



 **CHAMPIONS 2022**



SOUTH AFRICAN RUGBY UNION ANNUAL REPORT 2022





SPRINGBOKS



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Eben Etzebeth was named the SA Rugby Player of the Year for 2022, capping a wonderful year in which he also reached his 100th Test cap for the Springboks.





SOUTH AFRICAN RUGBY UNION ANNUAL REPORT 2022

SA RUGBY PARTNERS IN 2022

PRINCIPAL TEAM PARTNERS



ASSOCIATE TEAM PARTNERS



ASSOCIATE TEAM SPONSORS



OFFICIAL SUPPLIERS



TOURNAMENTS AND REFEREE PARTNERS





PRESIDENTIAL REPORT

In reviewing the past financial year, it will be remiss not to firstly remind ourselves of the major challenges that South African Rugby has been up against over a period of three years, driven largely by an already embattled national economy in 2019.



Since then, each year has presented fresh and unprecedented challenges that required innovative efforts to resolve. It demanded of us as rugby to consider measures that took us out of our comfort zones. At stake was the very future of the game that we all profess to love and care for. True to the commitment and passion that we had previously experienced during tough times in rugby, it brought out the best in many at the coalface of rugby; people and organisations who displayed flexibility and commitment to overcome these new challenges, a resilience in the face of fresh waves of uncertainty, and a preparedness to make sacrifices for the greater good of rugby.

It has not been easy. In fact, the very future of the game depended on how we responded to challenges which often were not in our control. Who would have imagined that the onset of the Covid-19 pandemic would have the devastating impact on the global and national game that it has had? The pandemic itself might appear to be under control, but the aftermath of it will be felt for years to come. As you know, rugby was not insulated from the devastating financial challenges that resulted from the pandemic and many of those challenges still remain; but the positive in this is that it is steadily being dealt with. The





future viability of rugby, and in particular the professional game, linked to the very survival of some provinces and franchises had to be faced head-on; tough calls had to be made; major sacrifices had to be made by all of our members and at times, there was growing despair. But the pain was necessary if we wanted to keep the engine room of rugby going – that is, the professional game. We are not out of the woods yet, but the engine is not missing a gear; we are moving towards a smoother movement of that engine by creating new commercial opportunities, whilst also ensuring that our rugby pipeline continues to grow through the country.

Taking all this and more into account as well as the numerous and ongoing challenges our mem-

bers face, our balance sheet needs a comprehensive rebuild over the coming years to ensure that we have a stable and viable financial base for the game, well into the future, at national, provincial and franchise levels. We need to remain steadfast as we continue on the path of recovery and it is incumbent on each of us to work in tandem towards our shared ultimate objective of a healthy, thriving and stable rugby environment.

FINANCE

The 2022 period under review delivered mixed results on and off the field – and it is imperative that I address several lingering issues within South African Rugby. As an organisation, as I have pointed out earlier, we are only beginning to



Sibongile Novuka of the Vodacom Bulls races towards his try in a Heineken Champions Cup against French club Lyon in Pretoria.

recover from the extremely turbulent period we have been through. We are all familiar with the efforts made to ensure that South African Rugby survived the crisis as all entities were party to the sacrifices made which impacted all in rugby in a really substantive way.

I want to repeat that we cannot disregard the challenges of the past three years. Our extensive experience in the game means we have – as individuals and as a collective – a full understanding of the ecosystem of rugby. And we cannot expect it to be business as usual. It is not. In 2019, when we agreed on a funding model, rugby in South Africa was at an all-time high and the world around us was as normal as could be, notwithstanding our country's economic challenges.

The first season of the EPCR linked to our further investment in expansion into the North cost us R49m in participation fees and travelling for five SA franchises. This resulted in an overall loss of approximately R13m when offset against revenue generated. It is fair to note that the benefits of the competition and our teams exposure to the best in the world vindicate this expenditure. The total cost of both the EPCR and Vodacom URC for all our teams was R330m in overall expenditure.

Then in 2020, the world turned on its head and we were plunged into survival mode. With extensive consultation and negotiation, an Industry Mitigation Plan was implemented to save the game and jobs within the industry. We are still experiencing the fallout of this reality.

The continued post-pandemic crunch on corporate sponsorship spend was still evident in the 2022 financial year. Although there was a willingness to assist and sponsor our teams, it was clear that corporate South Africa had to tighten the financial screws, much as South African Rugby was compelled to do.

The lull in the economy was also felt by our members. We were able to increase our member union distributions from a budgeted R227m to R285m on the back of members' financial constraints, especially those participating in international competitions and the need to grow the investment in the Vodacom URC and EPCR.

The continued investment in the Vodacom URC and EPCR competitions is essential as we carve our way to full membership and shareholding, even though the financial aspect of this pathway is hurting us in the short term. The long-term goal and returns that will come will validate this position, both from financial and high-performance points of view.

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cost us R49m in participation fees and travelling for five SA franchises. This resulted in an overall loss of approximately R13m when offset against revenue generated. It is fair to note that the benefits of the competition and our teams exposure to the best in the world vindicate this expenditure. The total cost of both the EPCR and Vodacom URC for all our teams was R330m in overall expenditure.

We were able to sign new terms of agreement with players for the image rights for all unions and the national teams. Player image rights increased from R50m budgeted to R76m after a new commercial model was signed and linked to revenue in 2022. SARU management and representatives from franchises and MyPlayers were part of the working group.

In general, the revenue potential is still there, and we enjoyed an increase in sponsorship revenues of R56m, but the Cape Town Sevens tournament was down R30m. We also had to

spend far more on the women's national teams than our revenue available for this as corporate South Africa is yet to embrace women's rugby; but we are positive that this will change.

We remain positive about our financial outlook, even in these difficult times.

MEMBERSHIP

Our membership of World Rugby must also be addressed in the restructuring of our organisation while concluding the proposed equity transaction. South African Rugby is a member of World Rugby because we are the only recognised member of rugby in South Africa endorsed by SASCOC and government. And we are recognised by SASCOC and the government because we deliver rugby from grassroots to professional levels of the game, as well as all other forms of rugby that must be affiliated to SA Rugby to participate internationally. Membership of World Rugby is open to national rugby unions based in a country:

1. Where those unions are solely responsible for governing rugby's sporting, technical and

Siya Kolisi and Tomas Lavanini shake hands after the Castle Lager Rugby Championship clash between South Africa and Argentina in Durban.



general organisation and implementation of all rugby-related matters;

2. Which meet the World Rugby Membership Pathway and Membership Criteria established by Council and set out on the World Rugby website.

It is straightforward enough. The Members of the South African Rugby Union are the 15 affiliated structures as per our Constitution. World Rugby recognises only one Member per country. The SA Rugby Union is that Member. In other words, the 15 member unions of SARU constitute the Member of World Rugby. Certain Members of the SA Rugby Union have equity partnerships in their professional structures and the latter have a relationship with SA Rugby through the affiliated member and not directly; these equity partners make huge investments to sustain our franchises and ensure that they remain competitive and relevant in the international rugby landscape.

Private equity in our professional structures is extremely important and necessary. It contributes in a significant way to our rugby ecosystem nationally. Therefore, colleagues, we must all ensure that everyone benefits on an equitable basis from our growth as an organisation – and that we don't kill the golden goose within our franchises in the process. It stands to reason that the more we succeed in international competitions, the more marketable we become, and the more we will all benefit. We need to address ways to include the private equity structures in our decision-making processes, to ensure that everyone has a seat at the table, and always mindful of how membership is constituted. I remain convinced that we can find the model that will be to the benefit of the greater good of the game.

GLOBAL SEASON

We are working with World Rugby, our SANZAAR partners and Six Nations colleagues, on a potential new competition structure for the global season. While the expectation is that the proposals will bring significant additional revenues into the game for all, a key principle underpinning any final agreement will be that the Unions within SANZAAR and Six Nations will be no worse off commercially. This is important as

Importantly, the Castle Lager Rugby Championships and the Six Nations are unaffected by the proposals which focus on making the July and November fixtures more meaningful, adding a competition structure, a pathway for emerging nations to the top tier competition and improved centralisation of commercial and broadcast deals.

the revenues from international rugby must be protected – they provide the resources to invest in our programmes from grassroots to elite levels of the game.

Importantly, the Castle Lager Rugby Championships and the Six Nations are unaffected by the proposals which focus on making the July and November fixtures more meaningful, adding a competition structure, a pathway for emerging nations to the top tier competition and improved centralisation of commercial and broadcast deals.

This proposal has the potential to improve our domestic competitions and to ensure our national players are available for all competitions.

TRUST AND COMMUNICATION

Trust in rugby is an issue we will actively address in the coming year and beyond. We believe that at its root is inadequate communication. There is a need amongst all of us for greater transparency and engagement and I am committed to this and will lead it. At the same time, I call on all of you to similarly commit to this. Let us all be honest in our communication and engagement with each other; let us strive to build authentic relationships with Members and all stakeholders based on trust, mutual respect and understanding. It is



only in this way that we can mitigate the rumour-mongering that does so much reputational damage to rugby. Initiatives are being developed to address these issues and will be rolled out in the course of the year. The CEO will present his plan at various forums.

ACKNOWLEDGEMENTS AND THANKS

It is now my privilege to acknowledge that our significant achievements through the year under review can be credited to the combined efforts of many individuals and organisations, our partners, our unions and their equity partners, sponsors, staff members and membership who are committed to delivering on our mandate. My sincere thanks for every contribution to the growth and progress of South African Rugby.

I would like to make special mention of my Executive, whose commitment to the rugby cause has been unfaltering, and their hard work has kept us on a positive trajectory.

The tough economic conditions we face and have faced as a nation for some years mean that efforts to fly the rugby flag high are even more significant as we produce promising results, often against the odds.

South African Rugby has an important role to play in the greater South African landscape, a role that can only be fulfilled through continued collaboration and dedication to the growth in rugby as the organisation navigates the ebbs and flows of the global and domestic world of rugby. Thank you to each and every one who remains committed to the game and to achieving success in the coming year.

Mark Alexander

President

South African Rugby Union

“At the end of the day, we can either focus on what’s tearing us apart or what’s keeping us together.”

Ayanda Malinga scored two tries in the first Test between South Africa and Spain in Johannesburg.







CEO REPORT

Rugby returned with a bang in 2022, to put a smile back on the faces of participants and supporters.

The Springboks were watched by record-breaking crowds in South Africa and the return of the Youth Weeks, of the SA Under-20 team, the Currie Cup First Division, of provincial age grade rugby and of the Springbok Women lifted the pandemic-induced despair that had hung over much of the game in South Africa throughout 2020. Equally significant, in another swing in the game's compass pointing ever more firmly northwards, five of our teams were accepted into Europe's top-flight competitions. It was an exciting and expansionary year although the perennial challenge of finding a budget to support all the activities created just as much 'excitement' behind the scenes.

After the echoing unreality of behind-closed-doors elite rugby for much of 2020, the return of crowds was completed in 2022, bringing a trickle of much-needed revenue to member unions. Such was the spectator appetite for the Springboks that when they returned to action in front of crowds in South Africa for the first time in two years (at Loftus Versfeld in early July), it started a procession of six near sell-out Tests.



The year began in the shadow of COVID-19. Match attendance was restricted to a maximum of 2 000, which was raised to 50% capacity at the end of March for vaccinated or COVID-19 negative attendees. Spectators were required to show a vaccination certificate to gain entrance, which presented logistical as well as resourcing challenges to hosting unions.

However, three months later (23 June), we were finally able to announce that all remaining restrictions on match attendance had been lifted following the Government gazetting of regulations dropping limits on both indoor and outdoor gatherings. The announcement came only 10 days before the Boks returned to action against Wales in Pretoria, but the match was a 51 762 sell-out as the Blue Bulls' gamble of making all match tickets available was justified at the 11th hour.

That joyous return was followed by a 96% capacity crowd in Bloemfontein (44 321), 92% in Cape Town (56 000), and sell outs in Nelspruit (42 367), Johannesburg (61 519) and Durban (45 982). The attendance represented 98,91% (297 298) of the available capacity, making it the best attended Springbok season since rugby unity in 1992.

On the field, the Springboks won eight out of 13 tests. Of the five that were lost, three



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were by the margin of a single score (against Wales, France, and Ireland) and there was much encouragement in the performances. One notable achievement was that, in beating England at Twickenham for the first time since 2014, the Boks ended the year on a winning note for the first time in nine years (excluding Rugby World Cup seasons).

The northwards swing of the compass also drew the Junior Springboks in that direction. They were invited to join the Six Nations in a Summer Series in Italy and duly ended top of the pile recording highly impressive victories over Wales (47-27) in the final, having disposed of France (42-27), Ireland (33-24) and England (30-22).

It was also a special year for the Springbok women. They recorded a 2-0 series win over Spain at home in August, before registering a ground-breaking overseas Test victory with a 20-10 triumph over Japan in Kumagaya as part of a shared series (1-1). Those matches were in preparation for a return to the Rugby World Cup (in New Zealand). The team was drawn in a challenging group (featuring eventual silver and bronze medal winners England and France respectively) but was denied a famous victory over Fiji with a final move score from their opponents (21-17).

One level down from Test rugby – at international ‘club’ level – the magnet also drew the needle northwards. In June we were able to announce that the four Vodacom United Rugby Championship (URC) teams and the Toyota Cheetahs would play in the following season’s two European Professional Club Rugby (EPCR) knockout competitions, the Heineken Champions Cup, and the Challenge Cup.

Our acceptance into the competitions came earlier than expected, although it was a natural outgrowth from the entry into the Vodacom URC



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Opposite page: The DHL Stormers and Vodacom Bulls contested an all-South African final in the inaugural season of the Vodacom United Rugby Championship.

Above: Simamkele Namba on the attack for the Springbok Women against Spain at Emirates Airline Park in Johannesburg.

and put our teams in formal competition with top-flight English and French clubs for the first time. Our entry – as into Vodacom URC – is by subscription and while it is a financial challenge in the short term, the long-term benefits for South African rugby should be significant from all perspectives.

Certainly, our teams will be competitive. Our inaugural season in the Vodacom URC brought the highly gratifying but wholly unexpected conclusion of an all-South African final in Cape Town. The DHL Stormers beat the Vodacom Bulls 18-13 in June (before what was then a full capacity audience just before restrictions were lifted) to crown a memorable debut season for the South African newcomers.

The theme of on-field success extended into awards season as we collected five awards at the South African Sports Awards. SA Rugby was named Sports Federation of the Year,

the Springboks were Team of the Year while individual awards were collected by Director of Rugby Rassie Erasmus (Coach of the Year), Springbok speedster Makazole Mapimpi, (Sportsman of the Year), and Springbok captain Siya Kolisi was voted the People's Choice Sports Star of the Year.

Their colleagues Lukhanyo Am, Damian de Allende and Malcolm Marx were also named in the World Rugby Dream Team of 2022, (Am was nominated for the World Rugby Player of the Year) while former Bok wing Bryan Habana and Test referee Tappe Henning were honoured for their contributions to rugby.

Finally, regarding team matters, the return of the Youth Weeks after two blank years was a major relief at the grassroots level of the game while the Carling Currie Cup First Division resumed after the same interruption as a ten-team competition and the Women's Premier Division expanded to seven teams.

In the Carling Currie Cup First Division, seven local provincial teams were joined by Georgia, Kenya, and Zimbabwe while the Mastercard Golden Lions Women joined the six teams from the 2021 Women's Premier Division. Under-21 Cup



and Shield competitions were also introduced in addition to the existing under-20 competition.

This robust engagement on the field was matched off the field as the year ended with a record number of commercial partners contracted to teams or tournaments as both broadcast and sponsorship income reached record levels. Broadcast revenue was R827m while sponsorship income reached R412m.

Seven new companies joined the SA Rugby family (see commercial report) and five others either renewed, returned, or added to their sponsorship portfolio with the sport. Thirty-one South African-based businesses and Qatar Airways had associated their brands with SA Rugby by year end - also a record.

However, although revenues increased by 21% to R1,547bn, the return of rugby and our engagements in the north meant that expenses increased by 22% to R1,621bn. When other operating income, gains and losses were factored in it meant the posting of an operating loss for the year of R4,5m. Needless to say, the strategic focus for 2023 remains as it had through much of my tenure; on securing the financial security of the business over the short term and the sustainability of the sport over the medium to long term.

The end of the year marked the conclusion of my time as CEO. It was an honour and a privilege to serve the organisation in the role for 12 years. I hope that I have left the organisation on the cusp of an exciting future following great challenge and some great moments.

I worked with a fantastic group of people daily, and together something was built that truly unites and inspires our country.

Jurie Roux

CEO

South African Rugby Union

The Vodacom Bulls won the SA Rugby Under-21 Cup competition when they beat the neighbouring Lions in the final in Pretoria.





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INTEGRATED REPORT

PREAMBLE:

SARU is an incorporated association of persons with perpetual succession and juristic personality and the national controlling body and custodian of rugby in South Africa. SARU's governance structure is set out in its Constitution.

GOVERNANCE

The relevant extracts from Section 8 of the SARU Constitution provide as follows:

- 8.1** Subject to this constitution, SARU's business and activities will be overseen by the general meeting, which shall have the ultimate authority in respect of, and responsibility for, its affairs.
- 8.4** Subject to the constitution, all of SARU's affairs shall be governed by the executive council, which may exercise all such powers and perform all such functions which are not required by this constitution to be exercised or performed by the general meeting. Provided that the general meeting retains the authority to exercise such powers and perform such functions if the executive council is, for whatever reason, unwilling or unable to do so.

- 8.5** Without derogating from the generality of the foregoing, the Executive Council shall determine a policy framework for and oversee SARU's governance and exercise the powers and perform the functions necessary to achieve and promote the main and ancillary objects.
- 8.7** The provisions in the Act and the rules of the common law which define the nature and extent of the powers and functions of members of the board of directors of a public company, govern the exercise of powers and performance of their functions; govern the relationship between such directors and such company, whether fiduciary or otherwise, as well as the personal liability, criminal or delictual, of such members flowing from fraudulent or negligent acts or omissions in relation to such members' aforesaid powers and functions, apply mutatis mutandis, and to the extent that it is consistent with SARU's status, to the members of the executive council as if SARU were a public company.
- 8.8** The principles and the best practice recommendations set out in the Code of Governance Principles for South Africa - 2009 King IV, as augmented and amended from time to time, shall apply as a guideline to the governance of SARU.





GOVERNANCE STRUCTURES

1. MEMBERS OF THE EXECUTIVE COUNCIL (“EXCO”)

NAME	POSITION	DATE OF APPOINTMENT
NON-EXECUTIVE MEMBERS		
Mark Alexander	President	Elected 6 April 2018
Francois Davids	Deputy President	Elected 5 June 2020
H Baartman	Union representative	Elected 29 April 2022
Pat Kuhn	Union representative	Elected 5 June 2020
Randall September	Union representative	Elected 29 April 2022
Faffa Knoetze	SARPA representative	Appointed 4 February 2022
Mary-Anne Musekiwa	Independent Member	Appointed 16 August 2022
Melody Lekota	Independent Member	Appointed 13 October 2022
Jannie Louw	Independent Member	Appointed 5 June 2020
Mimi Tau	Independent Member	Appointed 30 November 2020
Peggy-Sue Khumalo	Independent Member	Appointed 21 September 2021
Tryphosa Ramano	Independent Member	Appointed 6 September 2022
EXECUTIVE MEMBERS		
Jurie Roux	CEO	Resigned 31 December 2022
Rian Oberholzer	Acting CEO	Appointed 1 March 2023
Abubakar Saban	CFO	Appointed 1 August 2016
COMPANY SECRETARY		
Christo Ferreira	Acting Company Secretary	Appointed 1 April 2022, retired 31 December 2022
Chantal du Pisani	Acting Company Secretary	Appointed 1 January 2023
INVITED MEMBERS		
Andy Colquhoun	GM: Communications	Appointed April 2008

2. SARU SUB-COMMITTEES

AUDIT & RISK COMMITTEE

NAME	POSITION
Mary-Anne Musekiwa	Chairperson
Professor Edna van Harte	Independent
Sinoxolo Jodwana	Independent
Raymond Fenner	Independent

INVITED MEMBERS

Jurie Roux	CEO (resigned 31 December 2022)
Abubakar Saban	CFO
Christo Ferreira	Acting Company Secretary (retired 31 December 2022)
Sophy Kleovoulou	External Auditor – Nexia SAB&T
Yoliswa Madlingozi	External Auditor - Nexia SAB&T
Ashley Smith	Internal Auditor - KPMG
Gareth Farrell	Internal Auditor - KPMG

HUMAN RESOURCES &

REMUNERATION COMMITTEE

NAME	POSITION
Melody Lekota	Chairperson
Evelyn Motsatsing	Independent
Lloyd Fortuin	Independent
Lwanda Jongilanga	Independent

INVITED MEMBERS

Jurie Roux	CEO (resigned 31 December 2022)
Abubakar Saban	CFO
Ingrid Mangcu	GM: HR
Vanessa Doble	Company Secretary (resigned 1 April 2022)

SARU President Mr Mark Alexander congratulates the Springbok Women on their victory over Zimbabwe.



FINANCE COMMITTEE

Jannie Louw

Francois Davids

INVITED MEMBERS

Mark Alexander

Jurie Roux

Abubakar Saban

Christo Ferreira

POSITION

Acting Chairperson

Deputy President

President

CEO (resigned 31 December 2022)

CFO

Acting Company Secretary

(retired 31 December 2022)

JUDICIAL COMMITTEE

Judge Lex Mpati

Peter Ingwersen

Deker Govender

Nozipho Mngomezulu

Adv Andre May

INVITED MEMBERS

Christo Ferreira

Vanessa Doble

POSITION

Chairperson

Independent

Independent

Independent

Independent

Acting Company Secretary

(retired 31 December 2022)

Head of Legal and Compliance

(resigned 1 April 2022)

FRANCHISE COMMITTEE

Mark Alexander

Francois Davids

Franchise committee comprising of not fewer than six (6) unions and not more than eight (8) unions

INVITED MEMBERS

Jurie Roux

Rassie Erasmus

Charles Wessels

POSITION

President

Deputy President

CEOs

CEO (resigned 31 December 2022)

Director of Rugby

GM: Rugby (Secretary)

NON-FRANCHISE COMMITTEE

Francois Davids

Mark Alexander

Boland Rugby Union (Pty) Ltd

Border Rugby Union (BRU)

Valke Rugby Union (VRU)

Griffons (Pty) Ltd

Leopards (Pty) Ltd

South Western Districts Rugby

Football Union (SWDRFU)

INVITED MEMBERS

Jurie Roux

Ian Schwartz

POSITION

Deputy President (Chairperson)

President

CEOs

CEO (resigned 31 December 2022)

GM: Strategic Performance

(Secretary)

TRANSFORMATION COMMITTEE POSITION

Mimi Tau

Independent Exco Member (Chairperson)

Mark Alexander

President

Francois Davids

Deputy President

Pat Kuhn

Exco Member

Zilungile Ntombela

Independent Member

Siphokazi Njani

Independent Member

Devendra Easthorpe

Independent Member

Gloria Sullivan

Independent Member

All 14 Provincial Union Presidents

Presidents and /or according to the SARU constitution

Jurie Roux

CEO

Ian Schwartz

GM: Strategic Performance Management

Samantha McDonald

Strategic Performance Management Administrator (Secretary)

Morne Nortier

Project Manager: Strategic Performance Management



3. SARU AD HOC COMMITTEES

CONSTITUTIONAL COMMITTEE

	POSITION
Mark Alexander	President (Chairperson)
Francois Davids	Deputy President
Mervyn Taylor	Leopards (Non-Franchise representative)
Hennie Baartman	SWD (Non-Franchise representative)
Willem Strauss	BBRU (Franchise representative)
Neville Jardine	GLRU (Franchise representative)

INVITED MEMBERS

Jurie Roux	CEO (resigned 31 December 2022)
Christo Ferreira	Acting Company Secretary (retired 31 December 2022)

WOMEN'S RUGBY COMMITTEE

	POSITION
Patrick Kuhn	Exco Member (Chairperson)
Mark Alexander	President
Francois Davids	Deputy President
Mimi Tau	Independent Exco Member
Peggy-Sue Khumalo	Independent Member
Mary-Anne Musekiwa	Independent Exco Member
All 14 Union Women's Rugby Representative	Representatives

INVITED MEMBERS

Jurie Roux	CEO (resigned 31 December 2022)
Charles Wessels	GM: Rugby
Rassie Erasmus	Director of Rugby
Ingrid Mangcu	GM: HR
Lynne Cantwell	High Performance Manager: Women's Rugby (Secretary)

NATIONAL TEAMS

STEERING COMMITTEE

	POSITION
Mark Alexander	President (Chairperson)
Francois Davids	Deputy President
Pat Kuhn	Exco Member

INVITED MEMBERS

Jurie Roux	CEO (resigned 31 December 2022)
Rassie Erasmus	Director of Rugby
Jacques Nienaber	Springbok Coach
Samantha McDonald	Strategic Performance Management Administrator
Charles Wessels	GM: Rugby (Secretary) (retired 31 December 2022)

AGENTS COMMITTEE

	POSITION
Nozipho Mngomezulu (Chairperson)	Independent Member
Hennie Baartman	SARU Representative
Barend van Graan	SAREO Representative
Mandisi Tshonti	SARPA Representative
James Adams	Player Agent Representative

INVITED MEMBERS

David de Villiers	SARPA Representative
Christo Ferreira	Acting Company Secretary (retired 31 December 2022)

AMATEUR COMMITTEE

	POSITION
Mark Alexander	President
Francois Davids	Deputy President
All 14 Union Representatives	CEOs

INVITED MEMBERS

Jurie Roux	CEO (resigned 31 December 2022)
Yusuf Jackson	EPD: 4 Community Rugby
Ian Schwartz	GM: Strategic Performance (Secretary)

TRANSFORMATION ADVISORY COMMITTEE

POSITION

Mary-Anne Musekiwa	Independent Exco member (Chairperson)
Mimi Tau	Independent Exco member
Evelyn Motsatsing	Independent Member
Judge Johan van der Westhuizen	Independent Member
Abubakar Saban	CFO
Christo Ferreira	Head of Legal & Compliance (retired 31 December 2022)
Ian Schwartz	GM: Strategic Performance & Transformation
Samantha McDonald	Strategic Performance Management Administrator (Secretary)

COMPANY SECRETARY & CFO

Mr. Christo Ferreira was appointed as the Acting Company Secretary from 1 April 2022 after the resignation of Ms. Vanessa Doble. He retired on 31 December 2022 and Ms. Chantal du Pisani has been appointed as new Head of Legal & Compliance and acting company secretary on 1 January 2023. Mr. Abubakar Saban continued to occupy his position in 2022.

CERTIFICATE OF THE COMPANY SECRETARY

In my capacity as acting company secretary I hereby confirm that for the year ended 31 December 2022, all governance structures operated as required by the union's constitution, and that the minutes of all General Meetings, Executive Council and sub-committee meetings have been kept for record purposes.

OUR VISION

SARU's vision is:

To be the leading rugby nation by providing:

- Well governed, world class, innovative sporting entertainment; and
- Sustainable high- performance systems, processes and people

SARU comprises nine (9) provincial members made up of 14 constituent unions' members with Limpopo participating as a non-voting member (because of the current absence of an affiliated union). Limpopo RU was accepted as a development union at the SARU AGM on 29 April 2022. Members designate three persons from their constituent unions to represent them at general meetings of which one member has to be a female. The member having a female representative qualifies for a third vote at General Council. SARU handed back the administration of the Border Rugby Union during 2022. Western Province Rugby Football Union remains under the administration of SARU. The Franchise and Non-Franchise committees created in 2016, continued to focus on key issues of collective sustainability and development within the professional and semi-professional unions respectively and held one (1) meeting in 2022.

The composition of executive council members for the period 2021 – 2025 shall include no less than 3 women.

The Executive council oversaw the organisation's management and business strategies. SARU continued to have strengthened oversight through independent members on the Executive Council. They brought an independent and objective view distinct from that of members and management and acted as a balancing element in governing body discussions. Within the context of a Covid-19 pandemic year, their value and experience in navigating uncertainties was invaluable. Their agility and responsive decision making supported the organisation in navigating through uncharted waters. With significant developments in the SANZAAR landscape and the pursuit of opportunities in Europe, they provided rigorous review of SARU's strategic options. Their continued tenure ensured that there was creativity and flexibility in adjusting the focus areas to ensure the ongoing sustainability of the business. Although various strategic priorities had to be adapted, key focus areas were retained to support management in focusing on the long-term goals. The potential equity partner engagements commenced and finality on this is expected to be achieved in the new financial year .

South African Rugby Events Services Company (Pty) Ltd (SARES), successfully facilitated the delivery of the 2022 Rugby World Cup Sevens in Cape Town, to take advantage of the synergies created as a result of the Lions Series delivery and of its resourcing.



SARU VALUES

The Executive Council is fully committed to accountability, fairness and business integrity in all its activities. The core values that underpin SARU's behavior and everything we do as an organization are summarized as follows: excellence, inclusivity, innovation, ethics and collaboration.

The compliance department is responsible for legal compliance and governance issues. It supports the business in complying with relevant laws and regulations and internal procedures. The Social and Ethics Committee was integrated into the HR and Remunerations Committee given the overlap in certain oversight areas applicable to the organisation.

The Executive Council members have certified that they did not have any material interest in any transaction of any significance with the union.

SUSTAINABILITY FOCUS

SARU's responsibilities as a national sporting federation cover all aspects of the playing of the game but its financial sustainability is entirely vested in the fact that it has primarily become a business, since the game turned professional in 1996. It sells content – rugby matches and the associated intellectual property of teams, competitions and players – and the focus is on ensur-

A group of children at a coaching clinic before Rugby World Cup Sevens in Cape Town.

ing that that content is of the highest interest to fans, broadcasters and commercial partners. Achievements such as the winning of the Rugby World Cup in 2019, winning the BIL tournament, hosting the 2022 Rugby World Cup Sevens in Cape Town as well as the HSBC Sevens Tournament in Cape Town boost the attractiveness of the whole rugby proposition and justify the investment in team campaigns.

Similarly, the decision to pursue a northern hemisphere option in the United Rugby Championships, in parallel to the hosting and design of rugby tournaments and events is an "always-on" digital strategy to engage South African rugby supporters on a near 365-day-year basis as part of a long term commercialisation strategy.

EXECUTIVE COUNCIL SUB-COMMITTEES

To enable the Executive Council to discharge its responsibilities and duties as set out in the Constitution, the Executive Council has established sub-committees, which have been delegated various powers. The committees' activities are set out in their respective terms of reference. All committees are accountable to the Executive Council.

TERMS OF REFERENCE FOR AUDIT AND RISK COMMITTEE

INTRODUCTION

The Audit and Risk Committee (“the Committee”) is constituted as a committee of the **South African Rugby Union** (“SARU”) and is appointed by the executive council to ensure the integrity of the financial statements and oversee the effectiveness of internal financial controls and external and internal audit functions.

The duties and responsibilities of the members of the Committee as set out in this document.

PURPOSE OF THE TERMS OF REFERENCE

The purpose of these terms of reference is to set out the Committee’s composition, role, responsibilities, authority, meetings and procedures.

COMPOSITION OF THE COMMITTEE

The Committee will comprise of no fewer than four (4) and no more than six (members), as per the SARU constitution.

The Committee shall have a majority of independent members who shall serve for a period of two years.

An “Independent member”, in the context of the Committee is any independent member of a subcommittee of SARU or any of the governing structures of a province of SARU and is independent in character and judgement and has no relationships or circumstances which affects his / her judgement.

The chair can be an independent non-executive member of the executive council as per King III guidelines and shall be appointed by the executive council every two years.

Other members of management may be invited to attend and be heard at the committee meetings at the discretion of the chair.

The President of SARU is not eligible for appointment as a member of this Committee but may attend meetings by invitation.

The members of the Committee must collectively have sufficient qualifications and experience to fulfil

their duties, including an understanding of the following: financial and sustainability reporting; internal financial controls; external audit process; internal audit process; corporate law; risk management; sustainability issues; information technology governance as it relates to integrated reporting; and governance processes within SARU.

The Committee members must keep up to date with developments affecting the required skill-set.

ROLE

The Committee has an independent role with accountability to both the executive council and the general meeting. The Committee does not assume the functions of management, which remain the responsibility of the chief executive officer and other members of senior management. The Committee has an oversight role over the governance and key compliance issues.

RESPONSIBILITIES

The Committee has the following specific responsibilities:

1. *Integrated reporting*

The Committee oversees integrated reporting, and in particular must:

- › Consider the factors and risks that may impact on the integrity of the integrated report;
- › Review the annual financial statements;
- › Comment in the annual financial statements on the financial statements in the integrated report, the accounting practices and the effectiveness of the internal financial controls; and
- › Recommend the integrated report for approval by the executive council
- › Approval of the Complaint policy with respect to accounting practices, content or auditing of the financial statements and internal financial controls.
- › Receive and deal appropriately with any concerns



or complaints, whether from within or outside SARU, or on its own initiative, relating to:

- o the accounting practises and internal audit of the organisation
- o the content or auditing of SARU's financial statements
- o the internal financial controls of the company
- › Review of the Reserves Policy
- › Preparing a report to the general meeting at the AGM, to be included in the integrated financial statements:
 - o describing how the Committee carried out its functions; and
 - o stating whether the Committee is satisfied that the auditor was independent of the company

2. Combined assurance

The Committee will ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities, and in particular should:

- › Ensure that the combined assurance received is appropriate to address all the significant risks facing SARU; and
- › Monitor the relationship between the external assurance providers and SARU.

3. Internal audit

The Committee is responsible for the overseeing of internal audit function, and in particular:

- › Monitoring and reviewing the effectiveness of the internal audit function in the context of SARU's risk management system;
- › For the appointment and performance assessment of the Internal audit service provider;
- › For reviewing and recommending the approval of the internal audit plan and ensuring that the plan is risk based;
- › Review and approve any required changes to the internal audit scope
- › Review the co-operation and co-ordination between internal and external audit functions to ensure completeness of coverage;
- › Review the adequacy of management's corrective action taken in response to significant internal audit findings;
- › For ensuring that the internal audit function is subject to an independent quality review, as and when the Committee determines it appropriate.

4. Risk management

The Committee is an integral component of the risk management process and specifically must oversee:

- › Setting the direction and approving policies on how risk should be approached and addressed
- › Approve the annual update to the Risk Statement contained in the Annual Report;
- › Completeness and appropriateness of the insurance portfolio
- › Application and approval of the solvency and liquidity test and going concern status.
- › Financial reporting risks;
- › Internal financial controls;
- › Fraud risks as they relate to financial reporting; and
- › IT risks as they relate to financial reporting.

5. External audit

The Committee is responsible for recommending the appointment of the external auditor and to oversee the external audit process, and in this regard must:

- › Review and approve the annual audit plan;
- › Nominate and recommend the external auditor for appointment by the general meeting;
- › Recommend the approval of the terms of engagement and remuneration for the external auditor;
- › Determine the nature and extent of any non-audit services that an auditor may provide to SARU or its subsidiaries or that the auditor must not provide to SARU, its subsidiaries or a related company;
- › Pre-approve any proposed agreement with the auditors for the provision of non-audit services to SARU in the event that it exceeds 30% of the statutory audit fee;
- › Monitor and report on the independence and objectivity of the external audit firm and partner;
- › Review the quality and effectiveness of the external audit process;
- › Consider whether the audit firm and, where appropriate, the individual partner that will be responsible for performing the functions of auditor, are independent
- › Reviewing the effectiveness of the audit;
- › Consider any material problems, reservations and observations, and or potentially contentious accounting treatments or judgements, or significant unusual transactions or going concern issues arising from the external audit;

6. Governance and Organisational Integrity

6.1 The committee shall:

(a) consider and if deemed necessary shall be entitled to make recommendations to the executive council regarding initiatives to maintain and enhance organisational integrity and this could include:

- the review of any statements on ethical standards or requirements for SARU and assisting in developing such standards and requirements;
- together with internal and external audit, review developments in corporate governance and best practise and consider their impact and implications for SARU, its processes and structures.

7. Conflicts of Interests

7.1 The Committee shall:

(a) review the process for declarations of interests by members and any office bearers and make recommendations regarding additional mechanisms, policies or directives to improve the practices and processes in this regard.

AUTHORITY

The Committee has no decision-making authority in regard to its duties and is accountable in this respect to both the executive council and the general meeting.

On all responsibilities delegated to it by the executive council, the Committee makes recommendations for approval by the executive council.

The Committee acts in accordance with its duties and the delegated authority of the executive council as recorded in this terms of reference. It has the power to investigate any activity within the scope of its terms of reference.

The Committee, in the fulfilment of its duties, may call upon the Chairperson of the other executive council committees, any of the executive council members, management, and company secretary or assurance providers to provide it with information, subject to an executive council approved process being followed.

The Committee has reasonable access to SARU's records, facilities, employees and any other resources necessary to discharge its duties and responsibilities subject to an executive council approved

process being followed.

The Committee may form, and delegate authority to, subcommittees and may delegate authority to one or more designated members of the Committee.

The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at SARU's cost, subject to an executive council approved process being followed.

MEETINGS AND PROCEDURES

Frequency

The Committee Chairperson should, in consultation with the company secretary, decide the frequency and timing of its meetings. The Committee should meet as frequently as is necessary to perform its functions, but should meet at least twice a year. Reasonable time should be allocated for all audit committee meetings.

Meetings in addition to those scheduled may, with approval of the Chairperson, be held at the request of the external auditor, the internal auditor, the chief executive officer, chief financial officer, or at the instance of the executive council.

The Committee should meet at least once a year with the external and internal auditors without management being present. These may be separate meetings or meetings held before or after a scheduled audit committee meeting.

The Chairperson of the Committee should be present at SARU's Annual General Meeting to answer questions relating to the Committee's activities within the scope of its responsibilities.

The Committee's Chairperson should give at least an oral summary of the Committees' deliberations at the executive council meeting following each Committee meeting. The minutes of the Committee meeting's proceedings should be included in the pack for the executive council's information as soon as they have been approved.

Attendance

The chief executive officer, chief financial officer, representatives from the external auditors, representatives from the internal audit service provider, other assurance providers, professional advisors and other members of the executive council who are not members of this Committee, may be in attendance at



Committee meetings, but by invitation only, without the right to vote.

The Committee members must attend all scheduled meetings of the Committee, including meetings called on an *ad hoc*-basis for special matters, unless prior apology, with reasons, has been submitted to the Chairperson or company secretary.

The company secretary is the secretary to the Committee.

If the incumbent Chairperson of the Committee is absent from a meeting, the members present must elect one of the members present to act as Chairperson.

Agenda and minutes

The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for that year.

The annual plan must ensure proper coverage of the matters laid out in the Committee plan: the more critical matters will need to be attended to each year

while other matters may be dealt with on a rotation basis over a three-year period.

The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

A detailed agenda, together with supporting documentation, must be circulated, at least one week prior to each meeting to the members of the Committee and other invitees.

Committee members must be fully prepared for Committee meetings, to provide appropriate and constructive input on matters discussed.

The minutes of Committee meetings must be completed as soon as possible after each meeting and circulated to the Chairperson and members of the Committee for review thereof. The minutes must be formally approved by the Committee at its next scheduled meeting.

Committee members shall declare their interest whether of a general nature, or related to specific agenda issues, at meetings of the Committee.

The SA Schools and SA Schools 'A' teams were involved in an exciting match after the SA Rugby Youth Weeks in Cape Town.





Windhoek Draught Griquas hosted the Currie Cup Final in Kimberley in 2022.

Quorum

A quorum for Committee meetings is a majority of members being present.

Invitees in attendance at Committee meetings may participate in discussions but do not form part of the quorum for Committee meetings.

Evaluation

The committee must review its own performance and terms of reference to ensure it is operating at maximum effectiveness. The executive council must perform an evaluation of the effectiveness of the Committee every year.

Remuneration

- » All independent members of the Audit & Risk Committee are eligible to receive such remuneration in respect of their time and contributions to the business of the Audit & Risk Committee as may be determined by formal resolution of the Remuneration Committee of SARU from time to time. Members excluded from being remunerated include Executive Council members and members of SARU's staff who serve on this committee.
- » The members and attendees may also be reimbursed all travelling, hotel and other expenses properly incurred by them in or about the perfor-

mance of their activities as members or attendees, including those of travelling to and from meetings of the Audit & Risk Committee, on such basis as the Remuneration Committee of SARU may determine from time to time.

Confidentiality and Governance

- » All members of the Audit & Risk Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the Code of Corporate Practices and Conduct of SARU, its Values and its Code of Ethics ("Unified Code of Ethics").
- » All members of the Audit & Risk Committee automatically undertake to observe full confidentiality regarding the content of all information which may come to their attention from time to time. No such information may be revealed to persons outside of SARU without the prior authorisation of the CEO of SARU
- » Unless specifically authorised by the CEO of SARU, no member of the Audit & Risk Committee may make statements to the media.

Approval of these terms of reference

- » These terms of reference were approved by the Executive Council and the Chairperson of the Committee on 17 October 2018.



TERMS OF REFERENCE OF THE HUMAN RESOURCES & REMUNERATION COMMITTEE (“THE COMMITTEE”)

1. ROLE AND COMPOSITION OF THE COMMITTEE

The role of the Committee will be to assist the Executive Council:

- 1.1 To evaluate and make recommendations on remuneration and conditions of service of executive, non-executive persons and elected members of the Executive Council and make such recommendations to a General Meeting where applicable.
- 1.2 Consider and make recommendations to the Executive Council on specific remuneration packages for other members of management put to the Committee.
- 1.3 Consider and make recommendations on specific policies including and relating to Recruitment and Remuneration, Performance Management, Employment Equity and Transformation, Training and Development, Succession Planning, Strategic Transformation Plan, Broad Based Black Economic Empowerment and make recommendations on these issues to the Executive Council after consulting the appropriate executives and management.

Composition

- 1.4 The Committee will comprise of no fewer than four (4) and no more than six (members) as per SARU constitution.
- 1.5 The Committee should preferably comprise of members of the Executive Council and should have a majority of non-executive

directors. The majority of the non-executive directors serving on this committee should be independent.

- 1.6 The Chairperson shall be an independent non-executive director as per King III guidelines.
 - **Commentary:** For transparency and impartiality and given the terms of reference of this committee (as in clause 1.1 above), the non-executive members of the Executive Council have opted not to serve on this committee but have all of these members as independents with no affiliation to any provincial union.
 - This is in line with King III- “apply or explain”
- 1.7 An “Independent member”, in the context of the Committee is any member who is not a current member of the Executive Council or any of the governing structures of a province of SARU

2. FUNCTIONING

- » The Committee shall meet, adjourn or otherwise regulate its meetings as it deems fit, but it shall meet at least three times per annum.
- » A meeting secretary shall be appointed to keep full and proper minutes of all meetings of the Committee.
- » In order to perform their responsibilities, the Committee will create such structures and hire such advisors and assistance, as they deem appropriate from time to time.



The Springboks completed their season with an emphatic victory over England at Twickenham in November.

3. CONFIDENTIALITY AND GOVERNANCE

- » All members of the Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the Code of Corporate Practices and Conduct of SARU, its Values and its Code of Ethics (“Unified Code of Ethics”).
- » All members of the Committee automatically undertake to observe full confidentiality re the content of all information which may come to their attention from time to time. No such information may be revealed to persons outside of SARU without the prior authorisation of the Chairperson of the Executive Council.
- » Unless specifically authorised by the Chairperson of the Executive Council, no member of the Committee may make statements to the media.

4. REMUNERATION

- » All independent members of the Committee who are not independent non-executive directors, as well as such other independent professionals as may be requested to assist or consult to the Committee on occasion, are eligible to receive such remuneration in respect of their time and contributions to the business of the Committee as may be determined by formal resolution of the Executive Council from time to time.
- » The members and attendees may also be reimbursed all travelling, hotel and other expenses properly incurred by them in or about the performance of their activities as members or attendees, including those of travelling to and from meetings of the Committee, on such basis as the Executive Council may determine from time to time.



TERMS OF REFERENCE OF THE SOCIAL AND ETHICS COMMITTEE

1 INTRODUCTION

SARU's Executive Committee ("Exco") has resolved, in terms of Companies Act 71 of 2008 Section 72 (4) ("the Act") as well the SARU Constitution Section 15.9, to establish a Social and Ethics Committee ("Committee"), whose duties are listed below, in this document.

2 PURPOSE OF THE COMMITTEE

The Committee is established to assist Exco with an oversight of social and ethical matters and in ensuring that SARU is and remains a committed socially responsible corporate citizen. To this end, the Committee shall assist the Exco in monitoring the application of the rules and processes set out in SARU's Code of Conduct, SARU policies and South Africa's relevant legislation.

3 FUNCTIONS AND SCOPE

As stipulated in the Act, and by way of commitment by SARU, the Committee shall provide advice and guidance in respect of:

- 3.1. **Transformation** including SARU's standing in respect of goals and purposes of:
 - 3.1.1. *the ten principles set out in the United Nations Global Compact Principles*
 - 3.1.2. *the Organisation for Economic Co-operation and Development (OECD) recommendations regarding corruption;*
 - 3.1.3. *Employment Equity Act;*
 - 3.1.4. *Broad-based Black Economic Empowerment Act.*
- 3.2. **Consumer Relationships** including the SARU's advertising, public relations and

compliance with consumer protection laws;

- 3.3. **Environment, health and public safety** including the impact of SARU's activities;
- 3.4. **Good corporate citizenship**, including SARU's
 - 3.4.1. *promotion of equality, prevention of unfair discrimination, and reduction of corruption;*
 - 3.4.2. *contribution to development of the communities in which SARU's activities are predominantly marketed; and*
 - 3.4.3. *record of sponsorship, donations and charitable giving;*
- 3.5. **Labour and Employment**, including –
 - 3.5.1. *SARU's standing in terms of the International Labour Organisation Protocol on decent work and working conditions; and*
 - 3.5.2. *SARU's employment relationships and its contribution toward the educational development of its employees;*

4 POWERS

The Committee is authorised by Exco to:

- 4.1. Investigate any activities within the provision of its Terms of Reference;
- 4.2. Seek outside legal or other independent professional advice at SARU's expense in line with SARU's developed procedure for such purpose;
- 4.3. Secure the attendance of outsiders with the relevant experience and expertise where necessary at SARU's expense in line with SARU's developed procedure for such purpose;



The Griffons celebrate winning the SA Rugby Under-21 Shield competition.

- 4.4. Seek any information it requires from any employee, to enable the Committee to carry out its responsibility and duties in accordance with the Terms of Reference and all employees are required to cooperate with any reasonable requests made by the Committee;
- 4.5. Delegate duties to SARU management.

5 COMPOSITION OF THE COMMITTEE

- 5.1. The Committee will comprise of no fewer than four (4) and no more than six (members) as per SARU constitution.
- 5.2. The Committee should comprise of members of the non-executive directors the majority of whom must be independent non-executive directors.
- 5.3. The Chairperson shall always be a non-executive director
- 5.4. An “Independent member”, in the context of the Committee is any member who is not a current member of Exco or any of the governing structures of a Province of SARU.

6 FUNCTIONING

- 6.1. The Committee shall meet at least once every quarter;
- 6.2. In cases of emergency, a meeting may be held through a teleconference;
- 6.3. The Company Secretary shall be the standing secretary of all meetings, alternatively in their absence, the Chairperson in consultation with the Chief Executive Officer will assign a meeting secretary
- 6.4. A copy of minutes will be sent to the

members of the Committee and Exco;

- 6.5. In order to perform their responsibilities, the Committee may call upon an expert to assist the Committee where assistance is required from time to time.

7 CONFIDENTIALITY AND GOVERNANCE

- 7.1. All members of the Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the SARU’s Code of Conduct and its Values.
- 7.2. All members of the Committee automatically undertake to observe full confidentiality about the content of all information which may come to their attention from time to time. No such information may be revealed to persons outside of SARU without the prior authorisation of the Exco Chairperson.
- 7.3. Unless specifically authorised by the Exco Chairperson, no member of the Committee may make statements to the media.

8 REMUNERATION

- 8.1. All independent members of the Committee who are not independent non-executive directors, as well as such other independent professionals as may be requested to assist or consult to the Committee on occasion, are eligible to receive such remuneration in respect of their time and contributions to the business of the Committee as may be determined by formal resolution of the Committee from time to time.
- 8.2. The members and attendees may also be reimbursed all travelling, hotel and other expenses properly incurred by them in or about the performance of their activities as members or attendees, including those travelling to and from meetings of the Committee, on such basis as the Committee may determine from time to time.

9 ANNUAL ASSESSMENT OF TERMS OF REFERENCE

The Committee shall review and assess the adequacy of these Terms of Reference annually or more frequently if necessary and recommend changes as needed to Exco.



TERMS OF REFERENCE FOR NATIONAL JUDICIAL COMMITTEE

1. MEMBERSHIP

- 1.1 The Committee shall comprise of not fewer than three (3) members and not more than six (6) members, appointed bi-annually by the Executive Council at the first meeting of the Executive Committee after the relevant Annual General Meeting. The Chairperson shall be appointed by the Executive Committee.
- 1.2 The Chairperson and at least two of the members shall have had experience as a judge, practising advocate or practising attorney for at least 10 years and the majority of the members shall have had appropriate experience in rugby.
- 1.3 The majority of the members should be independent of SARU. An “Independent member” is any member of a sub-committee of SARU who is not a current member of the executive council or any of the governing structures of a province of SARU.

2. ROLE OF THE COMMITTEE

The role of the Committee will be:

- 2.1 to act as legal advisers of the Executive Council and otherwise in terms of the Constitution, Regulations and Rules of the Union and/or as mandated or required by the Executive Council, the Chief Executive

Officer or the Manager: Legal from time to time; and

- 2.2 to act as the delegated committee referred to in clause 15.9.1.3 of the Constitution of the Union and for which purpose the Executive Council hereby delegates its disciplinary powers in terms of clause 15.11 of the Constitution, and otherwise, to the Committee, with the right to further delegate such powers to disciplinary committees or judicial officers.

3. TERMS OF REFERENCE

The functions of the Committee will be to:

- 3.1 advise the Executive Council, the Chief Executive Officer or the Manager: Legal on all legal or quasi-legal matters as required from time to time;
- 3.2 In terms of clause 15.11 of the Constitution the executive council may delegate its disciplinary powers to the national judicial committee or an ad hoc committee, either of which shall have the right, notwithstanding the provisions of this constitution, to further delegate such powers, and may for this purpose issue rules regarding –
 - 3.2.1 *Any matter which shall or may be prescribed in terms of the SARU constitution, including the right to further delegate such powers to disciplinary committees of judicial officers;*
 - 3.2.2 *Procedures to be observed in the conduct of hearings;*
 - 3.2.3 *Prescribed sanctions;*
 - 3.2.4 *The right of appeal to an appeal committee;*
 - 3.2.5 *The constitution of such appeal committee; and*
 - 3.2.6 *In general, any other matter which it deems necessary or expedient to prescribe in order to achieve or promote the objects of this clause.*
- 3.3 The Committee shall have the power to take such steps as it may deem fit against any rugby body or person, as defined in the Constitution, failing to comply with or contravening –

- 3.3.1 *the Constitution or any of SARU's rules or regulations;*
- 3.3.2 *the constitution or any of the by-laws, rules and regulations of World Rugby, or any body of persons or organisation to which SARU is affiliated or associated with in terms of a joint venture agreement or other agreement, including, but not limited to, SANZAAR and CAR;*
- 3.3.3 *any decisions taken, resolutions adopted or rulings made by the general meeting, the executive council, the IRB or any body of persons or organisation to which SARU is affiliated or associated with in terms of a joint venture agreement or other agreement, including, but not limited to, SANZAAR and CAR;*
- 3.3.4 *any contract entered into by or on behalf of SARU; and*
- 3.3.5 *the laws of the game;*
- 3.4 act in terms of the provisions of or stipulated by the Regulations and Rules of the Union or any resolutions or decisions taken by the Executive Council of the Union;
- 3.5 prepare and recommend amendments and/or additions to the Constitution, Regulations or Rules or prepare and recommend new regulations, rules or documents that may be required from time to time;
- 3.6 interpret any of the provisions of the Constitution, Regulations or Rules of the Union; and
- 3.7 in general to act as mandated or required by the Executive Council, the Chief Executive Officer or the Manager: Legal from time to time.

4. MEETINGS

Meetings of the Committee will be held at such time and at such venue as the Chairperson deems appropriate.

5. DELEGATION OF POWERS

The Committee shall have the right to delegate its powers and functions to any other committee or person.

6. CONFIDENTIALITY AND GOVERNANCE

- 6.1 All members of the Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the Code of Conduct of SARU.
- 6.2 All members of the Committee automatically undertake to observe full confidentiality re the content of all information which may come to their attention from time to time. No such information may be revealed to persons outside of SARU without the prior authorisation of the Chairperson of the Executive Council.
- 6.3 Unless specifically authorised by the Chairperson of the Executive Council or in terms of the Regulations or Rules of SARU, SANZAAR or World Rugby, no member of the Committee may make statements to the media.



Action from the match between the Griffons and Valke at the SA Rugby U16 Grant Khomo Week in Kimberley.



TERMS OF REFERENCE FOR THE FINANCE COMMITTEE

1. STATUS OF THE COMMITTEE

- 1.1. SARU's constitution provides for the establishment and operation of a Finance Committee, as a sub-committee of the Executive Council, whose members shall be members of the Executive Council.
- 1.2. The committee's Chairperson should give at least an oral summary of the committees' deliberations at the Executive Council meeting following the committee meeting. The minutes of the committee meeting's proceedings should be included in the board pack for the Executive Council's information as soon as they have been approved.

2. ROLE, COMPOSITION AND TERM OF THE COMMITTEE

The role of the committee is to assist the Executive Council in fulfilling its responsibility for overseeing SARU's financial affairs in terms of clause 16.12.3.4 of its constitution.

The committee shall comprise of no fewer than four (4) members and no more than six (6) members, all of whom shall be members of the Executive Council.

The committee shall serve for a period of two years.

3. ROLE OF THE CHIEF FINANCIAL OFFICER

The Chief Financial Officer is the executive responsible for SARU's financial affairs on a day-to-day basis, subject always to the directions of the Chief Executive Officer.

4. RESPONSIBILITIES

The Committee has the following specific responsibilities subject to its mandate from the Executive Council:

4.1 Internal monthly financial reporting

The Committee reviews internal monthly financial reporting, including that of the provincial unions and their commercial arms

4.2 Management of revenue streams (including Commercial Properties, Sponsorships and Broadcasting Rights)

The Committee has immediate oversight in matters related to major revenue streams (including Commercial Properties, Sponsorships and Broadcasting Rights) and must review and recommend to the Executive Council the signing off of Sponsorships and Broadcasting Rights contracts with a monetary value in excess of R10 million. This amount may be increased as deemed necessary by the Committee.

4.3 Financial Policies

The Committee has immediate oversight in matters related to financial policies.

4.4 Financial results, budgets, cash flow management and financial planning

The Committee has immediate oversight in matters related to financial results, both operating and capital expenditure budgets, cash flow management and financial planning.

4.5 Ad-hoc matters which have a financial or commercial impact

The Committee has immediate oversight in matters which have a financial or commercial impact, i.e.:

» Ensuring the build-up of adequate reserves

» Liaise with other committees on expenses they oversee, i.e. salary increases, etc.

4.6 Financial Support

The committee will evaluate application from a union for financial support – set criteria will be determined to evaluate such applications. Should financial support be approved SARU and the relevant Union will enter into a formal agreement which will

contain the conditions of approval. Punitive measures will be applied where there is a breach to the agreement.

4.7 Delegation of Authority

The Committee will approve the authority.

5. AUTHORITY

The Committee acts in accordance with its delegated authority from the Executive Council as recorded in these terms of reference (as listed above). It has the power to investigate any activity within the scope of its terms of reference.

The Committee, in the fulfilment of its duties, may call upon the Chairperson of the other Sub Committees, any of the Chief Executive Officer, Company Officers, and Company Secretary or assurance providers to provide it with information subject to Executive Council approved processes.

The Committee must have reasonable access to SARU's records, facilities and any other resources necessary to discharge its duties and responsibilities subject to following Executive Council approved process.

The Committee may form, and delegate authority to, subcommittees and may delegate authority to one or more designated members of the Committee.

The Committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at the Company's cost, subject to an Executive Council approved process being followed.

The Committee has no decision-making authority in regard to its duties and is accountable in this respect to the Executive Council. The Chairperson of the Committee must be present at all annual general meetings.

On all responsibilities delegated to it by the Executive Council, the Committee makes recommendations for approval by the Executive Council.

Where there is a perceived overlap of responsibilities between the Committee and the Audit & Risk Committee, the respective Committee Chairmen shall have the discretion to agree the most appropriate Committee to fulfil any obligation.

6. MEETINGS AND PROCEDURES

6.1 Frequency

The Committee should hold sufficient scheduled meetings to discharge all its duties as set out in these terms of

reference but subject to a minimum of three (3) meetings per year. These meetings should be held prior to the Executive Council meetings.

Meetings in addition to those scheduled may be held at the request of the Committee Chairperson, Chief Executive Officer, Chief Financial Officer, Company Secretary or at the instance of the Executive Council.

6.2 Attendance

Committee members must attend all scheduled meetings of the Committee, including meetings called on an *ad hoc*-basis for special matters, unless prior apology, with reasons, has been submitted to the Chairperson or Chief Executive. A quorum will comprise any two independent director Committee members.

The Company secretary is the secretary to this Committee.

If the nominated Chairperson of the Committee is absent from a meeting, the members present must elect one of the members present to act as Chairperson.

7. CONFIDENTIALITY AND GOVERNANCE

- » All members of the Finance Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the Code of Corporate Practices and Conduct of SARU, its Values and its Code of Ethics ("Unified Code of Ethics").
- » All members of the Finance Committee automatically undertake to observe full confidentiality regarding the content of all information which may come to their attention from time to time. No such information may be revealed to persons outside of SARU without the prior authorisation of the CEO of SARU
- » Unless specifically authorised by the CEO of SARU, no member of the Finance Committee may make statements to the media.



TERMS OF REFERENCE OF THE FRANCHISE COMMITTEE (“THE COMMITTEE”)

1. STATUS OF THE COMMITTEE

- 1.1. SARU’s Constitution provides for the establishment and operation of a Franchise Committee (the “Committee”), as a sub-Committee of the Executive Committee (“EXCO”), whose members shall comprise CEOs of the Franchise Unions (the Franchise Members).
- 1.2. The Committee has all the formal delegated authority and mandate from the EXCO as necessary to perform its role and responsibilities.

2. ROLE OF THE COMMITTEE

- 2.1. The role of the Committee will be to:
 - 2.1.1. *manage the strategic direction of Professional and High Performance Rugby to ensure the best possible rugby experience;*
 - 2.1.2. *in conjunction with management, determine the competition structures, formats, rules and regulations for professional rugby;*
 - 2.1.3. *develop the competition schedules in conjunction with the needs of broadcasters, sponsors and World Rugby competitions;*
 - 2.1.4. *determine the player movement regulations;*
 - 2.1.5. *determine player agent regulations;*
 - 2.1.6. *develop and manage player welfare principles and policies;*
 - 2.1.7. *determine the appropriate criteria and parameters to establish a*

sustainable financial model that provides for secure growth;

- 2.1.8. *ensure that the franchise is appropriately aligned to the South African Rugby high performance pathway for the development of players, coaches, referees and other officials;*
- 2.1.9. *ensure that the franchise provides an appropriate opportunity for players, coaches, referees and officials to be developed and perform to their full potential at national and international level;*
- 2.1.10. *ensure alignment to and support to all strategic imperatives of South African rugby with specific reference to Transformation and Development; and*
- 2.1.11. *perform any other activity as may be specifically requested by the EXCO from time to time.*

3. COMPOSITION OF THE COMMITTEE

- 3.1. The Committee will comprise of no fewer than four (4) and no more than 10 (ten) (members) as per SARU constitution.
- 3.2. The Committee will comprise of all franchise member CEOs, relevant members of the executive Committee including but not limited to the President, the deputy President and the vice president (as applicable) and the CEO of SARU.
- 3.3. The Chairperson shall always be the President of SARU and in his absence, the deputy president or vice president or CEO of

SARU, as the case may be.

- 3.4. The franchise members will be entitled to be accompanied by an additional member from their union, however, any associated costs of travel and accommodation for such additional member, will be borne by the franchise member.
- 3.5. Seven members of the Committee will constitute a quorum.

4. FUNCTIONING

- 4.1. The Committee shall meet at least once every quarter.
- 4.2. Meetings may be held in person or electronically, including but not limited to SKYPE or teleconference.
- 4.3. A copy of the agenda of the meeting including the minutes of the previous meeting, shall be sent to the members of the Committee no less than 5 (five) days before the meeting.
- 4.4. Special meetings may be called 50% of the franchise members or when deemed necessary by the SARU President and/or CEO.
- 4.5. In order to perform their responsibilities, the Committee may obtain independent professional advice to assist the Committee from time to time.
- 4.6. On all matters delegated to the Committee by the EXCO, the Committee makes recommendations for approval by the EXCO. The Committee shall have no decision making power in regard to its duties and is accountable to the EXCO.
- 4.7. The Committee will seek at all times to make decisions by consensus, however, should this not be possible, a decision supported by 75% of the Committee members present will stand as the Committee's decision.
- 4.8. The company secretary shall be the secretary for the meeting.

5. CONFIDENTIALITY AND GOVERNANCE

- 5.1. All members of the Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the SARU's Code of Conduct and its Values.
- 5.2. All members of the Committee acknowledge that they will be discussing confidential and

commercially sensitive and strategic information and that disclosure of such information to third parties may cause significant commercial, financial and reputational harm to SARU. Members therefore undertake to exercise full confidentiality in relation to all information which may come to their attention from time to time. No such information may be revealed to any persons outside of SARU without the prior authorisation of the Chairperson.

- 5.3. Unless specifically authorised by the Chairperson of the Committee, no member of the Committee may make statements to the media.

6. REMUNERATION

- 6.1. Only independent members of the Committee who are not independent non-executive directors, as well as such other independent professionals as may be requested to assist or consult to the Committee on occasion, are eligible to receive such remuneration in respect of their time and contributions to the business of the Committee as may be determined by formal resolution of the Committee from time to time.
- 6.2. The members and attendees may also be reimbursed all travelling, hotel and other expenses properly incurred by them in or about the performance of their activities as members or attendees, including those travelling to and from meetings of the Committee, on such basis as the Committee may determine from time to time.

7. REPORTING TO THE EXCO

- 7.1. The Committee shall submit as work plan of Committee activities for the year to the EXCO after the Committee's first meeting for the year.
- 7.2. The Committee shall review and assess the adequacy of these Terms of Reference annually or more frequently if necessary and recommend changes as needed to EXCO. The Committee shall ensure that the members of the Committee undergo a review annually.



TERMS OF REFERENCE OF THE NON FRANCHISE COMMITTEE ("THE COMMITTEE")

1. STATUS OF THE COMMITTEE

- 1.1. SARU's Constitution provides for the establishment and operation of a Non-Franchise Committee (the "Committee"), as a sub-Committee of the Executive Council ("EXCO"), whose members shall comprise CEOs of the all the unions as set out SARU Constitution.
- 1.2. The Committee has all the formal delegated authority and mandate from the EXCO as necessary to perform its role and responsibilities.

2. ROLE OF THE COMMITTEE

- 2.1. The **role** of the Committee will be to:
 - 2.1.1. *manage the strategic direction of schools, universities, amateur, semi - professional and grass roots rugby to ensure the best possible rugby experience;*
 - 2.1.2. *determine the competition structures, formats, rules and regulations for schools, universities, amateur and semi-professional SARU rugby tournaments;*
 - 2.1.3. *determine the player movement regulations;*
 - 2.1.4. *determine player agent regulations;*
 - 2.1.5. *develop and manage player welfare principles and policies;*
 - 2.1.6. *determine the appropriate criteria and parameters to establish a sustainable financial model that provides for secure growth;*

- 2.1.7. *ensure that the Committee is appropriately aligned to the South African Rugby high performance pathway for the development of players, coaches, referees and other officials;*
- 2.1.8. *ensure that the Committee provides an appropriate opportunity for players, coaches, referees and officials to be developed and perform to their full potential at national and international level;*
- 2.1.9. *ensure alignment to and support to all strategic imperatives of South African rugby with specific reference to Transformation and Development; and*
- 2.1.10. *support training and development in amateur rugby structures; and*
- 2.1.11. *perform any other activity as may be specifically requested by the EXCO from time to time.*

3. COMPOSITION OF THE COMMITTEE

- 3.1. The Committee will comprise of all the unions as per SARU constitution.
- 3.2. The members of the Committee shall comprise of the unions' CEOs, relevant members of the EXCO including but not limited to the President, the Deputy President, the Vice President (as applicable) and the CEO of SARU.
- 3.3. The Chairperson shall always be the President of SARU and in his absence, the

Deputy President or Vice President or CEO of SARU, as the case may be.

- 3.4. The union CEOs will be entitled to be accompanied by the Presidents or nominees from their union, however, any associated costs of travel and accommodation for such additional member, will be borne by the respective union.
- 3.5. Seven members of the union and two SARU representatives will constitute a quorum.

4. FUNCTIONING

- 4.1. The Committee shall meet at least once every quarter.
- 4.2. Meetings may be held in person or electronically, including but not limited to SKYPE or teleconference.
- 4.3. A copy of the agenda of the meeting including the minutes of the previous meeting, shall be sent to the members of the Committee no less than 5 (five) days before the meeting.
- 4.4. Special meetings may be called 50% of the members or when deemed necessary by the SARU President and/or CEO.
- 4.5. In order to perform their responsibilities, the Committee may obtain independent professional advice to assist the Committee from time to time.
- 4.6. On all matters delegated to the Committee by the EXCO, the Committee makes recommendations for approval by the EXCO. The Committee shall have no decision making power in regard to its duties and is accountable to the EXCO.
- 4.7. The Committee will seek at all times to make decisions by consensus, however, should this not be possible, a decision supported by 75% of the Committee members present will stand as the Committee's decision.
- 4.8. The company secretary shall be the secretary for the meeting.

5. CONFIDENTIALITY AND GOVERNANCE

- 5.1. All members of the Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the SARU's Code of Conduct and its Values.
- 5.2. All members of the Committee acknowledge

that they will be discussing confidential and commercially sensitive and strategic information and that disclosure of such information to third parties may cause significant commercial, financial and reputational harm to SARU. Members therefore undertake to exercise full confidentiality in relation to all information which may come to their attention from time to time. No such information may be revealed to any persons outside of SARU without the prior authorisation of the Chairperson.

- 5.3. Unless specifically authorised by the Chairperson of the Committee, no member of the Committee may make statements to the media.

6. REMUNERATION

- 6.1. Only independent members of the Committee who are not independent non-executive directors, as well as such other independent professionals as may be requested to assist or consult to the Committee on occasion, are eligible to receive such remuneration in respect of their time and contributions to the business of the Committee as may be determined by formal resolution of the Committee from time to time.
- 6.2. The members and attendees may also be reimbursed all travelling, hotel and other expenses properly incurred by them in or about the performance of their activities as members or attendees, including those travelling to and from meetings of the Committee, on such basis as the Committee may determine from time to time.

7. REPORTING TO THE EXCO

- 7.1. The Committee shall submit as work plan of Committee activities for the year to the EXCO after the Committee's first meeting for the year.
- 7.2. The Committee shall review and assess the adequacy of these Terms of Reference annually or more frequently if necessary and recommend changes as needed to EXCO. The Committee shall ensure that the members of the Committee undergo a review annually.



TERMS OF REFERENCE OF THE TRANSFORMATION COMMITTEE

1. INTRODUCTION

- » The Transformation Committee has no decision-making authority, however has the formal delegated authorities as mandated by the Executive Council as are necessary to perform its role and responsibilities, in order to achieve the objectives as set out in the South African Rugby Union Strategic Transformation Plan.
- » The Transformation Committee will have full access to information it needs to fulfill its responsibilities, and all employees of SARU are required to co-operate with requests made by the Transformation Committee via the office of the CEO in the course of its duties. This includes interaction with

provincial rugby structures when and if required.

- » The Transformation Committee may obtain such internal or independent external professional advice, as it considers necessary to carry out its duties.

2. PURPOSE OF THE COMMITTEE

The purpose of the Committee is to provide leadership and expertise to achieve the strategic focus areas, as outlined in the SA Rugby Strategic Transformation Plan.

The purpose of the Committee are twofold:

1. To monitor and oversee the transformation of the game in SA Rugby with regard to the access,

Nomawethu Mabenge celebrates with Nadine Roos after scoring the Springbok Women's first try at the Rugby World Cup in New Zealand.

growth, skills development, demographic representation, social responsibilities, community involvement and participation at all levels over which SA Rugby has jurisdiction.

2. Recommend interventions, where necessary, to accelerate transformation in South African Rugby based on the principle of broad-based empowerment.

3. ROLES AND RESPONSIBILITIES

To continually monitor and assess provincial, national and international developments, trends for general, sport and specifically rugby transformation best practices, to ensure the implementation, monitoring, evaluation and reporting of the Strategic Transformation Plan (STP), the Committee would be required to:

The role of the committee will be to:

- » Propose and recommend a transformation strategy for SA Rugby.
- » Recommend and propose transformation goals that will ensure the long term future of the game.
- » Oversee, monitor, evaluate and report, in consultation with the SA Rugby Office, on the process of transformation throughout the SA Rugby's rugby structures based on an appropriate performance scorecard.
- » Identify policy, system and practice areas of improvement to ensure ongoing and improved results.
- » Enable the development of appropriate transformation plans and programmes at all levels, and oversee the implementation, monitoring, evaluation and reporting thereof.
- » Assess, evaluate, guide, advice & monitor in particular the Union's transformation progress, and provide them with the necessary support.
- » Develop, constantly review and implement a performance management system for all Unions.
- » Conduct transformation forums at all levels, for the purposes of learning, development and sharing of information and ideas.
- » Ensure the effective utilisation of allocated resources, to achieve the desired results of the STP strategic focus areas.
- » Recommend to the Executive Council measures

of action in the event where transformation targets are not being met.

4. COMPOSITION

- » The Committee consist of all Union Presidents and or their designated representative.
- » An independent board member appointed by the Executive Council as outlined by the SA Rugby constitution will chair the Transformation Committee.
- » Various individuals having appropriate expertise and resources, for a specific purpose, will be appointed as approved by the Executive Council.
- » The Transformation Committee coordination will be the responsibility of the GM: Strategic Performance Management, in consultation with the CEO.
- » The various members of the Committee will be allocated specific responsibilities from time to time, according to the changing needs of the STP of SARU and will be communicated to members of the Committee, for their information and action, and against which their performance shall be measured.
- » The preparation and submission of annual report to the Office of the CEO, in consultation with the GM: Strategic Performance Management.
- » Any additional representation required by Unions may be accommodated, on condition that costs are covered by the respective Union(s).

5. MEETINGS

- » The Committee chairperson should, in consultation with the company secretary, decide the frequency and timing of its meetings. The Committee should meet as frequently as is necessary to perform its functions, but should meet at least twice per year. Reasonable time should be allocated for additional committee meetings when required.
- » A quorum for Committee meetings is a majority of members being present. Invitees in attendance at Committee meetings may participate in discussions but do not form part of the quorum for Committee meetings.
- » A meeting secretary shall be appointed to keep full and proper minutes of all meetings of the Committee.
- » The Committee has a responsibility to submit written reports, based all meetings held, for discus-



sion and approval at Executive Council meetings, including additional reports when required.

6. CONFIDENTIALITY AND GOVERNANCE

- » All members of the Transformation Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the Code of Corporate Practices and Conduct of SARU, its Values and its Code of Ethics (“Unified Code of Ethics”).
- » All members of the Transformation Committee automatically undertake to observe full confidentiality re the content of all information that may come to their attention from time to time. No such information may be revealed to persons outside of SARU without the prior authorisation of the CEO of SARU
- » Unless specifically authorised by the CEO of SARU, no member of the Transformation Committee may make statements to the media.

7. REMUNERATION

- » All members of the Transformation Committee, as well as such other independent professionals as may be requested to assist or consult to the Transformation Committee on occasion, are eligible to receive such remuneration in respect of their time and contributions to the business of the Transformation Committee as may be determined by formal resolution of the Remuneration Commit-

tee of SARU from time to time. Members excluded from being remunerated include Presidents of Unions, Executive Council members and members of SARU’s staff who serve on this committee.

- » The members and attendees may also be reimbursed all travelling, hotel and other expenses properly incurred by them in or about the performance of their activities as members or attendees, including those of travelling to and from meetings of the Transformation Committee, on such basis as the Remuneration Committee of SARU may determine from time to time.
- » An “Independent member”, in the context of the Committee is any member of a subcommittee of SARU who is not a current member of the Executive Council or any of the governing structures of a member of SARU.

8. COMMITTEE EFFECTIVENESS

- » The Committee shall be subject to evaluation, either through self-assessments or external evaluations, to determine its relevance and effectiveness. The outcome of the evaluation shall be presented to the Executive Council for its consideration.

9. REVIEW

- » These Terms of Reference shall be reviewed on a periodic basis to determine their relevance and effectiveness, by being tabled at a meeting(s) of the Executive Council.

Simamkele Namba on the attack for the Springbok Women’s Sevens team against Ireland at the International Invitational Tournament in Dubai.



TERMS OF REFERENCE OF THE CONSTITUTIONAL COMMITTEE (“THE COMMITTEE”)

1. ROLE AND COMPOSITION OF THE COMMITTEE

The **role** of the Committee will be to assist the Executive Council:

- 1.1 To evaluate and make recommendations on proposed rescissions or additions to the SARU constitution received from members upon request from the Executive Council.
- 1.2 Consider and make recommendations to the Executive Council on proposed amendments emanating from the Executive Council

Composition

- 1.4 The Committee will comprise of no fewer than four (4) and no more than six (members) as per SARU constitution.
- 1.5 The Committee should preferably comprise of majority members of the Executive Council.

2. FUNCTIONING

- » The Committee shall meet, when required to so by the Executive Council
- » A meeting secretary shall be appointed to keep full and proper minutes of all meetings of the Committee.

3. CONFIDENTIALITY AND GOVERNANCE

- » All members of the Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the Code of Corporate Practices and Conduct of SARU, its Values and its Code of Ethics (“Unified Code of Ethics”).
- » All members of the Committee automatically



Springbok Sevens player Ronald Brown (middle) uses bricks containing recycled plastic to build houses in Cape Town as part of a RWC Sevens 2022 sustainability campaign.

undertake to observe full confidentiality re the content of all information which may come to their attention from time to time. No such information may be revealed to persons outside of SARU without the prior authorisation of the Chairperson of the Executive Council.

- » Unless specifically authorised by the Chairperson of the Executive Council, no member of the Committee may make statements to the media.



EXECUTIVE COUNCIL REPORT

GENERAL MEETING

In compliance with clause 12.1 of the SARU Constitution the General Meeting assembled for an Annual General Meeting in 29 April 2022 and one Ordinary General Meeting on 29 September 2022 and 8 December 2022.

As per clause 13.2 of the SARU Constitution, the General Council could not approve SARU's annual budget for 2023 at the meeting held in December 2022. It was decided to approve a rolling budget for 2023.

EXECUTIVE COUNCIL

The Executive Council complied with clause 15.1 of the Constitution by having nine meetings of which six of these were scheduled meetings and three special meetings. One meeting was held via videoconference.

The attendance by members of the Executive Council was as follows for the period 1 January 2022 until 31 December 2022:

EXCO MEMBER	11/03	17/03	21/04	13/06	22/07	16/08	1/11	4/11	7/12
M. Alexander	✓	✓	✓	✓	✓	✓	✓	✓	✓
F. Davids		✓	✓	✓	✓	✗	✓	✓	✓
P. Kuhn	✓	✓	✓	✓	✓	✓	✓	✓	✓
S. Liebenberg	✓	✓	✓	-	-	-	-	-	-
F. Knoetze	✓	✓	✓	✓	✗	✓	✓	✓	✓
L. Mould	✓	✓	✓	✓	-	-	-	-	-
H. Baartman	-	-	-	✓	✓	✓	✓	✓	✓
J. Roux	✓	✓	✓	✓	✗	✓	✓	✓	✓
A. Saban	✓	✓	✓	✓	✓	✓	✓	✓	✓
C. Ferreira	-	-	✓	✓	✓	✓	✓	✓	✓
A. Colquhoun	-	✓	✓	✓	✗	✓	✓	✓	✓
M. Musekiwa	✓	✓	✓		✓	✓	✗	✓	✓
R. September	-	-	-	✓	✓	✓	✓	✓	✓
J. Louw	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mimi Tau	✓	✓	✓	✓	✓	✓	✓	✓	✓
S. Ngumeni	✓	✓	✓	-	-	-	-	-	-
Peggy-Sue Khumalo	✓	✓	✓	✓	✓	-	-	✓	✗
V. Doble	✓	-	-	-	-	-	-	-	-
T. Romano	-	-	-	-	-	-	✗	✗	✗
M. Lekota	-	-	-	-	-	-	✗	✗	✗

SUB COMMITTEES AND AD HOC COMMITTEES

Sub- committees and *ad hoc* Committees were established in terms of the SARU Constitution and taking into consideration as far as possible, the principles and the best practice recommendations set out in the Code of Governance Principles for South Africa- 2009 King IV.

The standing sub- committees are:

» Audit & Risk Committee – had three meetings

Attendance at meetings:

MEMBER	05/04	24/10
Mary-Anne Musekiwa	-	✓
L. v Zeuner	✓	-
R. Fenner	✓	✓
S. Jodwana	✓	-
Prof v. Harte	✓	✓

» Human Resources and Remuneration and Social and Ethics Committee – had two scheduled meetings and one nominations committee meeting

Attendance at meetings:

MEMBER	03/06	15/11
S. Ngumeni	✓	-
M. Lekota	✓	✓
L. Jongilanga	✓	✓
Evelyn Motsatsing	✓	
Peggy-Sue Kumalo	-	✓
Lloyd Fortuin	-	✓

» Finance Committee – had ten meetings

Attendance at meetings:

MEMBER	17/01	24/01	28/02	31/03	25/05	30/05	26/07	15/09	17/10	24/11
L. v Zeuner	✓	✓	✓	✓	-	-	-	-	-	-
F Davids	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
J. Louw	-	✓	✓	✓	✓	✓	✓	✓	✓	✓



AUDIT AND RISK COMMITTEE

For the year 31 December 2022

The Audit and Risk Committee has pleasure in submitting this Audit and Risk Report for the year under review.

FUNCTIONS OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee has adopted formal terms of reference, delegated to it by the executive council.

The Audit and Risk Committee has discharged the functions in terms of its charter and ascribed as follows:

- › Reviewed the annual financial statements of the South African Rugby Union, culminating in a recommendation to the executive council to recommend to the annual general meeting to adopt them.
- › Reviewed the annual financial statements of SA Rugby Events Services (RF) (Pty) Ltd for the year ended 31 December 2022, culminating in a recommendation to their board of directors for adoption.
- › Reviewed the external audit reports on the annual financial statements;
- › Recommended the appointment of the external auditors;
- › Evaluated the effectiveness of risk management, controls and the information technology

governance process and in so doing reviewed the insurance portfolio and the IT Action Plan and Business Continuity; and

- › Recommended the audit fees, the engagement terms of the external auditor and the audit plan for approval to the executive council.

MEMBERS OF THE AUDIT AND RISK COMMITTEE AND ATTENDANCE AT MEETINGS

The Audit and Risk Committee consists of non-executive independent members which have been listed (refer to governance structures) and meets at least three times a year in accordance with the Audit and Risk Committee terms of reference. Due to operational constraints, a third meeting could not be convened with the two meetings held as follows:

Date of meetings	Focus area
05 April 2022	South African Rugby Union Annual Financial Statements
24 October 2022	External audit plan and engagement letter for external audit; strategic and operational risk reviews

The Audit and Risk Committee is a subcommittee of the executive council and therefore reports to the executive council.





TERMS OF REFERENCE

The Audit and Risk Committee has adopted a formal terms of reference that has been approved by the executive council. The terms of reference have been determined taking into account the statutory responsibilities and the duties assigned to it by the executive council. The committee's terms of reference are regularly updated and reviewed.

As from 2021, the Audit and Risk Committee's mandate had been increased to include oversight of SA Rugby Event Services (RF) (Pty) Ltd, a 100% owned subsidiary of the South African Rugby Union.

ATTENDANCE

The internal and external auditors, in their capacity as auditors to the entity, attended and reported at meetings of the Audit and Risk Committee. The CEO, CFO and relevant senior managers attended meetings by invitation. The meetings for the 2022 financial year were conducted online as was the case during 2021.

ANNUAL FINANCIAL STATEMENTS

The Audit and Risk Committee has discharged the functions in terms of its terms of reference as follows:

- › In the course of its review and recommendation to the annual general meeting to adopt the annual financial statements of the South African Rugby Union for the year ending 31 December 2022 the committee:
 - took appropriate steps to ensure that the annual financial statements are prepared in accordance with IFRS;
 - considered, and, where appropriate, made recommendations on internal financial controls; and
 - dealt with items raised by the external auditors about the accounting policies, the auditing process, the content of the annual financial statements and internal financial controls.
- › In the course of its review of the annual finan-

cial statements of SA Rugby Events Services (RF) (Pty) Ltd for the year ended 31 December 2022, the committee expressed their concern around the accumulated losses in the company and the ability for it to continue as a going concern considering that it had delivered the RWC Sevens as its final major event. The committee referred such concerns to the SARES board for consideration.

- › Reviewed the external audit reports on the annual financial statements.

INTERNAL AUDIT

The Audit and Risk Committee fulfils an oversight role regarding SARU's financial statements and the reporting process, including the system of internal financial control. It is responsible for ensuring that the SARU's internal audit function is independent and has the necessary resources, standing and authority within the entity to enable it to discharge its duties.

The Audit and Risk Committee oversees co-operation between the internal and external auditors and serves as a link between the executive council and these functions.

The combined assurance model allows for assurance providers to be indicated and categorized between management, committees and external service providers such as external and internal auditors. The suspension of the internal audit workplan considered such a combined assurance model over and above the financial constraints and uncertainties brought about by the pandemic. The lack of the internal audit program was mitigated by ensuring that management implemented the relevant controls and provided the oversight function. The relevant mitigation measures were reported to the committee.

The services of KPMG as appointed internal auditors of SARU, had recommenced during 2022 after nearly two years of Covid -19 impact on the organisation. The committee noted that updated strategic and operational risk registers as prepared by the internal auditors, forming the basis for the audit plan to be executed during 2023. A total of twelve strategic risks and thirty five operational



The Valke beat Border in the final of the SA Rugby U20 Shield competition after the two teams topped their respective pools after the season.

risks were identified and presented to the committee as part of the SARU risk assessment and overall combined assurance model.

EXTERNAL AUDITOR APPOINTMENT AND INDEPENDENCE

Nexia SAB&T, having replaced PricewaterhouseCoopers Inc. (PWC) during 2021, continued their second year of engagement as SARU's designated external auditors for the 2022 financial year.

The Audit and Risk Committee has reviewed the independence guidelines applied of Nexia SAB&T and the Independent Regulatory Board of Auditors in respect of independence and conflict of interest. The external auditors provided assurance in the external audit plan and the final external report of their independence to the Audit and Risk Committee.

The Audit and Risk Committee recommended the approval of the terms of engagement and the external audit fees to the executive council for approval.

The Audit and Risk Committee ensured that the nature and extent of non-audit services provided by the external auditors were in terms of the external auditor independence policy.

The Audit and Risk Committee discussed and evaluated the audit plan submitted by the external auditors and has recommended the audit plan for approval to the executive council.

INFORMATION TECHNOLOGY

In accordance with the terms of reference, the Audit and Risk Committee reviewed the risks relating to Information Technology (IT). The Audit and Risk Committee is of the view that the Information Technology controls are improving and that management had secured a robust architecture that allowed for SARU to operate effectively with minimal to no business interruption. The monthly reporting provided by EOH, an outsourced and reputable IT service provider, provides significant level of assurance around the management of vulnerabilities, hardware maintenance, disaster recovery and loadshedding.

RISK MANAGEMENT

The executive council is ultimately responsible for risk management and the executive council has delegated the specific responsibility to the Audit and Risk Committee.

The Audit and Risk Committee assisted the executive council to discharge its responsibilities by monitoring and assessing the role and effectiveness of the internal audit function in the context of the risk management function. In the absence of executing an internal audit plan, the Audit and Risk Committee evaluated assurances from management and external audit where required as per the combined assurance model.

Risk management has been included on the agenda for all Audit and Risk Committee meetings to consider and discuss new and emerging risks as well as legal and compliance matters that may impact on SARU or its operations.



OPERATIONS & FINANCE

OPERATING RESULTS

The financial results were achieved in a year where the increase in national and South African franchise teams' participation was significant compared to prior periods. Such participation included Rugby World Cup Sevens in South Africa, the Rugby World Cup for women in New Zealand and the inaugural participation in the European Professional Club Rugby Competitions (EPCR).

Group revenues increased significantly to R1.54 billion (2021 - R1.28 billion) with increases in broadcasting, sponsorship, RWC Sevens and the HSBC Cape Town Sevens event offset by a reduction in commercial fees generated during the 2021 British & Irish Lions Series (BIL). Residual BIL commercial fees of R24 million was recognized during the current financial year as broadcasters and sponsors enjoyed commercial rights up until 31 December 2022.

The significant increase in broadcasting revenue is mainly attributable to the recognition criteria of the Sky UK broadcasting deal, the Vodacom United Rugby Championship (URC) apportionment and the participation in the European Professional Club Rugby (EPCR) competitions.

Group grant income from World Rugby of R36.4 million (2021 - R34.9 million) is not reported as revenue but rather as other operating

Airlink Pumas captain Willie Engelbrecht after his team won the Currie Cup for the first time in their history.







income as required by International Financial Reporting Standard 15.

The EPCR revenue generated was offset against the participation fee payable whilst the team travel cost and minimum sponsorship guarantee resulted in an overall reported loss on a standalone basis.

The Union's marginal profit before taxation includes expenditure of R330 million attributable to URC and EPCR participation, a further R63 million being allocated to member unions to bring the annual allocation to R285 million (approved budget versus funding model) as well as significant increases in player image rights from R50 million to R76 million.

The Commercial Department expenditure includes commitments towards broadcasting and sponsorship rights delivery, participation fees and team travel for the Vodacom URC and EPCR, SANZAAR head office and travel costs as well as the funding of the youth week tournaments.

The activity in the rugby department increased exponentially with additional camps and Rugby World Cup warm up matches for women's teams, Junior Springbok men's overseas participation, Under 18 series participation amongst other investments within the department. Rugby expenditure thus increased to R347 million (2021 – R280 million).

We continued to work closely with the finance committee to navigate a challenging financial environment and to ensure that sufficient financial resources were made available to fund critical operational requirements whilst always maintaining a position of solvency.

FINANCIAL POSITION

As previously reported, a material right of-use asset is disclosed under non-current asset as a result of recognition in terms of IFRS16. Such basis being that the right of use of the current office space and corresponding lease liability was calculated on the discounted future payments required under such lease arrangement. As a result of the implementation of IFRS 16 on leases, a R21.3 million lease asset



The Commercial Department expenditure includes commitments towards broadcasting and sponsorship rights delivery, participation fees and team travel for the Vodacom URC and EPCR, SANZAAR head office and travel costs as well as the funding of the youth week tournaments.



The Vodacom Bulls in action against Munster in Limerick in the Vodacom URC.

and a R34.7 million lease liability was recorded in the 2022 annual financial statements.

A decline in the Group's total equity position to R24 million from the R39 million reported in the prior year mainly attributable to the reduction in the deferred taxation asset of R12.6 million.

Included in total assets in the financial statements is a deferred tax asset balance of R12.8 million. This can be recognized as an asset if there is a reasonable expectation that there will be future taxable income against which the deferred tax asset can be used. A significant portion of the deferred tax asset arose as a result of income received in advance and as such had resulted in a release of the deferred tax asset over time as the balance of

income received in advance is unwound.

Based on cash forecasts, a R30 million bank overdraft with ABSA was put in place until 1 April 2023 with the year-end overdraft position of R22.3 million (after peaking at R26.7 million on 30 December 2022). The engagement with senior officials and the credit risk team at ABSA was ongoing with detailed forecasting and financial information being provided to ensure that access to short term funding was made available as and when required to fund operations and working capital.

The cash impact of participation in the EPCR was previously noted with the challenges of team travel continuing up until year end where



franchises participated over the Christmas and New Year periods and cash outflow was required for early January overseas trips.

The previously reported Covid-19 relief funding received from World Rugby will be offset against future grant income and is disclosed in the annual financial statements under deferred income with a portion thereof reflected as current liabilities.

Loans to member unions of R84.7 million, partially funded by the above-mentioned World Rugby relief, is included in accounts receivable. A significant percentage of year end trade receivables were collected subsequent to year end with adequate provisions made for possible asset impairments.

The year-end accounts reflect a position of factual solvency and after the review of future cashflows, we conclude on the ability of the group to operate as a going concern into the foreseeable future.

PROSPECTS FOR 2023 AND BEYOND

The recently announced participation of five South African franchises into the EPCR competitions, currently known as the Heineken Champions and Challenger Cups, concludes a long-term strategy of international franchise participation into Northern Hemisphere rugby. Although the participation in the Vodacom URC and EPCR happened in quick succession and at a significant cost to SARU, the commercial opportunities to be realized within the next 2-3 years will render the competitions profitable and ultimately strengthen the financial sustainability of SARU.

Significant revenues have been secured through the conclusion of long-term revenue generating broadcasting and sponsorship deals.

The success and the appeal of the Springbok brand has probably never been higher with anecdotal evidence to support the theory that the



The story continues in 2023 as Nike returns to the Springbok family, for the first time since 2003, as the technical apparel partner in succession to ASICS, whose six-year partnership came to an end.

team and sport represents one of the few beacons of hope on South Africa's troubled socio-economic landscape with which brands can safely leverage their own business objectives. To prove the point nine new companies joined the SA Rugby family in 2022 while another five either renewed, returned or added to their sponsorship portfolio within the sport.

The Blitzboks gained a new principal partner in leading South African used vehicle dealer, WeBuyCars, while the local office of global restaurant business, McDonald's, also came onto the apparel, taking up a place on the team's shorts. The Springbok Women's team secured their first principal partner in, FNB, and the growing interest in women's sport was reflected in Betway's sponsorship of a women's coaching development programme.

The popularity of the Springboks was rewarded with the addition of six more partners to the ranks of associate partners. Southern Sun renewed their long-standing partnership with the team while Klipdrift returned as a partner after some years away.

Entirely new to the family were building materials company, Afrisam, hygiene brand, Dettol, vehicle manufacturer, Toyota, shoemaker Aldo, restaurateur Spur and Freddy Hirsch, an overdue first as the official braai partner of the Springboks.

The story continues in 2023 as Nike returns to

the Springbok family, for the first time since 2003, as the technical apparel partner in succession to ASICS, whose six-year partnership came to an end. Other new additions in 2023 to date are cellphone manufacturer Oppo and confectioner, Cadbury's while renewal conversations are advancing with FlySafair, SAB, Virgin Active, Dell Computers and Switch. Four other sponsorships conversations are live with new partners to the family while negotiations are in train with major partners, Supersport and MTN, to generate additional to support the World Cup campaign.

A process is currently underway to appoint an overseas based commercial agent.

SARU continue to hold a 33% share in SANZAAR where the Castle Lager Rugby Championship remain a significant commercial asset and key broadcasting agreements already secured to 2025.

A due diligence with a prospective equity partner investing in the commercial interest of SA Rugby is now concluded with a binding offer expected to be received within the month of May. This will create a significant opportunity to drive our commercial agenda as well as inject much-needed capital into the rugby industry.

Risk of asset impairments are low as they had been adequately provided for and external valuations are performed for both the Rugby Pension Fund (only one defined benefit member) and the post-retirement medical obligation.

Considering the above as well as the commercial opportunities of an equity deal and northern hemisphere rugby entry, management is of the view that SARU can continue to operate as a going concern into the foreseeable future.

STRUCTURE

The operations and finance department consists of finance and asset care as its core functions, supporting the business at a group level. Areas of procurement, taxation, insurance, inventory warehousing and treasury are embedded within the overall finance function.

Information technology and travel functions are provided by reputable outsourced service providers and reporting into the operations and finance structure.

FNB launched their sponsorship of the Springbok Women's team in Johannesburg in August 2022.



SOUTH AFRICAN RUGBY UNION

VOLUNTARY ASSOCIATION OF PERSONS

CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2022

GENERAL INFORMATION

Country of incorporation and domicile: South Africa

Nature of business and principal activities: the promotion, development and support of all levels of rugby in South Africa

EXECUTIVE COUNCIL

Mark Alexander (President)

Francois Davids (Deputy President)

Abubakar Saban (Chief Financial Officer)

Rian Oberholzer (Chief Executive Officer)

Jannie Louw

Mary-Anne Musekiwa

Mimi Tau

Pat Kuhn

Peggy-Sue Khumalo

Hennie Baartman

Randall September

Tryphosa Ramano

Melody Lekota

Faffa Knoetze

STATUTORY INFORMATION

Business address	SARU House, Tygerberg Park 163 Uys Krige Drive, Platteklouf, 7500 Cape Town
Postal address	PO Box 15929, Panorama, 7506 Cape Town
Bankers	ABSA Bank Limited
Auditor	Nexia SAB&T Registered Auditors
Level of assurance	These consolidated and separate annual financial statements have been audited.
Preparer	The consolidated and separate annual financial statements were internally compiled under the supervision of the Senior Finance Manager, S Sekhosana

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The reports and statements set out below comprise the consolidated and separate financial statements presented to the Executive Council:

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EXECUTIVE COUNCIL'S RESPONSIBILITIES AND APPROVAL

The Executive Council is required to maintain adequate accounting records and is responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate financial statements fairly present the state of affairs of the Group and Union as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate financial statements.

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

The Executive Council acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the Executive Council to meet these responsibilities, the Executive Council sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Executive Council is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Executive Council has reviewed the Group's cash flow forecast for the year to 31 December 2023 and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the consolidated and separate financial statements. The consolidated and separate financial statements have been examined by the Group's external auditors and their report is presented on pages 7 to 9.

The consolidated and separate financial statements set out on pages 10 to 51, which have been prepared on the going concern basis, were approved by the Executive Council on 02 May 2023 and were signed on their behalf by:

Approval of financial statements

Director

Director



EXECUTIVE COUNCIL'S REPORT

The Executive Council has pleasure in submitting their report on the consolidated and separate financial statements of The South African Rugby Union and the group for the year ended 31 December 2022.

1. Nature of business

The South African Rugby Union is a Union domiciled in South Africa. The address of its registered office and principal place of business is SARU House, Tygerberg Park, 163 Uys Krige Drive, Platteklouf, 7500. Its principal activity is the promotion, development and support of all levels of rugby in South Africa.

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

2. Review of financial results and activities

The operating results and state of affairs of the Group are fully set out in the attached consolidated and separate financial statements.

The Group financial statements comprise those of the South African Rugby Union, SA Rugby Event Services Proprietary Limited, The Rugby Educational Foundation NPC.

Associate companies: SANZAR Proprietary Limited, SANZAR Europe S.a.r.l.

SA Rugby Travel and Lions Tour to South Africa Designated Activity Company

Net loss for the Group for the year was R15 283 604 (2021: profit R1 237 839). Net loss for the Union for the year were R12 055 187 (2021 : loss R5 507 252).

3. Directorate

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

Directors	Designation	Changes
Mark Alexander (President)	Executive	
Francois Davids (Deputy President)	Executive	
Jurie Wynand Roux (Chief Executive Officer)	Executive	Resigned 31 December 2022
Abubakar Saban (Chief Financial Officer)	Executive	
Rian Oberholzer (Chief Executive Officer)	Executive	Appointed 01 March 2023
Louis von Zeuner	Executive	Resigned 07 March 2022
Lindsay Mould	Executive	Resigned 29 April 2022
John Smit	Executive	Resigned 04 February 2022
Sam Ngumeni	Executive	Resigned 16 September 2022
Schalk Liebenberg	Executive	Resigned 29 April 2022
Jannie Louw	Executive	
Mary-Anne Musekiwa	Executive	Resigned 13 June 2022, re-appointed 16 August 2022
Mimi Tau	Executive	
Pat Kuhn	Executive	
Peggy-Sue Khumalo	Executive	
Hennie Baartman	Executive	Appointed 09 May 2022
Randall September	Executive	Appointed 09 May 2022
Tryphosa Ramano	Executive	Appointed 06 September 2022
Melody Lekota	Executive	Appointed 13 October 2022
Faffa Knoetze	Executive	Appointed 04 February 2022

EXECUTIVE COUNCIL'S REPORT (CONTINUED)

4. Subsidiaries, associates and joint operations

The Union has the following interests:

A 100% shareholding in SA Rugby Event Services Proprietary Limited, whose main objective is the organisation of SA Rugby events.

A 33.3% shareholding in SANZAR Proprietary Limited which manages the Super Rugby and the Rugby Championship competitions played in the Southern Hemisphere. The remaining shares are held equally by the Australian Rugby Union and the New Zealand Rugby Union. The company is equity accounted for by the Group. All income from the broadcasting rights agreements relating to these competitions, other than the rights sold to European broadcasters, is derived directly by the Unions. The Union's share of accumulated profits at 31 December 2022 was R5 334 395 (2021: R5 133 695).

A 33.3% shareholding in SANZAR Europe S.a.r.l., a Luxembourg based company which owns and manages the sales of broadcasting rights for the Super Rugby and The Rugby Championship competitions to European broadcasters. The remaining shares are held equally by The Australian Rugby Union and The New Zealand Rugby Union. The company is equity accounted for by the Group. The Union's share of accumulated profits at 31 December 2022 was R5 832 526 (R1 265 657).

A 50% interest in Lions Tour to South Africa Designated Activity Company, an Ireland based company which is established to manage, control, direct and administer the exploitation of the commercial rights in relation to the British and Irish Lions Tour. The Union's share of accumulated profits at 31 December 2022 was R2 115 572 (2021: R10 335 261).

A 50% interest in SA Rugby Travel, a joint operation which creates, markets and sells official travel packages for Springbok rugby events, Rugby World Cups and other related events.

A 100% control of a Non-profit company called The Rugby Educational Foundation NPC. The purpose of this company is to contribute to the economic and social development of South Africans through the provision of academic and recreational bursaries, rugby specific training and life skills programs for unemployed persons, with the purpose of enabling talented sports men and women to obtain employment.

Further details relating to these entities are given in notes 5 of the consolidated and separate financial statements.

5. Going concern

The consolidated and separate financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The guaranteed participation of South African international franchises in the United Rugby Championship and European Professional Club Rugby competitions together with the participation of the Springboks in the Sanzar owned Rugby Championship creates the commercial opportunities required to generate a significant amount of revenue into the foreseeable future.

A significant percentage of broadcasting and sponsorship revenues have been secured beyond 2023 whilst World Rugby continues to provide financial support to member unions by way of guaranteed union funding towards the development of rugby at all levels.

Continuous monitoring of working capital requirements and expenditure reporting allows for proactive measures to be implemented as and when required to mitigate risks to solvency.

To address short term liquidity risks, banking facilities are secured as required on the basis of a long standing relationship with ABSA and subject to regular credit risk reviews.

The long term sustainability of the rugby industry will be significantly enhanced through the active pursuit of an equity partner investing in the commercial interests of SA Rugby.

6. Events after the reporting period

The Executive Council is not aware of any material event which occurred after the reporting date and up to the date of this report that will have a significant impact on the financial statements.

7. Auditors

Nexia SAB&T was appointed in office as auditors for the Union and its subsidiaries for the 2022 financial year.

SOUTH AFRICAN RUGBY UNION

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2022

8. Membership control

The Union is controlled by its fifteen member unions operating across 9 provinces. Limpopo is included as a development union but has no voting rights. Each member union has the right to designate three persons to represent them at general meetings with each such representative having one vote. The only other person entitled to vote at general meetings of members is the President, who, in the case of an equality of votes, shall be entitled to a second or casting vote, provided that he has used his deliberative vote. The Union's business and activities are overseen by the members in a general meeting, which has the ultimate authority in respect of, and responsibility for, its affairs.



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INDEPENDENT AUDITOR'S REPORT

To the Members of the South African Rugby Union and its subsidiaries

Opinion

We have audited the consolidated and separate financial statements of The South African Rugby Union and its subsidiaries (Group and Union) set out on pages 10 to 51 which comprise the consolidated and separate statement of financial position as at 31 December 2022, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of The South African Rugby Union and its subsidiaries (Group and Union) as at 31 December 2022, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standard, the requirements of the Constitution.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and Union in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The members are responsible for the other information. The other information comprises the information included in the document titled "The South African Rugby Union Consolidated annual financial statements", which includes the Executive Council's report as required by the constitution. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.



In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Members for the Consolidated and Separate Financial Statements

The members are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standard and the requirements of the Constitution, and for such internal control as the members determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the members are responsible for assessing the Group and the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intends to liquidate the Group and/or Union or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

SOUTH AFRICAN RUGBY UNION

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2022

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

We communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia SAB&T

Sophocles C. Kleovoulou
Director
Registered Auditor
Date TBC

DRAFT



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		Group		Union	
	Note(s)	2022 R	2021 R	2022 R	2021 R
Assets					
Non-Current Assets					
Property, plant and equipment	2	13 368 520	9 383 026	12 591 927	8 072 947
Right-of-use assets	3	21 347 709	26 374 841	21 347 709	26 374 841
Intangible assets	4	1 331 474	3 610 606	1 331 474	3 610 606
Investments in associates	6	13 282 493	16 734 613	-	-
Trade and other receivables	7	34 164 817	66 045 268	34 164 817	66 045 268
Deferred tax	8	12 821 755	25 482 295	12 821 755	25 482 295
		96 316 768	147 630 649	82 257 682	129 585 957
Current Assets					
Inventories	9	4 977 723	13 477 497	4 977 723	13 477 497
Trade and other receivables	7	252 415 765	146 876 059	196 902 677	132 779 313
Cash and cash equivalents	10	17 809 508	26 857 638	109 875	20 935 451
		275 202 996	187 211 194	201 990 275	167 192 261
Total Assets		371 519 764	334 841 843	284 247 957	296 778 218
Equity and Liabilities					
Equity					
Post retirement benefit actuarial reserve		17 095 000	17 095 000	17 095 000	17 095 000
Retained earnings		7 070 683	22 354 292	(8 455 639)	3 599 544
		24 165 683	39 449 292	8 639 361	20 694 544
Liabilities					
Non-Current Liabilities					
Lease liabilities	3	29 188 607	33 390 040	29 188 607	33 390 040
Post employment healthcare benefits	12	19 854 000	17 682 000	19 854 000	17 682 000
Deferred income	11	7 133 005	27 525 801	7 133 005	27 525 801
		56 175 612	78 597 841	56 175 612	78 597 841
Current Liabilities					
Trade and other payables	13	208 023 835	89 443 244	136 278 350	70 134 367
Lease liabilities	3	5 538 415	4 797 306	5 538 415	4 797 306
Post employment healthcare benefits	12	738 000	600 000	738 000	600 000
Deferred income	11	54 495 962	121 954 160	54 495 962	121 954 160
Bank overdraft	10	22 382 257	-	22 382 257	-
		291 178 469	216 794 710	219 432 984	197 485 833
Total Liabilities		347 354 081	295 392 551	275 608 596	276 083 674
Total Equity and Liabilities		371 519 764	334 841 843	284 247 957	296 778 218

SOUTH AFRICAN RUGBY UNION

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note(s)	Group		Union	
		2022 R	2021 R	2022 R	2021 R
Revenue	14	1 547 860 956	1 283 702 832	1 344 885 724	1 274 212 979
Other operating income	15	69 657 073	56 910 630	69 502 942	57 620 338
Other operating gains (losses)	16	(758 994)	(2 174 259)	(646 656)	(2 174 259)
Other operating expenses		(1 621 250 150)	(1 329 143 761)	(1 418 404 089)	(1 330 069 177)
Operating (loss) profit	17	(4 491 115)	9 295 442	(4 662 079)	(410 119)
Finance income	18	9 263 199	7 100 967	8 918 033	6 302 960
Finance costs	19	(3 943 031)	(14 144 535)	(3 650 602)	(4 926 687)
(Loss) /Income from equity accounted investments		(3 452 120)	5 459 371	-	-
(Loss) profit before taxation		(2 623 067)	7 711 245	605 352	966 154
Taxation	20	(12 660 539)	(6 473 406)	(12 660 539)	(6 473 406)
(Loss) profit for the year		(15 283 606)	1 237 839	(12 055 187)	(5 507 252)
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gains on Post Retirement Healthcare Benefits		-	7 721 000	-	7 721 000
Other comprehensive income for the year net of taxation		-	7 721 000	-	7 721 000
Total comprehensive (loss) income for the year		(15 283 606)	8 958 839	(12 055 187)	2 213 748
(Loss) profit attributable to:					
Owners of the parent:					
From continuing operations		(15 283 606)	1 237 839	(12 055 187)	(5 507 252)



STATEMENT OF CHANGES IN EQUITY

	Post retirement benefit actuarial reserve R	Retained earnings R	Total equity R
Group			
Balance at 01 January 2021	9 374 000	21 116 453	30 490 453
Profit for the year	-	1 237 839	1 237 839
Other comprehensive income	7 721 000	-	7 721 000
Total comprehensive income for the year	7 721 000	1 237 839	8 958 839
Balance at 01 January 2022	17 095 000	22 354 289	39 449 289
Loss for the year	-	(15 283 606)	(15 283 606)
Total comprehensive Loss for the year	-	(15 283 606)	(15 283 606)
Balance at 31 December 2022	17 095 000	7 070 683	24 165 683
Union			
Balance at 01 January 2021	9 374 000	9 106 796	18 480 796
Loss for the year	-	(5 507 252)	(5 507 252)
Other comprehensive income	7 721 000	-	7 721 000
Total comprehensive Loss for the year	7 721 000	(5 507 252)	2 213 748
Balance at 01 January 2022	17 095 000	3 599 548	20 694 548
Loss for the year	-	(12 055 187)	(12 055 187)
Total comprehensive Loss for the year	-	(12 055 187)	(12 055 187)
Balance at 31 December 2022	17 095 000	(8 455 639)	8 639 361

SOUTH AFRICAN RUGBY UNION

Consolidated and Separate Annual Financial Statements for the year ended 31 December 2022

STATEMENT OF CASH FLOWS

	Note(s)	Group		Union	
		2022 R	2021 R	2022 R	2021 R
Cash flows from operating activities					
Cash used in operations	22	(25 309 906)	(186 642 818)	(37 120 046)	(24 365 296)
Interest income		9 263 199	7 100 967	8 918 033	6 302 960
Finance costs		(3 943 031)	(14 144 535)	(3 650 602)	(4 926 687)
Tax (paid) received		-	(6 929)	-	-
Net cash from operating activities		(19 989 738)	(193 693 315)	(31 852 615)	(22 989 023)
Cash flows from investing activities					
Purchase of property, plant and equipment	2	(7 991 522)	(5 233 958)	(7 894 893)	(5 179 652)
Proceeds from sale of property, plant and equipment	2	11 197	91 320	-	67 012
Net cash from investing activities		(7 980 325)	(5 142 638)	(7 894 893)	(5 112 640)
Cash flows from financing activities					
Payment on lease liabilities		(3 460 324)	(3 207 469)	(3 460 324)	(3 207 469)
Total cash movement for the year		(31 430 387)	(202 043 422)	(43 207 832)	(31 309 132)
Cash at the beginning of the year		26 857 638	228 901 060	20 935 451	52 244 583
Total cash at end of the year	10	(4 572 749)	26 857 638	(22 272 381)	20 935 451



ACCOUNTING POLICIES

1. Significant accounting policies

1.1 Basis of preparation

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these consolidated and separate annual financial statements.

The consolidated and separate annual financial statements have been prepared on the historic cost basis, and incorporate the principal accounting policies set out below. They are presented in South African rands.

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

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The consolidated and separate financial statements incorporate the financial statements of the Union and all entities controlled by the group.

The results of subsidiaries are included in the consolidated and separate annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the consolidated and separate annual financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the Union.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

1.3 Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Joint ventures

An interest in a joint venture is accounted for using the equity method. Under the equity method, interests in joint ventures are carried in the statement of financial position at cost adjusted for post acquisition changes in the company's share of net assets of the joint venture, less any impairment losses.

ACCOUNTING POLICIES (CONTINUED)

1.3 Joint arrangements (continued)

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in a joint venture in excess of the Group's interest in that joint venture, including any other unsecured receivables, are recognised only to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of the joint venture.

Any goodwill on acquisition of a joint venture is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the group and a joint venture are eliminated to the extent of the Group's interest therein. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the group.

When the company loses joint control, the company proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

1.4 Investments in associates

An associate is an entity over which the group has significant influence and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. It generally accompanies a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method. Under the equity method, investments in associates are carried in the Statement of Financial Position at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate, less any impairment losses.

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in an associate in excess of the group's interest in that associate, including any other unsecured receivables, are recognised only to the extent that the group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the group and an associate are eliminated to the extent of the group's interest therein. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group reduces its level of significant influence or loses significant influence, the Group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

1.5 Significant judgements and sources of estimation uncertainty

The preparation of consolidated and separate financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



1.5 Significant judgements and sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

Estimated of residual values and useful lives of property, plant and equipment and intangible assets

The Group reassesses annually the residual values and remaining useful lives of significant assets. The residual values of these assets have been estimated as the amount that the Group would currently obtain from the disposal of each significant asset, in its location, if the asset was already of the age and in the condition expected at the end of its useful life. The useful life is estimated as the period over which an asset is expected to be available for use by the Group.

Trade receivables

The Group assesses its trade receivables for the impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Union makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

The impairment (or loss allowance) for trade receivables is calculated on a portfolio basis, except for individually significant trade receivables which are assessed separately. The impairment test on the portfolio is based on historical loss ratios and other indicators present at the reporting date that correlate with defaults on the portfolio.

Taxes

The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the statement of comprehensive income tax provisions in the period which such determination is made.

1.6 Property, plant and equipment

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

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

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

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Motor vehicles	Straight line	3 - 5 years
Office and furniture equipment	Straight line	3 - 8 years
Computer equipment	Straight line	3 years
Leasehold improvements	Straight line	Period of lease

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

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

ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (continued)

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

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.7 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Trademarks	Straight line	20 years

1.8 Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

1.9 Financial instruments

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the group, as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

- Amortised cost

Note 27 Financial instruments and risk management presents the financial instruments held by the group based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the group are presented below:



1.9 Financial instruments (continued)

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 7).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on trade and other receivables.

Trade and other receivables also include capitalised costs to obtain contracts with customers.

Recognition and measurement

Trade and other receivables are recognised when the Group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest rate method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in finance income (note 18).

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The Group recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Group measures the loss allowance for trade and other receivables which do not contain a significant financing component at an amount equal to lifetime expected credit losses (lifetime ECL). The loss allowance for all other trade and other receivables is measured at lifetime ECL when there has been a significant increase in credit risk since initial recognition. If the credit risk on these receivables has not increased significantly since initial recognition, then the loss allowance for those receivables is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL to trade and other receivables which do not have a significant financing component, the Group considers whether there has been a significant increase in the risk of default occurring since initial recognition rather than at evidence of a receivable being credit impaired at the reporting date or of an actual default occurring.

ACCOUNTING POLICIES (CONTINUED)

1.9 Financial instruments (continued)

Measurement and recognition of expected credit losses

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss.

Write off policy

The group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 7) and the financial instruments and risk management note (note 27).

Trade and other payables

Classification

Trade and other payables (note 13), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 19).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 27 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Bank overdrafts

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

Derecognition

Financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.



1.9 Financial instruments (continued)

Financial liabilities

The group derecognises financial liabilities when, and only when, the group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.10 Tax

Current tax assets and liabilities

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

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

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

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

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

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

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

1.11 Leases

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the group recognises the lease payments as an operating expense (note 17) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

ACCOUNTING POLICIES (CONTINUED)

1.11 Leases (continued)

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the group has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the group is a lessee are presented in note 3 Leases (group as lessee).

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the group under residual value guarantees;
- the exercise price of purchase options, if the group is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 3).

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 19).

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the group incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.



1.11 Leases (continued)

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

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

1.12 Inventories

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

1.13 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.14 Share capital and equity

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

ACCOUNTING POLICIES (CONTINUED)

1.15 Employee benefits

Pension Obligations

The Group's employees are members of the Rugby Pension Fund. The fund is generally funded through payments to trustee-administered funds, determined by periodic actuarial calculations. The fund has a defined contribution plan and a defined benefit plan.

A defined contribution plan is a pension plan under which the employer and employee pays fixed contributions into the fund. The Group has no legal or constructive obligations to pay further contributions to the fund.

For defined contributions plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses once they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments is available.

A defined benefit plan is a pension plan under which the employer and employees pays fixed contributions into the fund. Defined benefit plans define the amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and level of remuneration prior to retirement.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the Statement of Financial Position date less the fair value of plan assets, together with adjustments for unrecognised past-service costs.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-lines basis over the vesting period.

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either; terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value. Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependant on one or more factors such as age, years of service and compensation.

Defined benefit plans

The Group provides post-retirement healthcare benefits to certain of its retirees employed prior to 1 July 2012. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued regularly by independent qualified actuaries.



1.16 Provisions and contingencies

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note .

1.17 Grants

Grants are recognised when there is reasonable assurance that:

- the group will comply with the conditions attaching to them; and
- the grants will be received.

Grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the profit or loss (separately).

1.18 Revenue from contracts with customers

The Group recognises revenue from the following major sources:

- Ticket sales
- Sponsorship income
- Sales of broadcasting rights
- Interest income
- Royalty income
- Test hosting fee

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Ticket sales

Revenue of sale of tickets is recognised when the Group has transferred to the buyer the significant risks and rewards of ownership of the tickets, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the tickets sold, the amount of revenue can be measured reliably, is probable that the economic benefits associated with the transaction will flow to the Group, and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sponsorship income

Long terms sponsorship income is recognised on the basis of either apportionment over time, or apportionment over the number of matches completed if the sponsorship income relates to a specific tournament. Deferred revenue is recognised when the consideration received, is in respect of future periods.

ACCOUNTING POLICIES (CONTINUED)

1.18 Revenue from contracts with customers (continued)

Product sponsorships are also accounted for, where the product has an economic benefit of some duration, the carrying value is capitalised and amortised over the useful life of an asset. However where the benefit relates only to the current period, the product is expensed (i.e. the net effect on the accounting records is nil). For sales of goods to retail customers, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods, or within 6 months for account holding customers. A receivable is recognised for account holding customers. No financing element is recognised as the payment terms are within 6 months.

Sale of broadcasting rights

Proceeds from the sale of broadcasting rights are accounted for on a due and payable basis. Deferred revenue is recognised in respect of broadcasting rights, when the consideration received is in respect of competitions that are to be broadcasted in future financial periods.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest rate method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Royalty income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

Test hosting fee

Provincial Unions are charged a fee for the right to host Springbok test matches. For away test matches a fee is charged to the host national entity. Revenue is recognised on the day of the event as the fee falls due and payable.

1.19 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.20 Translation of foreign currencies

Functional and presentation currency

Items included in the consolidated and separate annual financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates in functional currency.

The consolidated and separate annual financial statements are presented in rands which is the group's functional and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:



1.20 Translation of foreign currencies (continued)

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous consolidated and separate annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

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NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

	Group		Union	
	2022 R	2021 R	2022 R	2021 R

2. Property, plant and equipment

Group	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Leasehold improvements	7 565 313	(4 575 821)	2 989 492	7 520 182	(4 280 029)	3 240 153
Office furniture and equipment	12 824 178	(11 461 009)	1 363 169	12 740 718	(11 197 222)	1 543 496
Motor vehicles	6 564 605	(1 175 829)	5 388 776	991 144	(991 144)	-
Computer equipment	11 005 908	(7 554 438)	3 451 470	9 455 950	(5 809 066)	3 646 884
Computer equipment - under construction	175 613	-	175 613	952 493	-	952 493
Total	38 135 617	(24 767 097)	13 368 520	31 660 487	(22 277 461)	9 383 026

Union	2022			2021		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Leasehold improvements	7 565 313	(4 575 821)	2 989 492	7 520 182	(4 280 029)	3 240 153
Office furniture and equipment	10 565 038	(9 960 117)	604 921	10 481 578	(10 148 158)	333 420
Motor vehicles	6 564 605	(1 175 829)	5 388 776	991 144	(991 144)	-
Computer equipment	10 700 687	(7 267 562)	3 433 125	9 150 729	(5 603 848)	3 546 881
Computer equipment - under construction	175 613	-	175 613	952 493	-	952 493
Total	35 571 256	(22 979 329)	12 591 927	29 096 126	(21 023 179)	8 072 947

Reconciliation of property, plant and equipment - Group - 2022

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Leasehold improvements	3 240 153	45 131	-	-	(295 792)	2 989 492
Office furniture and equipment	1 543 496	592 534	-	-	(772 861)	1 363 169
Motor vehicles	-	5 954 460	-	-	(565 684)	5 388 776
Computer equipment*	3 646 884	1 223 784	(96 628)	952 493	(2 275 063)	3 451 470
Computer equipment - under construction	952 493	175 613	-	(952 493)	-	175 613
	9 383 026	7 991 522	(96 628)	-	(3 909 400)	13 368 520



2. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2021

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Leasehold improvements	4 408 745	-	(832 768)	-	(335 824)	3 240 153
Office furniture and equipment	2 427 826	200 354	(24 308)	-	(1 060 376)	1 543 496
Computer equipment*	3 130 761	4 081 111	-	(1 774 300)	(1 790 688)	3 646 884
Computer equipment - under construction	-	952 493	-	-	-	952 493
	9 967 332	5 233 958	(857 076)	(1 774 300)	(3 186 888)	9 383 026

Reconciliation of property, plant and equipment - Union - 2022

	Opening balance	Additions	Transfers	Depreciation	Total
Leasehold improvements	3 240 153	45 131	-	(295 792)	2 989 492
Office furniture and equipment	333 420	592 534	-	(321 033)	604 921
Motor vehicles	-	5 954 460	-	(565 684)	5 388 776
Computer equipment*	3 546 881	1 127 155	952 493	(2 193 404)	3 433 125
Computer equipment - under construction	952 493	175 613	(952 493)	-	175 613
	8 072 947	7 894 893	-	(3 375 913)	12 591 927

Reconciliation of property, plant and equipment - Union - 2021

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Leasehold improvements	4 408 745	-	(832 768)	-	(335 824)	3 240 153
Office furniture and equipment	765 922	176 046	-	-	(608 548)	333 420
Computer equipment	2 966 796	4 051 113	-	(1 774 300)	(1 696 728)	3 546 881
Computer equipment - under construction	-	952 493	-	-	-	952 493
	8 141 463	5 179 652	(832 768)	(1 774 300)	(2 641 100)	8 072 947

*-The transfer relates to computer software that were included in the previously acquired computer equipment. In the current financial year under review the carrying value of the computer software was transferred from Property, plant and equipment to intangible assets.

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R
3. Leases (group as lessee)				
The group leases office properties with an average term of 5 years (2021: 5 years)				
Details pertaining to leasing arrangements, where the group is lessee are presented below:				
Net carrying amounts of right-of-use assets				
The carrying amounts of right-of-use assets are included in the following line items:				
Office buildings	21 347 709	26 374 841	21 347 709	26 374 841
Depreciation recognised on right-of-use assets				
Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 17).				
Buildings	5 027 132	5 294 850	5 027 132	5 294 850
Other disclosures				
Interest expense on lease liabilities	3 245 114	3 654 723	3 245 114	3 654 723
Lease liabilities				
The maturity analysis of lease liabilities is as follows:				
Within one year	8 055 330	7 458 639	8 055 330	7 458 639
Two to five years	32 485 030	36 298 218	32 485 030	36 298 218
More than five years	-	3 924 561	-	3 924 561
	40 540 360	47 681 418	40 540 360	47 681 418
Less finance charges component	(5 813 338)	(9 494 072)	(5 813 338)	(9 494 072)
	34 727 022	38 187 346	34 727 022	38 187 346
Non-current liabilities	29 188 607	33 390 040	29 188 607	33 390 040
Current liabilities	5 538 415	4 797 306	5 538 415	4 797 306
	34 727 022	38 187 346	34 727 022	38 187 346

Exposure to liquidity risk

Refer to note 27 Financial instruments and risk management for the details of liquidity risk exposure and management.

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R

4. Intangible assets

Group	2022			2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Trademarks	2 000 000	(1 258 590)	741 410	2 000 000	(1 158 658)	841 342
Computer software	16 586 455	(15 996 391)	590 064	16 586 455	(13 817 191)	2 769 264
Total	18 586 455	(17 254 981)	1 331 474	18 586 455	(14 975 849)	3 610 606

Union	2022			2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Trademarks	2 000 000	(1 258 590)	741 410	2 000 000	(1 158 658)	841 342
Computer software	16 586 455	(15 996 391)	590 064	16 586 455	(13 817 191)	2 769 264
Total	18 586 455	(17 254 981)	1 331 474	18 586 455	(14 975 849)	3 610 606

Reconciliation of intangible assets - Group - 2022

	Opening balance	Amortisation	Total
Trademarks	841 342	(99 932)	741 410
Computer software	2 769 264	(2 179 200)	590 064
	3 610 606	(2 279 132)	1 331 474

Reconciliation of intangible assets - Group - 2021

	Opening balance	Transfers	Amortisation	Total
Trademarks	941 273	-	(99 931)	841 342
Computer software	5 275 471	1 774 300	(4 280 507)	2 769 264
	6 216 744	1 774 300	(4 380 438)	3 610 606

Reconciliation of intangible assets - Union - 2022

	Opening balance	Amortisation	Total
Trademarks	841 342	(99 932)	741 410
Computer software	2 769 264	(2 179 200)	590 064
	3 610 606	(2 279 132)	1 331 474

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

	Group		Union	
	2022 R	2021 R	2022 R	2021 R

4. Intangible assets (continued)

Reconciliation of intangible assets - Union - 2021

	Opening balance	Transfers	Amortisation	Total
Trademarks	941 273	-	(99 931)	841 342
Computer software	5 275 471	1 774 300	(4 280 507)	2 769 264
	6 216 744	1 774 300	(4 380 438)	3 610 606

5. Interests in subsidiaries including consolidated structured entities

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Group

Name of company	% voting power 2022	% voting power 2021	Carrying amount 2022	Carrying amount 2021
The Rugby Educational Foundation NPC	100.00 %	100.00 %	-	-
SA Rugby Event Services Proprietary Limited	100.00 %	100.00 %	-	-
			-	-

The carrying amount of the subsidiaries is shown net of impairment losses, where necessary.



6. Investments in associates

The following table lists all of the associates in the group:

Group

Name of company	% ownership interest 2022	% ownership interest 2021	Carrying amount 2022	Carrying amount 2021
SANZAR Proprietary Limited*	33.30 %	33.30 %	5 334 395	5 133 695
SANZAR Europe S.a.r.l.*	33.30 %	33.30 %	5 832 526	1 265 657
Lions Tour to South Africa Designated Activity Company	50.00 %	50.00 %	2 115 572	10 335 261
			13 282 493	16 734 613

Group

Name of company	% ownership interest 2022	% ownership interest 2021	Carrying amount 2022	Carrying amount 2021
The Rugby Educational Foundation NPC	100.00 %	100.00 %	-	-
SA Rugby Event Services Proprietary Limited	100.00 %	100.00 %	-	-
			-	-

The carrying amounts of associated are shown net of impairment losses, where necessary.

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

6. Investments in associates (continued)

Summarised financial information of material associates

2022

Summarised statement of profit or loss and other comprehensive income
 SANZAR Proprietary Limited
 SANZAR Europe S.a.r.l
 Lions Tour to South Africa Designated Activity Company

Revenue	Profit (loss)
36 123 545	831 881
233 680 938	6 242 857
5 229 824	(16 755 245)
275 034 307	(9 680 507)

Summarised statement of financial position
 SANZAR Proprietary Limited
 SANZAR Europe S.a.r.l
 Lions Tour to South Africa Designated Activity Company

Assets	Liabilities	Total net assets
32 188 726	16 345 654	15 843 072
810 386 686	760 826 547	49 560 139
5 246 767	5 246 767	-
847 822 179	782 418 968	65 403 211

2021

Summarised statement of profit or loss and other comprehensive income
 SANZAR Proprietary Limited
 SANZAR Europe S.a.r.l
 Lions Tour to South Africa Designated Activity Company

Revenue	Profit (loss)
33 478 101	162 857
123 271 357	(9 350 876)
778 081 327	15 560 036
934 830 785	6 372 017

Summarised statement of financial position
 SANZAR Proprietary Limited
 SANZAR Europe S.a.r.l
 Lions Tour to South Africa Designated Activity Company

Assets	Liabilities	Total net assets
26 373 541	10 972 379	15 401 162
431 101 777	354 727 987	76 373 790
46 257 420	25 271 931	20 985 489
503 732 738	390 972 297	112 760 441



	Group		Union	
	2022 R	2021 R	2022 R	2021 R
7. Trade and other receivables				
Financial instruments:				
Trade receivables	50 041 497	33 465 766	34 176 877	38 131 995
Loans receivable from Provincial Unions	84 715 701	97 833 494	84 715 701	97 833 494
Trade receivables from Provincial Unions	2 015 633	5 116 667	2 015 633	5 116 667
SA Rugby Travel loan	-	3 000 000	-	3 000 000
Loss allowance	(5 649 570)	(12 575 789)	(5 649 570)	(12 575 789)
Trade receivables at amortised cost	131 123 261	126 840 138	115 258 641	131 506 367
Accrued sponsorship income	84 859 570	17 510 471	84 859 570	17 510 471
Other receivables	2 743 300	5 600 373	-	17 321
SA Rugby Travel	7 596 871	13 179 923	-	-
Non-financial instruments:				
VAT	292 801	8 066 538	-	8 066 538
Prepayments	59 964 779	41 723 884	30 949 283	41 723 884
Total trade and other receivables	286 580 582	212 921 327	231 067 494	198 824 581
Split between non-current and current portions				
Non-current assets	34 164 817	66 045 268	34 164 817	66 045 268
Current assets	252 415 765	146 876 059	196 902 677	132 779 313
	286 580 582	212 921 327	231 067 494	198 824 581

All non-current receivables relate to loan receivables from Unions which are due within two to five years. These loan receivables are unsecured, due within maximum 60 months and interest is charged based on the prime interest rate less 2%. Regarding all other receivables, there are no repayment terms and no interest is charged.

Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	226 323 002	163 130 905	200 118 211	149 034 159
Non-financial instruments	60 257 580	49 790 422	30 949 283	49 790 422
	286 580 582	212 921 327	231 067 494	198 824 581

Exposure to credit risk

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation.

The group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The potential for credit losses from loans provided to Provincial Unions is mitigated through the ability to recovery such amounts from broadcasting rights and other allocations made to such Unions.

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R

7. Trade and other receivables (continued)

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

Opening balance	(12 575 789)	(79 246 769)	(12 575 789)	(101 135 355)
Provision reversed/(raised) on new trade receivables	6 926 219	66 670 980	6 926 219	88 559 566
Closing balance	(5 649 570)	(12 575 789)	(5 649 570)	(12 575 789)

Exposure to currency risk

The net carrying amounts, in Rand, of trade and other receivables, excluding non-financial instruments, are denominated in the following currencies.

Rand Amount				
Rand	226 323 002	163 130 905	200 118 211	149 034 159

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R
8. Deferred tax				
Deferred tax liability				
Right of use asset	(5 763 881)	(7 384 956)	(5 763 881)	(7 384 956)
Accounts receivable	-	(1 702 830)	-	(1 702 830)
Prepayments	(8 356 306)	-	(8 356 306)	-
Total deferred tax liability	(14 120 187)	(9 087 786)	(14 120 187)	(9 087 786)
Deferred tax asset				
Account receivable	1 225 864	-	1 225 864	-
Lease liability	9 376 296	10 692 457	9 376 296	10 692 457
Deferred revenue	6 352 334	20 198 415	6 352 334	20 198 415
Provisions	4 427 608	3 679 209	4 427 608	3 679 209
Post employment healthcare benefit	5 559 840	-	5 559 840	-
	26 941 942	34 570 081	26 941 942	34 570 081
Total deferred tax asset	26 941 942	34 570 081	26 941 942	34 570 081
The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:				
Deferred tax liability	(14 120 187)	(9 087 786)	(14 120 187)	(9 087 786)
Deferred tax asset	26 941 942	34 570 081	26 941 942	34 570 081
Total net deferred tax asset	12 821 755	25 482 295	12 821 755	25 482 295
Reconciliation of deferred tax asset / (liability)				
At beginning of year	25 482 295	31 973 901	25 482 295	31 955 701
Charge to profit or loss	(12 660 540)	(6 491 606)	(12 660 540)	(6 473 406)
	12 821 755	25 482 295	12 821 755	25 482 295
9. Inventories				
Consumables	19 732 223	25 231 997	19 732 223	25 231 997
Provision for obsolete stock	19 732 223 (14 754 500)	25 231 997 (11 754 500)	19 732 223 (14 754 500)	25 231 997 (11 754 500)
	4 977 723	13 477 497	4 977 723	13 477 497

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R
10. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Cash on hand	33 806	139 723	33 806	139 723
Bank balances	17 775 702	26 717 915	76 069	20 795 728
Bank overdraft	(22 382 257)	-	(22 382 257)	-
	(4 572 749)	26 857 638	(22 272 382)	20 935 451
Current assets	17 809 508	26 857 638	109 875	20 935 451
Current liabilities	(22 382 257)	-	(22 382 257)	-
	(4 572 749)	26 857 638	(22 272 382)	20 935 451
General deed of cession by the Union of its rights and claims to all receivables.				
The bank overdraft facility of SA Rugby Event Services Proprietary Limited has been guaranteed by the South African Rugby Union.				
Credit quality of cash at bank and short term deposits, excluding cash on hand				
The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:				
Credit rating				
ABSA (A-1)	(4 606 555)	26 717 915	(22 306 188)	20 795 728
Exposure to currency risk				
Refer to note 27 Financial instruments and financial risk management for details of currency risk management for cash and cash equivalents.				
11. Deferred income				
Sponsorship	15 436 854	35 040 353	15 436 854	35 040 353
Broadcasting rights	703 701	40 000 000	703 701	40 000 000
SRSA Grants	2 057 167	6 418 777	2 057 167	6 418 777
World Rugby Grants	43 431 245	68 020 831	43 431 245	68 020 831
	61 628 967	149 479 961	61 628 967	149 479 961
Non-current liabilities	7 133 005	27 525 801	7 133 005	27 525 801
Current liabilities	54 495 962	121 954 160	54 495 962	121 954 160
	61 628 967	149 479 961	61 628 967	149 479 961



	Group		Union	
	2022 R	2021 R	2022 R	2021 R
12. Post employment healthcare benefits				
Carrying value				
Post employment healthcare benefits- Current portion	738 000	600 000	738 000	600 000
Post employment healthcare benefits- Non current portion	19 854 000	17 682 000	19 854 000	17 682 000
	(20 592 000)	(18 282 000)	(20 592 000)	(18 282 000)
Non-current liabilities	(19 854 000)	(17 682 000)	(19 854 000)	(17 682 000)
Current liabilities	(738 000)	(600 000)	(738 000)	(600 000)
	(20 592 000)	(18 282 000)	(20 592 000)	(18 282 000)
Post-employment healthcare benefits				
<p>The Union participates in the Discovery Health Medical Scheme and the Sizwe Medical Fund. In terms of employment contracts, post retirement healthcare benefits are provided to certain employees who joined the Union before 1 July 2012 through continued subsidisation of a portion of the medical aid contribution of those employees, once they have retired. The number of employees on the scheme as at 31 December 2022 is 53 (2021:55)</p> <p>The risks faced by the Union as a result of the post-employment healthcare obligation are inflation related, due to the CPI fluctuations, longevity of pensioners, future changes in legislation, future changes in the tax environment and enforcement of eligibility criteria and rules.</p>				
Movements for the year				
Opening balance	18 282 000	22 966 000	18 282 000	22 966 000
Gain on Post Retirement Healthcare Benefit	-	(7 721 000)	-	(7 721 000)
Net expense recognised in profit or loss	2 310 000	3 037 000	2 310 000	3 037 000
	20 592 000	18 282 000	20 592 000	18 282 000
Net expense recognised in profit or loss				
Current service cost	735 000	1 196 000	735 000	1 196 000
Interest cost	2 209 000	2 574 000	2 209 000	2 574 000
Benefits paid	(634 000)	(733 000)	(634 000)	(733 000)
	2 310 000	3 037 000	2 310 000	3 037 000

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R

12. Post employment healthcare benefits (continued)

Key assumptions used

Assumptions used on last valuation on 31 December 2021.

Discount rate	9.60 %	9.60 %	9.60 %	9.60 %
Health care inflation	12.30 %	12.30 %	12.30 %	12.30 %

The effect of a 1% movement in the assumed medical cost trend rate is as follows:

	2022 R		2021 R	
	Decrease	Increase	Decrease	Increase
Effect on the aggregate of the current service cost and interest cost due to a 1% change in health care cost inflation	2 526 000	3 464 000	2 526 000	3 464 000
Effect on defined benefit obligation due to healthcare cost inflation	18 282 000	22 371 000	18 282 000	22 371 000
Effect on defined benefit obligation due to a change in the discount rate	21 523 000	15 909 000	21 523 000	15 909 000
Effect on defined benefit obligation due to a 1 year change in the expected retirement age	17 359 000	17 359 000	17 359 000	17 359 000

13. Trade and other payables

Financial instruments:

Trade payables	60 662 558	44 241 877	35 444 868	41 453 927
SA Rugby travel	46 146 022	10 096 356	-	-
Other payables	9 104 817	7 215 055	9 104 817	2 005 629
Accrued expenses	88 721 606	26 725 474	88 339 833	26 674 811
	204 635 003	88 278 762	132 889 518	70 134 367

Non-financial instruments:

VAT	3 388 832	1 164 482	3 388 832	-
	208 023 835	89 443 244	136 278 350	70 134 367

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	204 635 001	88 278 762	132 889 518	70 134 361
Non-financial instruments	3 388 832	1 164 482	3 388 832	-
	208 023 833	89 443 244	136 278 350	70 134 361

Exposure to currency risk

Refer to note 27 Financial instruments and financial risk management for details of currency risk management for trade payables.

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R
14. Revenue				
Revenue from contracts with customers				
Broadcasting rights	827 809 121	653 832 193	827 809 121	649 624 700
Sponsorships	396 133 630	222 421 830	391 753 630	218 206 476
Overseas test	27 021 087	-	27 021 087	-
Merchandising royalties	11 519 359	10 396 976	11 519 359	10 396 976
British and Irish Lions tour delivery 2022	24 134 751	395 984 827	24 134 751	395 984 827
World Rugby Cape Town Sevens Events	62 647 776	-	62 647 776	-
SARES	176 062 023	-	-	-
SA Rugby Travel	22 533 209	1 067 006	-	-
	1 547 860 956	1 283 702 832	1 344 885 724	1 274 212 979
Disaggregation of revenue from contracts with customers				
The group disaggregates revenue from customers as follows:				
Timing of revenue recognition				
At a point in time				
Merchandising royalties	11 519 359	10 396 976	11 519 359	10 396 976
Over time				
Broadcasting rights / sponsorships and other	1 536 341 597	1 273 305 856	1 333 366 365	1 263 816 003
Total revenue from contracts with customers	1 547 860 956	1 283 702 832	1 344 885 724	1 274 212 979
15. Other operating income				
Other income	26 887 449	5 952 275	26 887 449	6 661 983
Grants from World Rugby	36 465 733	34 929 022	36 465 733	34 929 022
Government grants	5 511 139	8 791 970	5 511 139	8 759 535
SA Rugby Travel	154 131	-	-	-
Grants - other	638 621	7 237 363	638 621	7 269 798
	69 657 073	56 910 630	69 502 942	57 620 338
16. Other operating gains (losses)				
Loss on disposal of assets				
Property, plant and equipment	2 (85 431)	(765 756)	(85 431)	(765 756)
Foreign exchange gains (losses)				
Net foreign exchange loss	(673 563)	(1 408 503)	(561 225)	(1 408 503)
Total other operating gains (losses)	(758 994)	(2 174 259)	(646 656)	(2 174 259)

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R
17. Operating profit				
Operating (loss) profit for the year is stated after charging (crediting) the following, amongst others:				
Auditor's remuneration - external				
External audit fees	1 369 764	1 290 000	1 153 000	1 290 000
Employee costs				
Salaries	302 554 391	268 081 194	229 903 320	210 325 552
Leases				
Operating lease charges				
Premises	1 516 306	1 696 758	686 590	662 247
Equipment	307 633	281 286	307 633	281 286
	1 823 939	1 978 044	994 223	943 533
Depreciation and amortisation				
Depreciation of property, plant and equipment	3 909 400	3 186 888	3 375 913	2 641 100
Depreciation of right-of-use assets	5 027 132	5 294 850	5 027 132	5 294 850
Amortisation of intangible assets	2 279 132	4 380 440	2 279 132	4 380 440
Total depreciation and amortisation	11 215 664	12 862 178	10 682 177	12 316 390

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R
17. Operating profit (continued)				
Operating expenses				
Broadcasting rights and other allocations to provinces	285 745 155	243 840 027	285 745 155	243 840 027
Commercial	429 343 401	292 064 133	427 186 014	297 146 137
Communications	27 328 792	15 394 422	27 328 792	15 394 422
Strategic Performance Management	23 385 875	24 207 914	23 385 785	24 207 914
Governance	7 836 799	3 406 287	7 836 799	3 406 287
Rugby	347 019 610	280 192 057	347 019 610	280 192 057
Human Resources	16 010 216	3 730 187	16 010 216	3 730 187
Office of the CEO	26 527 729	20 931 656	26 527 729	22 135 228
Operations and Finance	70 915 883	57 186 043	70 915 884	57 186 043
Referees	28 215 158	21 222 603	28 215 155	21 222 603
World Rugby Cape Town Sevens Event	54 189 871	-	54 189 871	-
Image rights and player insurance	104 043 077	73 333 669	104 043 077	73 333 669
SARES	176 305 120	3 278 627	-	-
British and Irish Lions Tour Delivery	-	288 274 599	-	288 274 599
SA Rugby Travel	22 514 012	2 081 543	-	-
	1 619 380 698	1 329 143 767	1 418 404 087	1 330 069 173
18. Finance income				
Interest income				
Investments in financial assets:				
Bank and other cash	3 265 763	3 169 368	2 920 597	2 371 361
Trade and other receivables	5 997 436	3 931 599	5 997 436	3 931 599
Total interest income	9 263 199	7 100 967	8 918 033	6 302 960
19. Finance costs				
Lease liabilities	3 245 114	3 654 723	3 245 114	3 654 723
Bank overdraft	697 917	10 489 812	405 488	1 271 964
Total finance costs	3 943 031	14 144 535	3 650 602	4 926 687

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NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

	Group		Union	
	2022 R	2021 R	2022 R	2021 R
20. Taxation				
Major components of the tax expense				
Deferred				
Originating and reversing temporary differences	12 660 539	6 473 406	12 660 539	6 473 406
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense.				
Accounting profit	(2 623 067)	7 711 245	605 352	966 154
Tax at the applicable tax rate of 28% (2021: 28%)	(734 459)	2 159 149	169 499	270 523
Tax effect of adjustments on taxable income				
Deferred tax effect income	(9 961 076)	(254 481)	(9 961 076)	1 634 413
Other income	-	4 568 740	-	4 568 470
Non-deductible expense	23 356 074	-	22 452 116	-
	12 660 539	6 473 408	12 660 539	6 473 406



	Group		Union	
	2022 R	2021 R	2022 R	2021 R
21. Retirement benefits - Rugby Pension Fund				
The Union continues to contribute to the Rugby Pension Fund which operates defined benefit and defined contribution pension schemes covering, all eligible employees of the Union. The assets in the schemes are held in administered trust funds. The schemes' assets primarily comprise listed shares, property trust units and fixed income securities. South African pension funds are governed by the Pension Funds Act 1956.				
The last actuarial valuation of the defined benefit fund was performed on 31 December 2021, using the projected unit method.				
Principal actuarial assumptions at the reporting date:				
Discount rate	13.00%	12.30%	13.00%	12.30%
Inflation rate	7.60%	7.60%	7.60%	7.60%
Salary increase rate	8.60%	8.60%	8.60%	8.60%
Expected return on scheme's assets	13.00%	12.30%	13.00%	12.30%
Pension increase allowance	6.08%	6.08%	6.08%	6.08%
Mortality pre-retirement: None				
Mortality: post-retirement: PA(90) ultimate table rated down 2 years plus 1% improvement per annum.				
The expected return has been set equal to the discount rate as required under the revised IAS19 (AC116).				
The movement in the defined benefit obligation over the year is as follows:				
Beginning of the year	925 000	969 000	925 000	969 000
Current service cost	55 000	63 000	55 000	63 000
Member contributions	13 000	12 000	13 000	12 000
Interest cost	118 000	140 000	118 000	140 000
Expenses	(26 000)	(30 000)	(26 000)	(30 000)
Risk premiums	(7 000)	(6 000)	(7 000)	(6 000)
Actuarial gain	(119 000)	(223 000)	(119 000)	(223 000)
At the end of the year	959 000	925 000	959 000	925 000
The movement in the fair value of the scheme's assets over the year is as follows:				
Beginning of the year	2 101 000	1 661 000	2 101 000	1 661 000
Expected return on the scheme's assets	259 000	231 000	259 000	231 000
Actuarial loss	1 254 000	208 000	1 254 000	208 000
Expenses	(26 000)	(30 000)	(26 000)	(30 000)
Member contributions	13 000	12 000	13 000	12 000
Employer contributions	26 000	25 000	26 000	25 000
Risk premiums	(7 000)	(6 000)	(7 000)	(6 000)
At the end of the year	3 620 000	2 101 000	3 620 000	2 101 000
Contributions as follows:				
Employer contributions	25 000	25 000	25 000	25 000
Member contributions	13 000	12 000	13 000	12 000
Risk premiums	(7 000)	(6 000)	(7 000)	(6 000)
Expenses	(26 000)	(30 000)	(26 000)	(30 000)

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

	Group		Union	
	2022 R	2021 R	2022 R	2021 R
21. Retirement benefits - Rugby Pension Fund (continued)				
	5 000	1 000	5 000	1 000
The assets the Rugby Pension Fund were invested as follows:				
Cash	0.50%	0.40%	0.50%	0.40%
Equity	34.50%	34.90%	34.50%	34.90%
Bonds	35.70%	35.40%	35.70%	35.40%
Property	4.80%	2.60%	4.80%	2.60%
International	24.50%	26.70%	24.50%	26.70%
	100%	100%	100%	100%
The amounts not recognised in the statement of comprehensive income are as follows				
Current service cost	55 000	63 000	55 000	63 000
Net interest on defined benefit	(86 000)	(62 000)	(86 000)	(62 000)
	(31 000)	1 000	(31 000)	1 000
A surplus cannot, in terms of the surplus apportionment exercise which was performed, be apportioned to the employer surplus account. The employer is not entitled to receive an economic benefit in the form of refunds from the fund or reductions in future contributions to the fund in terms of IAS19 "Employee benefits".				
Fund status				
Defined benefit obligation	(959 000)	(925 000)	(959 000)	(925 000)
Asset at fair value	3 620 000	2 101 000	3 620 000	2 101 000
Asset not recognised on the statement of financial position	2 661 000	1 176 000	2 661 000	1 176 000
22. Cash used in operations				
(Loss) profit before taxation	(2 623 067)	7 711 245	605 352	966 154
Adjustments for:				
Depreciation and amortisation	11 215 664	12 862 178	10 682 177	12 316 390
Losses on disposals of assets	85 431	765 756	-	765 756
Income/(loss) from equity accounted investments	3 452 120	(5 459 371)	-	-
Interest income	(9 263 199)	(7 100 967)	(8 918 033)	(6 302 960)
Finance costs	3 943 031	14 144 535	3 650 602	4 926 687
Movements in retirement benefit assets and liabilities	2 310 000	3 037 000	2 310 000	3 037 000
Changes in working capital:				
Inventories	8 499 774	7 589 729	8 499 774	7 589 729
Trade and other receivables	(73 659 255)	66 001 951	(32 242 913)	(55 248 111)
Trade and other payables	118 580 589	(85 068 423)	66 143 989	(17 803 430)
Deferred income	(87 850 994)	24 850 517	(87 850 994)	25 387 489
Ticket sales refundable	-	(225 976 968)	-	-
	(25 309 906)	(186 642 818)	(37 120 046)	(24 365 296)



23. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - Group - 2022

	Opening balance	Interest	Repayment	Closing balance
Finance lease liabilities	38 187 346	3 245 114	(6 705 438)	34 727 022
	38 187 346	3 245 114	(6 705 438)	34 727 022
Total liabilities from financing activities	38 187 346	3 245 114	(6 705 438)	34 727 022

Reconciliation of liabilities arising from financing activities - Group - 2021

	Opening balance	Interest	Repayment	Closing balance
Finance lease liabilities	44 441 907	3 654 723	(6 254 559)	38 187 346
	44 441 907	3 654 723	(6 254 559)	38 187 346
Total liabilities from financing activities	44 441 907	3 654 723	(6 254 559)	38 187 346

Reconciliation of liabilities arising from financing activities - Union - 2022

	Opening balance	Interest	Repayment	Closing balance
Finance lease liabilities	38 187 346	3 245 114	(6 705 438)	34 727 022
	38 187 346	3 245 114	(6 705 438)	34 727 022
Total liabilities from financing activities	38 187 346	3 245 114	(6 705 438)	34 727 022

Reconciliation of liabilities arising from financing activities - Union - 2021

	Opening balance	Interest	Repayment	Closing balance
Finance lease liabilities	44 441 907	3 654 723	(6 254 559)	38 187 346
	44 441 907	3 654 723	(6 254 559)	38 187 346
Total liabilities from financing activities	44 441 907	3 654 723	(6 254 559)	38 187 346

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	Group		Union	
	2022 R	2021 R	2022 R	2021 R
24. Related parties				
Relationships				
Subsidiaries		Refer to note 5		
Associates		Refer to note 6		
Executive Council		Refer to Executive Council's Report		
Related party balances				
Amounts receivable from Provincial Unions				
Included in trade and other receivables	2 015 633	5 116 667	2 015 633	5 116 667
Loans receivable from Provincial Unions				
Included in other receivables	84 715 701	97 833 494	84 715 701	97 833 494
Loans receivable from SA Super Rugby Proprietary Limited				
Included in trade and other receivables	-	45 160 772	-	45 160 772
Loan impairment provision	-	(45 160 772)	-	(45 160 772)
Amounts payable to Provincial Unions				
Included in trade and other payables	(131 100)	(567 168)	(131 100)	(567 168)
Related party transactions				
Distributions to Unions				
Distributions of broadcasting rights to provinces	285 745 155	288 254 262	285 745 155	282 254 262
25. Directors' emoluments				
Non-executive				
Fees	3 349 170	2 511 817	3 028 219	2 511 817
Allowances	216 232	106 625	216 232	106 625
	3 565 402	2 618 442	3 244 451	2 618 442
Executive				
Salaries	7 745 862	7 060 486	7 745 862	7 060 486
Medical aid contributions	66 765	63 633	66 765	63 633
Pension fund contributions	1 012 340	946 497	1 012 340	946 497
	8 824 967	8 070 616	8 824 967	8 070 616



	Group		Union	
	2022 R	2021 R	2022 R	2021 R

26. Going concern

The consolidated and separate financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The guaranteed participation of South African international franchises in the United Rugby Championship and European Professional Club Rugby competitions together with the participation of the Springboks in the Sanzar owned Rugby Championship creates the commercial opportunities required to generate a significant amount of revenue into the foreseeable future.

A significant percentage of broadcasting and sponsorship revenues have been secured beyond 2023 whilst World Rugby continues to provide financial support to member unions by way of guaranteed union funding towards the development of rugby at all levels. Continuous monitoring of working capital requirements and expenditure reporting allows for proactive measures to be implemented as and when required to mitigate risks to solvency.

To address short term liquidity risks, banking facilities are secured as required on the basis of a long standing relationship with ABSA and subject to regular credit risk reviews.

The long term sustainability of the rugby industry will be significantly enhanced through the active pursuit of an equity partner investing in the commercial interests of SA Rugby.

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

27. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2022

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	7	226 323 002	226 323 002	226 323 002
Cash and cash equivalents	10	17 809 508	17 809 508	17 809 508
		244 132 510	244 132 510	244 132 510

Group - 2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	7	160 130 905	160 130 905	160 130 905
Cash and cash equivalents	10	26 857 638	26 857 638	26 857 638
		186 988 543	186 988 543	186 988 543

Union - 2022

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	7	200 118 211	200 118 211	200 118 211
Cash and cash equivalents	10	109 875	109 875	109 875
		200 228 086	200 228 086	200 228 086

Union - 2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	7	149 034 159	149 034 159	149 034 159
Cash and cash equivalents	10	20 935 451	20 935 451	20 935 451
		169 969 610	169 969 610	169 969 610



27. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2022

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	13	204 635 001	-	204 635 001	204 635 001
Lease liabilities	3	-	34 727 022	34 727 022	34 727 022
Bank overdraft	10	22 382 257	-	22 382 257	22 382 257
		227 017 258	34 727 022	261 744 280	261 744 280

Group - 2021

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	13	88 278 762	-	88 278 762	88 278 762
Lease liabilities	3	-	38 187 346	38 187 346	38 187 346
		88 278 762	38 187 346	126 466 108	126 466 108

Union - 2022

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	13	132 889 518	-	132 889 518	132 889 518
Lease liabilities	3	-	34 727 022	34 727 022	34 727 022
Bank overdraft	10	22 382 257	-	22 382 257	22 382 257
		155 271 775	34 727 022	189 998 797	189 998 797

Union - 2021

	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	13	70 134 361	-	70 134 361	70 134 361
Lease liabilities	3	-	38 187 346	38 187 346	38 187 346
		70 134 361	38 187 346	108 321 707	108 321 706

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

28. New Standards and Interpretations

28.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	01 January 2022	The impact of the amendments is not material.
• Reference to the Conceptual Framework: Amendments to IFRS 3	01 January 2022	The impact of the amendments is not material.
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	01 January 2022	The impact of the amendments is not material.
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	01 January 2022	The impact of the amendments is not material.
• Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	01 January 2022	The impact of the amendments is not material.

28.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 January 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely until further notice	Unlikely there will be a material impact
• Initial application of IFRS 17 and IFRS 9 - Comparative information	01 January 2023	Unlikely there will be a material impact
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023	Unlikely there will be a material impact
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	01 January 2023	Unlikely there will be a material impact
• Definition of accounting estimates: Amendments to IAS 8	01 January 2023	Unlikely there will be a material impact
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	Unlikely there will be a material impact

Springbok Women's Sevens player Marlize de Bruin assists in building a house at the Garden Cities development outside Cape Town as part of a Rugby World Cup Sevens 2022 sustainability campaign.







RUGBY DEPARTMENT

SPRINGBOKS BUILD TOWARD RWC AS DHL STORMERS AND AIRLINK PUMAS SHINE

The Springboks returned to a regular Test season for the first time in 2022 after a challenging 2021 season in which they had to navigate their way through numerous hurdles posed by the COVID-19 pandemic, with the side registering a Castle Lager Incoming Series victory against Wales, finishing second in the Castle Lager Rugby Championship, and winning two of their four Tests on their November Tour.

Jacques Nienaber's team kicked off their international season by beating Wales 32-29 in their opening Castle Lager Incoming Series match in Pretoria, before suffering a heart-breaking 13-12 defeat with a new-look team for the second Test in Bloemfontein which featured six debutantes.

Nienaber's charges bounced back strongly in the final match of the series to outplay the Welsh 30-14 in Cape Town, which saw them clinch the series in a match that marked a significant occasion for stalwart Eben Etzebeth, who became the seventh Springbok centurion.

Eben Etzebeth, who played his 100th Test in 2022, gathers a ball in a lineout against the All Blacks.

They kicked on from this in style to defeat New Zealand 40-26 in front of a jam-packed Mbombela Stadium in Nelspruit in what marked the team's second biggest winning margin ever against the All Blacks.

They kicked on from this in style to defeat New Zealand 40-26 in front of a jam-packed Mbombela Stadium in Nelspruit in what marked the team's second biggest winning margin ever against the All Blacks.

Unfortunately, the team hit a bump in their first Test against Australia in Adelaide going down 25-17, but they bounced back strongly with back-to-back victories against Australia in Sydney (24-8), Argentina in Buenos Aires (36-20) before making it three in a row in the return match against the Argentines in Durban. With the team unable to earn a bonus point in their final match, they were forced to settle for second place on the log to New Zealand.



The Springboks then faced the top two teams in the world at the time in their opening two Castle Lager Outgoing Tour matches, going down 19-16 against Ireland in Dublin and 30-26 against France in Marseille, but they finished the season on a high note with a comprehensive 63-21 victory against Italy in Genoa and a morale-boosting 27-13 win against England at Twickenham in a match in which they were missing several star players as the game fell outside of the international window.

Ten new Springboks were capped during the season, with Etzebeth named the SA Rugby Player of the Year and Canan Moodie the SA Rugby Young Player of the Year.

The 2022 season also proved to be remarkable for the DHL Stormers, who were crowned the Vodacom United Rugby Championship winners after defeating the Vodacom Bulls 18-13 in an all-South African final in Cape Town, while the Airlink Pumas clinched their first ever Carling Currie Cup title as they beat the Windhoek Draught Griquas 26-19 in Kimberly, and the NovaVit Griffons defeated Eastern Province 45-16 to win the Currie Cup First Division competition.

BIG STEP FOR WOMEN'S RUGBY WITH TWO RUGBY WORLD CUPS

The 2022 season marked a massive year for Women's Rugby in South Africa as the Springbok Women and Springbok Women's Sevens teams participated in Rugby World Cup tournaments, while the Sevens team kept the flag flying in Africa as they won the Rugby Africa Women's Sevens in Tunisia.

The Sevens team were the first national side in action, and they made the most of this opportunity by edging Madagascar 15-14 in a thrilling final after a clean sweep of victories against Senegal, Zimbabwe, Ghana and Tunisia to book their place in the final of the tournament.

The team then travelled to France to participate in the HSBC Sevens in Toulouse, and unfortunately the results were not what they had hoped for as they went down against Australia and the USA on the opening days play, although they hit the ground running on day two to defeat Spain 21-19, before going down against Scotland in their closing match for a 10th place finish.

Although squad rotation for Commonwealth Games in the UK and Challenger Series in Chile

Opposite page: Lukhanyo Am celebrates a try with Makazole Mapimpi, Siya Kolisi and Damian De Allende against Wales in Cape Town.

Right: The Springbok Women in action against Fiji in ta at Rugby World Cup game in New Zealand.

saw less experience in the traveling squad, it presented a fantastic opportunity for some emerging players to gain invaluable game time and development, which the squad benefited from for World Cup 7s selection.

The Springbok Women's Sevens finished in 14th position in the Rugby World Sevens hosted in Cape Town following defeats against France and Japan, although they had something to smile about as they registered their first victory in the tournament on day two against Columbia. This saw them battle it with China in the 13th place-off where they fell just short suffering a 21-19 defeat.

The Springbok Women, meanwhile, kicked off their season on an encouraging note as they thumped Zimbabwe 108-0 in their opening Pool A Rugby Africa Women's Cup game in Cape Town and built on this with a 128-3 victory against Namibia in their second outing.

The team continued to show improvement by toppling Japan away in Kumagaya after suffering a nine-point defeat against them the previous week, and then registering back-to-back wins against Spain in the Women's Winter Series in South Africa.

Their next outing was at the Rugby World Cup where they showed a notable improvement in the quality of their performances and conditioning compared to their previous appearance at the 2014 tournament, despite suffering defeats in all three of their matches.

The team went down against France in their opening match, and put up a brave fight against Fiji, losing by a narrow four-point margin, before being beaten by finalists, England, in their closing match.

There were also massive strides made in the women's game in South Africa with 19 women's players being contracted, while the team participated in nine Test matches, and the Springbok Women improved their world ranking to 11th place by the end of the season.

On the provincial scene, the Border Ladies



defended their SA Rugby Women's Premier Division title as they held off a strong challenge from hosts, DHL Western Province, for a nail-biting 19-16 victory and their second title in a row, while the SWD Women beat the Leopards in the Women's First Division final in Potchefstroom.

The Under-16 and Under-18 Girls Weeks also made a welcome return after the COVID-19 pandemic resulted in the cancellation of the 2020 and 2021 tournaments, while the South Africa U20 Women also returned to action with a 55-0 victory against Zimbabwe in Potchefstroom.



BIRMINGHAM 2022



BLITZBOKS' GOLD AT COMMONWEALTH GAMES HIGHLIGHT OF 2022

The Blitzboks started the 2022 season on a high note with the South Africans continuing their winning streak with triumphs in both tournaments hosted at The Sevens in Dubai.

They continued this impressive run during the Spain leg of the World Series, winning both tournaments in Malaga and Seville.

With form and confidence on their side, the Blitzboks recorded a sequence of 36 unbeaten matches in their title-winning run to the end of January.

Unfortunately for the team injuries toward the end of the season cost them at a crucial time, but despite this, they registered a

With form and confidence on their side, the Blitzboks recorded a sequence of 36 unbeaten matches in their title-winning run to the end of January.

satisfactory second-place finish on the HSBC World Rugby Sevens Series – trailing series winners Australia by a narrow two points.

The team continued to fly the South African flag with pride at the Commonwealth Games in Birmingham, where they claimed the Gold medal after a clean-sweep of victories against Malaysia, Tonga, Scotland, Canada and Australia before outplaying Fiji 31-7 in the Final.

These results also brought down the curtain on a successful nine-year coaching reign for Neil Powell, who joined the Cell C Sharks as Director of Rugby.

The South African Sevens team capped a remarkable performance by winning the gold medal at the Commonwealth Games in England.

JUNIOR SPRINGBOKS AND SA SCHOOLS FLOURISH IN ENCOURAGING YEAR

It was an encouraging season for SA Rugby's Elite Player Development (EPD) department with the Junior Springboks winning the Under 20 Six Nations Summer Series and the Under-18 International Series respectively, while numerous players continued to flow through the EPD structures - SA Rugby's main pathway system to the SA Rugby Academy and Junior Bok teams.

Meticulous planning from the Junior Springbok management and team steered the side to a triumphant Under 20 Six Nations Summer Series victory in Italy in a memorable season.

The Junior Boks defeated England, Ireland and France in the pool stages and then overcame Wales in the Final to win the title.

Within the EPD ranks, the programme continued to bring through the most promising young players in the country between the ages of 15 and 18-years old.

Through their EPD 1 system and Talent Identification (TID) programme all 14 provincial units followed preseason programs based on national standards and guidelines regarding strength and conditioning, rugby fundamentals, and positional skill levels in each age group.

To mitigate the risk of being unable to host Under-16, Under-17 and Under-18 national EPD preparation camps, the national program - driven by the provincial TID/EPD Units – made sure that over 800 players were exposed to SA Rugby's expectations and minimum standards regarding the identification, assessment, development and monitoring of talent between ages 15 and 18-years old.

The second EPD phase (EPD 2), in turn, utilised the formal and informal TID structures to deliver a group of 120 players for the U17 and U18 EPD programmes.

In conjunction with the national and school selectors, two SA School Teams were selected for a week-long national camp following the Under-18 Craven Week. The SA Schools against SA Schools Academy fixture proved to be a highlight, which culminated in the selection of the SA U18 and SA U18 A teams.



The SA U18 team emerged victorious against the visiting French and England teams in all three of their fixtures, while the SA U18 A team were competitive all their matches, with their biggest losing margin being a narrow five points.

Despite this, having two teams participating in the competition was invaluable in many ways, the most notable of which was to broaden the base of players and team management members and assist in delivering on SA Rugby's strategic transformation plan.

In addition to this, the SA Rugby Academy programme was once again made possible through the collaboration between Remgro (through the Stellenbosch Academy of Sport), SuperSport, SA Rugby, and the Rugby Educational Foundation, with the programme - which included 39 participants - running from 19 April to 19 June, 2022.





The Junior Springboks were unbeaten in the Six Nations Under-20 Summer Series in Italy.

SA REFEREES CONTINUE TO FLY THE FLAG INTERNATIONALLY

The 2022 season was rewarding for SA Rugby's Referees Department with several match officials being appointed to officiate in the biggest international and provincial tournaments worldwide.

A handful of some of SA's leading referees, namely Jaco Peyper, Aimee Barrett-Theron and Marius Jonker were in action in the Six Nations Men's and Women's tournaments, while Adriaan Jacobs and Morne Ferreira were appointed to the Under-20 Six Nations panel.

Ferreira and Ashley Murray-Pretorius represented the country on the referee panel at Commonwealth games in Birmingham, while Peyper and Jacobs held the whistle in the midyear internationals, where Marius van der Westhuizen and Jonker featured strongly as TMO's (Television Match Officials).

Two SA Under-18 teams competed against England and France in a mini-tournament in Paarl, with the SA U18s finishing unbeaten.

Jacobs and Ferreira also represented the country at the Rugby World Cup Sevens hosted in Cape Town, where Jacobs had the honour of replacing the injured Jordan Way in the final contested between Samoa and New Zealand.

SA Rugby's 2022 Outsurance Referee of the Year Barrett-Theron also made her presence felt in the Women's Rugby World Cup in New Zealand where she was rewarded with officiating one of the semi-finals.

Four South African referees were also appointed for the November internationals, with Peyper and Jacobs serving as referees and Van der Westhuizen and Jonker as TMOs.

A big feather in SA Rugby's cap was the promotion of another three female referees - Murray-Pretorius, Sinesipho Foloti and Giana Viljoen - to national panel for the 2023 season taking the total to four as Barrett-Theron retained her place.

South Africa was also well represented in the Vodacom United Rugby Championship where Peyper, Jacobs, Van der Westhuizen and Barrett-Theron were named on the official panel while Cwengile Jadezweni and Ferreira made their way up to the competition's Development Program.

Peyper and Barrett-Theron also did duty in the Heineken Champions Cup and EPCR Challenge Cup.

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South African referees again performed very well on the local and international stage, with Aimee Barrett-Theron (above) in action at the Rugby World Cup in New Zealand.

BLENDED APPROACH TO COACHING EDUCATION AND TRAINING

A blended approach to coaching education and training programmes was introduced in the 2022 season following the COVID-19 pandemic.

The key focus during year was the implementation of the Elite Coaches Project, supported by the Department of Sports, Arts and Culture, with the objective of creating a pool of elite black coaches, including interim Springbok Women's forwards coach Laurian Johannes and Cell C Sharks Currie Cup coach Joey Mongalo.

The project entailed various study schools, masterclasses, while the participants also had to complete personal assignments. It concluded with a professional review and presentation to a panel of assessors.

The coaching education department also continued with online coaching webinars with a focus on Sevens rugby. Three coaching seminars with the Springbok coaching staff were held for all provincial, club and school coaches in Pretoria, Bloemfontein and Hermanus respectively.

In addition to this, assessment and interaction with provincial coaches at the SA Rugby Craven



The DHL Stormers celebrate their victory in the inaugural final of the Vodacom United Rugby Championship, against the Vodacom Bulls in Cape Town.

Week was reintroduced, while a World Rugby Educator course was delivered to Get Into Rugby educators in Cape Town and Pretoria respectively, as well as a World Rugby Level 3 accreditation course to the Elite Player Development schools coaches in Cape Town.

SA Rugby has been accredited as a training service provider with the Culture, Arts, Tourism, Hospitality, Sports, Sector Education Training Authority (CATHSSETA). SA Rugby hosted the World Rugby Training & Education conference in Cape Town with the entire regional coaching coordinator workforce in attendance.

The coaching education department also continued with the ongoing mentoring and support to the coaching education workforce.

TECHNICAL DEPARTMENT BUILDS ON STRIDES MADE

SA Rugby's technical department continued to deliver on its function with core analysis from the SA Schools to Springbok teams, which included player monitoring (GPS tracking, workload, and medical data) of all national teams.

These aspects included setting standards

across performance, sports science and medical departments; using data to monitor players and maximise their performance output and minimise injury rates; benchmarking based on optimal physical traits required for each position group in the Springboks; and developing automated GPS reporting platforms, which is a system driven by data science.

Aspects which proved to be crucial in the fast-tracking and delivery of the above aspects to all national teams saw the signing of an agreement with PAS (SA Rugby's official performance nutrition partner) to provide the athletes with products to enhance their recovery and performance and the extension of an existing partnership with Kitman Labs and which is considered a leader in human performance solutions.

The department also delivered the referee communication for all broadcasted games and filmed the non-broadcast games.

The Stratus and Mobii programmes, in turn, included the installation of Mobii connect



smart encoders in all the Currie Cup stadiums; Television Match Official and Head Injury Assessment (Medic) or Teams solution, a cloud video and data repository, and rugby analytics.

MEDICAL DEPARTMENT ADAPTS AS COVID-19 PANDEMIC EASES

The SA Rugby Medical Department continued to play a central role in providing guidance during the final phases of the COVID-19 pandemic, especially as fans returned to stadiums.

The medical department was also co-opted onto the Department of Sports, Arts and Culture's Return to Play/Perform Committee working group, who worked closely with colleagues worldwide as well as with local experts to provide direction to government in their quest to ensure the safe reopening of stadia for live sport.

Some of the department's main focus areas are to continue providing health, welfare and safety interventions based on scientifically acceptable and best practice evidence to the provincial unions, Vodacom United Rugby Championship franchises and medical staff of the respective national teams.

This includes attempting to educate, improve skill sets and ensure that team and match-day doctors are competent in managing injured players.

In order to achieve this goal SA Rugby hosts the World Rugby Level 3 Advanced Immediate Care in Rugby Course and invites the medical staff working within the unions and national teams. Two courses were hosted in 2022 where 29 medical staff were trained.

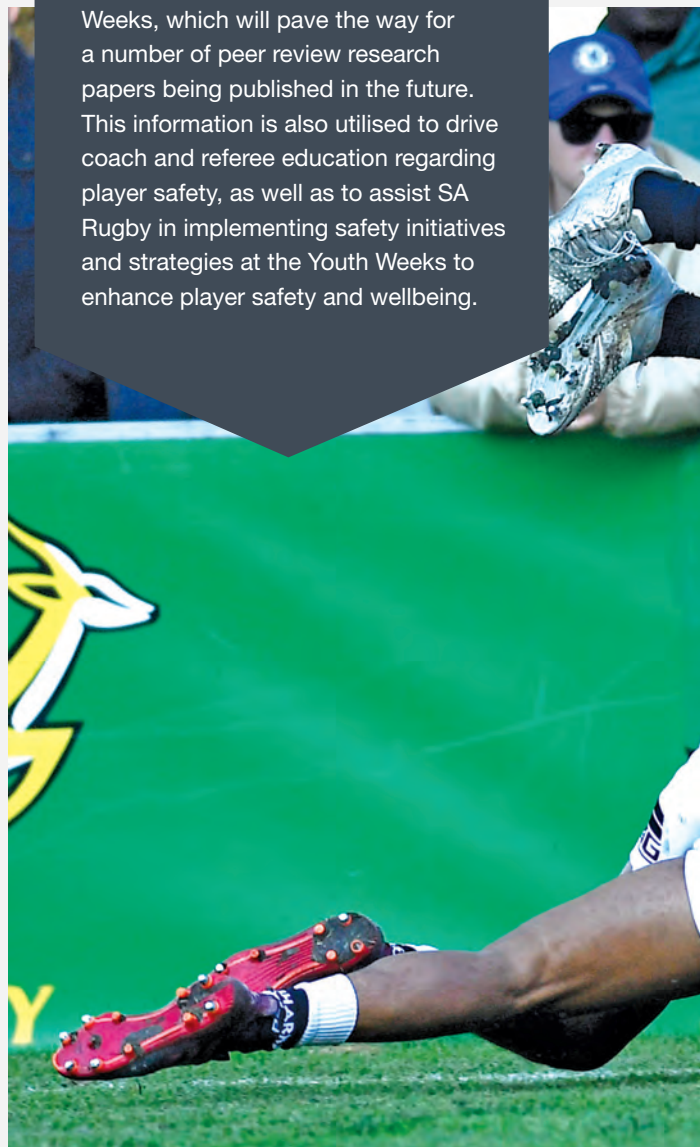
SA Rugby also used the opportunity to increase the size of the medical training faculty and trained eight medical educators to assist the five Advanced Immediate Care In Rugby Level 3 medical trainers.

Another vital function was the SA Rugby Injury and Illness Surveillance and Prevention Project for the Currie Cup Premier Division, which continued in 2022. The data gathered is analysed to ensure that SA Rugby provides a safe playing environment for all participants. The data gathered from 2014 to 2021 was published in the South African Journal of Sports Medicine - a respected peer review journal.

YOUTH WEEKS

The 2022 season saw the reintroduction of the SA Rugby Youth Weeks (the Under-18 Craven Week, the Under-16 Grant Khomo Week and the Under-16 and Under-18 Girls weeks) where player welfare proved to be a critical strategic objective for SA Rugby. With the highest level of attention and care made available to players that compete in the SA Rugby Youth Week tournaments and the implementation of first-class medical infrastructure, they proved very successful from a medical perspective.

Injury data was also collected from the Under-16 and Under-18 Girls Weeks, which will pave the way for a number of peer review research papers being published in the future. This information is also utilised to drive coach and referee education regarding player safety, as well as to assist SA Rugby in implementing safety initiatives and strategies at the Youth Weeks to enhance player safety and wellbeing.



SA RUGBY WOMEN'S PREMIER DIVISION

In collaboration with the University of Pretoria, SA Rugby implemented the first Injury Incidence and Severity Research Project for the Women's Premier Division competition, which will continue as an ongoing project. The data collected will be used to enhance player safety and wellbeing in the women's game.

The SA Rugby Youth Weeks returned to the calendar after two years of COVID-related inactivity.

SAFEGUARDING

The implementation SA Rugby Safeguarding Policy was started in 2022, which involved assisting all unions and associations to train Designated Safeguarding Officers within their organisations to assist in creating safe environments for all persons involved in the sport to function optimally and safe from harm.

The focus in 2022 was to ensure that all coaches and team staff received Safeguarding education and went through the required vetting process. This will continue to be an important focus area for the organisation going forward.





BOKSMART MEDICAL PROFESSIONAL CERTIFICATION SYSTEM (BMPCS) PROJECT PLAN:

The medical department also began to draft and compile the registration pathway for medical professionals on the MyBokSmart Learning Management System (LMS) platform aimed at creating an accreditation platform for all medical staff working in South African rugby.

This process will ensure that all medical staff have the relevant training and education on rugby safety and player wellbeing to perform their duties at their level of work.

GENERAL

The SA Rugby medical department also represented the World Rugby Anti-Doping Advisory Group.

BOKSMART 7 LAUNCHED IN SATISFYING YEAR FOR THE PROGRAMME

As of December 2022, 174961 individuals had participated in BokSmart training after it first launched in July 2009, with at least 107732 first time exposures to BokSmart training since its inception and 67229 with multiple exposures to the programme. With BokSmart 6 being

terminated on 29 July 2022 after running its course, BokSmart 7 was launched on 1 August.

In 2022, a total of 10030 coaches and referees were trained and BokSmart Certified by completing the BokSmart Cycle 6 (9341) and Cycle 7 courses (689), which included 5264 coaches and 691 referees, while 2923 performed both roles. More participants overall were taken through BokSmart courses compared to 2020 and 2021, with numbers gradually increasing again as rugby participation improves, and the impact of COVID-19 declines.

The bespoke MyBokSmart Learning Management System (LMS) was launched, coinciding with the BokSmart 7 course going online. MyBokSmart – Medical was also created, as part of a developing BokSmart Medical Professional Certification System (BMPCS), to accommodate additional BokSmart modules that are applicable to medical staff, players, team management, and other stakeholders, independently from the BokSmart Rugby Safety Course certifications. There are currently eight modules available, of which three are concussion focused:

The over-reaching BokSmart Certification Software Ecosystem (BCSE) is bespoke software and unique to BokSmart and SA Rugby, and will continue to expand its reach and capabilities over the next few years with the assistance of the programme's official software partner, SportsCap (<https://sports-cap.co.za>).

On the field, there were 14 confirmed serious or catastrophic events in 2022. Although the tackle event dominated the statistics, the most severe types of Acute Spinal Cord Injuries (ASCI) remain lowered since BokSmart's inception.

- 1. 7 Acute Spinal Cord Injuries (ASCI) = Near misses**
Tackle event (ball carrier) x 3; Ruck x 2; Scrum (engagement) x 1; Tackle event (tackler) x 1
- 2. 2 Acute Spinal Cord Injuries (ASCI) = Neurological deficit**
Tackle event (ball carrier) x 1; Tackle event (tackler) x 1
- 3. 1 Acute Spinal Cord Injuries (ASCI) = Quadriplegic**
Tackle event (tackler) x 1
- 4. 2 Traumatic Brain Injuries (TBI) = Fatal**

On the field, there were 14 confirmed serious or catastrophic events in 2022. Although the tackle event dominated the statistics, the most severe types of Acute Spinal Cord Injuries (ASCI) remain lowered since BokSmart's inception.

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Tackle event (ball carrier) x 1; Tackle event (tackler) x 1

5. 2 Cardiovascular (CVI) = Fatal

Two scientific papers and reports were published in local and international medical journals:

1. SA Rugby Injury and Illness Surveillance and Prevention Project (SARIISPP): The Carling Currie Cup Premiership Competition Injury Surveillance Report 2021
2. Legal and illegal ruck cleanouts in South African non-professional youth rugby

Links to the research publication outputs are continually posted and updated onto the BokSmart Website on the research portal: <https://www.springboks.rugby/general/boksmart-research/>.

Due to the impact of the Covid-19 shutdowns on schools' rugby participation, Addendum 1 Of 2012: SARU Regulations for Under-Aged Rugby: School Rugby Age-Banding was updated on 29 April 2022, with functional tweaks made to the front-row under-aged player clearance procedures.

The BokSmart Website (www.BokSmart.com) generates continuous visits, while on the social media front, BokSmart's three main channels, Facebook, and Twitter (@BokSmart), and YouTube (BokSmartSA) have 12501, 3219 and 15136 subscribers, respectively.



SA Rugby continued to work closely with the provincial unions and other stakeholder to provide medical support at tournaments and matches.



STRATEGIC PERFORMANCE MANAGEMENT

2022 marked the second year of the second cycle of the transformation audit as per the **Strategic Transformation Development Plan 2030 (STDP2030)**, which was conducted across all the Provincial Unions, their commercial entities, and SARU. The year 2023 will see the first year of cycle three in pursuit of self-determined targets towards 2030. It means raised targets, new plans, and strategies to close the gaps towards 2030.

The mandate of the Strategic Performance Management Department includes the establishment of a management system to monitor, evaluate, advise, and report on the transformation status and the effectiveness of the implementation of the STDP2030 and its associated scorecards. We must therefore continuously assess the progress of the Provincial Unions and their commercial companies in achieving their self-determined targets, and what the gap is to close regarding the Transformation Charter targets.

Since 1994 South Africans have been constantly bombarded with the much-publicised words of Nelson Mandela:

“Sport has the power to change the world; it has the power to inspire. It has the power to unite like little else does. It speaks to youth in

a language they understand. Sport can create hope where once there only was despair.”

Transformation is the right thing to do and most importantly, it has become the most strategic outcome needed to ensure stakeholder support. Winning is not all that matters in South Africa. Winning with transformed teams and workforces unites South Africans as nothing else does.

The STDP2030 is not ambiguous. It calls for change. Change for the better and each Provincial Union and its commercial companies bought into it. As a Federation, we have no choice in the matter, otherwise, we will not be able to compete with the best in the world in the years to come. Numbers don't lie, and the population numbers tell us that if we do not transform, some of the sporting codes will soon be extinct.





STDP2030

The STDP2030 defined a way forward which paved the way for a series of significant steps that were initiated and concluded, which included the following:

1. Concluding memorandum of agreements and Provincial Performance Agreements with all Provincial Unions and their commercial companies.
2. Establishing self-determined targets in identified areas.
3. In addition to the above, risk areas were identified, self-determined targets were set and amendments to existing contracts were signed by all parties during 2022.
4. Approving the Incentive Policy.
5. Successfully submitting yearly SARU audits since the commencement of the STDP2030.
6. Monitoring, evaluating, and reporting.
7. Appointing an independent transformation advisory panel.

The STDP2030 is designed to assist the Provincial Unions and their commercial companies to improve their own transformation status and closing the gaps of their earlier failure. Provincial Unions compete against their own self-determined targets contained in the Provincial Performance Agreement.

PROVINCIAL BAROMETER

The purpose of the barometer is to establish accountability within SARU structures to promote a more informed strategic and progressive approach to transformation to trigger change. It means an annual report on selected transformation categories to be populated by SARU and verified and signed off with the Provincial Unions from 2019 to 2030 containing a duly completed 12-year rolling projection; and consisting of a Selected Transformation Charter Dimension Forecast and Actual Performance: 2019-2030.

The Provincial Performance Agreement signed off together with the MoA in 2019 and amended in 2022, (containing the self-determined targets of the Provincial Unions, projected to an agreed outcome at the conclusion of the 2030 season) is the source document to complete the Provincial Barometer. Targets were designed to advance at two-yearly intervals to align with rugby contracting customs and practice.

Should a Provincial Union fail to satisfactorily deliver 60% of its self-determined targets and agreed undertakings in terms of the Performance Agreement, SARU may, subject to the exhaustion of the processes indicated in the incentive policy, implement the disincentives for failure to achieve provincial targets. However, should the Provincial Unions fail their self-determined targets for team demographics, then they will fail the transformation audit report outcome even if they do exceed the 60% passing rate.

The Provincial Performance Agreements together with the MoA were amended in 2022 to include self-determined targets for identified risk areas in the South African Rugby landscape during the first three years of the STDP2030. These categories were highlighted in the 2022 audit report and include the demographics of head coaches, assistant coaches as well as gender inclusion.

In terms of the MoA, SARU may – subject to the exhaustion of the processes indicated in the incentive policy – implement disincentives for failure to achieve provincial targets. Similarly, in the event that provinces meet or exceed national targets, SARU may implement the incentives section of the policy.

EPG NATIONAL BAROMETER

The EPG National barometer is our map toward 2030 and reflects the self-determined targets agreed upon with the EPG, DSAC and SASCOC.

Non-achievement of 50% or more of the self-determined targets may result in the imposition of one or more of the following penalties by the Minister:

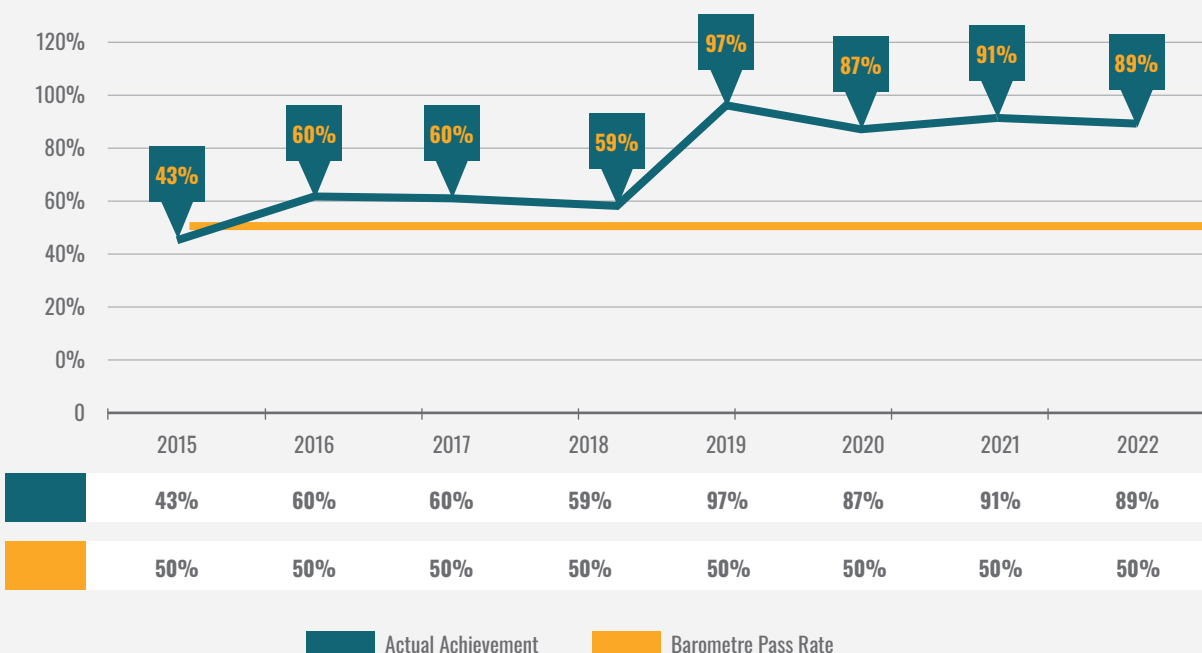
- Revoking authority to bid for or stage an international tournament locally.
- Suspension or withdrawal of funding or support from the government.
- Withdrawal of opportunity to award national colours.
- Withdrawal of recognition as a national federation, in terms of the National Sports Act.

The diagram below indicates the overall percentage achievement of the forty-three categories signed off with the DSAC and SASCOC. It revealed an unverified 89% outcome for 2022 which compares well with the 91% achievement for 2021 and far surpasses the required 50% mark. Even though it is a minor decrease, it shows consistency in performance even though targets are raised after the conclusion of each cycle.



Nizaam Carr of the Vodacom Bulls is tackled by the Cell C Sharks' Sikhumbuzo Notshe in a Vodacom URC clash in Durban.

EPG NATIONAL BAROMETRE OUTCOME 2015 - 2022





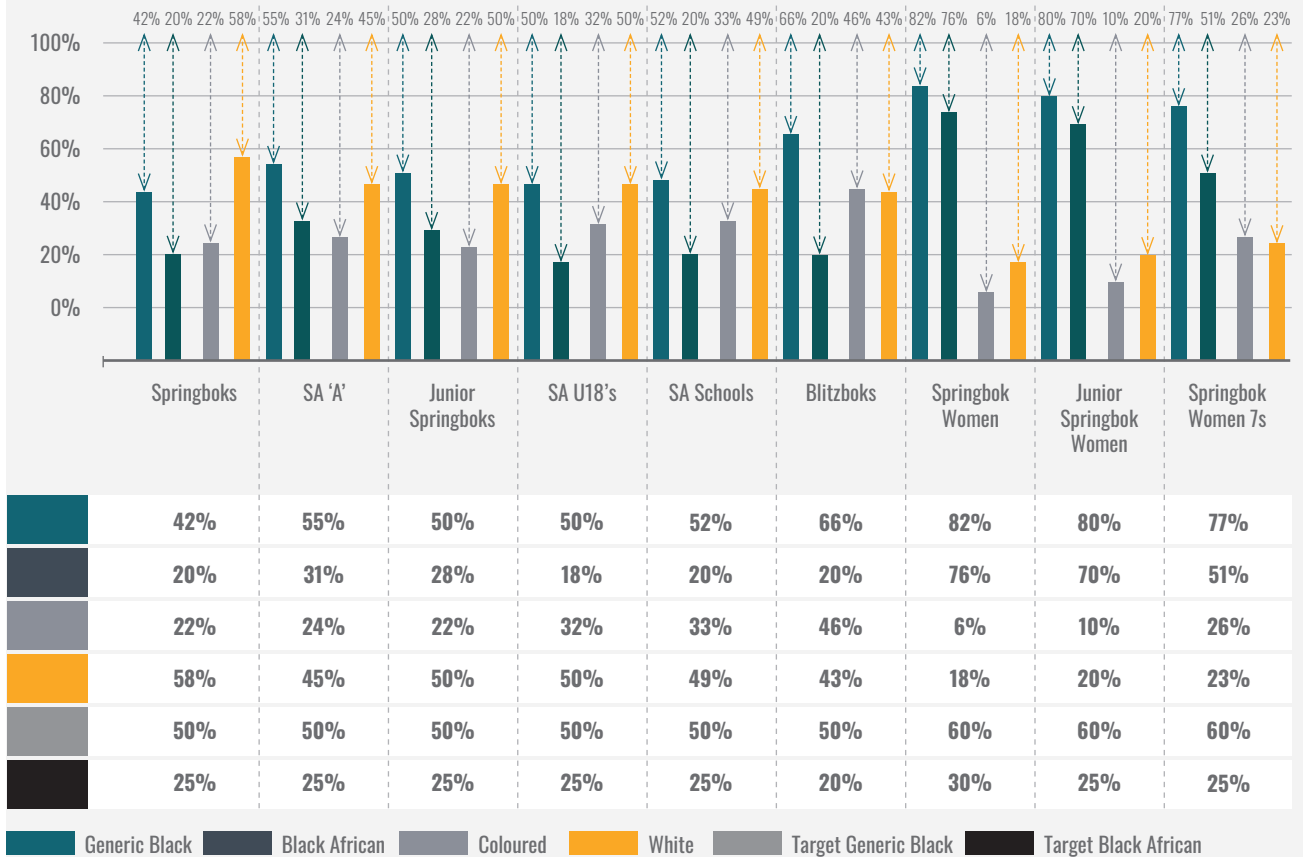
NATIONAL TEAMS

The Springboks played 13 Test matches in 2022, with the last one falling outside the international window. In a year where the industry returned to full normality, all other tournaments of the respective national teams resumed as per schedule.

The red flags are definitely those of the SA Schools and SA U18 teams where they failed Black African demographics. It is the start of an important pathway and the failure to field more Black African players will catch up with the industry on higher levels. It certainly will have a domino effect in the years to come and will impact the demographics of the other national and provincial teams.

The graph below illustrates the National Teams' overall transformation achievements.

2022 ALL NATIONAL TEAMS





The successful Junior Springbok team after they clinched the Six Nations Under-20 Summer Series in Italy.

PERFORMANCE

TEAM	PLAYED	WON	DRAWN	LOST	WINNING %
SPRINGBOKS	13	8	-	5	62%
SPRINGBOK WOMEN	9	5	-	4	56%
SA A	2	0	-	2	0%
BLITZBOKS	62	47	2	13	76%
SPRINGBOK WOMEN SEVENS	27	13	-	14	38%
ACADEMY SEVENS	9	8	-	1	89%
JUNIOR SPRINGBOKS	4	4	-	0	100%
JUNIOR SPRINGBOKS WOMEN	1	1	-	0	100%
SA U18'S	3	3	-	0	100%
SA U18 A	3	0	-	3	0%
SA SCHOOLS	1	1	-	0	100%
SA SCHOOLS A	1	0	-	1	0%



PROVINCIAL UNIONS

The performances of the Provincial Union and their commercial companies are not measured against the national targets but rather against their own self-determined targets.

PROVINCIAL UNIONS – MALE TEAMS

The two flowing diagrams below illustrate the Provincial Unions' achievements measured against their self-determined targets. The outcome is disappointing and actions through the correct channels and committees will guide the processes to address this failure to comply. However, looking at the wider transformation agenda, most of the Provincial Unions show growth and commitment to diversity and inclusion.

GENERIC BLACK 2022 MEN	UNITED RUGBY CHAMPIONSHIP 2022/2023	CARLING CURRIE CUP PREMIER/1ST DIVISION	SARU U21 CUP / SHIELD	SARU U20 CUP / SHIELD	SARU U19 CUP	
BLUE BULLS	Red	Red	Green	Green	Red	2 OF 5
BOLAND	Grey	Green	Grey	Green	Grey	2 OF 2
BORDER	Grey	Green	Grey	Red	Grey	1 OF 2
CHEETAHS	Grey	Green	Green	Green	Red	3 OF 4
EASTERN PROVINCE	Grey	Red	Green	Green	Grey	2 OF 3
GRIFFONS	Grey	Green	Green	Grey	Grey	2 OF 2
GRIQUAS	Grey	Red	Green	Grey	Grey	1 OF 2
LEOPARDS	Grey	Green	Green	Green	Grey	3 OF 3
LIMPOPO	Grey	Grey	Grey	Red	Grey	0 OF 1
LIONS	Red	Red	Red	Red	Grey	0 OF 4
PUMAS	Grey	Green	Red	Green	Grey	2 OF 3
SHARKS	Green	Green	Red	Red	Red	2 OF 5
SWD	Grey	Green	Green	Green	Grey	3 OF 3
VALKE	Grey	Green	Green	Red	Grey	2 OF 3
WESTERN PROVINCE	Green	Green	Green	Red	Green	4 OF 5

BLACK AFRICAN 2022 MEN	UNITED RUGBY CHAMPIONSHIP 2022/2023	CARLING CURRIE CUP PREMIER/1ST DIVISION	SARU U21 CUP / SHIELD	SARU U20 CUP / SHIELD	SARU U19 CUP	
BLUE BULLS	Red	Red	Green	Green	Green	3 OF 5
BOLAND	Grey	Red	Grey	Red	Grey	0 OF 2
BORDER	Grey	Green	Grey	Red	Grey	1 OF 2
CHEETAHS	Grey	Red	Red	Red	Red	0 OF 4
EASTERN PROVINCE	Grey	Red	Red	Red	Red	0 OF 3
GRIFFONS	Grey	Green	Green	Grey	Grey	2 OF 2
GRIQUAS	Grey	Green	Red	Grey	Grey	1 OF 2
LEOPARDS	Grey	Green	Green	Red	Grey	2 OF 3
LIMPOPO	Grey	Grey	Grey	Green	Grey	1 OF 1
LIONS	Green	Green	Red	Red	Red	2 OF 4
PUMAS	Grey	Green	Green	Green	Grey	3 OF 3
SHARKS	Green	Green	Red	Red	Red	2 OF 5
SWD	Grey	Green	Red	Red	Grey	1 OF 3
VALKE	Grey	Green	Red	Green	Grey	2 OF 3
WESTERN PROVINCE	Green	Green	Green	Red	Red	3 OF 5

All Provincial Unions made and exceeded their self-determined targets. It is time to build capacity, grow the game and create pathways to ensure more competitive teams.



The Airlink Pumas made history when they won the Currie Cup Premier Division for the first time in the union's history after a pulsating final in Kimberley.



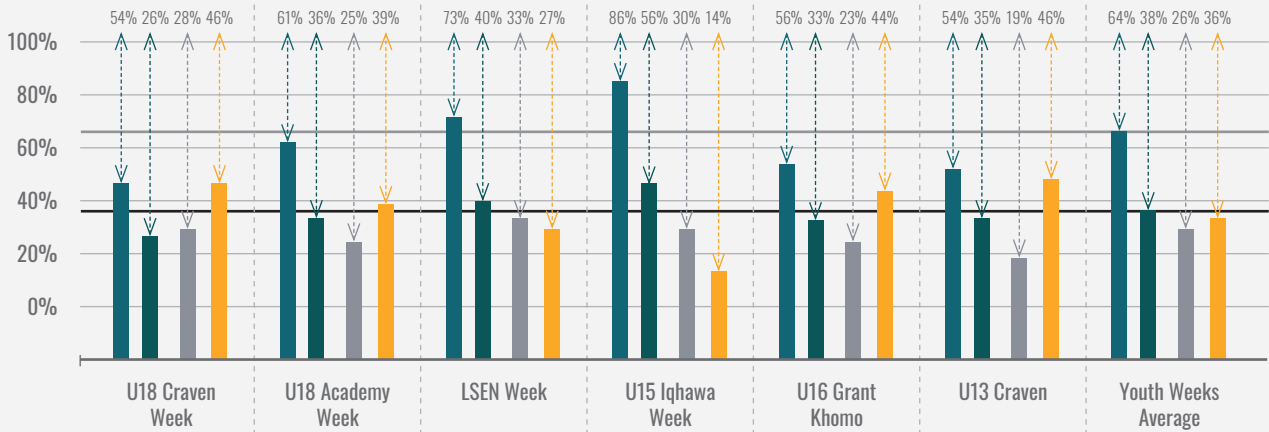
Border's U18 side in action against their Lions counterparts at the SA Rugby Youth Weeks in 2022.



PROVINCIAL YOUTH WEEKS

The provincial Youth Weeks are regulated with targets for several years, and it is evident in the two graphs below, that it is a good reflection of the demographics of South Africa. The school system provides talented players from all backgrounds. The drop in demographic presentation from the Under 18 Craven Week to the provincial Under-19 Competition and provincial junior structures is significant and the percentage of black players receiving professional contracts is even more so.

2022 YOUTH WEEKS - BOYS

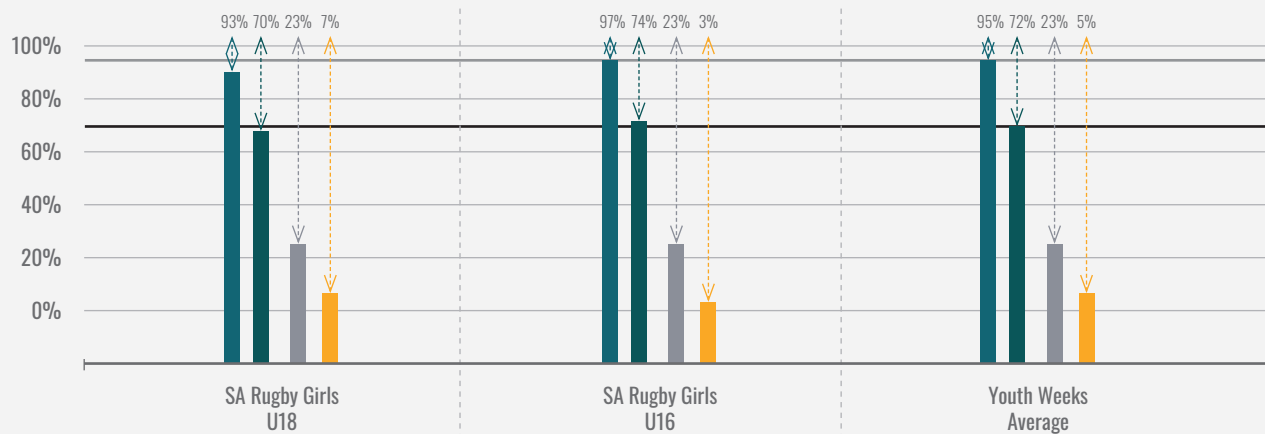


	54%	61%	73%	86%	56%	54%	64%
	26%	36%	40%	56%	33%	35%	38%
	28%	25%	33%	30%	23%	19%	26%
	46%	39%	27%	14%	44%	46%	36%
	64%	64%	64%	64%	64%	64%	64%
	38%	38%	38%	38%	38%	38%	38%

Generic Black
 Black African
 Coloured
 White
 Average Generic Black
 Average Black African



2022 YOUTH WEEKS - GIRLS



	93%	97%	95%
	70%	74%	72%
	23%	23%	23%
	7%	3%	5%
	95%	95%	95%
	72%	72%	72%

Generic Black
 Black African
 Coloured
 White
 Average Generic Black
 Average Black African



2022 CONTRACTED PLAYERS AT SARU AND PROVINCIAL UNIONS

Data received shows that there are 812 players contracted in South Africa of which 577 have senior contracts (provincial or semi-professional) and 235 have development contracts (junior).

The table below reflects the consolidated contract data of all the Provincial Unions. The data reveals that 53% of the provincial and semi-professional contracted players are black, 1% are foreign players and 46% are white. Development contracted players (junior players) are 54% white players, 2% are foreign players and 4% are black players. All contracted players (junior and senior players) are 50% black, 49% white and 1% foreign players.

These numbers show inclusion and equitable opportunities in the rugby landscape; however, it is not the case with all the Provincial Unions.

PROVINCIAL UNION	DEVELOPMENT CONTRACTED PLAYERS	PROFESSIONAL CONTRACTED PLAYERS	TOTAL CONTRACTED PLAYERS	ALL CONTRACTED PLAYERS					DEVELOPMENT CONTRACTED PLAYERS					PROFESSIONAL CONTRACTED PLAYERS				
				GENERIC BLACK	COLOURED	AFRICAN BLACK	WHITE	FORIEGN	GENERIC BLACK	COLOURED	AFRICAN BLACK	WHITE	FORIEGN	GENERIC BLACK	COLOURED	AFRICAN BLACK	WHITE	FORIEGN
TOTALS	235	577	812	408	192	214	395	10	103	53	50	128	4	303	139	164	268	6
% TOTALS	29%	71%	100%	50%	24%	26%	49%	1%	44%	23%	21%	54%	2%	53%	24%	28%	46%	1%

A comparative analysis was conducted and discussed with the Provincial Unions during the audits conducted in February 2022. On closer inspection, it is evident why some Provincial Unions fall short in transforming their professional teams. The only way to succeed is to contract a playing group reflective of the demographics of South Africa. Some have and others have not.

SUMMARY OF DIFFERENT CONTRACT CATEGORIES:

CONTRACTING CATEGORY	GENERIC BLACK	COLOURED	AFRICAN BLACK	WHITE	FORIEGN	TOTAL
Provincial Contracts	160	75	85	209	4	373
Percentage: Provincial Contracts	43%	20%	23%	56%	1%	46%
Semi-Professional Contracts	105	50	55	46	2	153
Percentage: Semi-Professional Contracts	69%	33%	36%	30%	1%	19%
Development Contracts	103	53	50	128	4	235
Percentage: Development Contracts	44%	23%	21%	54%	2%	29%
National Contracts – Sevens	19	13	6	7	-	26
Percentage: National Contracts – Sevens	73%	50%	23%	27%	0%	3%
National Contracts - Women	19	1	18	6	-	25
Percentage: National Contracts - Women	76%	4%	72%	24%	0%	3%
Total Contracts in SA Rugby Landscape	408	193	215	398	10	813
Percentage - All Categories	50%	24%	26%	49%	1%	100%

The data shows that some Provincial Unions show massive commitment to their senior group, but the pathway is predominantly white. The opposite is also true for some other Provincial Unions that have a well-transformed pathway, but their senior group is predominantly white.

The conclusion is that failure to field transformed teams are due to a contract strategy where the self-determined targets are not taken into consideration. The recruitment and contracting of players are a prominent contributing factor to successfully meeting the self-determined transformation targets.

This calls for a distinct change in the strategy adopted by the Provincial Unions and their commercial companies to ensure that the player pipeline reflects the demographics of South Africa – for which SARU is held accountable at Government level.

The conclusion is that failure to field transformed teams are due to a contract strategy where the self-determined targets are not taken into consideration. The recruitment and contracting of players are a prominent contributing factor to successfully meeting the self-determined transformation targets.



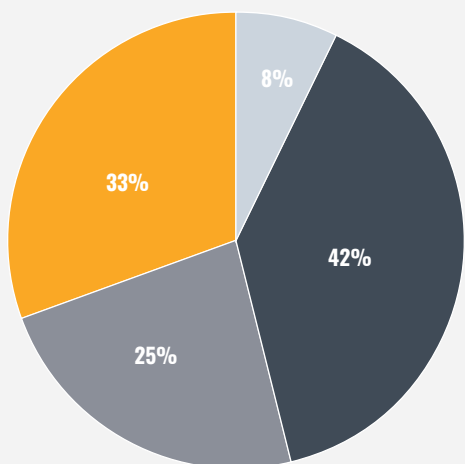
NATIONAL COACHES

Coaches were listed as a risk area in 2020. The demographic improvement in the appointment of black coaches is already evident at the Provincial Unions and their commercial companies.

On a national level, the appointment of black coaches is impressive.

The graph below shows the breakdown of head coaches on all national teams.

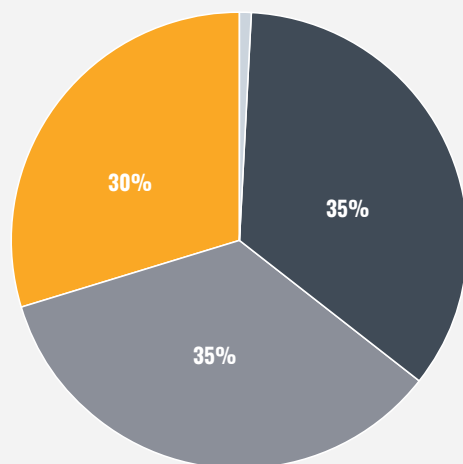
HEAD COACHES



■ 5 Black African ■ 3 Coloured ■ 4 White ■ 1 Female

The graph below shows the breakdown of assistant coaches on all national teams.

ASSISTANT COACHES

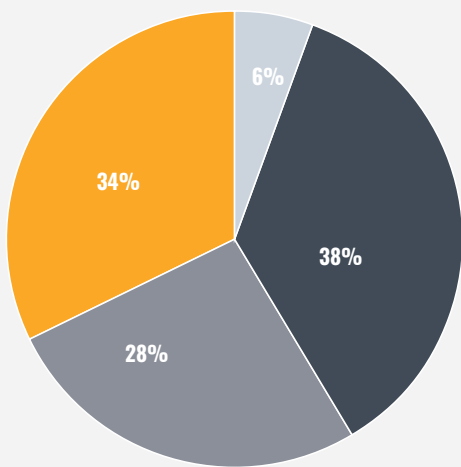


■ 7 Black African ■ 6 Coloured ■ 7 White ■ 1 Female

Junior Springbok coach Bafana Nhleko talks to his squad during the SA Rugby Academy programme in Stellenbosch.

The graph below shows the breakdown of all head and assistant coaches on all national teams.

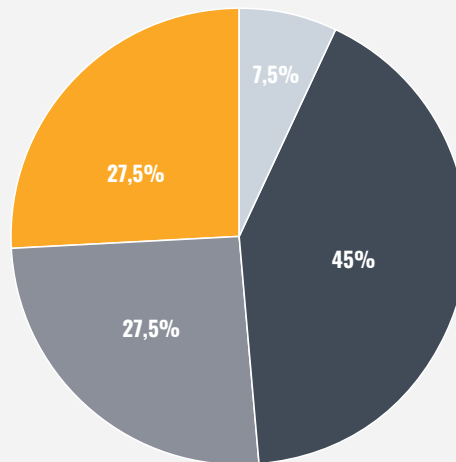
HEAD & ASSISTANT COACHES



■ 12 Black African ■ 9 Coloured ■ 11 White ■ 2 Female

All nationally appointed coaches, including all coaches appointed by SARU at the Youth Training Centres, are reflected in graph below.

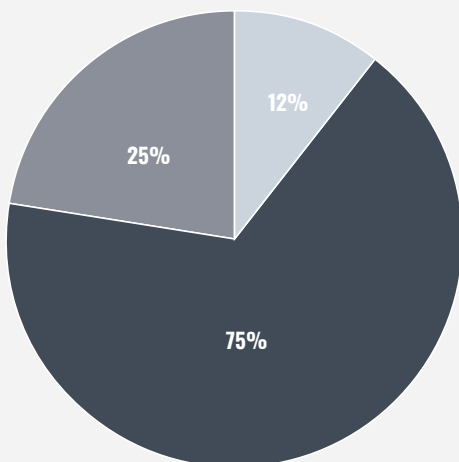
ALL NATIONAL ACCREDITED COACHES (TEAMS AND YTC'S)



■ 18 Black African ■ 11 Coloured ■ 11 White ■ 3 Female

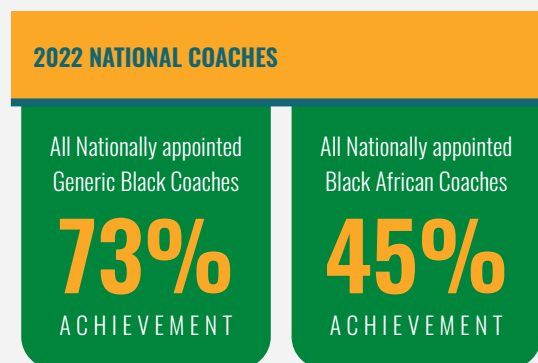
The graph below shows the YTC coaches appointed national at YTC centres.

YTC COACHES APPOINTED NATIONALLY



■ 6 Black African ■ 2 Coloured ■ 0 White ■ 1 Female

The table below shows the outcome of national coaches:



The head coaches' profile at the Provincial Union shows massive growth. The status following the audits for 2022 reveals that 57% of all the head coaches coaching in the SARU competitions are black.



Sandile Ngcobo and Philip Snyman were announced as the new head and assistant coaches of the Springbok Sevens team after RWC Sevens in 2022.

FAST-TRACKING PROGRAMME FOR COACHES

In 2022, the Human Resources and Rugby Department of SARU continued with the fast-tracking programme for black coaches through funding received from the Department of Sports, Arts and Culture. The project will put SARU at the forefront of coach development and will inform the design and structure of coaching education programmes. The project will create a pool of highly competent elite rugby coaches committed to life-long learning and development.

SARU believe that this initiative will ensure employability and opportunities for these elite coaches at the Provincial Unions and Nationally.

THE PROVINCIAL FOOTPRINT OF COACHES REPORTED

The number of accredited and active coaches in the Provincial Unions' area of jurisdiction are:

PROVINCIAL UNION	GENDER	AFRICAN	COLOURED	INDIAN	WHITE	TOTAL	GENERIC BLACK %	BLACK AFRICAN %	MALE %	FEMALE %
BLUE BULLS	Male	272	63	9	2608	2952	12%	9%	93%	7%
	Female	82	8	1	146	237	38%	35%		
BOLAND	Male	12	438	0	73	523	86%	2%	99%	1%
	Female	0	5	0	0	5	100%	0%		
BORDER	Male	235	35	2	70	342	80%	69%	78%	22%
	Female	75	11	0	8	94	91%	80%		
CHEETAHS	Male	87	78	0	214	379	44%	23%	89%	11%
	Female	21	2	0	24	47	49%	45%		
EP	Male	105	150	0	80	335	76%	31%	92%	8%
	Female	15	10	0	5	30	83%	50%		
GRIFFONS	Male	78	27	0	339	444	24%	18%	95%	5%
	Female	11	6	0	5	22	77%	50%		
GRIQUAS	Male	7	123	0	267	397	33%	2%	99%	1%
	Female	0	3	0	0	3	100%	0%		
LEOPARDS	Male	136	38	0	746	920	19%	15%	98%	2%
	Female	8	3	0	4	15	73%	53%		
LIMPOPO	Male	151	2	0	437	590	26%	26%	88%	12%
	Female	78	0	0	2	80	98%	98%		
LIONS	Male	265	52	0	1203	1520	21%	17%	99%	1%
	Female	7	0	2	11	20	45%	35%		
PUMAS	Male	97	3	2	633	735	14%	13%	96%	4%
	Female	11	1		22	34	35%	32%		
SHARKS	Male	937	168	50	1553	2708	43%	35%	98%	2%
	Female	27	7	0	18	52	65%	52%		
SWD	Male	42	624	0	155	821	81%	5%	91%	9%
	Female	11	60	0	8	79	90%	14%		
VALKE	Male	467	81	0	870	1418	39%	33%	88%	12%
	Female	161	13	0	20	194	90%	83%		
WP	Male	585	1601	0	1269	3455	63%	17%	95%	5%
	Female	36	99	0	31	166	81%	22%		
TOTAL	MALE	3476	3483	63	10517	17539	40%	20%	94%	6%
	FEMALE	543	228	3	304	1078	72%	50%		

Observation

- The gender gap is massive and only 6% of women coaches in the rugby landscape call for change, design of strategies and creation of opportunities.
- The demographic gap must be addressed. Consolidated reporting reveals that 60% of all male coaches reported are white and 40% are Generic Black of which only 20% are Black African.



Junior Springbok Women's head coach Laurian Johannes-Haupt travelled to New Zealand for the Rugby World Cup with the Springbok Women's side.



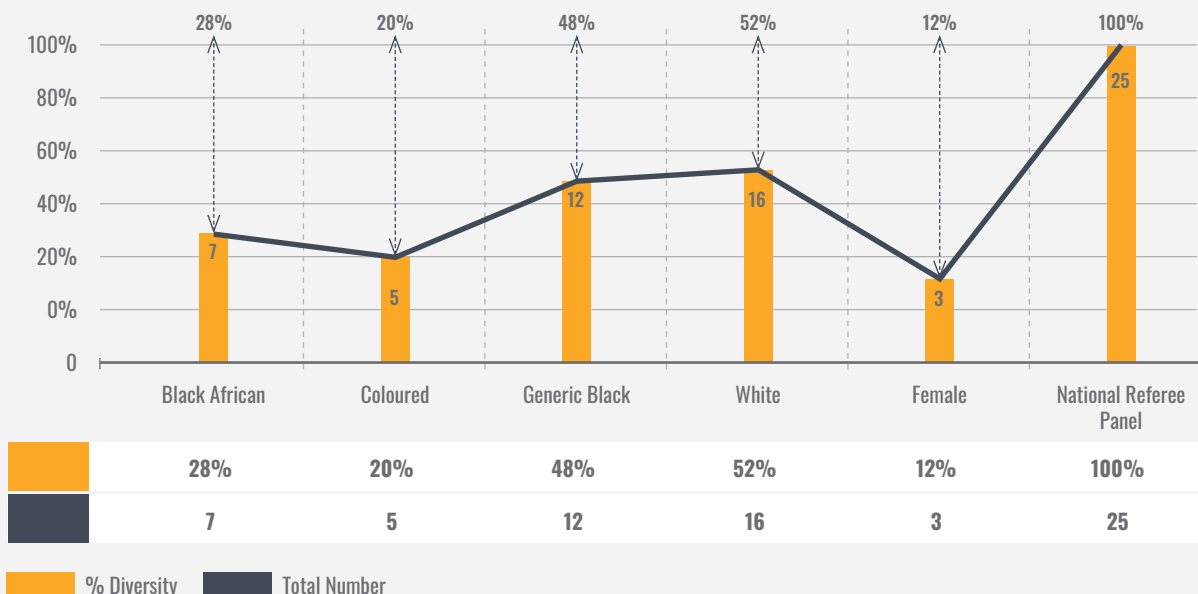
Vodacom Bulls prop Lizo Gqoboka is carded during a Currie Cup match against the Toyota Cheetahs.

REFEREES

THE NATIONAL PANEL OF REFEREES

The performance of the national referee panel shows inclusion and diversity with just less than 50% Generic Black referees.

NATIONAL REFEREE PANEL





PROVINCIAL FOOTPRINT OF REFEREES REPORTED

The number of accredited, active coaches in the Provincial Unions' area of jurisdiction are:

PROVINCIAL UNION	GENDER	AFRICAN	COLOURED	INDIAN	WHITE	TOTAL	GENERIC BLACK %	BLACK AFRICAN %	MALE %	FEMALE %
BLUE BULLS	Male	9	4	0	64	77	17%	12%	89%	11%
	Female	5	0	0	5	10	50%	50%		
BOLAND	Male	1	205	0	2	208	99%	0%	99%	1%
	Female	0	3	0	0	3	100%	0%		
BORDER	Male	73	5	0	6	84	93%	87%	81%	19%
	Female	20	0	0	0	20	100%	100%		
CHEETAHS	Male	24	21	0	62	107	42%	22%	87%	13%
	Female	9	2	0	5	16	69%	56%		
EP	Male	34	82	0	31	147	79%	23%	93%	7%
	Female	2	5	0	4	11	64%	18%		
GRIFFONS	Male	9	1	0	24	34	29%	26%	92%	8%
	Female	2	0	0	1	3	67%	67%		
GRIQUAS	Male	7	34	0	59	100	41%	7%	95%	5%
	Female	0	4	0	1	5	80%	0%		
LEOPARDS	Male	14	1	0	61	76	20%	18%	90%	10%
	Female	3	0	0	5	8	38%	38%		
LIMPOPO	Male	3	0	0	33	36	8%	8%	97%	3%
	Female	1	0	0	0	1	100%	100%		
LIONS	Male	8	4	0	60	72	17%	11%	94%	6%
	Female	2	0	0	3	5	40%	40%		
PUMAS	Male	18	0	1	71	90	21%	20%	96%	4%
	Female	2	0	0	2	4	50%	50%		
SHARKS	Male	35	2	1	120	158	24%	22%	98%	2%
	Female	2	0	0	2	4	50%	50%		
SWD	Male	6	67	0	7	80	91%	8%	95%	5%
	Female	0	4	0	0	4	100%	0%		
VALKE	Male	12	3	0	60	75	20%	16%	96%	4%
	Female	1	0	0	2	3	33%	33%		
WP	Male	24	118	3	100	245	59%	10%	94%	6%
	Female	3	4	0	10	17	41%	18%		
TOTAL	MALE	277	547	4	689	1517	55%	18%	93%	7%
	FEMALE	52	22	0	40	114	65%	46%		

Observation

- A drastic recruitment drive is required to get Black African, young men and women to take up the whistle.
- The gender gap is enormous, and strategies are required to grow the referee footprint for women.
- The demographic breakdown of male referees currently is 53% generic black and 47% white.



OUTsurance continued to provide support for SA Rugby's Refereeing Department.



NATIONAL TEAMS LEADERSHIP

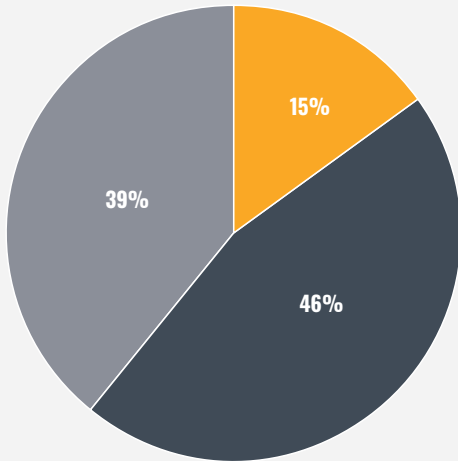
The spine of the national teams shows diversity and inclusivity.

NATIONAL TEAMS LEADERSHIP

TEAM	CAPTAIN	Ethnicity	COACH	Ethnicity	MANGER/OPERATIONS	Ethnicity
SPRINGBOKS	Siya Kolisi	African	Jacques Nienaber	White	Charles Wessels	Coloured
					Zintsika Tashe	African
SPRINGBOK WOMEN	Nolusindiso Booi	African	Stanley Raubenheimer	Coloured	Nomsebenzi Tsotsobe	African
SA "A"	Thomas du Toit	White	Mzwandile Stick	African	Zintsika Tashe	African
BLITZBOKS	Siviwe Soyizwapi	African	Neil Powell	White	Ashley Evert	White
SA SEVENS ACADEMY	Siviwe Soyizwapi	African	Sandile Ngcobo	African	Marius Schoeman	White
SA SEVENS WOMEN	Sizophila Solontsi	African	Paul Delpont	Coloured	Thandiswa Nxomani	African
			- Resigned/Vacant			
JUNIOR SPRINGBOKS	Sacha Mngomezulu	African	Bafana Nhleko	African	Barry McDonald	Coloured
SA U20 WOMEN	Byrhandre Dolf	Coloured	Laurian Johannes-Haupt	Coloured	Natasha Hofmeester	Coloured
SA U18	Zachary Porthen	Coloured	Katleho Lynch	African	Dean Moodley	Indian
SA U18 A	Camden Schoeman & Keanu Coetsee	Coloured White	Cobus van Dyk	White	Jimmy Jimlongwe	African
SA SCHOOLS	Zachary Porthen	Coloured	Katleho Lynch	African	Dean Moodley	Indian
SA SCHOOLS A	Camden Schoeman	Coloured	Cobus van Dyk	White	Jimmy Jimlongwe	African

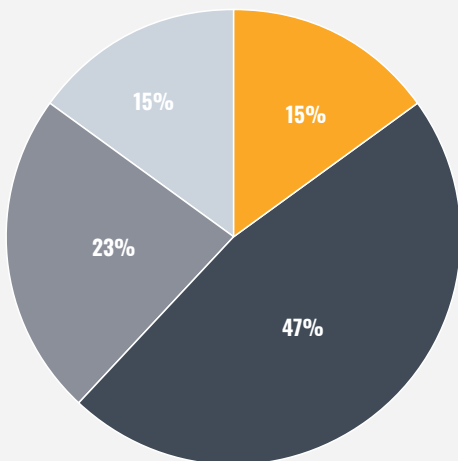
Camden Schoeman captained the South African U18 'A' side in the U18 International Series.

CAPTAINS



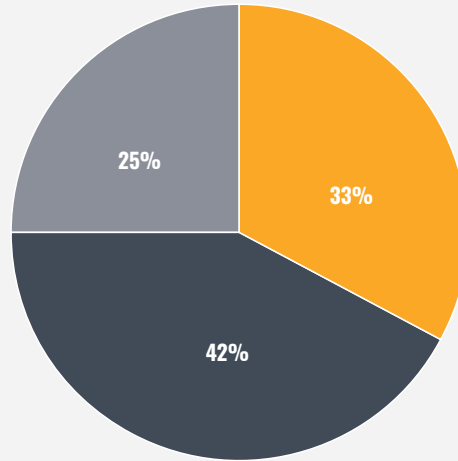
■ Black African ■ Coloured ■ White ■ Indian

MANAGERS



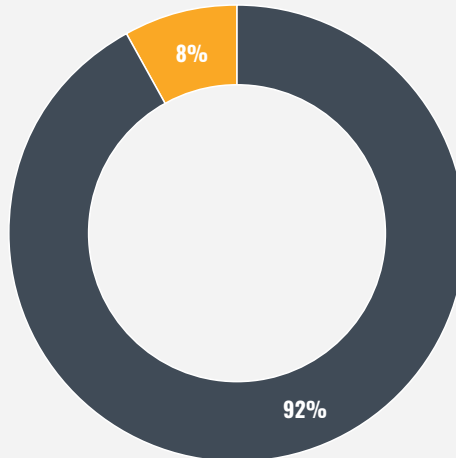
■ 6 Black African ■ 3 Coloured ■ 2 White ■ 2 Indian

COACHES



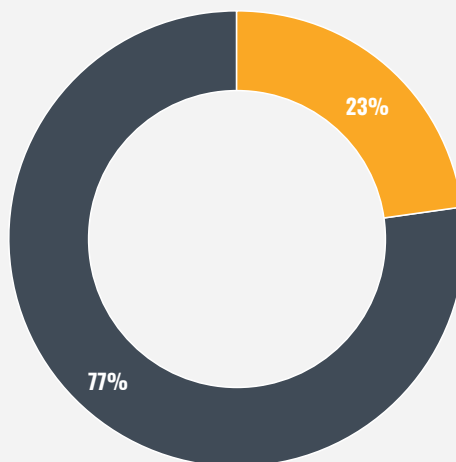
■ 5 Black African ■ 3 Coloured ■ 4 White ■ 0 Indian

GENDER SPLIT



■ Male ■ Female

GENDER SPLIT



■ Male ■ Female



ADMINISTRATION

BOARD (EXCO)

The SARU Executive Council is reflective of the demographics of South Africa.

CATEGORY	SUB CATEGORY	% ACHIEVEMENT
Board members Demographic Profiles	Board (Generic Black) (Exco Members)	79%
	Board (Black African)	36%

**Five Black African female form part of this diverse group of leaders*

SARU EXECUTIVE COUNCIL & SUBCOMMITTEES

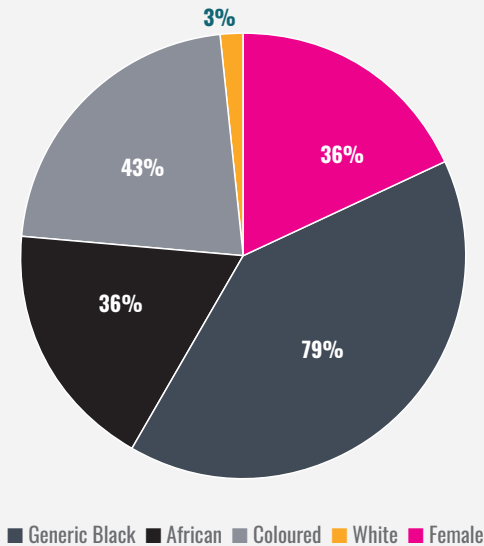
SARU has an Executive Council with fourteen subcommittees. The demographics of these committees are reflective of the SA demographics and most importantly, the chairpersons reflect a diverse group of leaders. It shows that the main decision-making bodies are reflective of the demographics of South Africa, including gender equality.

THE CURRENT SARU EXECUTIVE COUNCIL APPEARS IN THE TABLE BELOW:

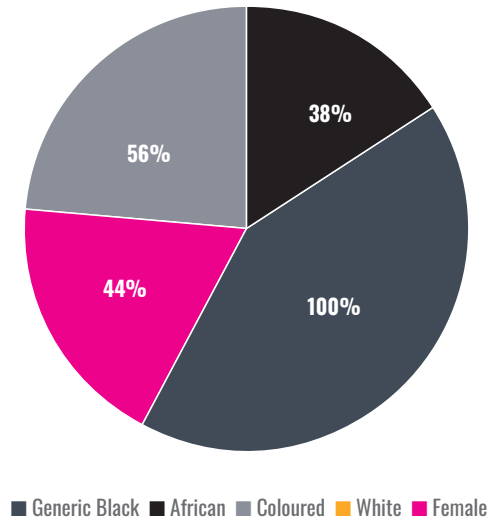
SURNAME	NAME	ETHNICITY	GENDER	TOP MANAGEMENT
ALEXANDER	Mark	Coloured	Male	President
DAVIDS	Francois	Coloured	Male	Deputy President
KNOETZE	Francois	White	Male	
KUHN	Pat	Coloured	Male	
LEKOTA	Melody	Black	Female	
BAARTMAN	Hendrik	Coloured	Male	
OBERHOLZER	Rian	White	Male	CEO
SABAN	Abubakar	Coloured	Male	CFO
LOUW	Jan Matthys	White	Male	
SEPTEMBER	Randall	Coloured	Male	
MUSEKIWA	Mary-Anne	Black	Female	
TAU	Mimi Bulelwa	Black	Female	
KHUMALO	Peggy-Sue	Black	Female	
RAMANO	Tryphosa	Black	Female	

The graph below indicates the racial and gender split of the chairpersons of the 16 Committees listed.

SARU EXCO



SARU COMMITTEES CHAIRPERSONS



THE LIST BELOW SHOWS THE NAMES OF THE CURRENT CHAIRPERSONS AS WELL AS THE SUBCOMMITTEES THEY ARE LEADING.

CHAIRPERSON	POSITION	COMMITTEE	ETHNICITY	GENDER
Mark Alexander	President (Chairperson)	General Council	Coloured	Male
Mark Alexander	President (Chairperson)	Executive Council	Coloured	Male
Mary-Anne Musekiwa	Independent Exco member (Chairperson)	Audit & Risk Committee	African	Female
Melody Lekota	Independent Exco member (Chairperson)	Human Resources, Remuneration & Social Ethics Committee	African	Female
Tryphosa Ramano	Independent Exco member (Chairperson)	Finance Committee	African	Female
Mimi Tau	Independent Exco member (Chairperson)	Transformation Committee	African	Female
Mary-Anne Musekiwa	Independent Exco member (Chairperson)	Transformation Advisory Panel	African	Female
Judge Lex Mpati	Independent member (Chairperson)	Judicial Committee	African	Male
Mark Alexander	President (Chairperson)	Franchise Committee	Coloured	Male
Francois Davids	Deputy President (Chairperson)	Non-Franchise Committee	Coloured	Male
Francois Davids	Deputy President (Chairperson)	Amateur Committee	Coloured	Male
Nozipho Mngomezulu	Independent member (Chairperson)	Rugby Agents Committee	African	Female
Pat Kuhn	Exco member (Chairperson)	Women's Rugby Committee	Coloured	Male
Pat Kuhn	Exco member (Chairperson)	Women's Advisory Committee	Coloured	Male
Mark Alexander	President (Chairperson)	Constitutional Committee	Coloured	Male
Mark Alexander	President (Chairperson)	National Steering Committee	Coloured	Male



FULL-TIME STAFF OF SARU

SARU's full-time staff complements the population of South Africa, and it shows adherence to internal policies and processes.

2022 NATIONAL FULL-TIME STAFF MEMBERS PERMANENT AND FIXED-TERM STAFF MEMBERS	AFRICAN	INDIAN	COLOURED	GENERIC BLACK	WHITE	DISABLED	TOTAL	% FEMALE
Male	31	1	35	67	36	5	103	
Female	41	3	8	52	13	5	65	39%
Total	72	4	43	119	49	10	168	
%	43%	2%	26%	71%	29%	6%	100%	



Ayanda Malinga of the Springbok Women received her RWC cap from SA Rugby Deputy President Mr Francois Davids.

SCHOOLS

The status of transformation in schools rugby remains a major factor in the rate and extent of transformation, development and the success of the Elite Player Development programmes of SARU and the Provincial Unions. School sport have always been described as the ‘Achilles Heel’ of the sport system by the EPG, but it is the bedrock of SARU’s entire development continuum to support effective, longer-term planning initiatives.

Schools are the cornerstone of SARU’s development structures, and they serve a vital role in enhancing transformation and providing opportunities for players against the best talent in their age groups.

A comparative analysis of consolidated data verified for 2021 and 2022 respectively are demonstrated in the table below. It shows increases in every category, which indicated more schools, and more boys’ and girls’ participants playing rugby.



Schools rugby returned to the calendar after a few years of inactivity due to COVID. Here Maritzburg College take on Glenwood High School during a Premier Interschools match in KZN.

SCHOOLS	ACTUAL NUMBER OF SCHOOLS IN SA	2021 NUMBER OF RUGBY PLAYING SCHOOLS & PARTICIPANTS	2022 NUMBER OF RUGBY PLAYING SCHOOLS & PARTICIPANTS	% OF SCHOOLS PLAYING RUGBY IN SOUTH AFRICA	% DECREASE OR INCREASE
Number of Participating Primary Schools	14 661	4 047	4 180	29%	1% ▲
Number of Participating Senior Schools	10 681	2 691	2 829	26%	1% ▲
Total Number of Primary school participants (Boys)		192 560	206 550		7% ▲
Total Number of Primary school participants (Girls)		29 269	48 302		65% ▲
Total Number of Primary school participants (Boys and Girls)		221 829	254 852		15% ▲
Total Number of Senior school participants (Boys)		140 521	148 015		5% ▲
Total Number of Senior school participants (Girls)		13 594	14 198		1% ▲
Total Number of Senior school participants (Boys and Girls)		154 115	162 213		5% ▲



CLUBS

Club rugby has the untapped potential to be the main vehicle and driver of development and transformation. The recent SARU audit in February/March 2022 revealed that the quality of data relating to the number of clubs and participants was consistent with the previous reporting years.

A comparative analysis of data verified for 2021 and 2022 respectively, appears in the table below. The table reveals massive growth of 74% in the number of female players from 3894 to 6801. The total number of players also shows an increase of 8% from 88 341 to 96 172.

The total number of clubs are consistent with a marginal drop from 1163 to 1161.

NUMBER OF REGISTERED CLUBS & PARTICIPANTS	2021	2022	% DECREASE OR INCREASE
Number of clubs (excluding 'Township' based club)	427	430	0.7% ▲
Number of Township-based clubs	736	731	0.6% ▼
TOTAL NUMBER OF CLUBS	1163	1161	0.17 ▼
Number of registered Male club members (excluding Township-based clubs)	43 244	48 556	12% ▲
Number of registered Male club members in Township-based club	41 203	40 815	0.9% ▼
ALL REGISTERED MALE PLAYERS	84 447	89 371	5% ▲
Number of registered Female club members (excluding Township-based clubs)	1 105	3 160	185% ▲
Number of registered Female club members in Township-based clubs	2 789	3 641	30% ▲
ALL REGISTERED FEMALE PLAYERS	3 894	6 801	74% ▲
ALL REGISTERED PLAYERS (MALE AND FEMALE)	88 341	96 172	8% ▲



**OUTSOURCED PROGRAMMES:
GET INTO RUGBY**

The Get Into Rugby (GIR) programme completed a successful 2022. An important objective of this year was continuity and stability in light of the previous year, which saw unprecedented challenges, mainly due to regulations related to the Covid-19 pandemic. This objective was certainly achieved and the entire GIR workforce can be commended for their contributions.

The year-end position of the various projects can be summarised as follows: Projects were completed in all the participating Provincial Unions or other entities, namely Blue Bulls (Tshwane), Blue Bulls Limpopo, Eastern Province, Free State, Golden Lions, Griffons, Griquas, KwaZulu-Natal, Leopards, Mpumalanga,

Springbok Women's players assisting children at a Get Into Rugby Festival in Johannesburg.

South Western Districts, Umzuvukile Sports Development and Management (Border), Valke and Western Province.

Sustainability has always been of primary importance to the GIR programme, and this was more significant than ever as we faced the challenges related to Covid-19, which carried over from 2021. However, as we look to the future of GIR the importance of reaching GIR 'targets' has rightfully diminished. Instead, we look to create a more sustainable balance between mass participation and the transition of participants to players.

It is positive to experience the buy-in from the Provincial Unions who are passionate about GIR. This has been evident in both the commitment and drive shown by the managers who have taken ownership of their projects. The effect of this is far-reaching and the GIR product provides benefits



across the spectrum, from coaches to teachers to most importantly, participants. A collaborative effort and a good relationship with unions go a long way in producing a productive program. All participating unions were allocated 25

schools at the beginning of the year. This has subsequently changed with amendments to school totals at three Provincial Unions. This is due to schools initially enrolling in the program and then having a change of heart.



Springbok mascot Bokkie entertained the children at a Get Into Rugby Festival in Johannesburg.

PROVINCE	PROJECT COORDINATOR / PROJECT	NUMBER OF SCHOOLS	
		2022 (UNOFFICIAL)	2022
Eastern Cape	Eastern Province		24
	Umzuvukile Sport Development and Management (Border)		25
Free State	Free State Rugby Union	3	25
	Griffons Rugby Union		24
Gauteng	Blue Bulls (Tshwane)		25
	Falcons	25	25
	Golden Lions Rugby Union		24
KwaZulu-Natal	KwaZulu-Natal		25
Limpopo	Blue Bulls Limpopo	15	25
Mpumalanga	Mpumalanga Rugby Union		25
Northern Cape	Griquas (Kimberley)	1	25
North West	Leopards Rugby Union		25
Western Cape	South Western Districts (SWD)		22
	Western Province Rugby Football Union		25

THE TABLE BELOW REVEALS THE GIR TRY AND PLAY PARTICIPANTS IN 2022, EXCLUDING GIR FOR GIRLS AND IMPACT BEYOND (RWC SEVENS).

PROJECT	AFRICAN		COLOURED		INDIAN		WHITE		TOTAL
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	
Blue Bulls Limpopo	12 325	11 904	0	0	0	0	0	1	24 230
Blue Bulls (Tshwane)	6 937	7 044	282	276	4	6	48	66	14 663
Eastern Province	2 969	3 143	2 766	2 900	0	0	0	0	11 778
Valke (Try)	8 253	9 183	1 299	1 296	213	189	507	479	21 419
Valke (Play)	8 431	8 436	1 090	1 098	86	58	285	302	19 786
Free State	5 846	6 221	0	0	0	0	0	0	12 067
Golden Lions	3 391	3 519	958	992	15	31	23	14	8 943
Griffons	4 446	4 763	425	434	66	75	2	4	10 215
Griquas (Kimberley)	3 247	3 473	1 783	1 808	0	0	0	1	10 312
KwaZulu-Natal	4 116	4 395	0	0	115	167	0	0	8 793
Leopards (Play)	4 625	4 876	292	258	0	0	0	0	10 051
Mpumalanga	5 126	5 172	4	2	2	3	0	0	10 309
South Western Districts (SWD)	944	987	2 454	2 466	0	16	0	0	6 867
Umzuvukile Sport Development and Management (Border)	3 409	3 580	0	0	0	0	0	0	6 989
Western Province (Try)	2 679	2 437	5 592	5 662	0	0	0	0	16 370
TOTALS	76 744	79 133	16 945	17 192	501	545	865	867	192 792

A special project for GIR for Girls (ages 11–13) was funded by the DSAC and rolled out across three regions. The GIR For Girls project was completed on 14 October. This has once again been a very successful year for the girls' programme.

The Golden Lions hosted a very successful GIR festival on 11 August. Even though Engen, unfortunately, did not take the opportunity to activate, it did not detract from the success of the day. The Springbok Women's fifteens squad was in attendance as well, and this was a wonderful opportunity for the girls to meet their role models and for this special project to

gain the recognition it deserves. The Springbok Women's team can be commended for their enthusiasm and rapport with the girls – it was truly fantastic to see. Mr Mankopane Manamela (Department of Sports, Arts and Culture) and other officials also attended and the feedback from the government was very positive.

The focus of the GIR For Girls project was to re-introduce 5 000 girls aged 11 - 13 to rugby, and to prepare them for participation in rugby sevens competitions using the modified format of XRugby. The programme was condensed from 15 to 10 weeks to accommodate a late start.



THE GIR FOR GIRLS PROGRAMME WAS STAGED IN THE THREE REGIONS AS STIPULATED IN THE TABLE ON THE RIGHT.

UNION	2022
Blue Bulls Limpopo	5 977
Golden Lions	4 709
Umzuvukile Sport Development and Management (Border)	1 364
TOTAL	12 050

GET INTO RUGBY EDUCATORS COURSE

A special GIR Educators’ course was run in July, once in the north and once in the south of the country. A total of 23 candidates were trained and are accredited as GIR Educators only and it is recommended that they co-deliver a few courses with seasoned educators before they are allowed to deliver courses on their own. Mr Neville Heilbron compiled the relevant reports for both courses. These reports were circulated to all the Provincial Unions and contain the list of successful candidates who are now accredited GIR Educators (not World Rugby Educators).

The participants originally nominated for the course who were already World Rugby Educators attended a World Rugby Activate course conducted by Ninette Kruyt, instead of completing the GIR Educators’ course. Two sessions took place on 22 July and 28 July, respectively. Mr Denver Wannies, Regional Manager: Training, at Rugby Africa also sat in as part of the last workshop. He leads the rolling out of Activate.

From 2023 onwards, all GIR training dates and the GIR Educators who will offer the training need to be approved by SARU’s Training and Education Department.

SOUTH REGION, CAPE TOWN – 17 TO 20 JULY 2022		SOUTH REGION, CAPE TOWN – 17 TO 20 JULY 2022	
UNION	NUMBER TRAINED	UNION	NUMBER TRAINED
Boland	2	Blue Bulls	1
Border	3	Free State	2
Eastern Province	4	Griffons	1
Western Province	3	Griquas	3
		Pumas	4
TOTAL	12	TOTAL	11

From 2023 onwards, all GIR training dates and the GIR Educators who will offer the training need to be approved by SARU’s Training and Education Department.

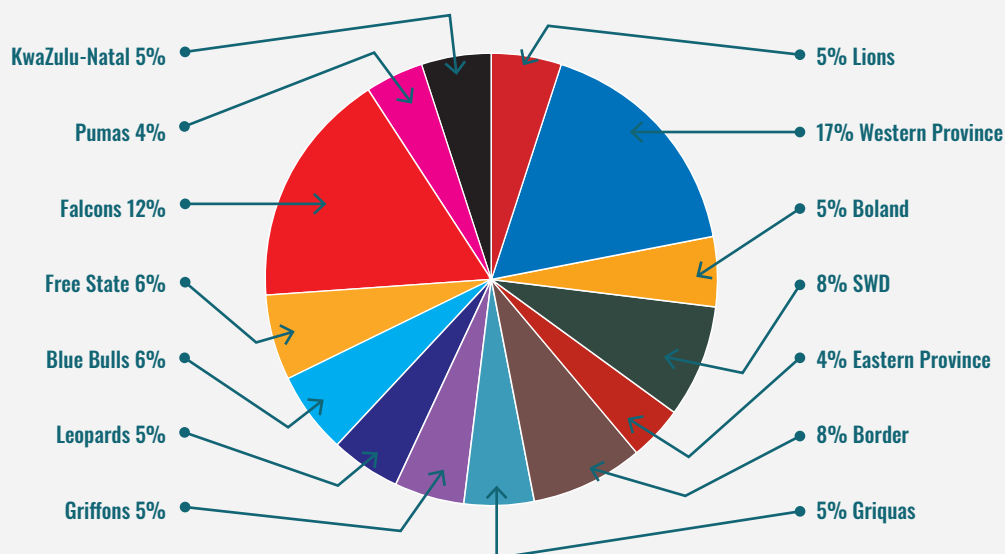
OUTSOURCED PROGRAMMES: VUKA PROGRAMME

The agreement with the SARU Legends came to an end on 31 December 2019 as it was decided that only sponsored programmes may continue. Many efforts have been made to obtain a sponsor for this highly effective programme, while SARU contributes to the program with DSAC Funding only.

The year 2022 represented the first opportunity for both the Vuka and Iqhawe Week programmes to be implemented following the two-year suspension due to Covid 19 pandemic. During 2022 the number of players countrywide that participated in the Vuka programme was 22689 and 488 schools that played Vuka rugby. The Vuka program was rolled out by the SARU Legends at all Provincial Unions, except in Limpopo. (See table on right)

NATIONAL LIST OF VUKA SCHOOLS AND PARTICIPANTS 2022		
UNION	SCHOOLS PER UNION	PLAYERS PER UNION
Lions	26	650
WP	84	4200
Boland	24	600
SWD	36	900
EP	20	500
Border	40	700
Griquas	25	625
Griffons	24	600
Leopards	22	550
Blue Bulls	30	750
Free State	30	1500
Falcons	83	10014
Pumas	19	475
KZN	25	625
TOTAL	488	22689

NATIONAL LIST OF VUKA 2022 SCHOOLS PER UNION





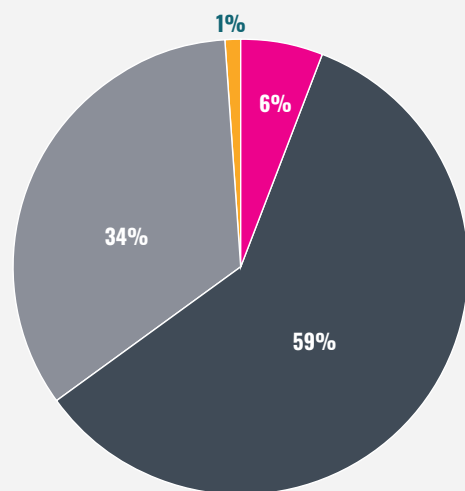
ETHNICITY BREAKDOWN 2022

UNION	BLACK	COLOURED	INDIAN	WHITE	GIRLS	TOTAL
Lions	520	130	-	-	-	650
WP	840	2940	-	-	420	4200
Boland	120	480	-	-	-	600
SWD	180	720	-	-	-	900
EP	250	250	-	-	-	500
Border	665	35	-	-	-	700
Griquas	62	563	-	-	-	625
Griffons	300	300	-	-	-	600
Leopards	385	165	-	-	-	550
Blue Bulls	225	375	-	150	-	750
Free State	750	750	-	-	-	1500
Falcons	8011	1001	-	-	1002	10014
Pumas	427	48	-	-	-	475
KZN	625	-	-	-	-	625
	13360	7757	0	150	1422	22689



The Springbok Women celebrate in their Test against Spain at Emirates Airline Park in Johannesburg.

ETHNICITY BREAKDOWN



■ Black ■ Coloured ■ White ■ Girls

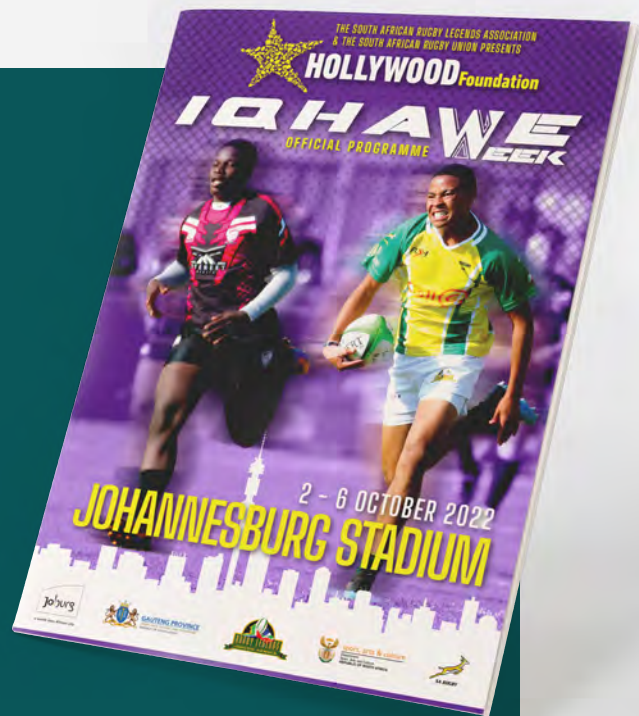
IQHAWE WEEK

The provincial program of the Vuka program, the Iqhawe Week took place as mentioned below:

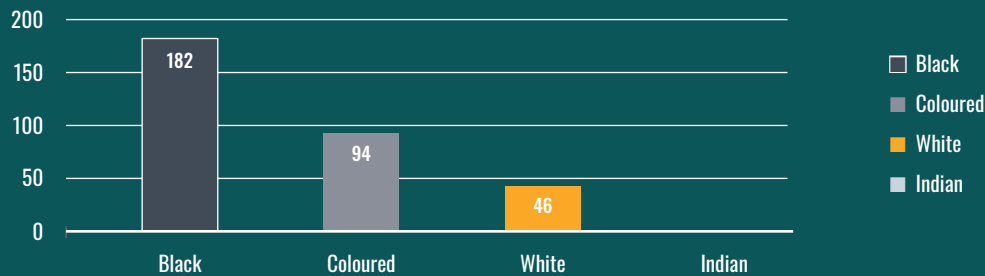
- Host: Golden Lions Rugby Union
- Hollywood Foundation Iqhawe Week
- 3rd –6th October 2022
- Johannesburg Stadium next to Emirates Airline Park (Ellis Park).

The 2022 edition was won by Boland and the talent on show was amazing, with many players recruited to join rugby schools.

As illustrated in the table below, the team demographics of the Iqhawe Week reflects the demographics of South Africa.



TOURNAMENT ETHNICITY BREAKDOWN



Funding was approved by the DSAC for 2022 and 2023 which will make it possible for the SARU Legends to roll out the Vuka programme in 2022, but not be on the same scale. The inclusion of Limpopo and the participation of girls are imperative to ensure commercial support for this programme.



B-BBEE

B-BBEE is a strategic focus point and risk area for SARU, as compliance is not only a regulatory requirement but also a requirement by sponsors, and industry bodies, who intend to do business with the organisation.

It is imperative to maintain a minimum standard of B-BBEE level 4 status, however, SARU proudly achieved a level 2 status in the latest verification.

SUMMARY:

- All 27 entities have valid B-BBEE certificates.
- 25 (93%) have a Level 1 to Level 4 certificate or affidavit and comply with our requirements
- 2 entities do not meet the requirements of Level 1 – Level 4

At the time of the report, the status of all the entities was as follows:

UNION / COMMERCIAL ENTITY	LEVEL	CLASSIFICATION	EXPIRY DATE
South African Rugby Union	L 2	Generic	03/08/2023
Blue Bulls Company (Pty) Ltd	L 4	Generic	05/07/2023
Blue Bulls Rugby Union	L 2	QSE	20/07/2023
Boland Rugby (Pty) Ltd	L 2	EME	13/04/2023
Boland Rugby Union	L 2	EME	13/04/2023
Border Rugby Union	L 1	QSE	04/10/2023
Eastern Province Rugby Union	L 1	QSE	20/07/2023
Free State Rugby Union	L 4	EME	29/03/2023
Free State Cheetahs (Pty) Ltd	L 7	Generic	18/05/2023
Golden Lions Rugby Union	L 2	EME	05/03/2024
Lions Rugby Company Pty Ltd	L 8	Generic	04/08/2023
Griffons (Pty) Ltd	L 2	EME	31/05/2023
Griffons Rugby Union	L 2	EME	31/05/2023
Griquas Rugby Union	L 2	EME	02/10/2023
Griqualand West Rugby (Pty) Ltd	L 2	EME	02/10/2023
Kwa-Zulu Natal Rugby Union	L 1	EME	19/04/2023
The Sharks (Pty) Ltd	L 3	Generic	15/08/2023
Leopards Rugby Union	L 2	QSE	20/02/2024
Leopards (Pty) Ltd	L 2	QSE	20/02/2024
Limpopo	L 2	EME	22/01/2024
Mpumalanga Rugby Union	L 4	EME	08/02/2024
Mpumalanga Rugby (Pty) Ltd	L 4	QSE	30/11/2022
SWD Rugby Football Union	L 1	QSE	04/09/2023
Valke Rugby Union	L 4	EME	29/08/2023
Valke Commercial (Pty) Ltd	L 4	EME	28/02/2023
Western Province Rugby Football Union	L 1	QSE	31/03/2023
Western Province Professional Rugby (Pty) Ltd	L 4	Generic	21/02/2024

SKILLS DEVELOPMENT

• CLUBWISE

The programme is certified by the Cathsseta (the Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority) and is a NQF Level 5 approved course. It was designed by SARU to improve the skills of rugby club administrators to sustain and grow the game at a grass-roots level.

The table below shows the Provincial Unions /Entities that applied for a Clubwise Course in 2022. See the status in the last column. There are a few Provincial Unions that applied, but on the end decided to move it over to 2023.

UNION	DATE	LEARNERS	STATUS
SARU Academy	23 Apr	17	Training completed
Blue Bulls RU (Tshwane)	23 Aug	12	Training completed
Blue Bulls RU (Limpopo)	29 Sept	16	Training completed
KZNRU (Pietermaritzburg)	26 Aug	14	Training completed
KZNRU (Durban)	9 Sept	17	Training Completed
Leopards	12 Nov	Tbc	Carry over to 2023
Griffons	19 Nov	Tbc	Carry over to 2023
SARU Women's Sevens	23 Nov	Tbc	Carry over to 2023

Due to budget restraints, the programme opened only after the SARU Annual General Meeting of 29 April 2022.

NATIONAL INSTITUTE FOR THE DEAF

For the past five years, SARU together with the National Institute for the Deaf, paved the way for over 60 learners to receive funding for their studies in line with promoting accessibility, diversity, transformation, productivity, and expansion. The learners are hosted at the National Institute for the Deaf in Worcester while completing their qualifications.

Integrated learning forms the basis of their studies, with the objective to empower them and improve their chances of being employed.

For the past five years, SARU together with the National Institute for the Deaf, paved the way for over 60 learners to receive funding for their studies in line with promoting accessibility, diversity, transformation, productivity, and expansion.



FUNDING

Through the assistance of the Department of Sport, Arts and Culture, SARU was able to roll out rugby development projects which target governments' vulnerable groupings in the areas of previously disadvantaged individuals, women, children, and people living with disabilities.

SARU also prioritised the following projects and ensure that these are well governed through regular reporting and monitoring:

PROJECT	PROJECT OUTPUT
1. WOMEN (HIGH PERFORMANCE)	This funding was used for high performance camps and events.
2. WOMEN (YOUTH)	To ensure growth and player pathway, the project affords girls from age 14 to 20 opportunities to play in organised competitions or provincially.
3. SKILLS AND CAPACITY (FAST TRACKING OF BLACK COACHES)	To fast track the development of black male and female elite coaches towards a transformed High-Performance coaching domain through value-add capacity development and support programmes.
4. SCHOOL SPORTS PROGRAM (GET INTO RUGBY FOR GIRLS)	Get Into Rugby for Girls will target female participants, in the later stages of junior school, reflecting the demographics of South Africa. The programme will run over the proposed period annually and will include training for the GIR workforce. Training will include all relevant coaching; safety; strength and conditioning levels as well as components related to the safeguarding of participants. This training will include online as well as face-to-face sessions. All training will adhere to Covid-19 safety protocols. Participants will partake in non-contact and contact (Covid-19 permitting) face-to-face coaching sessions. The programme will include two or more phases transitioning the participants from strength and conditioning to injury prevention to skills to a competition and/or a festival. The GIR managers and coaches will report online on every coaching session/match delivered. This information will be collated and compiled in reports throughout the project.
5. RURAL PROGRAMMES (VUKA RUGBY DEVELOPMENT)	<p>The VUKA programme belongs to the SARU Legends and is currently only supported by Government funding from SARU side.</p> <p>The VUKA programme used to be a partnership between the South African Rugby Legends (SARLA) and the South African Rugby Union (SARU).</p> <p>The grassroots development initiative forms part of their National Development objectives and SARU's Strategic Transformation Development Plan.</p> <p>VUKA Rugby is a sustainable rugby programme aimed at the development and promotion of rugby in disadvantaged communities and areas where it is not being played.</p>



The Bulls and SWD clashed on the fourth day of the SA Rugby U18 Craven Week at Rondebosch Boys' High School in Cape Town.

PROJECT	PROJECT OUTPUT
<p>6. DISABILITY PROGRAMME (SA WHEELCHAIR RUGBY)</p>	<p>South Africa Wheelchair Rugby provides opportunities for people with disabilities, in all communities to compete in Wheelchair Rugby.</p> <p>New club development in Eastern Cape, as well as Northern Cape, are planned. Existing Wheelchair Rugby clubs will be supported with development projects to contribute to and sustain the influx of new athletes, and existing athlete involvement.</p> <p>South Africa Wheelchair Rugby competition structures consist of a League as well as a National Championship structure. Both structures are financially supported to ensure competition attendance by athletes and officials.</p> <p>HP development training camps are hosted in an endeavour to develop the next tier HP athletes.</p> <p>Financial support is provided to assist in the repairs to the development of wheelchair rugby equipment utilized by clubs and HP Development.</p> <p>Hosting development workshops for coaches and game officials to assure successful grading and testing in both disciplines.</p> <p>Hosting of both AGM and Council meetings.</p>
<p>7. DISABILITY PROGRAMME (DEAF SCHOOLS AND ADULT DEVELOPMENT)</p>	<p>Prepare players for the 2023 Deaf Rugby 7's World Cup.</p> <p>Introduce Rugby at Schools for the deaf in all provinces and create a Youth structure. Expand club structures in all provinces.</p> <p>Develop Capacity in Coaches, Referees, and administration</p>



NATIONAL LOTTERY COMMISSION

The National Lottery Commission granted SARU funding for the preparation of the 2022 Women's Rugby World Cup. This is the second year that the NLC has provided us with funding for the upliftment of Women's Rugby.

FOOTPRINT AND E-FILING

Footprint and E-filing underwent its most intensive upgrades during 2022 with critical business tools implanted or adopted during the year.

With rugby resuming its normal activities there was a return to a full calendar of rugby tournaments and competitions. This included the return of all Youth Week tournaments which were logged and managed on the system.

Given the limited resources in personnel, the system was tested in terms of remote management of tournaments which was done successfully. It is a model with obvious benefits to SARU least of which is the financial benefit of not requiring a physical presence at tournaments. The model will be adopted for 2023 and beyond where only a selected number of tournaments or events will require a Footprint team on location (limited to our premier tournaments such as National Teams).

While tournaments managed and logged on the system in 2022 are back to the pre-Covid numbers, the most significant statistics is the increase in girls and women's tournaments logged. There has also been a significant increase in the number of squads, and number of YTC players for girls.

TOURNAMENTS	2022	2021	2020	2019	2018	2017	2016
Tournaments	54	29	26	60	56	49	42
Tournaments Male	36	24	24 (5 Completed)	47	48	43	37
Tournaments Female	18	5	2 (1 Completed)	13	8	6	5

ADDITIONAL DATA	2022
Squads Male	436
Squads Female	161
Squads Total	597
EPD 1 – 3 Squads	60
EPD 1 – 3 Players	532
YTC Squads	17
YTC Players	616

While tournaments managed and logged on the system in 2022 are back to the pre-Covid numbers, the most significant statistics is the increase in girls and women's tournaments logged.

OTHER FOOTPRINT HIGHLIGHTS:

One of the biggest projects undertaken in 2022 was union club audits with the goal of registering all community rugby clubs and players (male and female) on the Footprint system.

Visits to all unions and their club representatives and management were undertaken between May and September. The purpose of the visits was to understand the unique landscape of each union's community game and adopting the system to allow SARU to initiate the registration process.

In November SARU opened an online registration platform for all clubs and club personnel to register. The exercise was two-fold; gauge the number of clubs per union and use the opportunity to do an extensive audit on each club.

With our focus on clubs of the central (Cheetahs, Griffons, Griquas, Leopards), Gauteng (Lions, Blue Bulls, Valke) and Northern (Pumas, Limpopo Blue Bulls), a total of 230 audits were received.

Audit information include physical address, city/town, province and local municipality of each club. Other vital information we had no documentation of also included:

- Club President
- Club Chairman/Secretary
- Number of fields
- Number of changerooms
- Venue capacity
- Media facilities
- Number of men's and women's senior and junior teams

Following the initial registration and audits, system training and induction have been completed with all the clubs in focus with most of them currently busy registering all their players in anticipation of the 2023 season leagues and tournaments.

EUROPEAN TOURNAMENTS

As SARU's calendar evolves with our inclusion in the Northern Hemisphere leagues, significant work has been done to work with international partners to make Footprint a truly global

tournament management system. Already entrenched in the Vodacom URC, a partnership between SARU and EPCR was established late last year with our teams now participating in the Heineken Champions Cup, and the Challenge Cup. Following this current season, both organisations will explore a more formal relationship in terms of tournament management.

SIDELINE MANAGER

One of the more exciting projects is the development of the Sideline Manager APP. The APP will look to revolutionise match reporting and sideline management in games as a paperless APP.

Beta testing has been completed in December last year with great success and the soft launch for the APP is earmarked for April this year.

It is also a project we hope to take to the U18 Craven Week this year before decisions will be made on the release of the APP for certain tournaments and competitions.

ACCREDITATIONS

In 2021 we initiated the Season Accreditation system for SARU and its franchise teams. The success of this was immediate and specifically ensured SARU could ensure a safe return to rugby under Covid-19 regulations in the early part of 2022.

Most significantly, however, is that the season accreditations were used for all incoming Tests where host stadium and SARU staff, contracted service providers and partners did not have to apply for an accreditation for each individual event. This resulted in a massive cost saving for SARU estimated at around R30 000 per Test based on 2019 figures.

MyPASS was also the accreditation and access control provider for the Sevens Men and Women's Rugby World Cup hosted in Cape Town, and the HSBC Cape Town Sevens.

This year we look forward to providing a season-type accreditation yet again not only for local premier tournaments but also for three World Rugby events being hosted in South Africa.



2022 ACCREDITATION BY THE NUMBERS

Tournaments	10
Teams	86
Fixtures	137
Photo Accreditations Issued	6211
Supplementary Accreditations Issued	46886
SuperSport Accreditations Issued	151
Scanners Deployed	48

E-FILING

The E-Filing remains a critical reporting tool for SARU in terms of Transformation statistics for each fixture recorded on Footprint.

In addition to transformation reports for on-field performances, it is also a vital business tool for the SARU Strategic Performance Department to conduct its annual Union Audits. Unions are requested to complete critical business and governance information on the E-filing platform which in turn are reviewed by SARU before final electronic sign-off by each union President and CEO.

Apart from the Union Audits, the process of auditing SARU Associations and the Referee Associations is also underway.

A significant change adopted is moving elements of E-filing across to the Footprint platform. Statistics such as National Teams annual transformation audits for all tournaments in a calendar year is one of the new features implemented.

Further developments of the new 'Insight' tool are also ongoing with additional reporting tools such as South African Citizens or Non-Citizens becoming a crucial metric.

ASSOCIATE MEMBERS

Our Associations are audited annually to ensure that they comply with high standards of governance.

Most Associations complied with the stipulations of our MOUs with them. With the change in legislation regarding safeguarding, we are happy to report that most associations complied and attended the Designated Safeguarding Officers course and are now competent Safeguarding Officers.

This year, SARU has implemented a due diligence audit platform on the e-filing system where our Associations are required to complete and upload important compliance information and documents, to ensure they operate according to good governance principles. This information will be used for audit purposes to provide accurate governance report to the CEO and EXCO.

The following aspects are covered in the audit:

- **Governance**
- **Administration**
- **Development & Transformation**
- **Performance**
- **Finance & Commercial**

Below is a summary of the year in review for each association in 2022.

1 SA SCHOOLS RUGBY ASSOCIATION

Due to SARU finances being constrained budgets were only available for the U18 Craven Weeks and the U16 Grant Khomo as well as for the U16 and U18 Girls week. However, SASRA were able to ensure that all other Youth Week tournaments were held. The financial impact it has to families, especially the poor, has an enormous implication and potential reputational risks that needs to be taken into consideration. We are happy that SASRA continues to work closely with us, and their Chairperson, Noël Ingle attend Amateur Committee meetings where they provide input on schools and Youth Week tournaments.

SASRA is an extremely important association to us, and they are well governed, and we will continue to maintain a good working relationship with them.

2 UNIVERSITY SPORTS OF SA

USSA is a well-governed association. They held their Fifteens tournament at Tukkies in July 2022 and their Sevens Tournament for Men and Women in Kimberley in September 2022. We assisted them with rugby balls for the tournaments as a donation.

3 SA DEAF RUGBY ASSOCIATION

Due to governance issues at SADRA, Reenen Stenekamp, stepped down as President in December 2022 following intervention by the EXCO of SADRA. Lauren Terras is now serving as the interim President.

SADRA in the 2023 World Deaf Rugby Sevens World Cup was held in Cordoba, Argentina 5–9 April 2023.

SARU has assisted them with redundant Asics kit for the tournament and supported their application to DSAC for grant funding.

4 SA WHEELCHAIR RUGBY ASSOCIATION

SA Wheelchair Rugby Association respects the stipulations of the memorandum of agreement entered between SARU and SAWCRA and they are well-governed. They receive funding from DSAC and are adhering to reporting

deadlines regarding external funding.

They are well governed and in very capable hands.

5 TAG RUGBY ASSOCIATION

SARU is pleased that Tag is playing a more active role in keeping us informed of their activities. They are in desperate need for funding and is exploring various options through SARU.

Tag is looking at participate in the Tag World Cup in Ireland in August 2023. They are working through us to seek the necessary permission from SASCOC. They also intend bidding to host the Tag Rugby World Cup in SA in 2026. They are preparing their bid documents for submission to SASCOC.

6 SA TOUCH ASSOCIATION

Governance is a concern at SA Touch Association and will be highlighted as such in the audit report to the CEO and EXCO. Concerns have also been raised through their provincial Touch structures of perceived governance related issues at this association. This matter was escalated to the Legal and Compliance Department. SARU has also struggled to receive compliance related documentation from them and continue to pursue them to strive for transparency at this association.

7 SA PARLIAMENTARY RUGBY CLUB

Due to the nature of this being a club, the Parliamentary Rugby Club has had a quieter rugby calendar than usual. Communication at the association is good and we will continue to maintain a good relationship with them.

8 SOUTH AFRICAN DEFENCE FORCE RUGBY ASSOCIATION

SADFRA falls under the structures of the SA National Defence Force. Therefore, all governance and financial support align to their mother body processes.

SARU is working with them to ensure they



comply with the stipulations of memorandum of agreement entered between SARU and SANDFRA. They are operating independently from SARU but adhere to our rules and regulations.

9 SA RUGBY LEAGUE SPORT ASSOCIATION

SARU has an open line of communication with them, and they continue to consult and keep us informed on their activities. They are a well-governed association, and they comply with the stipulations of the memorandum of agreement entered between SARU and SARLSA.

Their major focus for 2023 is participation in the MEA Cup in October 2023 where the visiting countries will be Ghana and Nigeria. They are operating independently from SARU and adhere to the rules and regulation of Rugby League.

10 SARU REFEREES ASSOCIATION

SARRA is financially and operationally supported in-house through SARU's referee's department. They are well-governed and are complying with the stipulations of the MOA.

All deadlines are met and have submitted all compliance documents.

11 SA POLICE SERVICES RUGBY ASSOCIATION

SAPSRA falls under the structures of the SA National Police Services. Therefore, all governance and financial support align to their mother body processes, and they therefore need to align their plans and policies within that structure.

They are operating independently from SARU but adhere to our rules and regulations.

12 SA CORRECTIONAL SERVICES RUGBY ASSOCIATION

SACRSA falls under the structures of the SA National Correctional Services. Therefore, all governance and financial support align to their mother body processes.

They are operating independently from SARU but adhere to our rules and regulations.

Conclusion

The transformation agenda is non-negotiable. It requires a willingness on the part of the leadership of Provincial Unions and their commercial companies to make a play for a change, for the betterment of the entire rugby industry.

The STDP2030 was designed to assist the Provincial Unions and their commercial companies to improve their own transformation status and close the gaps of their earlier failure. The report indeed shows improvement in many areas.

For some of the entities, the gap got wider and for others, they are on track to transform our landscape ensuring

equitable opportunities, whether it is on the field, at the board level, operational level or any other area agreed on the respective performance agreements.

Looking towards 2023, the department's key strategic objectives - which are in line with SARU's objectives - are as follows:

- 1.** Oversee and manage the transformation and B-BBEE processes ensuring continuous improvement.
 - a.** Monitor, evaluate and report on the transformation processes.
 - b.** Maintain a minimum standard of B-BBEE level 4 status.
- 2.** Administer, monitor, evaluate and report on grant funding.
 - a.** Investigate and secure funding for development programs, including women's rugby.
- 3.** Manage and evolve all system monitoring tools.

- 4.** Oversee Growing the Game programs.
 - a.** Vuka
 - b.** GIR
 - c.** Support and contribute to all initiatives relating to women in rugby.
- 5.** Subject to budget, develop the SARU Environmental Sustainability Plan 2030 for SARU and its stakeholders.
- 6.** Good corporate governance.

Thank you to everybody who has worked tirelessly to ensure that every year we take stock and assess how far we have gone to transform the rugby industry as part of the broader agenda of creating a non-racial, non-sexist, united, and prosperous society

Ian Schwartz

General Manager: Strategic Performance Management



Impi firing up the crowd before the second Test in the Castle Lager Incoming Series between the Springboks and Wales in Bloemfontein.

COMMERCIAL

The return to a full fixture programme in venues free of any COVID-related restrictions by year's end released the chains which had shackled rugby's commercial prospects in 2020 and 2021, when the Springboks did not appear in the former year and played before empty venues against the British & Irish Lions and Argentina in the latter.

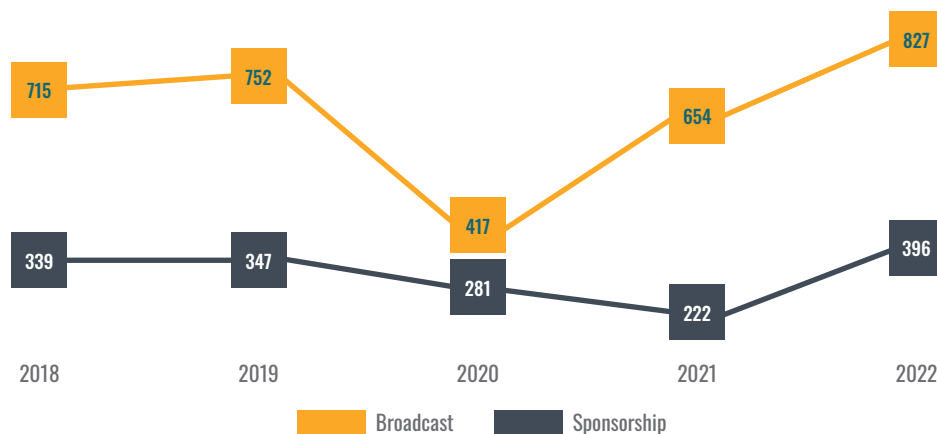
The impact on revenues was profoundly felt by the sport as broadcast and sponsorship revenue plunged by 36% in 2020 (see illustration below), while only the tour of the Lions in 2021 – even though it was played without a single paying spectator – allowed the business to reach break even at the of the year.

However, 2022 saw a welcome reverse in fortunes with both broadcast and sponsorship

income reaching record levels. Broadcast at R827m was 10% higher than in the last pre-COVID season (2019) while sponsorship was 14% higher at R396m. The increases on 2021 of 26% (broadcasting) and 78% (commercial) were due to the attribution elsewhere of income from the eight-match tour of the Lions.

Seven new companies joined the SA Rugby family in the year while another five either

COMMERCIAL REVENUES 2018-2022 R'm







renewed, returned or added to their sponsorship portfolio with the sport.

The Blitzboks gained a new principal partner in leading South African used vehicle dealer, WeBuyCars, while the local office of global restaurant business, McDonald's, also came onto the apparel, taking up a place on the team's shorts.

The Springbok Women's team – on their way to a World Cup comeback in New Zealand during the year – gained their first principal partner in rugby's great friend, FNB, and the growing interest in women's sport was reflected in Betway's sponsorship of a women's coaching development.

The popularity of the Springboks as a flag bearer for global success and national pride was rewarded with the addition of five more partners to the ranks of associate partners. Southern Sun renewed their long-standing partnership with the team while Klipdrift returned as a partner after some years away.

Entirely new to the family were building materials company, Afrisam, hygiene brand, Dettol, vehicle manufacturer, Toyota, shoemaker Aldo and Freddy Hirsch, an overdue first as the official braai partner of the Springboks. Their

Above: Toyota was unveiled as the Springboks' new vehicle sponsor in June.

Right: Aseza Hele wears in the Springbok Women's kit after FNB came on board as sponsor of the senior national side.





Above: Action from the Carling Champions Match between a team comprising of players from the Currie Cup, who took on Italy 'A' in the Nelson Mandela Bay Stadium. Below: The Springboks are awarded a penalty that led to the winning goal in the first Test against Wales in Pretoria.





The greatest commercial disappointment of the year was the decline in attendance at the year-ending HSBC Cape Town Sevens. In hindsight, the task of hosting two major sevens tournaments in Cape Town within three months of each other was more than an economically ravaged local market could sustain. The tournament yielded a profit (R8.2m) but was well below budget and previous year's receipts.



addition brought the total of Springbok partners at year end to 25 – also a record total.

Of particular significance was the announcement towards the end of the year that Nike was also returning to the Springbok family (for the first time since 2003) as the technical apparel partner in succession to ASICS, whose six-year partnership came to an end.

The famous swoosh will return to the team's jersey in 2023 – just in time for the Rugby World Cup – at the start of an initial six-year partnership.

The appeal of the Springboks – and of the other senior national teams – was not matched in domestic competitions, unfortunately. Carling advised that they did not wish to renew their sponsorship of the Currie Cup – after three COVID-impacted years. Their support was greatly appreciated however, and their innovation of a Champions Match had added an extra dimension to the season.

Similarly, Youth Weeks continued without a partner while the Gold Cup – the national club championship – remained in abeyance in the absence of a sponsor.

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Despite that disappointment the year could be counted a commercial success, with broadcast and sponsorship revenues comfortably exceeding forecasts and providing 87% of total group revenues.

MacDonald's joined the Blitzboks family with their iconic logo on the back of the shorts.



COMMUNICATIONS

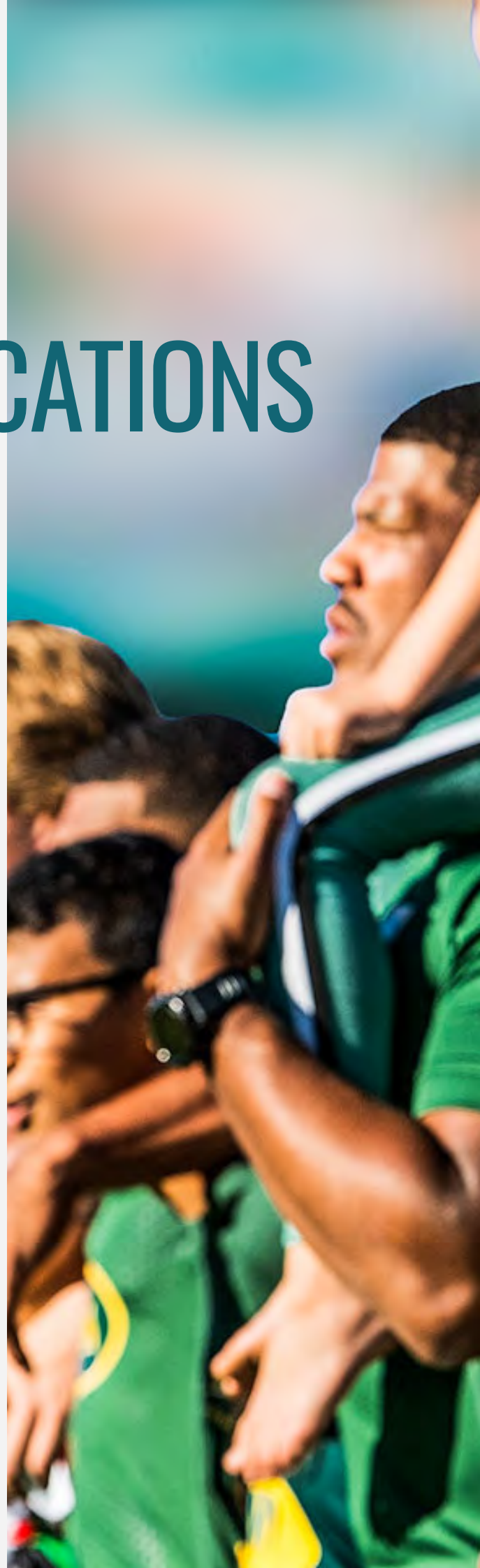
A full season of rugby at all levels marked an intense year for the Communications Department, with the exciting reinvention of the old Springbok Supporters' Club in a new, digital guise one of the highlights of 2022.

The year marked the first full season of the new Vodacom United Rugby Championship, and with two South African teams in the final – where the DHL Stormers beat the Vodacom Bulls in Cape Town – the media interest in the new competition was very high.

Our teams also made their debut in two other major European competitions, the Heineken Champions Cup and the EPCR Challenge Cup, while on the local front a new champion was crowned in the Currie Cup Premier Division when the Airlink Pumas beat Windhoek Draught Griquas in a memorable final in Kimberley.

Internationally, our three men's national teams – the Springboks, Blitzboks and Junior Boks – all had good seasons and there was a major step up in the women's programme, with both senior national teams – the Springbok Women and Springbok Women's Sevens – competing in Rugby World Cups.

The Communications Department also provided extensive coverage for the Currie Cup First Division, the Women's Premier and First Divisions, provincial age-group competitions and the SA Rugby Youth Weeks.







LAUNCH OF BOKSQUAD

In July, SA Rugby – in partnership with principal partner MTN – launched BokSquad, a new digital fan portal, which proved to be a huge success from the outset, winning the Best Fan Engagement Award at the 2022 South African Sport Industry Awards in November.

BokSquad is freely available for news and information on web and mobile at www.BokSquad.co.za while signed up members have access to exclusive content, discounts at the SA Rugby Shop and travel packages from SA Rugby Travel.

The portal – the successor to the Springbok Supporters' Club – was developed along with partners Planet Sport and launched when the Springboks kicked off their Test season against Wales.

MEDIA RELEASES, EVENTS AND INTERACTIONS

As a result, the Communications Department issued 660 media releases in 2022, which were similar in number to that of 2019 and roughly 100 more than 2021's 554, which was also higher than the 281 of 2020 at the height of the COVID pandemic, underlining the return to a normal rugby world.

Where media events and press conferences in 2020 and 2021 were mostly 'virtual', there was also a return to in-person media conferences where possible, while still using MS Teams from time to time.





WEBSITE STATISTICS

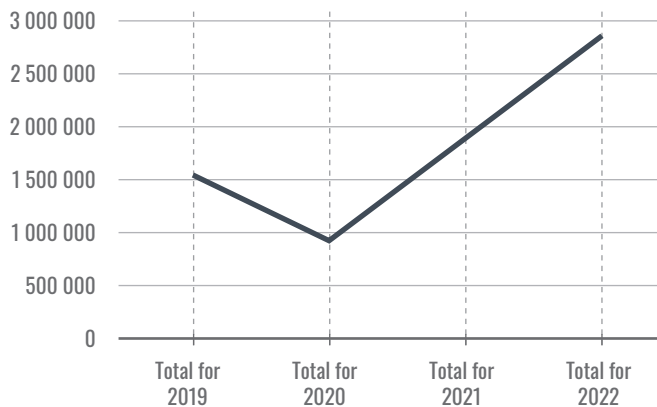
The continued growth in website usage stats was another strong reminder that supporters were hungry for rugby news in a post-COVID world. A full season of international rugby for all our national teams, as well as strong international and local competitions, were the major contributing factors to the increase in numbers.

The drop in unique users on springboks.rugby in 2020 was due to the absence of

rugby played, but ever since there has been steady growth and in 2022, we had 2.775m unique users on the website. The stats included nearly 4m user sessions and 5.3m page views, all of which were higher than in 2022.

August 2022, when the Springboks played twice against the All Blacks and toured to Australia, proved to be the best month yet on the website since the redesign in March 2019, with 431 654 unique visitors that month alone.

SPRINGBOKS.RUGBY: UNIQUE USERS PER YEAR





SOCIAL MEDIA

Facebook: Our main social media account remains @Springboks on Facebook, where we had 198,100 new followers and likes in 2022, with the reach going up by 103%, which was slightly better than in 2021.

Instagram: Our @bokrugby account showed more growth in 2022, albeit slightly slower than in 2021 when the return of the Springboks to international action had a major influence on the performance of the platform. We gained 88,130 new followers on Instagram but the reach was down by 6.8%.

Our other Instagram accounts (@Blitzboks, @WomenBoks and @CurrieCupOfficial) also performed well, providing content specific to those teams and competitions, with the assistance of digital agency Moonsport.

Twitter: @Springboks on Twitter remains a strong driver for content such as live coverage of events, and the biggest growth took place



in July, August and September, when the Springboks were in action against Wales and in the Castle Lager Rugby Championship, with victories over the All Blacks and Wallabies key to the increase in numbers.

The same applied to the @Blitzboks, @WomenBoks, @JuniorBoks and @TheCurrieCup accounts, all of which play an important role in our digital space. All our Twitter handles showed steady growth in 2022.

We again used a digital agency to assist with the creation of engagement posts across all our national teams' properties, and locally we did the same for the Currie Cup.

LinkedIn: The SA Rugby LinkedIn profile, used mainly for sponsorship and corporate announcements, as well as major news items, increased by just over 2,000 new followers in 2022, with the biggest engagement happening on the day the Nike sponsorship was announced (26 September 2022)



Springbok speedster Makazole Mapimpi interacts with supporters at a Test.

While there were many challenges during a very full season after the COVID-induced lull in action during 2020 and 2021, the Communications Department worked hard at ensuring messages were relayed and in the end, a “new normal” season – consisting of 13 Tests, two Rugby World Cup tournaments (women’s 15s and sevens), international U18 and U20 action, as well as a full local roster – was concluded with no major issues, with all team-members pulling in the same direction and ensuring the basics were done right.



HUMAN RESOURCES

The Human Resources strategy for SA Rugby in 2022 was to inspire SARU employees by shaping the culture of the organisation through a strong trusted team that delivers HR functions optimally.

This was done by focussing on the following areas: Compliance; Organisational Development; Employee Wellness and Wellbeing; Stakeholder Engagement; and Updating Systems and Processes, and good outcomes in all areas were achieved.

OUTCOMES

Remuneration: SA Rugby faces a high risk of talent leaving the organisation, while retirements also put us in a vulnerable position. A new approach in our remuneration philosophy was implemented to ensure the attraction of top talent, retention, and motivation of employees despite a high workload especially for employees who are considered high flight risk.

Pension Fund Scheme: As part of our value proposition, we have extended membership to the Pension Fund to our fixed-term contract employees. As a condition of employment all new fixed-term contracted employees and those whose contracts had to be extended are required to join The Rugby Pension Fund program on 1 January 2022.

2022 Performance Agreements: The performance management system, which previously only applied to permanent employees,

was extended to contract workers to ensure that their compensation is based on their performance rather than a CPI increase, as in the past.

Social and Ethics: Transformation within the SA Rugby workplace continues to be monitored with new proposed targets submitted to the Department of Employment and Labour which included all Provincial Unions' Employment Equity targets for the next five years. Over and above this and also to ensure dignity and decent working conditions where employees' rights are respected, the Code of Good Practice on the prevention and elimination of harassment in the workplace training was rolled out in September following its promulgation on 18 March 2022.

Employee Wellness: Our holistic approach to employee wellbeing focussed on preventative support which included training events on mental health, COVID-19 vaccinations and musculoskeletal (MSK) preventative programme. To optimise our wellness offer, employees were offered monthly mindfulness practice sessions, onsite counselling service, and onsite vaccination and booster offerings. Our Wellness Partner, ICAS, continues to support employees on issues relating to financial, mental health, depression and suicide, organizational & managerial issues.



Response to COVID-19: An updated Mandatory COVID-19 Vaccination policy – in line with risk assessment – was introduced in March 2022 and included mandatory information sessions on COVID-19 following the introduction of Code of Practice in April 2022 and an updated COVID-19 Workplace Safety Plan communicated to employees in May 2022. To ensure the health and safety of employees, all employees were vaccinated by end of February 2022.

Training: The Human Resources department continues to provide employees with planned and flexible learning opportunities for personal and professional development through formal education, safety training, and workplace experiences. Employees were provided with

training programs, including recognized programmes, as well as leadership and coaching programmes for our managers and coaches.

SA Rugby received accreditation as a Training Service Provider from CATHSSETA. This has given us a gateway to have most of its training programmes in Coaching, Match Officiating, Medical and Leadership accredited. The accreditation exercise is currently underway, and the aim is to have it completed by 2024.

Long service awards: These awards are always a good indication on how content employees are, and 12 staff members were honoured:

- **10 years** – 7 employees
- **15 years** – 3 employees
- **20 years** – 2 employees



springboks.rugby