangements to meet outstanding tax obligations in contravention of Treasury Regulation 16A9.1(d).

### **Internal control**

24. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

### **Leadership**

25. The accounting authority did not exercise oversight responsibility over compliance with laws and regulations by ensuring that a system is developed to ensure that non-compliance does not occur and, consequently, irregular expenditure was incurred.

### **Financial and performance management**

26. Although the public entity has a supply chain management policy in place, the monitoring of adherence to the policy was not effective resulting in the reported instances of non-compliance with the PFMA and Treasury Regulations.

27. The financial statements submitted for audit on 31 May 2012 contained numerous misstatements that were not identified by the public entity's system of internal control. This was mainly due to complete financial statements not being prepared more regularly during the course of the year. The review of the financial statements prior to submission on 31 May 2012 was insufficient to identify the misstatements as highlighted in this report.

28. The reported targets were not consistent with the planned targets as per the public entity's strategic plan. Furthermore, reasons for major variances between planned and actual achievements were not explained in the annual performance report as per the National Treasury annual report preparation guide.

*Auditor-General*

Cape Town  
31 July 2012



**AUDITOR - GENERAL**  
**SOUTH AFRICA**

*Auditing to build public confidence*

We are pleased to present the Audit Committee Report for the South African Institute for Drug Free Sport for the financial year ended 31 March 2012.

### Audit Committee Members and Attendance:

The Audit Committee consists of three independent persons together with a non-executive member of the Board. All members of the Audit Committee have the required expertise and experience in business and financial matters. The Committee met three times during the year to 31 March 2012 and twice subsequent to the year-end, in accordance with its approved terms of reference.

Name of Member	Number of Meetings Attended	
	Year to 31.3.2012	Since 31.3.2012
Adv. David Mitchell (Chairperson)	3	2
Mrs Penny White	3	2
Mr Jonathan George	3	2
Dr Ismail Jakoet (Board member)	3	2

### Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from sections 51(1)(a)(ii) and 76(4)(d) of the Public Finance Management Act and Treasury Regulation 27.

The Audit Committee further reports that it has reviewed and updated the audit committee charter, has regulated its affairs in compliance with this charter, and has discharged its responsibilities as contained therein.

### Internal audit

The Audit Committee considered and adopted a risk-based three year and rolling one year internal audit plan, as required by Treasury Regulation 27.2.7, and reviewed the actual internal audit work that was conducted by Mazars Internal Audit Services. This included a review of the records created and retained by doping control officers and the control exercised during the utilisation and handling of drug test kits. The review showed that the Institute consistently maintains the highest standard of process integrity in this key area. A special PFMA compliance review was also conducted.

### Internal control

Internal control is the system of controls and directives that are designed to provide cost effective assurance that assets are safeguarded, that liabilities and working capital are efficiently managed and that the Institute fulfils its mandate, in compliance with all relevant statutory and governance duties and requirements.

The Audit Committee notes from the internal audit reports and from the Auditor-General's management report and Audit Report on the Annual Financial Statements that no significant or material non-compliance with prescribed policies and procedures has been reported and is accordingly able to report that the system of internal control for the year under review was effective and efficient.

### National Lottery funding

Audit Committee reviewed the manner in which funding received from the National Lotteries Board was handled and can confirm that these monies were applied in accordance with the terms and conditions of the funding grant.

### Leadership and executive management capacity

Audit Committee reviewed the Institute's organisational and functional structure and fully supported the principle that the Institute should co-opt or outsource expertise in specialist areas, outside of its core business. This strategy has been implemented to good effect and has enabled management to enhance the entity's all round operational performance.

### Performance against predetermined objectives

In reviewing the entity's Strategic Plan, the Auditor-General has encouraged management to ensure that a close matching is maintained between the targets and indicators established in the Strategic Plan and the Annual Performance Plan and those that are ultimately reported on in the various quarterly reports. This facilitates an easier assessment of the extent to the entity may have achieved its planned objectives.

### Irregular expenditure

As Audit Committee we are struggling to understand the practical implications of National Treasury's supply chain management prescripts in the context of a small, close-knit regulatory entity such as SAIDS. We also do not understand the manner in which the office of the Auditor-General seeks to interpret these manifold regulations and practice notes.

It is simply not possible for three quotes and other strict requirements always to be obtained, or to be obtained timeously, for many instances of expenditure.

Authority to approve deviations from the strictness of Treasury prescripts has been formally delegated by the accounting authority to the chief executive officer, with the specific objective of enabling the entity to function effectively and fulfil its statutory mandate.

We are concerned that the Auditor-General's approach to this important area is overzealous and unduly pedantic, and hence emerges as a threat to the robustness and integrity of the Public Finance Management Act as a basis for regulating the management and oversight of public entities.

"Irregularity" implies a degree of improper behaviour, immorality and turpitude, indicating maladministration if not corruption – the very antithesis of the proper fiduciary management of public funds. This is why "irregular expenditure" is legislated to lead to other consequences, which include disciplinary action, the possibility of criminal proceedings and particular reporting and financial recovery procedures such as under section 83(2) of the PFMA which reminds us that "every member of an accounting authority is individually and severally liable for any financial misconduct of the accounting authority".

Non-compliance with a [single] regulatory prescript – typically through a special circumstance causing a practical impossibility of compliance or an easily rectifiable oversight – cannot be regarded as a sufficient basis for compelling the reclassification of sound, necessary and well-considered business transactions.

Discussions with the Auditor-General have displayed a refusal to modify his stance and a reluctance to accept or understand alternative or other reasonably inferable audit evidence.

We are accordingly of the view that none of the expenditure disclosed as irregular expenditure in note 18 to the annual financial statements should be so described and respectfully submit that any other conclusion borders on the absurd.

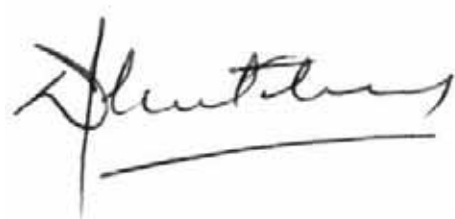
### **Evaluation of Financial Statements**

The Audit Committee wishes to commend management for the manner in which the Institute's affairs have been conducted and also the Board for its leadership and oversight.

### **The Audit Committee has:**

- reviewed and discussed the audited annual financial statements to be included in the annual report with the Auditor-General, with the Chief Executive Officer and with the Board as the Institute's accounting authority
- reviewed the Auditor-General's management report and management's response
- reviewed changes in accounting policies and practices, as applicable.

Save for the Audit Committee's reservations regarding the classification and description of irregular expenditure, as discussed above, the Committee concurs with and supports the Auditor-General's opinion on the annual financial statements, and is of the view that the audited annual financial statements can be accepted and read together with the Auditor-General's report.



Adv. D. J. Mitchell, C.A. (S.A.)  
Chairperson of the Audit Committee

Date: 31 JULY 2012

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## THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT

### ACCOUNTING AUTHORITY REPORT FOR THE YEAR END 31 MARCH 2012

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#### 1. INTRODUCTION

The directors present the audited annual financial statements that forms part of the of the annual report of the entity for the year ended 31 March 2012.

The Entity was established by an Act of Parliament ( Act 14 of 1997 ) and is listed as a national public entity in schedule 3A of the Public Finance Management Act, 1999, as amended (PFMA).

The board of directors acts as the accounting authority in terms of the PFMA.

#### 2. DIRECTORS OF THE ENTITY

Executive Director:

Mr. K. Galant

Non-Executive Directors:

Dr. SI Manjra – Chairperson

Mr. R Hack

Mr. C Hattingh

Dr. H Adams

Dr. I Jakoet

Ms. N Ntanjana

Dr. JRV Ramathesele

Dr. MTD Qobose (appointed 09 June 2011)

Ms. G Pillay-Viret (appointed 09 June 2011)

Prof. R Le Roux (appointed 09 June 2011)

Mr. K Galant was the Chief Executive Officer and Board Secretary for the year under review. His business and postal address are as follows:

1 Mona Crescent  
Newlands  
7700

P O Box 2553  
Clareinch  
7740

#### 3. PRINCIPAL ACTIVITIES

The principal activities of the entity during the year comprise the development and implementation of anti-doping policy and procedures. This includes implementing a drug-testing programme across all the South African sporting codes, providing education and information programmes for all its target markets and collaborating internationally on the development and harmonisation of anti-doping standards and procedures.

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## THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT

### ACCOUNTING AUTHORITY REPORT FOR THE YEAR END 31 MARCH 2012

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#### 4. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

The directors are not aware of any matters or circumstances arising since the end of the financial year, not otherwise dealt with in the annual financial statements, which significantly affect the financial position of the entity or the results of its operations.

#### 5. ADDRESSES

The entity's business, postal and registered addresses are as follows;

<b>Business Address:</b>	<b>Postal Address:</b>	<b>Registered Address:</b>
1 Mona Crescent Newlands 7700	P O Box 2553 Clareinch 7740	1 Mona Crescent Newlands 7700

#### 6. JURISDICTION AND DOMICILE

The entity resides and is effectively managed in the Republic of South Africa.

#### 7. CONTROLLING ENTITY

The executive authority of the entity is the Minister of Sport.

#### APPROVAL

The annual financial statements, set out on pages 58 to 78, have been approved by the Chairperson and are signed by him.



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DR. SI MANJRA  
CHAIRPERSON  
31 JULY 2012

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**COMPILATION REPORT TO THE MANAGEMENT OF**  
**THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT**

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On the basis of information provided by the management we have compiled, in accordance with the statements of standards applicable to compilation engagements as issued by The South African Institute of Chartered Accountants, the statement of financial position of The South African Institute for Drug-Free Sport at 31 March 2012, and the related statement of financial performance and cash flow statement for the year then ended, as set out on pages 58 to 78.

The management is responsible for these financial statements. We have not audited or reviewed these financial statements and accordingly express no assurance thereon.



A SABAN CA (SA)  
A SABAN CONSULTING CC

CAPE TOWN  
31 JULY 2012





International Rugby Board (IRB) President Bernard La Passet





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# FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2012

*South African Institute for  
Drug-Free Sport*



STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 R'000	2011 R'000
<b>Revenue</b>		<b>16 975</b>	11 649
Non-exchange revenue	2,1	14 045	10 042
Exchange revenue	2,2	2 930	1 607
<b>Expenses</b>		<b>17 139</b>	11 162
Administration expenditure		4 884	3 523
Education programme		3 522	1 000
Doping control		6 829	5 398
International projects		490	643
Corporate services		1 414	598
NET (DEFICIT)/SURPLUS		(164)	487
TRANSFER FROM GENERAL RESERVE		58	115
NET (DEFICIT)/SURPLUS FOR THE YEAR		(106)	602
ACCUMULATED SURPLUS/(DEFICIT) BROUGHT FORWARD		421	(181)
ACCUMULATED SURPLUS AT THE END OF THE YEAR		315	421

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 R'000	2011 R'000
<b>ASSETS</b>			
Non-current assets		712	585
Property, plant and equipment	3	458	401
Intangible assets	4	254	184
<b>Current assets</b>			
Inventories	5	210	147
Trade and other receivables	6	763	297
Prepayments and deferred expenses		84	45
Cash and cash equivalents	15	1 091	916
<b>Total assets</b>		<b>2 860</b>	<b>1 990</b>
<b>NET ASSETS AND LIABILITIES</b>			
<b>Net assets</b>			
<b>Capital and reserves</b>			
Accumulated Surplus		315	421
General reserve	8	58	116
<b>Non-Current Liabilities</b>			
Finance lease liability	9	10	-
<b>Current liabilities</b>			
Finance lease liability	9	13	-
Trade and other payables	7	2 464	1 453
<b>Total net assets and liabilities</b>		<b>2 860</b>	<b>1 990</b>

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2012

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	<b>GENERAL RESERVE R'000</b>	<b>ACCUMULATED FUNDS R'000</b>	<b>TOTAL R'000</b>
Balance at 31 March 2010	231	(181)	50
Utilisation of general reserve	(115)	115	-
Net surplus for the year	<u>0</u>	<u>487</u>	<u>487</u>
Balance at 31 March 2011	116	421	537
Utilisation of general reserve	(58)	58	0
Net deficit for the year	-	(164)	(164)
Balance at 31 March 2012	<u><u>58</u></u>	<u><u>315</u></u>	<u><u>373</u></u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 R'000	2011 R'000
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash received from customers		<b>16 382</b>	11 520
Cash paid to suppliers and employees		<b>(15 928)</b>	(10 864)
Cash generated from operations	14,1	<b>454</b>	656
Investment income		<b>118</b>	112
Finance costs		<b>(1)</b>	(21)
		<b>571</b>	747
<b>NET CASH FLOW USED IN INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment and intangible assets		<b>(418)</b>	(319)
Proceeds on sale of property, plant and equipment		<b>12</b>	-
Net cash outflow from investing activities		<b>(406)</b>	(319)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in borrowings		<b>10</b>	(79)
Net cash inflow/(outflow) from financing activities		<b>10</b>	(79)
Net increase in cash and cash equivalents		<b>175</b>	349
Cash and cash equivalents at the beginning of the year	14,2	<b>916</b>	567
Cash and cash equivalents at the end of the year	14,2	<b>1 091</b>	916





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# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED

**31 MARCH 2012**

*South African Institute for  
Drug-Free Sport*



## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the principal accounting policies of the entity which are, in all material respects, consistent with those applied in the previous year, except as otherwise indicated:

### **Basis of preparation**

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board. The annual financial statements have been prepared on the accrual basis of accounting and are in accordance with the historical cost convention, except where indicated otherwise.

The cash flow statement can only be prepared in accordance with the direct method.

The Financial statements are presented in South African Rands since it is the currency in which the majority of the entity's transactions are denominated.

Going concern assumption

The financial statements have been prepared on a going concern basis.

### **1.1 REVENUE RECOGNITION**

Revenue is recognised on the accrual basis.

#### **1.1.1 Revenue from non exchange transactions**

Revenue arising from non exchange transactions is recognised in accordance with the requirements of the Standards of GRAP on Revenue from Non-exchange Transactions, which has been early adopted. Revenue from non-exchange transactions refers to transactions where the entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount. Where a transfer is subject to conditions that, if unfulfilled, require the return of the transferred resources, the entity recognises a liability until the condition is fulfilled. Lottery funding was received for specific projects as per the Lottery funding application. Revenue is recognised to the extent of the funding utilised for the respective projects.

#### **1.1.2 Revenue from exchange transactions**

Revenue arising from exchange transactions is recognised when the service has been provided and the costs incurred for the service and the cost to complete the service can be measured reliably

#### **1.1.3 Interest received**

Interest received is recognised on the accrual basis.

### **1.2 IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE**

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including:

The PFMA or any provincial legislation providing for procurement procedures in that provincial government.

Fruitless and wasteful expenditure means expenditure that was made in vain and would have been avoided had reasonable care been exercised.

All irregular, fruitless and wasteful expenditure is charged against income in the period in which it is incurred.



### 1.3 FOREIGN CURRENCIES

Transactions in currencies other than the entity's reporting currency (rand) are initially recorded at the rates of exchange ruling on the dates of the transactions. Gains and losses arising from the settlement of such transactions are recognised in the income statement.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling on the balance sheet date. Unrealised differences on monetary assets and liabilities are recognised in the income statement in the period in which they occurred.

### 1.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Historical costs include expenditure that is directly attributable to the acquisition of the items.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

Depreciation is calculated using the straight line method to write off their cost or valuation, less estimated residual value, over their estimated useful lives, which are as follows:

Item	Estimated useful life
Computer Equipment	3 yrs
EPO Equipment	8 yrs
Furniture and Fittings	3 - 6 yrs
Motor Vehicles	4 yrs
Office Equipment	1.5 - 6 yrs

The residual values, useful lives and depreciation method of property, plant and equipment are reviewed on an annual basis. Profit and losses on disposal of property, plant and equipment are credited and charged to the statement of financial performance. The carrying values of property, plant and equipment are reviewed for impairment on an annual basis. When events or changes in circumstances indicate that the carrying value may not be recoverable, the assets are written down to their recoverable amount. Property, plant and equipment is derecognised on disposal or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from the derecognition is included in surplus or deficit when the item is derecognised. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in profit or loss in the period.

Judgements made by management and sources of estimation uncertainty. Preparing financial statements in conformity with SA Standards of GRAP requires estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from these estimates. Certain accounting policies have been identified as involving subjective judgements or assessments.

### 1.5 INTANGIBLE ASSETS

An intangible asset is recognised when:

**1.5.1 it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and**

**1.5.2 the cost or fair value of the asset can be measured reliably.**

Intangible assets are initially recognised at cost. Subsequent to initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. The cost (or depreciable amount) of intangible assets with finite useful lives are amortised over the estimated useful lives.

Amortisation is charged so as to write off the cost of intangible assets with finite useful lives over their estimated useful lives using the straight-line method. Amortisation commences when the asset is ready for its intended use. The annual amortisation charges are based on the following estimated average asset lives:

Item	Estimated useful life
Computer Software	33,33%
Interactive media applications	50,00%

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

An intangible asset is derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying amount and is included in surplus or deficit when the item is derecognised.

## 1.6 INVENTORY

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first -in-first-out basis. Inventory consists of test kits.

## 1.7 FINANCIAL INSTRUMENTS

Financial instruments carried on the statement of financial performance include cash and bank balances, trade receivables and trade payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

### Trade and other receivables

Trade receivables are recognised initially at fair value and measured at amortised cost using the effective interest rate method, less a provision for impairment. This provision is based on a review of all outstanding amounts at year end and is established when there is objective evidence that the institute will not be able to collect all amounts due according to the original terms. The amount of the provision difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off during the year in which they are identified. Subsequent recoveries of amounts previously written off are credited against the relevant revenue stream in the statement of financial performance.

### Trade and other payables

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

### Cash and cash equivalents

Cash and cash equivalents are measured at fair value. Cash and cash equivalents includes cash on hand and demand deposits held on call with banks.

## 1.8 PROVISIONS

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the obligation can be made.

## 1.9 GOVERNMENT GRANTS

Government grants are recognised as revenue when received.

**1.10 LEASE OBLIGATIONS**

Leases where the company assumes substantially all the risks and rewards of ownership of assets, are classified as finance leases. All other leases are classified as operating leases.

**Finance Leases**

Assets subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. The cost of the assets is depreciated at appropriate rates on the straight-line basis over the estimated useful lives of the assets. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

**Operating Leases**

Lease payments under operating leases are recognised in profit and loss on a straight line basis over the expected lease term.

**2. REVENUE**

	<b>2012</b> R'000	<b>2011</b> R'000
<b>2.1 Non-exchange revenue</b>		
Grant - Sport and Recreation South Africa	<b>11 604</b>	10 042
National Lottery	<b>2 425</b>	-
Sponsorship	<b>16</b>	-
	<b>14 045</b>	10 042
<b>2.2 Exchange revenue</b>		
Doping control sales	<b>2 787</b>	1 495
Interest received	<b>118</b>	112
Profit on foreign exchange	<b>20</b>	-
Insurance	<b>5</b>	-
	<b>2 930</b>	1 607

**3. PROPERTY, PLANT AND EQUIPMENT****2012**

Carrying value at the beginning of year									
Cost	141	1 999	281	66	28	179			401
Accumulated depreciation	127	1 885	215	255	59				2 541
Depreciation	26	58	26	13		48			171
Additions	74	-	53	-	-	113			240
Disposals	1	-	3	-	-	8			12
Cost	41	-	5	-	-	16			62
Accumulated depreciation	40	-	2	-	-	8			50
Carrying value at the end of year	61	56	90	15	236				458
Cost	174	1 999	329	283	335				3 120
Accumulated depreciation	113	1 943	239	268	99				2 662

**2011**

Carrying value at the beginning of year									
Cost	131	1 999	276	80	41	111			492
Accumulated depreciation	101	1 769	196	242	27				2 335
Depreciation	26	116	19	13	32				206
Additions	10	-	5	-	100				115
Disposals	-	-	-	-	-				-
Cost	-	-	-	-	-				-
Accumulated depreciation	-	-	-	-	-				-
Carrying value at the end of year	14	114	66	28	179				401
Cost	141	1 999	281	283	238				2 942
Accumulated depreciation	127	1 885	215	255	59				2 541

**3. PROPERTY, PLANT AND EQUIPMENT (Continued)**

	<b>2012</b>	2011
	<b>R'000</b>	R'000
The historical cost of property, plant and equipment that is fully depreciated and still in use are:		
Computer equipment	<b>88</b>	84
Furniture and Fittings	<b>165</b>	158
Office equipment	<b>9</b>	-
	<u><b>262</b></u>	<u>242</u>

**4. INTANGIBLE ASSETS**

	Cost	Accumulated Depreciation	Carrying Value
	R'000	R'000	R'000
<b>2012</b>			
Computer software	<b>129</b>	<b>69</b>	<b>60</b>
Interactive media applications	<b>265</b>	<b>71</b>	<b>194</b>
	<u><b>394</b></u>	<u><b>140</b></u>	<u><b>254</b></u>
<b>2011</b>			
Computer software	98	32	66
Interactive media applications	118	-	118
	<u>216</u>	<u>32</u>	<u>184</u>

**Reconciliation**

	<b>2012</b>	2011
	<b>R'000</b>	R'000
Carrying value at the beginning of the year	<b>184</b>	6
Additions	<b>177</b>	204
Amortisation	<b>( 107)</b>	( 26)
Carrying value at the end of the year	<u><b>254</b></u>	<u>184</u>
The historical cost of intangible assets that are fully depreciated and still in use:	<u><b>9</b></u>	<u>-</u>

**5. INVENTORIES**

The amounts attributable to the different categories are as follows:

Finished goods	<u><b>210</b></u>	<u>147</u>
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The cost of inventories recognised as an expense during the year amounts to R454 566 (2011: R402 851)

**6. TRADE AND OTHER RECEIVABLES**

Trade receivables	<b>416</b>	269
National lottery	<b>280</b>	-
Other	<b>67</b>	28
	<u><b>763</b></u>	<u>297</u>

**6. TRADE AND OTHER RECEIVABLES (continued)**

	2012	2011
	R'000	R'000

The carrying value of trade and other receivables approximate the fair value thereof. A provision for doubtful debt is made after assessing each individual debtor and recovery thereof appears to be doubtful.

Trade receivables analysis

0 – 30 days	308	231
30 – 60 days	56	-
60 – 120 days	-	36
Over 120 days	57	5
Foreign exchange	(5)	(3)
	416	269

**7. TRADE AND OTHER PAYABLES**

Payables	1 808	807
Accruals	643	645
Provisions		
Straight lining of lease	13	1
	2 464	1 453

**8. GENERAL RESERVE**

Special Grant – Testing equipment	58	116
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Special grant received in advance for purchase of laboratory testing equipment.

**9. FINANCE LEASE LIABILITY****Non-current**

Finance lease liability	10	-
		-

**Current**

Finance lease liability	13	-
<b>Total borrowings</b>	<b>23</b>	-

Non – current liabilities	10	-
Current liabilities	13	-
	23	-

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

**Gross finance lease liabilities – minimum lease payments:**

No later than 1 year	15	-
Later than 1 year and not later than 5 years	10	-
	25	-
Future finance charges on finance leases	(2)	-
Present value of finance lease liabilities	23	-

The present value of finance lease liabilities is as follows:

No later than 1 year	13	-
Later than 1 year and not later than 5 years	10	-
	23	-

**10. DIRECTORS AND AUDIT COMMITTEE REMUNERATION**

The following emoluments were paid or credited to the directors during the year

					2012	2011
					R'000	R'000
<b>Executive Director</b>	Salary	Bonus	Allowances	Employer Contributions		
	R'000	R'000	R'000	R'000		
Mr. K Galant (Chief Executive Officer)	728	73	37	8	<b>846</b>	776
<b>Non-Executive Directors</b>	<b>Honoraria</b>		<b>Allowances</b>			
Dr. SI Manjra (chairperson)	91		-		<b>91</b>	30
Mr. R Hack	23		-		<b>23</b>	7
Mr. C Hattingh	17		12		<b>29</b>	18
Ms. N Ntanjana *	-		-		<b>-</b>	-
Dr. I Jakoet	20		-		<b>20</b>	12
Dr. JRV Ramathesele	8		-		<b>8</b>	3
Prof R Le Roux	11		1		<b>12</b>	-
Ms. G Pillay-Viret	7		-		<b>7</b>	-
Dr. MTD Qobose	15		-		<b>15</b>	-
					<b>1 051</b>	846
The following emoluments, net of PAYE, were paid to the audit committee during the year						
Adv. D Mitchell (chairperson)					<b>20</b>	9
Mr J George					<b>8</b>	3
Mrs P White					<b>10</b>	3
					<b>38</b>	15

\* no remuneration due to employment in the public sector

**11. EMPLOYEE BENEFITS****Defined Contribution Plan**

Included in payroll costs are contributions to a defined contribution retirement plan in respect of services in a particular period. This is funded by both member and entity contributions, which are charged to the income statement as they are incurred.

The total entity contribution to such schemes in 2012 was R115 560 (2011: R99 609).

The funds cover the eligible employees, other than those employees who opt to be or are required by legislation to be members of various Industry Funds.

**Medical Aid**

The company contributes to a Medical Aid scheme for employees. The costs of these contributions, which are charged to the income statement as they are incurred.

The total entity contributions to such schemes in 2012 was R61 854 (2011: R67 666)

**12. DEFICIT/SURPLUS FROM OPERATIONS**

	2012 R'000	2011 R'000
Deficit/surplus from operations has been arrived at after the following:		
<b>Expenditure</b>		
Auditors remuneration	683	613
Audit committee remuneration	38	15
Amortisation of intangible assets	107	26
Depreciation of property, plant and equipment	171	206
Directors remuneration	1051	846
Loss on foreign exchange	-	21
<b>Revenue</b>		
Interest received	118	112
Doping control sales	2 787	1 495
Government grants	11 604	10 042
Profit on foreign exchange	20	-

**13. FINANCIAL INSTRUMENTS****Financial Risk Management**

Financial instruments are used to cover risks linked to the entity's activity. Each instrument is tied to an asset or liability as an operational or financing transaction.

**Foreign Exchange Risk**

The entity carries out a significant portion of its sales in foreign currencies. Hedging instruments are not used to reduce the risks arising from foreign currency fluctuations against the entity's own currency.

**Interest Rate Risk**

The entity is not exposed to any interest rate risk on its financial liabilities. Short-term cash surpluses are deposited with a major bank of a high quality credit standing. These deposits attract interest at rates linked directly to the prime overdraft rate.

**Foreign currency sensitivity**

The following table details the entities sensitivity to a strengthening in the ZAR against the respective foreign currencies. As the risks are symmetrical in nature, weakening of the ZAR would result in an equal but opposite amount to that detailed in the sensitivity analysis below:

USD – 11.8% (2011 – 6.8%)	<u>35</u>	<u>12</u>
EUR –11% (2011 – 11%)	<u>2</u>	<u>1</u>

**Interest rate sensitivity**

The following table details the entities sensitivity to an increase in the interest rate payable on deposits held by financial institutions. As the risks are symmetrical in nature, a decrease in the interest rate would result in an equal but opposite amount to that detailed in the sensitivity analysis below:

Bank balances – 12.5% (2011 – 11%)	<u>136</u>	<u>102</u>
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**13. FINANCIAL INSTRUMENTS (continued)****Credit Risk**

The entity only deposits cash surpluses into major banks of high quality credit standing.

Trade accounts receivable comprise a widespread customer base. Ongoing credit evaluations of the financial position of the customers is performed.

**Liquidity Risk**

The company has minimised its liquidity risk by monitoring forecast cash flows and ensuring that it has adequate banking facilities and borrowing capacity.

The financial liabilities, as at the reporting date, have contractual maturity dates of less than 12 months.

**14. CASH FLOW NOTES****14.1 Reconciliation of net deficit to cash utilised in operations**

	<b>2012</b>	2011
	<b>R'000</b>	R'000
Net (deficit) / surplus for the year	<b>( 164)</b>	487
Adjusted for:		
Amortisation of intangible assets	<b>107</b>	26
Depreciation of property, plant and equipment	<b>171</b>	206
Movement in provisions	<b>12</b>	( 1)
Investment income	<b>( 118)</b>	( 112)
Finance costs	<b>1</b>	21
Scrapping of assets	<b>-</b>	-
Operating surplus before working capital changes	<b>9</b>	627
Working capital changes	<b>445</b>	29
Increase in accounts receivable	<b>( 503)</b>	( 17)
Increase in accounts payable	<b>1 011</b>	51
Increase in inventories	<b>( 63)</b>	( 5)
Cash generated from operations	<b>454</b>	656

**14.2 Cash and cash equivalents**

At the beginning of the year		
Cash at bank	<b>916</b>	567
At the end of the year		
Cash at bank	<b>1 091</b>	916

**15. CASH AND CASH EQUIVALENTS**

Bank and cash balances	<b>1 323</b>	991
Credit card balances	<b>( 232)</b>	( 75)
	<b>1 091</b>	916

**16. OPERATING LEASES**

**2012** 2011  
**R'000** R'000

The operating leases comprise rentals of premises.

The total future minimum lease payments under these leases are as follows:

Due within one year	<b>400</b>	38
Due between one to five years	<b>68</b>	-
	<u><b>468</b></u>	<u>38</u>

**17. FRUITLESS AND WASTEFUL EXPENDITURE**

Reconciliation of fruitless and wasteful expenditure

Opening balance	-	-
Fruitless and wasteful expenditure – current year	-	-
Fruitless and wasteful expenditure condoned	-	-
Transfer to receivables for recovery	-	-
Fruitless and wasteful expenditure awaiting condonement	<u>-</u>	<u>-</u>

Incidents	Disciplinary steps taken/criminal proceedings
No fruitless and wasteful expenditure was identified during the year under review.	

**18. IRREGULAR EXPENDITURE**

**2012** 2011  
**R'000** R'000

**Reconciliation of irregular expenditure**

Opening balance	<b>188</b>	44
Add: Irregular expenditure – relating to prior year	-	-
Add: Irregular expenditure – relating to current year	<b>3 390</b>	188
Less: Amounts condoned	-	44
Less: Amounts recoverable (Not condoned)	-	-
Less: Amounts not recoverable (Not condoned)	-	-
Irregular expenditure awaiting condonation	<u><b>3 578</b></u>	<u>188</u>

**Analysis of awaiting condonation per age classification**

Current year	<b>3 390</b>	188
Prior years	<b>188</b>	-
Total	<u><b>3 578</b></u>	<u>188</u>

Incidents	Disciplinary steps taken/criminal proceedings
Contraventions of PFMA and Treasury Regulations in that competitive bidding process was not followed and 3 quotes were not obtained for procurement.	No disciplinary steps or criminal proceedings were required as the expenditures were incurred in the best interest of the entity.

**18. IRREGULAR EXPENDITURE (continued)**

<b>Irregular expenditure relating to the current year</b>	<b>2012</b>	2011
	<b>R'000</b>	R'000
Expenditure considered irregular as competitive bidding process was not followed and 3 quotes were not obtained:		
<b>Nature of spend</b>		
Advertising and promotion	1 229	3
Doping control consumables	7	11
Corporate gifts and entertainment	19	-
Entertainment - international projects	3	-
Furniture and fittings	3	-
Insurance - medical malpractice	142	-
Intangible assets	70	103
Investigations / Intelligence framework	12	-
Insurance - group risk	10	-
Mobile unit	6	12
Office equipment	7	-
Office rental	344	-
Other international liaison	34	-
Printing and stationery	14	-
Public relations and communications	86	-
Quality assurance	-	29
Research	80	-
Results management	465	-
Staff amenities	5	-
Seminars and workshops and DCO training	189	-
Lab analysis	9	-
Staff recruitment	20	-
Staff training	29	8
Subscriptions	6	-
Temporary staff costs	57	-
Travelling and accommodation	211	2
Travelling and accommodation - DCO reimbursement	128	-
Travelling and accommodation local - staff	205	-
Website costs	-	21
	<b>3 390</b>	<b>188</b>

**Explanatory notes on current year irregular expenditure****Advertising and promotions:**

A substantial portion of costs pertain to work with strategic partners or sponsors relating to the "I Play Fair" campaign where it was not feasible to solicit three quotes.

**Insurance - medical malpractice:**

This pertains to the annual renewal of existing professional medical malpractice insurance. The insurance coverage is customised to the entity's requirements.

**Rental of premises:**

The CEO viewed and evaluated over six properties. These properties were identified by a property expert who recommended the most suitable properties based on the requirements of the agency. Upon identification of the most suitable premises by the CEO, a board delegation was taken to view the property and make recommendations to the board for approval, which was granted.

**Other international liaison:**

Limited accommodation available at the required time relating to the 2012 Argus Cycle Tour.

**18. IRREGULAR EXPENDITURE (continued)****Explanatory notes on current year irregular expenditure (continued)****Public relations and communications:**

The amount includes payments to a film production media company recommended to cover the 2012 Argus Cycle Tour.

**Research:**

The entity procured the services of a specialist service provider to deliver on a credible national position statement on sports supplements.

**Results management:**

A substantial portion of this amount relates to the services of a specialist service provider who had subject matter expertise to represent the entity in a case heard at the International Court of Sports Arbitration in Switzerland.

Other instances relate to tribunal members, where individuals are invited to serve on National Tribunal Panels to adjudicate anti doping rule violations.

**Staff recruitment:**

The cost relate to a placement fee payable to a recruitment company.

**Temporary staff costs:**

This comprises a recruitment fee, as explained above, as well as temporary staff costs.

**19. RELATED PARTIES****2012  
R'000**2011  
R'000**Sport and Recreation South Africa**

The South African Institute for Drug-Free Sport receives the majority of its funding from Sport and Recreation South Africa. The following transactions were entered into between the two parties:

**Revenue received**

Grant received

**11 604**

10 042

**Balances between entity and related party**

Debtor balances

-

-

**Directors (refer note 10)****1 051**

846

**20. BUDGETED INFORMATION**

<b>Budgets - cash basis</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
	<b>Grant budget</b>	<b>Doping control budget</b>	<b>Lottery</b>	<b>Total</b>
<b>Income</b>	11 604	2 620	2 425	16 649
less : revenue expenditure	( 11 307)	( 2 620)	( 2 425)	( 16 352)
less : capital expenditure	( 297)	-	-	( 297)
<b>Cash budget surplus/deficit</b>	-	-	-	-
Adjusted for :				(149)
Amortization of intangible assets				(107)
Bad debts				(8)
Depreciation				(171)
Finance cost				(1)
Interest received				118
Profit on foreign exchange				20
Expenditure variance				(15)
<b>Net deficit per statement of financial performance</b>				<b>(164)</b>

**21. GRAP STANDARDS APPROVED BUT NOT YET EFFECTIVE**

At the date of authorisation of these financial statements, the following Standards were approved but not yet effective.

GRAP 18 - Segmented Reporting

GRAP 25 - Employee Benefits

GRAP 104 - Financial Instruments

GRAP 105 - Transfer of Functions Between Entities Under Common Control

GRAP 106 - Transfer of Functions Between Entities Not Under Common Control

GRAP 107 - Mergers

**22. CHANGE IN ACCOUNTING ESTIMATE**

The useful life of EPO equipment was estimated in 2005 to be 4 years. At the beginning of 2009 management revised their estimate from 4 years to 7 years. At the beginning of the current period management has revised their estimate from 7 years to 8 years. The effect of this revision has decreased the depreciation charge for the current period by R 57,593.

**23. NATIONAL LOTTERY FUNDING**

	2012
	R'000
Revenue	2 425
Expenditure	2 425
Access to Information	364
Anti-doping Education	914
Anti-doping Interactive Program	340
National Schools Outreach Program	807
<b>Net (Deficit)/Surplus</b>	<b>-</b>

**24. COMPARATIVE INFORMATION**

	Restated	Previously disclosed
Administration expenditure	3 523	3 778
Education programme	1 000	1 000
Doping control	5 398	5 209
International projects	643	643
Corporate services	598	532
<b>Expense totals</b>	<b>11 162</b>	<b>11 162</b>

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2012

	NOTE	2012 R'000	2011 R'000
<b>REVENUE</b>	2	<b>16 975</b>	11 649
Non-exchange revenues	2.1	14 045	10 042
<b>Exchange revenue</b>	2.2	<b>2 930</b>	1 607
Doping control sales		2 787	1 495
Interest		118	112
Insurance		5	-
Profit on foreign exchange		20	-
<b>EXPENSES</b>		<b>17 139</b>	11 162
<b>ADMINISTRATION EXPENDITURE</b>		<b>4 884</b>	3 523
Accounting fees		250	179
Amortisation of intangible assets		107	26
Audit fee		683	613
Bad debts		8	-
Bank charges		32	22
Computer expenses		152	73
Depreciation		171	206
Electricity and water		22	6
Finance cost		1	21
Gifts and entertainment		13	2
Insurance		55	26
Investigations and intelligence framework		13	-
Legal fees		100	30
Loss on foreign exchange		-	21
Loss on sale of assets		3	-
Motor vehicle expenses		10	-
Office rental		362	110
Postage and telephone		202	113
Printing and stationery		14	22
Payroll costs		2 151	1 838
Repairs and maintenance		16	5
Relocation		23	-
Security		5	5
Staff amenities		36	12
Staff recruitment and training		72	26
Staff group risk insurance		10	3
Temporary staff costs		80	4
Travelling and accommodation		293	160

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2012

	2012 R'000	2011 R'000
<b>EDUCATION PROGRAMME</b>	<b>3 522</b>	1 000
Advertising and promotion	1 916	508
Books and magazines	2	4
Mobile unit	45	35
Research	82	31
Public relations and communications	815	62
Seminars and workshops	180	196
Subscriptions	15	10
Travelling, accommodation and lecture	436	100
Website costs	31	54
<b>DOPING CONTROL</b>	<b>6 829</b>	5 398
Advertising and promotions	-	-
Blood testing consumables	2	8
Biological passport review panel	-	6
Courier costs	450	419
Drug kits	455	403
Opening inventory	147	142
Drug kits – purchases	518	408
Closing inventory	( 210)	( 147)
Consumables	3	11
Doping control review committee	101	106
Doping control uniforms	68	200
Doping control officers training and workshops	1	-
Entertainment and staff amenities	3	-
Insurance - medical malpractice	96	98
Printing and stationery	15	22
Testing services	9	-
Travelling accommodation and DCO reimbursements	1 958	1 469
Therapeutic use exemption committee	37	43
Laboratory analysis	3 631	2 613
<b>INTERNATIONAL PROJECTS</b>	<b>490</b>	643
ANADO services	-	56
Bad debts	-	169
Entertainment	3	-
International membership subscription	-	23
International liaison-other	167	10
Quality assurance	1	-
Subsistence – board members	-	5
Subsistence – staff	7	48
Travel and accommodation – board members	17	81
Travel and accommodation – staff members	293	251
WADA-travelling and accommodation	2	-



DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2012

	2012 R'000	2011 R'000
<b>CORPORATE SERVICES</b>	<b>1 414</b>	598
Appeal board	26	-
Audit committee	38	20
Board meetings	51	7
Board members honoraria	206	80
Corporate gifts and entertainment	26	10
Corporate uniforms	2	-
Compliance performance management	-	108
Printing and stationery	21	-
Quality Assurance	12	40
Result management	944	294
Travelling and accommodation board members	88	39
<b>NET (DEFICIT)/SURPLUS</b>	<b>( 164)</b>	487

**NO!  
DOPING**

Drug-Free Sport  
[www.drugfreesport.org.za](http://www.drugfreesport.org.za)

Institute for  
Sport  
[www.ifs.org.za](http://www.ifs.org.za)

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