

**I PLAY
FAIR**

**SAY NO!
TO DOPING**

20

13

ANNUAL
REPORT

South African Institute for
Drug-Free Sport



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ANNUAL REPORT 2013



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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.

CHAIRMAN'S REPORT '13

Dr. Victor Ramathesele



South African Institute for
Drug-Free Sport

CHAIRMAN'S REPORT

THE CURRENT BOARD OF SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT (SAIDS) WAS APPOINTED LESS THAN A YEAR AGO, BUT ALREADY OURS HAS BEEN A VERY EVENTFUL INTRODUCTION TO THE ANTI-DOPING WORLD, AND EVEN MORE EXCITING TIMES LIE AHEAD.

We thank society and the sports fraternity for nominating us, and the Honourable Minister of Sports and Recreation and his Department for their continued support. The Minister's clarion call to us was poignant "I expect you to continue the promotion of drug-free sport participation through education, promotion and testing; and to ensure centralization of sample collection and testing procedures that are in line with international norms and standards".

The fight against doping in sports cannot be waged successfully by SAIDS alone; we will need the support of Government, the sporting federations, sports participants, the corporate world and society in general. But what gives us confidence is that we have been bequeathed a world class organization, that has over the years built a credible reputation among its peers on the African continent and globally. I deem it an honour to have been given the opportunity to lead SAIDS for the next 5 years. In this regard I thank the outgoing Board for the sterling job of creating a platform from which we can further build and strengthen its performance and reputation. We are also grateful that most of these men and women continue to wage our fight against doping in sports through their participation in the SAIDS Appeal's Board, and that we can therefore continue to benefit from their experience and expertise.

As the Board and based on our mandate, we have developed the Strategic Plan for our tenure and to implement it successfully, we will continue to engage with our continental and global counterparts to seek and establish strategic collaborations and alignment with global trends and standards. The field of anti-doping is dynamic and continually changing, and this enjoins SAIDS to stay abreast of developments on the operational and scientific fronts.

It is now common knowledge that the doping charges against the 2012 Comrades Marathon winner were withdrawn on a technicality. This was after the SAIDS doping control processes were found to be less than

ideal. This long drawn saga has been an invaluable though unpalatable lesson of complacency on our part. Consequently, we have since done an organizational review to ensure that our Doping Control and Results Management processes are continuously improved and monitored; and that they are beyond reproach. Furthermore, we will be forging closer collaboration with the Doping Control Laboratory in the University of Free State to ensure that it remains a cutting edge institution in line with the requirements of the World Anti-Doping Agency (WADA).

We will continue to build on the gains of our successful Education Outreach Programme. Similarly, we will double our efforts in finding solutions to the scourge of substance abuse, steroids trafficking and the changing doping trends.

Proudly, our country has made a name for itself by hosting numerous global events in the last two decades. And we are naturally excited that Johannesburg has the honour of hosting the World Conference on Doping in Sport in November 2013. As the host anti-doping agency SAIDS is ready to welcome all delegates and participants to our shores as we adopt the new anti-doping Code for the next 5 years; and adapt our policies and processes in accordance with the changing trends and challenge of doping in sports. SAIDS will also be hosting a Sports Law Conference of our own just before this historical event, and we look forward to its resounding success.

Finally, we invite and look forward to support from all our stakeholders in our mandate to create a doping-free sports environment.



DR. Victor Ramathesele
Chairman of the Board of Directors

CEO'S 2013 REPORT

ANNUAL REPORT

• Khalid Galant •

South African Institute for
Drug-Free Sport



OVER THE PAST YEAR DOPING ISSUES HAVE BECOME PART OF OUR MAINSTREAM DISCOURSE WITH SENTIMENTS RANGING FROM LEGALISING DOPING IN SPORT, TO QUESTIONING THE JURISDICTION OF ANTI-DOPING BODIES

And to vindicating the role of agencies such as ours in protecting the spirit of sport from being tarnished by cheats and drugs.

The Lance Armstrong doping affair largely contributed to the heightened public interest.

We studied the US Anti-Doping Agency's Reasoned Decision on Armstrong and other related documents to determine whether our testing system could be defeated and what other lessons we could draw from the Reasoned Decision to mitigate against a sophisticated doping infrastructure gaining a foothold in South Africa. Subsequently, we modified our testing strategy to focus more on expanding the Athlete Biological Passport (ABP) programme. One athlete was prosecuted as a result of information from the ABP programme and 55 samples on other cyclists were retroactively tested for EPO. The retroactive testing elicited suspicious findings but not enough evidence to formulate doping charges. We will continue with our aggressive testing strategy as part of the ABP program focusing on "high risk" sport codes. The testing strategy is augmented with many sources of intelligence information on doping that is processed by our office. The frequency with which we receive doping information can be attributed to the confidence the sports public has in the integrity of SAIDS and the belief that we will act on doping practices.

A concomitant effect of anti-doping going "mainstream" is that the demand for our anti-doping education services has increased. Sports entities are now much more aware of their responsibilities with respect to anti-doping regulations and are insisting on a greater frequency of visits from our education team. I am especially encouraged by the energy of our provincial governments sports departments that are looking to integrate anti-doping education in their sports programme. While resource constraints still influence the delivery of our education services, partnerships with entities such as Virgin Active SA, Endurocad and the Exercise Teachers Academy (ETA) enable us to reach wider audiences with limited expenditure. Strategic partnerships have also been one of the key ingredients to the success of our anti-doping awareness campaign. The "I Play Fair" campaign won a 2013 gold prism award of the Public Relations Industry of South Africa (PRISA).

An important milestone during the year under review was the implementation date of the Schools Steroid Testing Project. In spite of some legal obstacles the project is set to roll out in 2013 and we will measure if the project meets its objectives at the end of the 12 month project period.

On our financial and governance end, I am pleased to deliver an unqualified audit report to the Board of Directors. I wish to extend my gratitude to the outgoing Board of Directors for their bold vision and guidance during their tenure. The incoming Board under the stewardship of Dr. Victor Ramathesele have already indicated an enthusiasm to build on the legacy of their predecessors and put in place structures that will address the moving challenges of anti-doping in sport.

The accomplishments of SAIDS as outlined in this report is a testament to the work ethic and commitment of staff in delivering on the drug-free sport mandate within a work environment that emphasizes financial austerity and continued process improvements. I am always indebted to our corps of Doping Control Officers (DCO) and Education Officers who are at the "coal-face" of drug-free sport.

THE BOARD OF DIRECTORS

AUGUST 2013

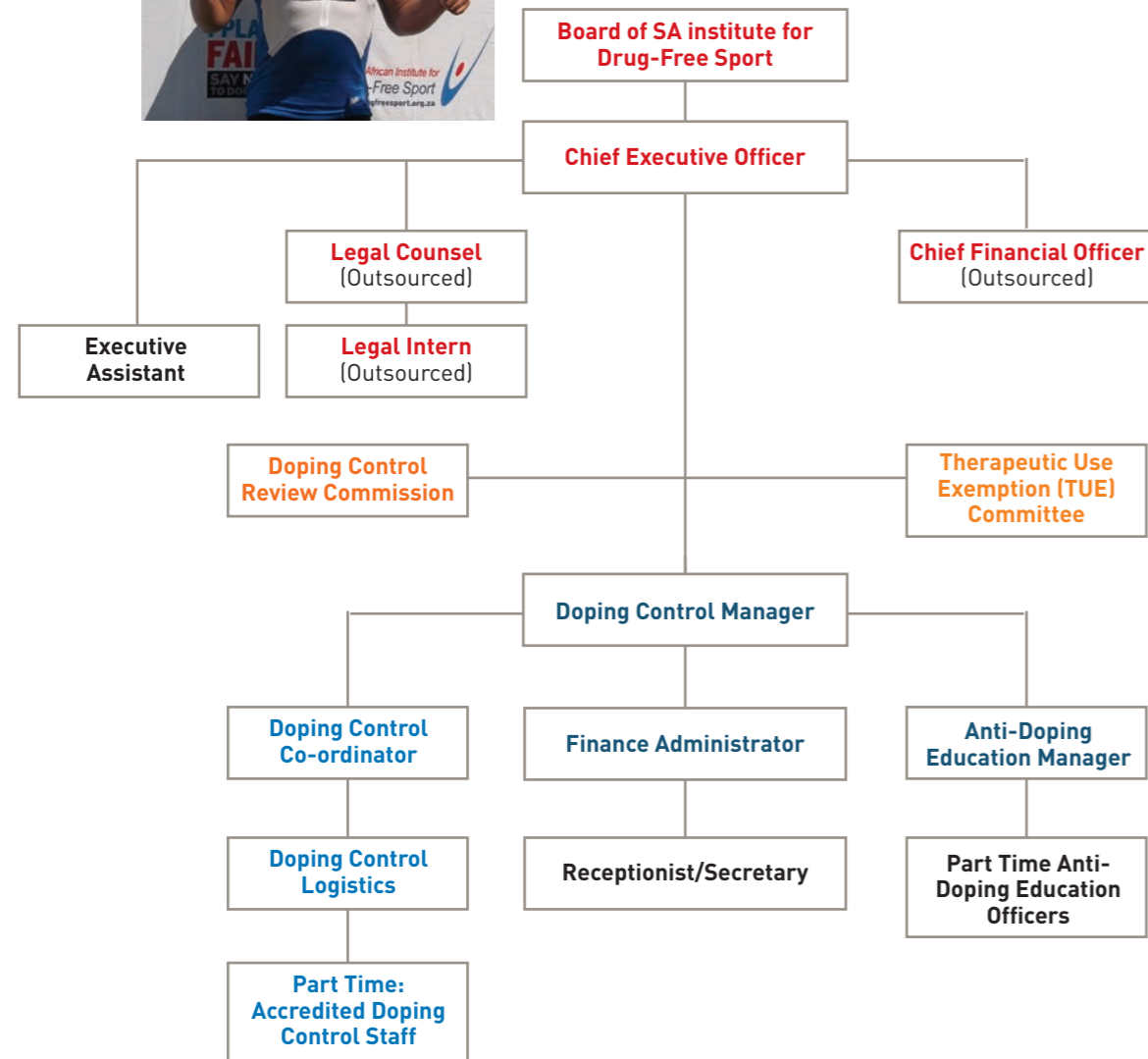


BOARD OF DIRECTORS

Title	Name	Surname	Field of Work
Dr	Victor	Ramathesele	Sports Medicine and Corporate Governance
Mr	Graham	Abrahams	Sports Management - Media and Corporate Governance
Dr	Harold	Adams	Sports Medicine, Sports Management
Mr	David	Bayever	Pharmacology, Public Service
Ms	Natalie	Du Toit	Professional Athlete
Prof	Rochelle	le Roux	Professor of Law
Judge	Lex	Mpati	Appeals Court Judge, Sports Management
Dr	M'Zwake	Qobose	Sports Medicine, Sports Management
Dr	Linda	Skaal	Public Health Academic
Mr	Mthobi	Tyamzashe	Corporate Governance, International Sports Management

SAIDS APPEAL BOARD

Title	Name	Surname
Prof	HD	Hendricks
Mr	A	Abercrombie
Dr	P	Cele
Ms	M	Diale
Adv	R	Gaoraelwe
Mr	R	Hack
Dr	I	Jakoet
Mr	M	Ledwaba
Dr	S	Manjra
Dr	E	Nemetswerani



DOPING CONTROL '13

ANNUAL REPORT



DOPING CONTROL REPORT

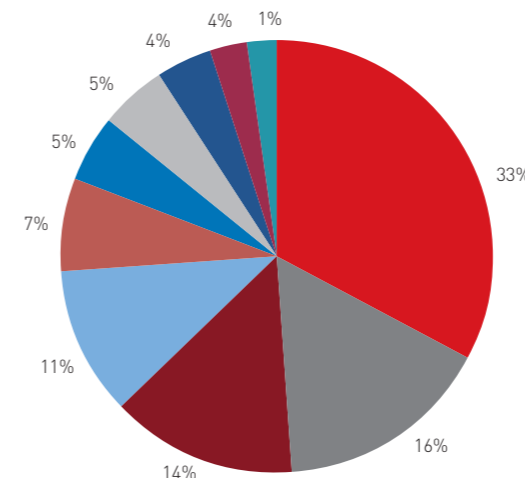
THE SHIFT IN THE DOPING CONTROL LANDSCAPE OVER THE LAST FEW YEARS HAS BEEN PHENOMENAL.

We have embraced this and see it as a challenging and exciting development. However, it necessitated a change and major shift in how we do things and ensuring that our staff grasp and understand these changes. This has been a focus area in the last year and one where we devoted a lot of our resources to ensure that staff understand what is expected of them. This is ongoing. Furthermore, the further entrenchment and development of the Athlete Biological Passport has been an exciting aspect of our programme and one that we are continually refining to assist us in our efforts to channel resources into the right direction. The David George and Ludwick Mamabolo cases were defining moments in 2012 and a stark reminder that we need to strive for continuous improvement. While not completely there yet, we have put measures in place to ensure this does take place. Finally, I would like to salute our doping control officers for the excellent work that they do and encourage them to continue to strive for excellence.

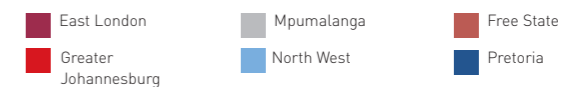
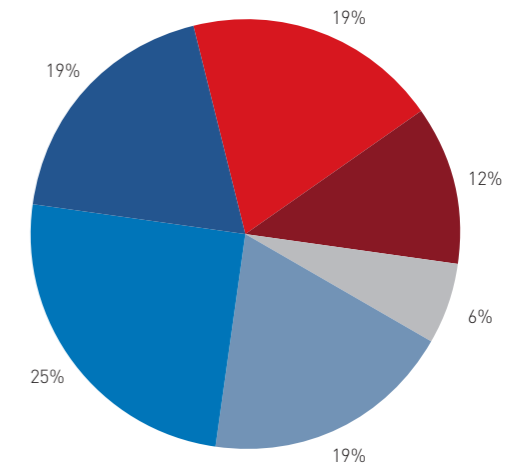
Fahmy Galant
Doping Control Manager

STAFF

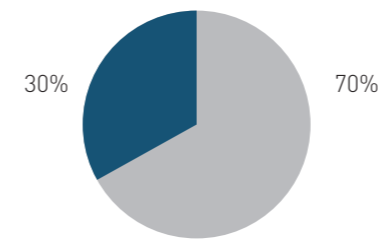
GEOGRAPHICAL DISTRIBUTION OF DOPING CONTROL OFFICERS IN SOUTH AFRICA



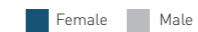
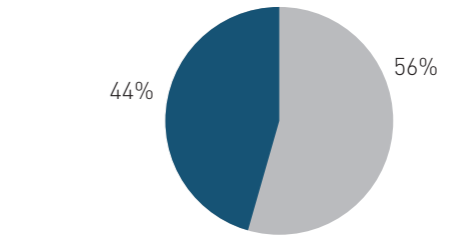
GEOGRAPHICAL DISTRIBUTION OF TRAINEE DOPING CONTROL OFFICERS IN SOUTH AFRICA



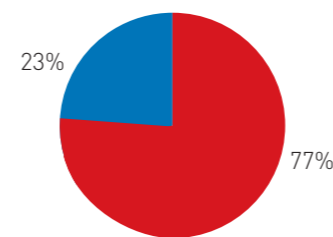
DOPING CONTROL OFFICERS: GENDER



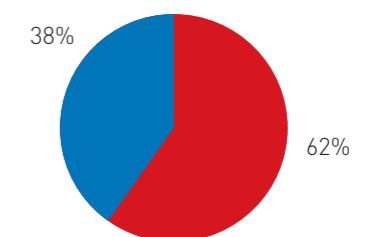
TRAINEE DOPING CONTROL OFFICERS: GENDER



DOPING CONTROL OFFICERS: RACIAL DIVERSITY



TRAINEE DOPING CONTROL OFFICERS: RACIAL DIVERSITY



THE OBJECTIVES AND ACHIEVEMENTS

AUGUST 2013



PERFORMANCE REPORT:

DOPING CONTROL

2012 - 2013				
OBJECTIVE	STRATEGY	OUTPUT	PERFORMANCE: MEASURE/INDICATOR/TARGET	WORK PERFORMANCE
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	1. Doping Risk profile for all national sports codes - 2. National test distribution plan	<ul style="list-style-type: none"> National test program – 2300 tests for the year <ul style="list-style-type: none"> o 150 EPO tests o 150 bloods Sports Codes in doping risk profile – 35 codes Implementation of RTP testing program (size of pool) <ul style="list-style-type: none"> o 150 athletes Implementation of Athlete Biological Passport (ABP) program <ul style="list-style-type: none"> o 50 athletes 	<ul style="list-style-type: none"> 2280 tests ¹ 243 EPO tests 155 blood tests as part of ABP 56 Human Growth Hormone tests <p>37 Sports codes</p> <p>RTP testing program – ongoing</p> <p>Athlete Biological Passport program</p> <ul style="list-style-type: none"> 82 athletes ² <p>Number of therapeutic use exemptions (TUE) submitted by athletes = 128</p> <ul style="list-style-type: none"> o 71 adverse analytical findings (AAF) reported by the accredited laboratory. Not all AAFs are doping positives.
	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"> Constitute regional tribunals to sit for doping rule violation hearings Constitute national appeals board 	<p>The results management program opened 71 cases, of these cases, 26 cases did not need to go to a hearing.</p> <ul style="list-style-type: none"> 45 cases heard through regional tribunals <ul style="list-style-type: none"> Number of Appeals lodged = 8. All Appeal cases were heard within 3 months of being filed.

PERFORMANCE REPORT:

EDUCATION

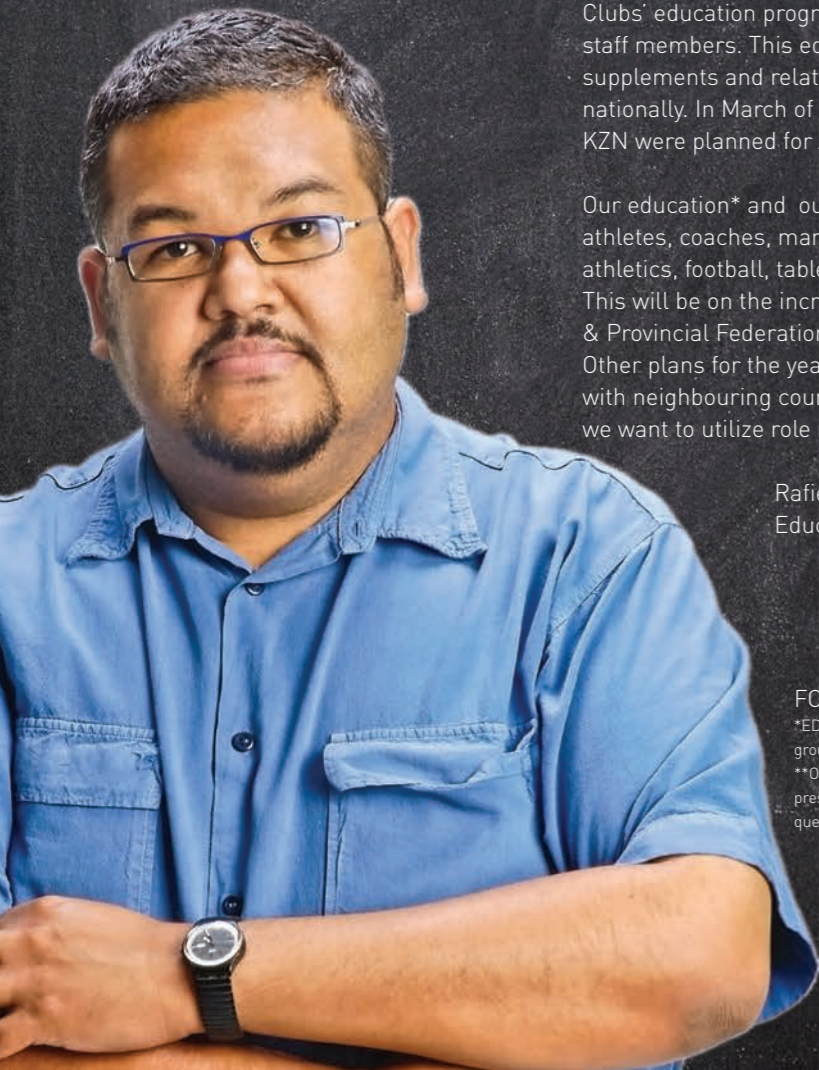
2012 - 2013				
OBJECTIVE	STRATEGY	OUTPUT	PERFORMANCE: MEASURE/ INDICATOR/TARGET	WORK PERFORMED (data is cumulative)
To implement a comprehensive national education and awareness programme	Provide anti-doping education to differentiated target audiences	Deliver anti-doping programmes and projects to different target audiences	<ul style="list-style-type: none"> Implement a national public awareness campaign around anti-doping themes to sports public Implement 5 anti-doping outreach projects, specific to adolescent and teen sports events Establish alliances with organizations who have specialized skills for prioritised target groups 	<ul style="list-style-type: none"> Continuation of national public awareness campaign "I Play Fair" campaign. <ul style="list-style-type: none"> Campaign was a finalist in 2013 Sports Industry Awards (Best PR in Sport Category) "I Play Fair" Campaign won a gold Prism Award in PR Industry (Best PR:Small Company) Delivered 16 anti-doping outreach projects where approximately 10280 people interacted with outreach team and anti-doping information.³ Delivered 22 anti-doping education workshops including schools, provincial sports federations and academies. On average, 35 people attended each workshop. Education campaign focused resources on implementing school testing program by establishing working alliances with various school governing bodies. School testing program received special dispensation to deviate from the World Anti-Doping Code. Hosted an international anti-doping legal forum in June 2012 that included representatives from national federations, WADA, Canadian Center for Ethics and Sports and African sports authorities. Implemented a mutually beneficial relationship with Virgin Active Health Clubs to deliver on internal training of their staff on anti-doping matters and sports supplements. Establish working alliances with the following organisations to integrate "I Play Fair" campaign into event promotion: <ul style="list-style-type: none"> Momentum 94.7km Cycle Challenge 70.3 Ironman Triathlon Midmar Mile Swim Cape Argus Cycle Tour

2012 - 2013				
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"> Develop and enhance communication and reporting to government/ non-government entities Develop and enhance communication and reporting to media Develop and enhance communication/ participation to sports entities that share common strategic objectives as it pertains to advancing anti-doping initiatives 	<ul style="list-style-type: none"> Optimise interaction and create leverage with Ministry of Sport/ SRSA Foster relationships with various media outlets to advance coherent anti-doping messages Participate and contribute to forums/ conferences to share and exchange best practices and to explore potential for joint venture projects 	<ul style="list-style-type: none"> Continued and fostered working relationship with SRSA/Minister of Sport. Of the total number of media releases issued during the year, two releases (George EPO case and Comrades Winner Charged with Doping) received extensive national and international coverage Developed a strategic alliance with law faculties of the University of Pretoria and University of Cape Town to review existing Drug-Free Sport Act and anti-doping rules. Faculty of the two institutions assisted in the delivery of presentations at the SAIDS anti-doping legal forum in June 2012. University of Witswatersrand hosted anti-doping legal forum. Formalised strategic alliance with the Sports Science Institute of SA by becoming a tenant in the Institute. Recommended to government the renewal of SA participation in the International Anti-Doping Agreement (IADA) and the Regional Anti-Doping Organization (RADO) Zone VI structure.⁴



FROM THE DESK OF THE EDUCATION MANAGER

EDUCATION, I BELIEVE, IS THE KEY TO PREVENTION AND TO INFORMING OUR SPORTS PEOPLE ABOUT THE DANGERS OF DOPING.



Rafiek Mammon
Education Manager

This is especially important with the younger sports person as they often fall prey to marketing gimmicks.

It is encouraging to see the statistics going up as we journey from one year to the next, especially the number of workshops that we are able to do in the various provinces. This is largely due to the fact that in addition to our annual road shows we have also appointed 7 new education officers in five different provinces in the country, namely Western Cape, Eastern Cape, Kwa-Zulu Natal, Free State and in Gauteng.

Highlights and innovations in the year 2012 leading into 2013 include the schools education and testing programme, the foundations of which started in the latter half of 2012. By March of 2013 we visited schools in various provinces to explain the education and testing protocol to them. We met with headmasters, school sports administrators, coaches, team managers and media. Education workshops in schools were planned to start in earnestness as of April 2013.

Other strategic partnerships were established such as the Virgin Active Clubs' education programme to Personal Trainers and other Virgin Active staff members. This education programme, that dealt with steroid abuse, supplements and related issues, is the biggest and most successful roll out nationally. In March of 2013 we covered Western Cape clubs while Gauteng and KZN were planned for April 2013.

Our education* and outreach programmes** reached a record number of athletes, coaches, managers and parents in many different codes including athletics, football, table tennis, hockey, swimming, cycling, rugby and cricket. This will be on the increase in 2013/2014 as workshop requests from National & Provincial Federations, schools and clubs are coming through thick and fast. Other plans for the year 2013/2014 are education and training partnerships with neighbouring countries as well as a special schools/youth project where we want to utilize role models as speakers to the youth.

FOOTNOTES:

*EDUCATION refers to a lecture, a talk, a workshop or a seminar. These are usually smaller groups of ideally around 50 to 60 people. The talk/workshop ranges from 2 to 3 hours.

**OUTREACH refers to any in-competition programme whereby the education team is present at an event for at least one or two days, disseminating information and answering questions on doping issues.

PERFORMANCE REPORT: OPERATIONS

		2012 - 2013		
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	<ul style="list-style-type: none"> Sport and Recreation SA (government) responded to request for additional funding by SAIDS in Dec 2012. Additional grant of R650,000 received in March 2013 Second tranche of lottery funding received to support selected projects.
	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. Quality system training and workshops done with staff to review existing system and improve processes.
	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"> Received unqualified audit report (2012/13) from auditor general. Submitted annual report (2011/12) by 31 August 2012 to Parliament as per treasury regulation. Minister appointed new SAIDS board of directors and Appeal Board in December 2012, in compliance with Drug-Free Sport Act.

Notes to Performance Report:

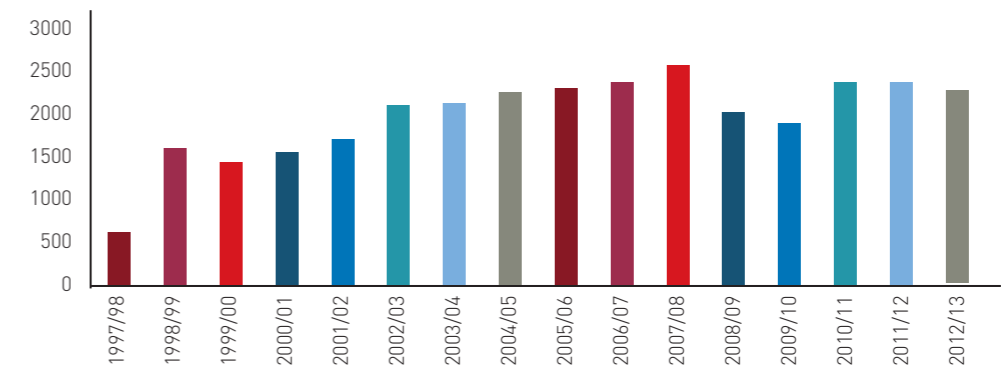
1. National Testing Program – the drop in tests from the projected 2300 tests target to 2280 is not considered significant as testing resources were re-allocated to the increase in EPO tests in order to address the growing concern of doping in road and mtb cycling. Following the EPO positive of a national cyclist, SAIDS conducted retroactive EPO testing on 50 samples to determine how widespread EPO doping is in the elite category of cycling.
2. Athlete Biological Passport (ABP) – the number of athletes in the ABP program increased to 82 athletes from 50. The increase was due to additional intelligence information pertaining to blood and EPO doping where suspected athletes were not originally part of the ABP program. Athletes were also added to program where SAIDS suspicious and inconsistent fluctuations in performance.
3. Outreach programs – the increase in outreach programs is attributed to the effect of additional funding from the Lottery.
4. Strategic Alliance – the increase in strategic alliances was to support the expansion of the education program.

STATISTICS

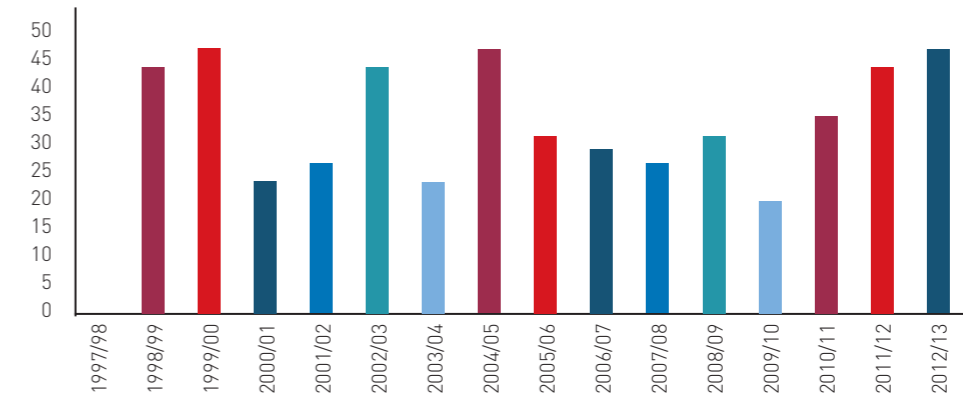
FOR THE PERIOD:
APRIL 2012 - MARCH 2013

SPORT CODE	URINE TESTS	BLOOD TESTS	EPO TESTS	Anti-Doping Rule Violations
Archery	6	0	0	0
Athletics	293	18	36	12
BMX	1	0	0	0
Bodybuilding	11	0	0	2
Boxing (P)	50	0	0	2
Canoeing	40	1	0	0
Cricket	121	0	0	0
Cycling	153	63	77	2
Duathlon	12	0	0	0
Figure Skating	5	0	0	0
Football	188	0	0	0
Golf	16	0	0	0
Handball	6	0	0	0
Hockey	51	0	0	0
Judo	1	0	0	1
Lifesaving	10	0	0	1
Mountain Bike	138	83	118	1
Netball	29	0	0	0
Paralympic Sport	42	0	0	3
Powerlifting	27	0	0	3
Rowing	33	1	0	0
Rugby	792	41	0	12
Shooting	15	0	0	0
Snooker	2	0	0	0
Swimming	61	1	0	1
Triathlon	90	3	12	0
Tug-of-War	1	0	0	0
Weightlifting	20	0	0	1
Wrestling	56	0	0	0
Wushu	10	0	0	2
Total	2280	211	243	43

NUMBER OF URINE TESTS



ANTI-DOPING RULE VIOLATIONS



DOPING CONTROL REVIEW COMMISSION:

Dr. Louis Holtzhausen (Chairperson), Dr. Jeroen Swart, Prof. Andrew Bosch, Dr. Mike Webb

TRIBUNAL MEMBERS:

Mr. Andrew Breetzke, Dr. Nasir Jaffer, Mr. Hasnodien ismail, Mr. Michael Murphy, Dr. Sello Motaung, Mr. Yusuf Carrim, Mr. Ray Brink, Dr. George van Dugteren, Mr. Yusuf Abrahams, Adv. Jannie Lubbe, Prof. Elmarie Terblanche, Dr. Jon Patricios, Prof. Denver Hendricks, Mr. Greg Fredericks, Ms. Norma Nonkhonyana, Mr. Jerome Thomas, Mr. Monty Hacker, Dr. Rob Collins, Mr. John Bush, Dr. Andy Branfield, Dr. Nicolas Theron, Mr. Siven Samuel, Mr. Leon Fleiser, Mr. Mandla Tshabalala, Dr. Ephraim Nemetswerani, Mr. Marius Hurter, Dr. Deon-Jacques Pieterse, Dr. Mike Marshall, Ms. Beverley Peters, Dr. Glen Hagemann, Mr. Metja Ledwaba, Mr. Silas Nkanunu, Mr. Wendell Domingo, Dr. Christa Janse van Rensburg, Prof. Debbie Hamman, Dr. Jason Suter, Dr. Gerhard Coetzer, Mr. Rishi Hansraj, Dr. Dimakatso Ramagole, Ms. Willien Fourie, Mr. Errol Heynes, Prof. Yoga Coopoo

THERAPEUTIC TUE EXEMPTIONS (TUE)

FOR THE PERIOD:
APRIL 2012 - MARCH 2013

SPORTING CODE	APPROVED	DENIED	IN PROCESS	NO TUE REQUIRED
Triathlon	2	0	0	1
Duathlon	1	0	0	0
Swimming	14	0	5	1
Rowing	20	1	4	2
Rugby	8	3	3	1
Cycling	10	1	3	2
Shooting	2	1	1	0
Athletics	3	0	1	0
Gymnastics	2	0	0	0
Wrestling	0	0	0	1
Hockey	2	2	1	1
Biathlon	1	0	0	0
Judo	2	0	0	0
Canoeing	1	0	1	0
Kick Boxing	1	0	0	1
Kung-Fu	0	0	1	0
Tug-Of-War	0	1	0	0
Netball	0	0	0	1
Archery	1	0	0	1
Cricket	1	0	1	0
Football	0	0	0	4
Trampoline	0	0	1	0
Wushu	1	0	1	0
Life Saving	1	0	2	0
Motor Sport	2	0	0	0
Power Lifting	2	0	0	0
Weight Lifting	1	0	0	0
TOTAL	78	9	25	16

THERAPEUTIC USE EXEMPTION COMMITTEE:

Dr. Demetri Constantinou (Chairperson), Dr. Kevin Subban

INTERNATIONAL RELATIONS

DATES	HOST COUNTRY	EVENT / ACTIVITY DETAILS / HOST	SAIDS REPRESENTATIVE
7-10 May 2012	Switzerland	World Anti-Doping Agency (WADA) Athlete Biological Passport Workshop	Fahmy Galant Prof Andrew Bosch
18-22 May 2012	Ghana	DCO Training & Doping Control	Kassiem Adams Zinzi Sitoto
01-03 June 2012	Madagascar	Testing	Nelisiwe Mthimkhulu
28 June-01 July 2012	Angola	DCO Training & Doping Control	Thandi Moeketsi
25 July - 15 August 2012	London	WADA Independent Observer Team: London Olympics	Fahmy Galant
29-30 August 2012	England	International Anti-doping Agreement (IADA) Meeting	Khalid Galant
11-13 September 2012	Ghana	International Relations/WADA	Khalid Galant
12-15 October 2012	USA	US Anti-Doping Agency (USADA) Conference	Khalid Galant
22-23 November 2012	Gaborone	Regional Anti-doping Organisation (RADO) Board Meeting	Khalid Galant
30 November - 01 December 2012	Lesotho	Testing at Lesotho High Altitude Marathon	Shaun Willemse John Jansen
03-08 December 2012	Zambia	Zone VI RADO Games Doping Control & Education	Nelisiwe Mthimkhulu Thandi Moeketsi Celinkosi Makhoba Zinzi Sitoto
03-07 February 2013	Kenya	DCO Training	Fahmy Galant Zinzi Sitoto
13-15 March 2013	England	Tackling Doping in Sport Workshop UK Anti-Doping Agency	Khalid Galant Ad. Nicolas Kock
19-20 March 2013	Switzerland	WADA Symposium	Khalid Galant Dr V Ramathesele



RULE VIOLATIONS

No.	Date of Test	Surname	Name	S	Sport	Substance Identified or <i>Failure to Comply</i>	Class of Substance	Sanctions Imposed	ADRV	Status
1	07-Apr-12	Nonyana	Lucas	M	Athletics	Methylhexaneamine	Stimulant	1 Month Suspension	Yes	Closed
2	20-Apr-12	Kekana	Thabiso	M	Athletics	19-Norandrosterone 19-Noreticholanolone	Anabolic Agent	24 month Suspension	Yes	Closed
3	20-Apr-12	Sefanyetso	Rapula	M	Athletics	Testosterone	Anabolic Agent	24 month Suspension	Yes	Closed
4	14-Apr-12	Masire	Olebogeng Jonas	M	Athletics	19-Norandrosterone	Anabolic Agent	24 month Suspension	Yes	Closed
5	26-Apr-12	Kilian	Zane	M	Rugby Union	Hydroxy(cyclobutane)-bis-norsibutramine Hydroxy(isopropyl)-bis-norsibutramine	Stimulant	3 Month Suspension	Yes	Closed
6	05-May-12	van Niekerk	Jaco	M	Wheelchair Basketball	Methylhexaneamine	Stimulant	3 Month Suspension	Yes	Closed
7	05-May-12	Claasen	Ruan Michael	M	Athletics	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	6 Month Suspension	Yes	Closed
8	05-May-12	Bochedi	Makwane	M	Wheelchair Basketball	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	3 Month Suspension	Yes	Closed
9	19-May-12	Mbatha	Bongamusa	M	Athletics	Methylhexaneamine	Stimulant	24 month Suspension	Yes	Closed
10	19-May-12	van Straaten	Andries	M	Athletics	Methylhexaneamine	Stimulant	6 Month Suspension	Yes	Closed
11	19-May-12	Barnard	Charmaine	F	Athletics	Failure to Comply	Failure to Comply	24 month Suspension	Yes	Closed
12	03-Jun-12	Adoro	Lephetesang	M	Athletics	Testosterone Prednisone/Prednisolone	Anabolic Agent Glucocorticosteroid	24 month Suspension	Yes	Closed
13	23-Jun-12	Jurrius	Marnus	M	Powerlifting	Failure to Comply	Failure to Comply	24 month Suspension	Yes	Closed
14	23-Jun-12	Hurlin	Daniel Ross	M	Powerlifting	19-Norandrosterone 19-Noreticholanolone	Anabolic Agent	24 month Suspension	Yes	Closed
15	30-Jun-12	Mdingi	Odinga	M	Wheelchair Basketball	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	6 Month Suspension	Yes	Closed
16	10-Jul-12	Minor Athlete	(Name withheld)	M	Rugby Union	19-Norandrosterone 19-Noreticholanolone	Anabolic Agent	24 Month Suspension	Yes	Closed
17	22-Jul-12	Douglas	Lyall Jonathan	M	Wushu	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	6 Month Suspension	Yes	Closed
18	22-Jul-12	Potts	Nicholas	M	Wushu	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	3 Month Suspension	Yes	Closed
19	28-Jul-12	Mdletyeni	Viwe	M	Boxing	Methylhexaneamine Furosemide	Stimulant Diuretic	15 Month Suspension	Yes	Closed
20	29-Jun-12	Thipe	Tsholofelo	F	Athletics	19-Norandrosterone Testosterone	Anabolic Agent	24 month Suspension	Yes	Closed
21	25-Aug-12	Heyns	Kirsten	M	Rugby Union	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	3 Month Suspension	Yes	Closed
22	17-Aug-12	Smith	Andre	M	Rugby Union	Epimetendiol 17 α -methyl-5 α -androstane-3 α 17 α -diol Epimethandienone 6 α -hydroxymethandienone	Anabolic Agent	24 month Suspension	Yes	Closed
23	01-Sep-12	Erasmus	Renier	M	Rugby Union	Methylhexaneamine	Stimulant	3 Month Suspension	Yes	Closed

RULE VIOLATIONS

No.	Date of Test	Surname	Name	S	Sport	Substance Identified or Failure to Comply	Class of Substance	Sanctions Imposed	ADRV	Status
24	08-Sep-12	Minor Athlete	(Name withheld)	M	Rugby Union	Methasterone 2 α ,17 α -dimethyl-5 α -andostane-3 α ,17 α -diol Methylhexaneamine	Anabolic Agent Stimulant	24 month Suspension	Yes	Closed
25	08-Sep-12	Minor Athlete	(Name withheld)	M	Rugby Union	Stanozolol 3'-hydroxystanozolol 16 α -hydroxystanozolol 11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Anabolic Agent Cannabinoids	24 month Suspension	Yes	Closed
26	15-Sep-12	Minor Athlete	(Name withheld)	M	Rugby Union	19-Norandrosterone 19-Noreticholanolone	Anabolic Agent	24 month Suspension	Yes	Closed
27	16-Sep-12	Ntloko	Nkqubela Aphiwe	M	Bodybuilding	Methylhexaneamine	Stimulant	9 Month Suspension	Yes	Closed
28	22-Sep-12	Minor Athlete	(Name withheld)	M	Rugby Union	11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid	Cannabinoids	3 Month Suspension	Yes	Closed
29	22-Sep-12	Harmse	Lionel	M	Bodybuilding	Epimetendiol 17 α -methyl-5 α -androstane-3 α 17 α -diol 6 α -hydrodehydrochloromethyltestosterone Methylhexaneamine	Anabolic Agent Stimulant	24 month Suspension	Yes	Closed
30	05-Oct-12	Minor Athlete	(Name withheld)	M	Weightlifting	Methylhexaneamine	Stimulant	12 month Suspension	Yes	Closed
31	29-Aug-12	George	David	M	Cycling	EPO	Peptide Hormones/ Growth Factors	24 month Suspension	Yes	Closed
32	09-Nov-12	Marais	Henko	M	Rugby Union	Methasterone 2 α ,17 α -dimethyl-5 α -andostane-3 α ,17 α -diol	Anabolic Agent	24 month Suspension	Yes	Closed
33	03-Dec-12	Nkosi	Keith	M	Boxing	19-Norandrosterone and 19-Noreticholanolone	Anabolic Agent	24 month Suspension	Yes	Closed
34	23-Jan-13	Botha	Zane	M	Rugby Union	Stanozolol 3'-hydroxystanozolol	Anabolic Agent	24 month Suspension	Yes	Closed
35	01-Feb-13	Minor Athlete	(Name withheld)	F	Judo	Hydrochlorothiazide and Amiloride	Diuretics	18 Month Suspension	Yes	Closed
36	23-Feb-13	Thomson	Jay-Cee	M	Lifesaving	Methylhexaneamine	Stimulant	3 Month Suspension	Yes	Closed
37	23-Feb-13	Hendricks	Tashriq	M	Powerlifting	Methylhexaneamine	Stimulant	3 Month Suspension	Yes	Closed
38	17-Feb-13	Seyffert	Pieter	M	Cycling	Phentermine	Stimulant	24 month Suspension	Yes	Closed
39	25-Feb-13	van Niekerk	Bradley	M	Rugby Union	Hydroxyl(isopropyl)-bis-norsibutramine 11-nor-delta9-tetrahydro-cannabinol-9-carboxylic acid Hydroxy(cyclobutane)-bis-norsibutramine	Stimulant Cannabinoids	7 Month Suspension	Yes	Closed
40	24-Mar-13	Minor Athlete	(Name withheld)	M	Swimming	Stanozolol 3'-hydroxystanozolol	Anabolic Agent			Open
41	30-Mar-13	Volgina	Natalia	F	Athletics	Metenolone 1-methylen-5 α ,androstan-3 α -ol-17-one	Anabolic Agent			Open
42	18-Mar-13	Warmback	Barry	M	Mountain Bike	Stanozolol 3'-hydroxystanozolol	Anabolic Agent			Open
43	Administrator	Jabanga	Livingstone	M	Athletics	Administration	N/A	60 month Suspension	Yes	Closed

THE

ANNUAL

FINANCIAL
STATEMENTS

for the year ended

31 March 2013

South African Institute for
Drug-Free Sport



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MARCH 2013

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STATEMENT OF RESPONSIBILITY

THE SOUTH AFRICAN INSTITUTE FOR
DRUG-FREE SPORT (SAIDS)

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 2013 and the results of its operations and cash flow information for the year under review.



Dr. J.V. Ramathesele
Chairman of the Board



Khalid Galant
Chief Executive Officer


THE ANNUAL FINANCIAL STATEMENTS, SET OUT ON PAGES 42 TO 63, HAVE BEEN APPROVED BY THE CHAIR-PERSON AND ARE SIGNED BY HIM

BOARD MEMBERS

DR. J.V. RAMATHESELE (Chairperson)
DR M. QOBOSE
PROF R. LE ROUX
DR. H. ADAMS
MR. G. ABRAHAMS
MS. N. DU TOIT
JUDGE L. MPATI
DR. L. SKAAL
MR. M. TYAMZASHE
MR. D.N. BAYEVER

APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements, set out on pages 42 to 63, have been approved by the Chairperson and are signed by him.



DR. J.V. RAMATHESELE
31 JULY 2013

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 42 to 60, which comprise the statement of financial position as at 31 March 2013, the statement of financial performance, statement of changes in net assets, statement of comparison of budget and actual amounts 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 Recognised 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 2013, and its financial performance, budget and actual amounts and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the PFMA.

Additional matter

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

Unaudited supplementary information

8. The supplementary information set out on pages 61 to 63 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

9. 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

10. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 17 to 21 (excluding page 20) of the annual report.

11. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability for the objectives selected for auditing. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's 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.

12. 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).

13. There were no material findings on the annual performance report concerning the reliability of the information.

14. The material findings are as follows:

Usefulness of annual performance report

Consistency Reported targets not consistent with planned targets

15. 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 42% 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.

Measurability Performance targets not measurable

16. The National Treasury Framework for managing programme performance information (FMPPPI) requires that performance targets be measurable. The required performance could not be measured for a total of 46% (→20%) of the targets. This was due to the fact that policies and procedures have not been put in place to ensure compliance with the FMPPPI.

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 accordance with generally recognised accounting practice as required by section 55(1) (b) of the PFMA. Material misstatements identified by the auditors in the submitted financial statements were subsequently corrected, which resulted in the financial statements receiving an unqualified audit opinion.

Procurement and contract management

19. 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.

Internal audit function

20. The accounting authority did not ensure that the internal audit function existed, as required by section 51(1)(a)(ii) of the PFMA and Treasury Regulations 27.2.2 and 27.2.3..

Expenditure management

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

Budget

22. Expenditure was incurred in excess of the budget which is contrary to section 53(4) of the PFMA.

Internal control

23. 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

24. Leadership did not ensure that there are systems in place to ensure compliance with laws and regulations with regard to supply chain management. In addition compliance with the FMPPi with respect to performance management is also not monitored.

Financial and performance management

25. Management did not compile regular financial statements, nor did they perform a thorough review of both the financial statements and the performance information. They do however provide quarterly financial information to the Board. The entity's financial improvement plan was not monitored and thus sufficient progress to address the control deficiencies relating to compliance with laws and regulations has not been made, as also reported during the previous financial year.

Governance

26. The accounting authority did not ensure that a system of internal audit under the control and direction of an audit committee was established when the contract of the prior internal auditors expired.

Auditor-General

Cape Town
 31 July 2013



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 2013.

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 2013 and twice subsequently, in accordance with its approved terms of reference.

Name of Member Attended	Number of Meetings	
	Year to 31.3.2013	Since 31.3.2013
Adv. David Mitchell (Chairperson)	3	2
Mrs Penny White	3	2
Mr Jonathan George	3	2
Dr Ismail Jakoet (term expired 30 November 2012) *	2	N/A
Mr Graham Abrahams (appointed 9 March 2013) *	N/A	1

* Board member

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

There was no internal audit activity for most of the year as the previous service contract had expired. On 9 March 2013, Deloitte Risk Advisory Services were appointed. Audit Committee was fully involved in considering and recommending this rotation. Deloitte's have completed a fresh risk assessment study and have used this as proper basis for developing a fresh internal audit coverage plan, on both a three year and rolling one year outlook.

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.

Performance against predetermined objectives

The Institute's performance reporting has been assessed as reliable and useful. Further refinements and improvements have been noted which will enhance the relevance and standard of regulatory compliance in this important area.

Supply chain management

There has been all-round improvement in the Institute's level of compliance with supply chain management standards and prescripts for the procurement of goods and services, although there is scope for further improvement. Audit Committee is accordingly able to report that all instances of irregular or unauthorised expenditure have been explained and condoned, also that no instances of fruitless and wasteful expenditure have been noted or detected.

Leadership and executive management capacity

Although the Institute remains committed to strong and effective leadership, managerial resources remain stretched whereas they need to keep pace with the growth in the Institute's stature, responsibility and effectiveness. Somewhat ironically, the Institute's operating deficit for the year is testimony to its own success – and to recognition of the vitally important need for its services. Doping control and ancillary costs have increased significantly as the Institute has become more active, as tests have become more complex and more expensive, and with the greater exposure to litigation that unfortunately follows high profile adverse test results.

Audit Committee shares the Auditor-General's concern that the Institute remains heavily dependant upon its annual State grant for its continuance.

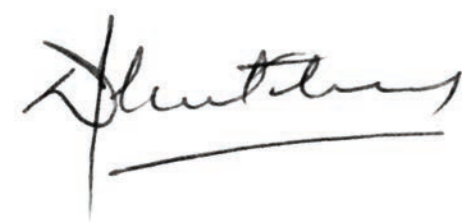
Evaluation of Financial Statements

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.

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 2013

1. INTRODUCTION

The directors present the audited annual financial statements that form part of the of the annual report of the entity for the year ended 31 March 2013.

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 is the accounting authority in terms of the PFMA.

2. DIRECTORS OF THE ENTITY

Executive Director:

Mr. K. Galant

Non-Executive Directors:

Dr. JRV Ramathesele – Chairperson	- re-appointed 1 December 2012
Dr. MTD Qobose	- re-appointed 1 December 2012
Prof. R Le Roux	- re-appointed 1 December 2012
Dr. H Adams	- re-appointed 1 December 2012
Mr. G Abrahams	- appointed 1 December 2012
Ms. N Du Toit	- appointed 1 December 2012
Judge L Mpati	- appointed 1 December 2012
Dr. L Skaal	- appointed 1 December 2012
Mr. M Tyamazshe	- appointed 1 December 2012
Mr. DN Bayever	- appointed 1 December 2012
Dr. SI Manjra - Chairperson	- term expired 30 November 2012
Mr. R Hack	- term expired 30 November 2012
Mr. C Hattingh	- term expired 30 November 2012
Dr. I Jakoet	- term expired 30 November 2012
Ms. N Ntanjana	- term expired 30 November 2012
Ms. G Pillay-Viret	- term expired 30 November 2012
Dr. JRV Ramathesele	- term expired 30 November 2012
Dr. MTD Qobose	- term expired 30 November 2012
Prof. R Le Roux	- term expired 30 November 2012
Dr. H Adams	- term expired 30 November 2012

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

4th Floor, Sports Science Institute of South Africa	P O Box 2553
Boundary Road	Clareinch
Newlands	7740
7700	

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.

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:

Business and Registered Address:	Postal Address:
4th Floor, Sports Science Institute of South Africa Boundary Road Newlands 7700	P O Box 2553 Clareinch 7740

6. JURISDICTION AND DOMICILE

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

7. EXECUTIVE AUTHORITY

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

APPROVAL

The annual financial statements, set out on pages 42 to 63, have been approved by the Chairperson and are signed by him.



DR. J.V. RAMATHESELE
CHAIRPERSON
31 July 2013

COMPILATION REPORT TO MANAGEMENT

THE SOUTH AFRICAN INSTITUTE FOR
DRUG-FREE SPORT (SAIDS)

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 2013, and the related statement of financial performance and cashflow statement for the year then ended, as set out on pages 42 to 63.

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



L BRINDERS CA (SA)
BRADFORD CONSULTING CC
CAPE TOWN
31 July 2013

THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2013

	Notes	2013 R'000	2012 R'000
Revenue		17 044	16 975
Non-exchange revenue	2,1	14 133	14 045
Exchange revenue	2,2	2 911	2 930
Expenses		18 463	17 139
Administration expenditure		5 268	4 884
Education programme		2 126	3 522
Doping control		8 265	6 829
Results management		1 794	944
International projects		321	490
Corporate services		688	470
NET DEFICIT		(1 419)	(164)
TRANSFER FROM GENERAL RESERVE		-	58
NET DEFICIT FOR THE YEAR		(1 419)	(106)
ACCUMULATED SURPLUS BROUGHT FORWARD		315	421
ACCUMULATED (DEFICIT)/SURPLUS AT THE END OF THE YEAR		(1 104)	315

THE SOUTH AFRICAN INSTITUTE FOR DRUG-FREE SPORT
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

	Notes	2013 R'000	2012 R'000
ASSETS			
Non-current assets		372	712
Property, plant and equipment	3	327	458
Intangible assets	4	45	254
Current assets		1 994	2 148
Inventories	5	277	210
Trade and other receivables	6	1 206	763
Prepayments and deferred expenses		95	84
Cash and cash equivalents	16	416	1 091
Total assets		2 366	2 860
NET ASSETS AND LIABILITIES			
Net assets		(1 046)	373
Capital and reserves		(1 104)	315
Accumulated (deficit)/surplus	9	58	58
General reserve			
Non-Current Liabilities			
Finance lease liability	10	13	10
Current liabilities		3 399	2 477
Finance lease liability	10	24	13
Trade and other payables	7	3 289	2 451
Provisions	8	87	13
Total net assets and liabilities		2 366	2 860

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2013

	GENERAL RESERVE R'000	ACCUMULATED FUNDS R'000	TOTAL R'000
Balance at 31 March 2011	116	421	537
Utilisation of general reserve	(58)	58	-
Net deficit for the year	0	(164)	(164)
Balance at 31 March 2012	<u>58</u>	<u>315</u>	<u>373</u>
Net deficit for the year	-	(1 419)	(1 419)
Balance at 31 March 2013	<u>58</u>	<u>(1 104)</u>	<u>(1 046)</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2013

	Notes	2013 R'000	2012 R'000
NET CASH FLOW FROM OPERATING ACTIVITIES			
Cash received from customers		16 268	16 382
Cash paid to suppliers and creditors		(16 974)	(15 928)
Cash generated from operations	15,1	(706)	454
Investment income		101	118
Finance costs		(2)	(1)
		<u>(607)</u>	<u>571</u>
NET CASH FLOW USED IN INVESTING ACTIVITIES			
Additions to property, plant and equipment and intangible assets		(70)	(418)
Proceeds on disposal of property, plant and equipment		-	12
Net cash outflow from investing activities		<u>(70)</u>	<u>(406)</u>
NET CASH FLOW FROM FINANCING ACTIVITIES			
Increase in borrowings		3	10
Net cash inflow from financing activities		<u>3</u>	<u>10</u>
Net (decrease) / increase in cash and cash equivalents		(674)	175
Cash and cash equivalents at the beginning of the year	15,2	1 091	916
Cash and cash equivalents at the end of the year	14,2	<u>416</u>	<u>1 091</u>

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 MARCH 2013

	Actual 2013 R'000	Approved Budget 2013 R'000	Difference Actual vs Approved R'000
Revenue	17 044	15 702	(1 342)
Non-exchange revenue	14 133	13 215	(918)
Exchange revenue	2 911	2 487	(424)
Expenses	18 463	15 702	(2 761)
Administration expenditure	5 268	5 195	(73)
Education programme	2 126	1 896	(230)
Doping control	8 265	7 136	(1 129)
Results management	1 794	360	(1 434)
International projects	321	586	265
Corporate services	688	529	(159)
NET DEFICIT	<u>(1 419)</u>	<u>-</u>	<u>1 419</u>

Refer to note 21 for explanations of differences in approved budget vs actual expenditure

NOTES
TO THE
FINANCIAL
STATEMENTS
FOR THE YEAR ENDED

31 MARCH 2013

1. ACCOUNTING POLICIES

The following are the 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 thousands of 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. 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, Treasury Regulations or any legislation providing for procurement procedures.

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	7 - 12 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.

1.5 INTANGIBLE ASSETS

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- 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	1 - 3 years
Interactive media applications	1 - 2 years

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 INVENTORIES

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 position 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 is the 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

	2013 R'000	2012 R'000
2.1 Non-exchange revenue		
Grant - Sport and Recreation South Africa	13 183	11 604
National Lottery	793	2 425
Sponsorship	100	16
Subsidy income	57	-
	14 133	14 045
2.2 Exchange revenue		
Doping control sales	2 794	2 787
Interest received	101	118
Profit on foreign exchange	4	20
Insurance	-	5
Sundry income	12	-
	2 911	2 930

3. PROPERTY, PLANT AND EQUIPMENT

2013

	R '000	Computer equipment	R '000	EPO equipment	R '000	Furniture & fittings	R '000	Motor vehicles	R '000	Office equipment	R '000	Total
Carrying value at the beginning 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						
Depreciation	37	55	27	-	82	200						
Additions	39	-	-	-	31	70						
Disposals	-	-	-	-	-	-						
Cost	-	1 604	-	-	-	1 604						
Accumulated depreciation	-	1 604	-	-	-	1 604						
Carrying value at the end of year	63	1	63	15	185	327						
Cost	213	395	328	282	366	1 585						
Accumulated depreciation	150	394	266	268	181	1 258						

2012

	R '000	Computer equipment	R '000	EPO equipment	R '000	Furniture & fittings	R '000	Motor vehicles	R '000	Office equipment	R '000	Total
Carrying value at the beginning of year	14	115	67	29	179	401						
Cost	141	1 999	281	283	238	2 942						
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	57	90	15	236	458						
Cost	174	1 999	329	283	335	3 120						
Accumulated depreciation	113	1 943	239	268	99	2 662						

4. INTANGIBLE ASSETS

2013

	Cost R'000	Accumulated Depreciation R'000	Carrying Value R'000
Computer software	129	119	10
Interactive media applications	265	229	36
	394	348	45

2012

	Cost R'000	Accumulated Depreciation R'000	Carrying Value R'000
Computer software	129	69	60
Interactive media applications	265	71	194
	394	140	254

Reconciliation

	2013 R'000	2012 R'000
Carrying value at the beginning of the year	254	184
Additions	-	177
Amortisation	(209)	(107)
Carrying value at the end of the year	45	254

The gross carrying value of intangible assets that are fully depreciated and still in use:

	2013 R'000	2012 R'000
	4	9

5. INVENTORIES

The amounts attributable to the different categories are as follows:

	2013 R'000	2012 R'000
Finished goods	277	210

The cost of inventories recognised as an expense during the year amounts to R725 (thousand) (2012: R455 (thousand)).

6. TRADE AND OTHER RECEIVABLES

	2013 R'000	2012 R'000
Trade receivables	1 140	416
National lottery	-	280
Other	66	67
	1 206	763

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

	2013 R'000	2012 R'000
0 - 30 days	608	308
30 - 60 days	-	56
60 - 120 days	240	-
Over 120 days	292	57
Foreign exchange	-	(5)
	1 140	416

	2013 R'000	2012 R'000
7. TRADE AND OTHER PAYABLES		
Payables	2 194	1 808
Accruals	1 095	643
	<u>3 289</u>	<u>2 451</u>
8. PROVISIONS		
Straight lining of lease	<u>87</u>	<u>13</u>
9. GENERAL RESERVE		
Special Grant - Testing equipment	<u>58</u>	<u>58</u>
Special grant received in advance for purchase of laboratory testing equipment.		
10. FINANCE LEASE LIABILITY		
Non-current		
Finance lease liabilities	13	10
Current		
Finance lease liabilities	24	13
Total Borrowings	<u>37</u>	<u>23</u>
Gross finance lease liabilities – minimum lease payments:		
No later than 1 year	24	15
Later than 1 year and no later than 5 years	13	10
Later than 5 years	-	-
	<u>37</u>	<u>25</u>
Future finance charges on finance leases	(2)	(2)
Present value of finance lease liabilities	<u>35</u>	<u>23</u>
The present value of finance lease liabilities is as follows:		
No later than 1 year	22	13
Later than 1 year and no later than 5 years	13	10
Later than 5 years	-	-
	<u>35</u>	<u>23</u>

These finance lease agreements relate to cellphone contracts.

	2013 R'000	2012 R'000				
11. DIRECTORS AND AUDIT COMMITTEE REMUNERATION						
The following emoluments were paid or credited to the directors during the year						
Executive Director	Salary	Bonus	Allowances	Employer Contributions		
	R'000	R'000	R'000	R'000		
Mr. K Galant (CEO)	765	-	29	1	<u>795</u>	<u>846</u>
Non-Executive Director						
Board members appointed / re-appointed on 1 December 2012						
	Board meetings held	Board meetings attended	Honoraria	Allowances		
Dr. JRV Ramathesele (Chairperson)	2	2	11	8	<u>19</u>	<u>8</u>
Prof. R Le Roux	2	1	9	-	<u>9</u>	<u>12</u>
Dr. MTD Qobose	2	2	9	-	<u>9</u>	<u>15</u>
Dr. H Adams	2	2	9	-	<u>9</u>	<u>-</u>
Mr. G Abrahams *	2	2	-	-	<u>-</u>	<u>-</u>
Mr. DN Bayever	2	2	9	-	<u>9</u>	<u>-</u>
Ms. N Du Toit	2	2	9	-	<u>9</u>	<u>-</u>
Dr. L Skaal	2	2	9	-	<u>9</u>	<u>-</u>
Judge L Mpati	2	-	-	-	<u>-</u>	<u>-</u>
Dr. M Tyamzashe	2	2	9	-	<u>9</u>	<u>-</u>
Board members - term expired 30 November 2012						
Dr. SI Manjra (Chairperson)	2	2	30	-	<u>30</u>	<u>91</u>
Mr. R Hack	2	2	12	-	<u>12</u>	<u>23</u>
Mr. C Hattingsh	2	2	12	-	<u>12</u>	<u>29</u>
Ms. N Ntanjana **	2	1	-	-	<u>-</u>	<u>-</u>
Dr. I Jakoet	2	2	19	-	<u>19</u>	<u>20</u>
Dr. JRV Ramathesele	2	2	10	-	<u>10</u>	<u>-</u>
Prof. R Le Roux	2	1	14	-	<u>14</u>	<u>-</u>
Ms. G Pillay-Viret	2	1	5	-	<u>5</u>	<u>7</u>
Dr. MTD Qobose	2	2	10	-	<u>10</u>	<u>-</u>
Dr. H Adams	2	-	-	-	<u>-</u>	<u>-</u>
					<u>192</u>	<u>205</u>
Total directors remuneration					<u>987</u>	<u>1 051</u>
* this member serves on a pro-bono basis						
** no remuneration due to employment in the public sector						
Audit Committee						
The following emoluments, were paid to the audit committee during the year						
Adv. D Mitchell (chairperson)	5	5			<u>23</u>	<u>20</u>
Mr. J George	5	5			<u>14</u>	<u>8</u>
Mrs. P White	5	5			<u>14</u>	<u>10</u>
					<u>50</u>	<u>38</u>

12. 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 2013 was R134 (thousand) (2012: R115 (thousand)).

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, are charged to the income statement as they are incurred.

The total entity contributions to such schemes in 2013 was R76 (thousand) (2012: R61 (thousand)).

13. DEFICIT FROM OPERATIONS

Deficit from operations has been arrived at after the following:

	2013 R'000	2012 R'000
Revenue		
Interest received	101	118
Doping control sales	2 794	2 787
Government grants	13 183	11 604
Profit on foreign exchange	4	20
Expenditure		
Auditor's remuneration	522	683
Audit committee remuneration	50	38
Amortisation of intangible assets	209	107
Depreciation of property, plant and equipment	200	171
Directors remuneration	987	1 051

14. 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 change in the ZAR against the respective foreign currencies. As the risks are symmetrical in nature, strengthening/weakening of the ZAR would result in an equal but opposite amount to that detailed in the sensitivity analysis below:

14. FINANCIAL INSTRUMENTS (continued)

		2013 R'000	2012 R'000
USD – 20% (2012 – 11.8%)	9.23	7.67	35
EUR – 16% (2012 – 11%)	11.83	10.24	2

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 – 5% (2012 – 12.5%)	1	136
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Credit Risk

The entity only deposits cash surpluses into Treasury approved banking institutions.

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

Liquidity Risk

The entity 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.

15. CASH FLOW NOTES

15.1 Reconciliation of net deficit to cash utilised in operations

Net deficit for the year	(1 419)	(164)
Adjusted for:		
Amortisation of intangible assets	209	107
Depreciation of property, plant and equipment	200	171
Movement in provisions	74	12
Investment income	(101)	(118)
Finance costs	2	1
Operating (deficit)/surplus before working capital changes	(1 035)	9
Working capital changes	330	444
Increase in accounts receivable	(454)	(503)
Increase in accounts payable	851	1 011
Increase in inventories	(67)	(63)
Cash (utilised in)/generated from operations	(706)	454

15.2 Cash and cash equivalents

At the beginning of the year		
Cash at bank	1 091	916
At the end of the year		
Cash at bank	416	1 091

16. CASH AND CASH EQUIVALENTS

	2013 R'000	2012 R'000
Bank and cash balances	534	1 323
Credit card balances	(118)	(232)
	<u>416</u>	<u>1 091</u>

17. OPERATING LEASES

The operating leases comprise rentals of premises.
The total future minimum lease payments under these leases are as follows:

	2013	2012
Due within one year	592	400
Due between one to five years	115	68
	<u>707</u>	<u>468</u>

18. FRUITLESS AND WASTEFUL EXPENDITURE

No fruitless and wasteful expenditure was incurred by the entity for the year under review.

19. IRREGULAR EXPENDITURE

Reconciliation of irregular expenditure

	2013	2012
Opening balance	3 578	188
Add: Irregular expenditure – relating to prior year	-	-
Add: Irregular expenditure – relating to current year	308	3 390
Less: Amounts condoned	3 578	-
Less: Amounts recoverable (Not condoned)	-	-
Less: Amounts not recoverable (Not condoned)	-	-
Irregular expenditure awaiting condonation	<u>308</u>	<u>3 578</u>

Analysis of awaiting condonation per age classification

	2013	2012
Current year	308	3 390
Prior years	-	188
Total	<u>308</u>	<u>3 578</u>

Incidents	Disciplinary steps taken/criminal proceedings
Contraventions of PFMA and Treasury Regulations in that 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.

19. IRREGULAR EXPENDITURE (continued)

Irregular expenditure relating to the current year

Expenditure considered irregular as competitive bidding process was not followed and 3 quotes were not obtained:

Nature of spend

	2013 R'000	2012 R'000
Advertising and promotion	27	1 229
Doping control consumables	-	7
Corporate gifts and entertainment	10	19
Entertainment - international projects	-	3
Furniture and fittings	-	3
Insurance - medical malpractice	129	142
Intangible assets	-	70
Investigations / Intelligence framework	-	12
Insurance - group risk	-	10
Mobile unit	-	6
Office equipment	-	7
Office rental	-	344
Other international liaison	-	34
Printing and stationery	39	14
Public relations and communications	5	86
Research	-	80
Results management	-	465
Staff amenities	3	5
Seminars and workshops and DCO training	-	189
Lab analysis	-	9
Staff recruitment	-	20
Staff training	-	29
Subscriptions	2	6
Temporary staff costs	-	57
Travelling and accommodation	-	211
Travelling and accommodation - DCO reimbursement	-	128
Travelling and accommodation local - staff	10	205
Gifts and entertainment	4	-
Computer expenses	79	-
	<u>308</u>	<u>3 390</u>

20. RELATED PARTIES

Sport and Recreation South Africa

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

Revenue received

Grant received	<u>13 183</u>	<u>11 604</u>
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Balances between entity and related party

Debtor balances	-	-
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Directors (refer note 11)

	<u>987</u>	<u>1 051</u>
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21. EXPLANATION OF DIFFERENCE IN APPROVED BUDGET AND ACTUAL EXPENDITURE

Revenue

- Additional funding received from SRSA
- Doping control sales exceeded budget

Expenses

- Doping control activities exceeded budget due to increased activity as a result of focussed testing and move to more blood analysis than urine testing.
- Results management above budget due to increased tribunals as a result of positive test results.
- International projects reduced due to curtailment as a result of increased doping control and results management spend.
- Corporate services above budget due to sports law conference expenses not in approved budget.

22. 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

23. CHANGE IN ACCOUNTING ESTIMATE

In 2009, the useful life of the refurbishment of the motor vehicle was estimated to be 4 years. At the beginning of the financial year management revised their estimate to 5 years and increased the estimated residual value. The effect of this revision has decreased the depreciation charge for the current year by R13 (thousand). There will be no impact on the depreciation in future periods as the asset would have been fully depreciated in the current year. Useful lives for certain EPO equipment was revised and extended by 5 years, while some were expensed fully in the year. The effect on the depreciation charge in the current year is reduced by R3 (thousand) and will incur additional charges in future periods amounting to R3 (thousand).

Useful lives for certain intangible assets, interactive media applications, were revised and reduced from 2 years to between 1 and 2 years. The effect on the amortisation charge in the current year is increased by R26 (thousand) and will incur reduced charges in future periods amounting to R26 (thousand).

24. NATIONAL LOTTERY FUNDING

	2013 R'000	2012 R'000
Revenue	793	2425
Expenditure	793	2 425
Access to Information	48	364
Anti-doping Education	207	914
Real winner Anti-doping Interactive Program	48	340
National Schools Outreach Program	490	807
Balance	-	-

	2013 R'000	2012 R'000
ADMINISTRATION EXPENDITURE	5 268	4 884
Accounting fees	250	250
Amortisation of intangible assets	209	107
Audit fee	522	683
Bad debts	-	8
Bank charges	35	32
Computer expenses	164	152
Depreciation	200	171
Electricity and water	27	22
Finance cost	2	1
Gifts and entertainment	7	13
Insurance	50	55
Investigations and intelligence framework	-	13
Legal fees	-	100
Loss on sale of assets	-	3
Motor vehicle expenses	-	10
Office rental	479	362
Postage and telephone	158	202
Printing and stationery	84	14
Payroll costs	2 347	2 151
Repairs and maintenance	54	16
Relocation	21	23
Security	6	5
Staff amenities	45	36
Staff recruitment and training	45	72
Staff group risk insurance	29	10
Temporary staff costs	117	80
Travelling and accommodation	416	293
EDUCATION PROGRAMME	2 126	3 522
Advertising and promotion	797	1 916
Books and magazines	-	2
Mobile unit	41	45
Research	-	82
Gifts and entertainment	6	-
Public relations and communications	813	815
Printing and publishing	63	-
Seminars and workshops	79	180
Subscriptions	20	15
Travelling, accommodation and lecture	172	436
Website costs	134	31

	2013 R'000	2012 R'000
DOPING CONTROL	8 265	6 829
Blood testing consumables	27	2
Courier costs	690	450
Drug kits	722	455
Opening inventory	210	147
Drug kits – purchases	785	518
Closing inventory	(274)	(210)
Consumables	1	3
Doping control review committee	118	101
Doping control uniforms	60	68
Doping control officers training and workshops	-	1
Entertainment and staff amenities	4	3
Insurance - medical malpractice	84	96
Mobile unit	1	-
Printing and stationery	73	15
Schools project	18	-
Testing services	-	9
Travelling accommodation and DCO reimbursements	2 144	1 958
Therapeutic use exemption committee	33	37
Laboratory analysis	4 290	3 631
RESULTS MANAGEMENT	1 794	944
Legal Counsel	353	316
Legal Project	109	11
Remuneration - Tribunal members	830	349
Training & seminars	-	2
Transcription services	-	30
Travel and accommodation	485	217
Tribunal expenses	17	19
INTERNATIONAL PROJECTS	321	490
Entertainment	-	3
International liaison-other	40	167
INADO services	40	-
Legal project	1	-
Quality assurance	-	1
Subsistence – board members	8	-
Subsistence – staff	18	7
Travel and accommodation – board members	58	17
Travel and accommodation – staff members	158	293
WADA-travelling and accommodation	-	2

	2013 R'000	2012 R'000
CORPORATE SERVICES	688	470
Appeal board	-	26
Audit committee	50	38
Board meetings	102	51
Board members honoraria	180	206
Corporate gifts and entertainment	16	26
Corporate uniforms	-	2
Printing and stationery	9	21
Quality assurance	14	12
Sports law project	227	-
Travelling and accommodation board members	91	88
TOTAL EXPENSES	18 463	17 139



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info@drugfreesport.org.za

www.drugfreesport.org.za



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South African Institute for Drug-Free Sport
4th floor Sports Science Institute of South Africa
Boundary Road, Newlands
Tel: 0861 072437 (0861 0 SAIDS)
Fax: 0861 272437 (0861 2 SAIDS)
E-mail: info@drugfreesport.org.za
Website: www.drugfreesport.org.za

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