

2009

SOUTH AFRICAN RUGBY UNION
ANNUAL REPORT
2009





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*To become the most successful rugby
nation in the world sharing with the nation
the pride and joy the game brings*

EDITOR: De Jongh Borchardt
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President's Report

BY OREGAN HOSKINS

A year ago these notes anticipated a year of enormous challenges with opportunities of a matching magnitude – and I am pleased to say that in almost all instances we mastered those challenges to end 2009 well-placed to take our operations into the second decade of the 21st century with considerable confidence.

We faced and overcame the challenges of a British & Irish Lions tour to win the series and successfully managed the largest rugby operation outside of a Rugby World Cup with our reputation enhanced. The financial success of the tour ensured we continued in a healthy financial position at a time when other unions were feeling the pinch and we completed the unification of the organisation without fuss or controversy. The one disappointment is that we are not now in the early stages of planning for the Rugby World Cup in 2015, as we had hoped a year ago.

The 2015 tournament will be hosted by England and the 2019 version by Japan – and we wish both nations every success and will offer them any support we can afford. But it is probably common cause that the South African Rugby Union produced the outstanding bid of the four contenders – Italy were the other – combining the benefits of our climate, rugby audience and an infrastructure significantly upgraded for the 2010 FIFA World Cup with the additional boost of a £30m rights fee on top of the minimum guarantee underwritten by our Government. We ticked all the boxes.

That we lost out was due to circumstances beyond our control and, to be blunt, that were beyond the scope of the tender criteria. England triumphed on the basis of the belief of commercial analysts that they would produce a larger surplus for the Rugby World Cup; Japan was preferred for 2019 to satisfy rugby's desire to tap into new markets. We argued

strongly that we offered as much in both directions but the view of the IRB General Council did not match ours.

It was one disappointment in a year of near unbroken success – particularly on the field. Our rugby is as strong as any time since the advent of professionalism – some would argue as strong as at any time in our history. The Springboks were named as the IRB Team of the Year and our Sevens team won the IRB Sevens World Series to claim global honours.

But there was so much more. In May the Vodacom Bulls were crowned as the best provincial team in the Southern Hemisphere and, one might argue, in the world when they destroyed the Chiefs, 61-17 in the final of the Vodacom Super 14.

In June Paul Treu's Sevens Springboks claimed their World crown and a month later John Smit and his Springboks overcame a dangerous and motivated British & Irish Lions team to claim victory in an epic and unforgettable Castle South Africa 2009 Lions Series.

And in September the Springboks were greeted back at OR Tambo International Airport as national heroes by none other than our State President, Jacob Zuma, when they returned as emphatic Vodacom Tri-Nations champions, having also reclaimed the Mandela Plate and Freedom Cup from the Wallabies and All Blacks respectively.

When you add in stirring contests in our domestic rugby for the Vodacom Cup and Absa Curie Cup titles and at age group level it's fair to say that 2009 was a season for the ages.

Turning to finances, I am pleased to report that the SARU group remains financially healthy. The audited annual financial statements for the year ended 31 December 2009 reflect an operating profit before taxation of R28.5 million, attributable mainly to SA Rugby's share of net revenues from the British & Irish Lions tour, total equity of R54 million and cash reserves of R72 million.

While a modest profit is forecast for 2010, the financial position should continue to improve from

2011, as increased broadcasting and sponsorship revenues begin to flow.

Significant strides were made in other directions as well: Our national rugby safety programme, Bok-Smart, sponsored by Absa, was rolled out across the country and will over time reduce the number of catastrophic injuries suffered by players; the Springbok women's team returned to action with one eye on the 2010 Women's Rugby World Cup in England; the development projects of the provinces were re-aligned to conform to the South African Rugby Union's strategic goals and, of course, the organisation underwent a fundamental re-organisation.

As of 1 January 2010, SA Rugby (Pty) Ltd ceased to exist and its assets were transferred back to the South African Rugby Union. The division was made a decade ago for good tax reasons but a change in the legislation encouraged a revision that was probably overdue anyway. It means that rugby's governance and management structures will be streamlined and there will no longer be the occasional tug-of-war over roles and responsibilities between the professional and amateur arms. The company board and President's Council will be replaced by a single body – the executive council – which will have the job of putting into operation policy decided by the general council.

Our players won on the field in 2009 and I think we can say we won off the field as well and, although we cannot expect to replicate that success in 2010, we know we have everything in place to give our elite players the best foundations on which to repeat their assault on rugby's most glittering prizes.

Oregan Hoskins
President
South African Rugby Union

GOVERNANCE STRUCTURES



SARU PRESIDENT'S COUNCIL

Back row (left to right): Dr Ismail Jakoet (Company Secretary), Dawie Groenewald (Griquas), Boet Fick (Blue Bulls), Randal September (Griffons), SJ de Beer (Valke), Kevin de Klerk (Golden Lions), Francois Davids (Boland), Andy Marinos (Acting MD), Johan Prinsloo (CEO), Buntu Ondala (Border).

Front row (left to right): James Stoffberg (Leopards), Hein Mentz (Pumas), Peter Hassard (KZN), Mark Alexander (Deputy President), Oregan Hoskins (President), Rautie Rautenbach (Vice President), Dr Jan Marais (Chairman of the Board of Directors), Toby Titus (WP).

Absent: Harold Verster (Free State), Cheeky Watson (EP).



SA RUGBY BOARD OF DIRECTORS

Back row (left to right): Dr Ismail Jakoet (Secretary), Basil Haddad, Piet Heymans, Mike Stofile.

Front row (left to right): Andy Marinos (Acting MD), Mark Alexander, Dr Jan Marais (Chairman), Oregan Hoskins, Rautie Rautenbach.

SARU COMMITTEES

REMUNERATION COMMITTEE

Peter Hassard (Chairman)
Oregan Hoskins
Mark Alexander
Harold Verster
Johan Prinsloo

TRANSFORMATION COMMITTEE

Rautie Rautenbach (Chairman)
Dr. Willie Basson
Mveleli Ncula
Cheeky Watson
Francois Davids
Johan Prinsloo
Christo Ferreira

COMPETITIONS COMMITTEE

James Stoffberg (Chairman)
Boet Fick
Dawie Groenewald
Tobie Titus
Johan Botes (Secretary)
Steven Roos (Staff)

NATIONAL JUDICIAL COMMITTEE

Lex Mpati (Chairman)
Koos Basson
Jannie Lubbe
S.J. de Beer
Christo Ferreira (Staff)

FINANCE COMMITTEE

Hein Mentz (Chairman)
Stag Cronje
Mark Alexander
Basil Haddad
Johan Prinsloo

AUDIT AND RISK COMMITTEE

Johan Prinsloo
Boet Fick
Stag Cronje

MANAGEMENT COMMITTEE

Oregan Hoskins
Mark Alexander (Chairman)
Rautie Rautenbach
Hein Mentz

Peter Hassard
James Stoffberg
Dawie Groenewald
Johan Prinsloo
Dr. Ismail Jakoet (secretary)

SELECTION COMMITTEES

NATIONAL SELECTORS

Peter Jooste
Ian McIntosh
Peter de Villiers

U20

Timmy Goodwin
Eric Sauls

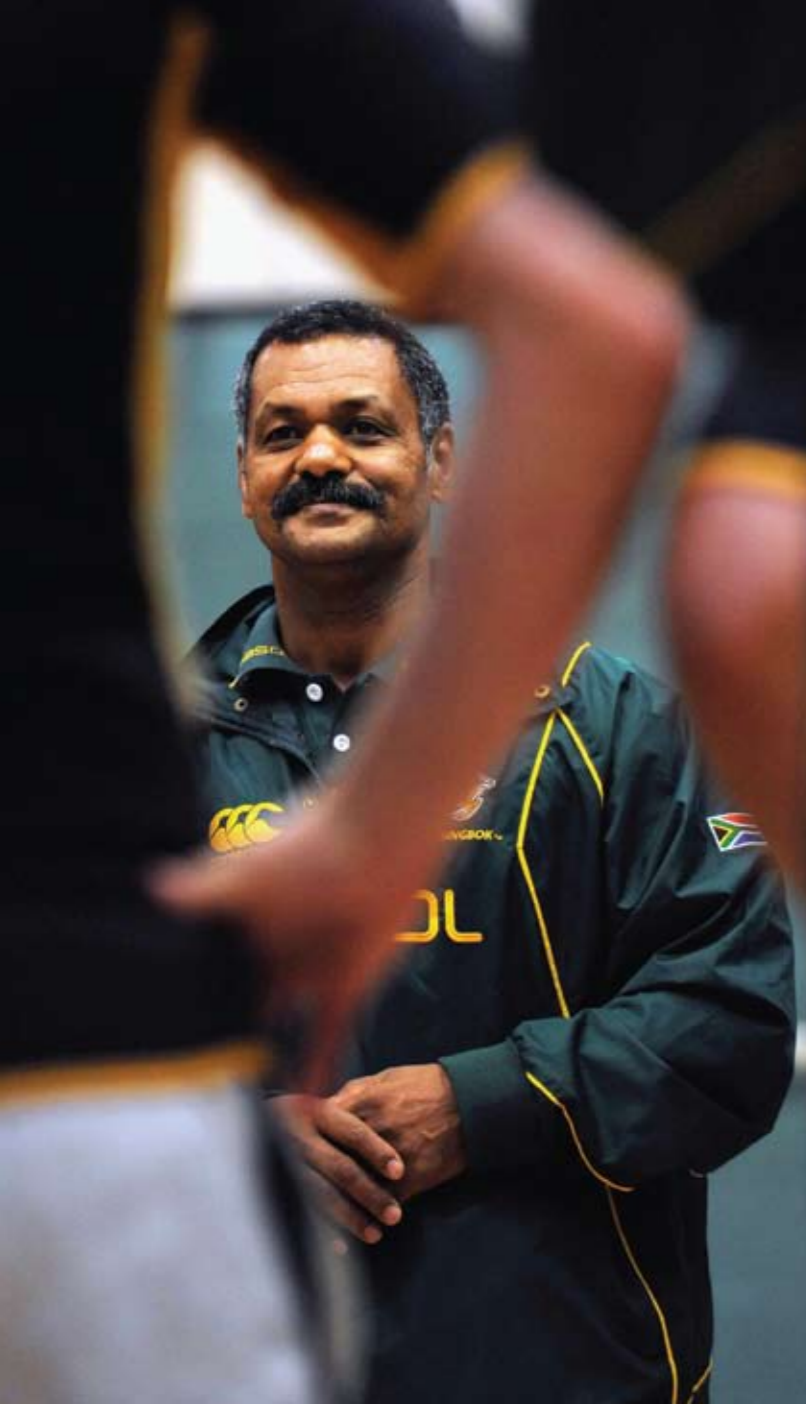
SEVENS

Maree Bester
Norman Mbiko
Paul Treu

WOMEN

Bongo Nontshinga
Reginald Farao





SA RUGBY/SARU STAFF 2009

SA RUGBY (PTY) LTD

AUDIT AND RISK COMMITTEE

Raymond Fenner (Chairman)
 Keith Parkinson
 Ayanda Mjekula
 Mike Stofile
 Basil Haddad
 Andy Marinos
 Auditors (by invitation)

- Duncan Adriaans
- Ernest Carelse

Sesi Sekhosana
 Dr Ismail Jakoet (Secretary)

HUMAN RESOURCES & REMUNERATIONS COMMITTEE

Monde Tabata
 Piet Heymans
 Oregan Hoskins
 Mark Alexander
 Basil Haddad
 Andy Marinos
 Dr Ismail Jakoet (Secretary)

FINANCE COMMITTEE

Dr. Jan Marais (Chairman)
 Andy Marinos
 Basil Haddad

NATIONAL COACHES

SPRINGBOKS

Peter de Villiers

SPRINGBOK SEVENS

Paul Treu

EMERGING SPRINGBOKS

Dick Muir

SA U20

Eric Sauls

SPRINGBOK WOMEN

Denver Wannies

CEO'S OFFICE

Johan Prinsloo
 Ronel Groenewald
 Louise Bradbury
 (PA to the President)

ACTING MD'S OFFICE

Andy Marinos
 Carla van der Merwe

COMPANY SECRETARY

Dr Ismail Jakoet
 Sumantha Gounden
 Christine Williams

COMMERCIAL/MARKETING

Khaya Mayedwa
 Mignon van Rooyen
 André Homan (British & Irish
 Lions Project Manager)
 Patricia Dlakavu
 Jenny Wentzel
 Sarah Williams
 Chumani Bembe

COMMUNICATION

Andy Colquhoun
 Rayaan Adriaanse
 De Jongh Borchardt
 Yusuf Jackson
 Juanita Roodman
 Anthony Mackaiser

FACILITIES

Irven October
 Allie Abrahams
 Maria Ananias
 Anna Andreas
 Margareth Arendse
 JJ Fredericks
 John Gallard
 Fred Geduldt
 Arnold Gertze
 Eric Sofisa

MEDICAL

Clint Readhead
 Dr. Wayne Viljoen
 Zeenat Abdullah

HUMAN RESOURCES

Ingrid Mangcu
 Kolisa Kongo

FINANCE

Basil Haddad
 Sesi Sekhosana
 Ethelwyn Adams
 Nelda Cozyn
 Philicia George
 Danielle Isaacs
 Nomini Malungisa
 Ziada Martin
 Karen Nell
 Unathi Sompondo
 Marvin Wymers

LEGAL

Christo Ferreira
 Michele English

NATIONAL TEAMS

Andy Marinos
 Peter de Villiers
 Paul Treu
 Annelee Murray
 Lois Coetzee
 Willie Maree

RUGBY OPERATIONS

Mervin Green
 Mahlubi Puzi
 Herman Masimla
 Xhanti Lamani
 Hilton Adonis
 Steven Roos
 Tanya Everson
 Valda Gertze
 Hazel Solomon
 Debbie Griffiths
 Justine Blacker
 Coris Zietsman
 Frikkie van Eeden
 Andrea Pharaoh
 Godfrey Afrika

REFEREES

Andre Watson
 Neville Heilbron
 Dana Eitzen

As at 31 December 2009.



CEO's Report

BY JOHAN PRINSLOO

The year was dominated by the work to complete the amalgamation of the South African Rugby Union and the company (SA Rugby) to become one operating entity. The final decision to ratify the process was taken at an extraordinary general council meeting in Cape Town on 9 November 2009, completing an 18-month long process that had seen the options rigorously interrogated by the unions before the final decision was taken.

The options of folding SARU into the Company or of converting to a Section 21 company were vigorously debated and many hours were spent in meetings and consultations with lawyers before a consensus was reached among the 14 members that the route of the voluntary association was settled upon as the most apt to fit the operations of South African rugby.

The decision to converge was prompted by a change in the taxation landscape, which would otherwise have had the effect of making taxable SARU's funding from the company. However the conversion into a single entity once more offered considerable operational benefits. The cumbersome governance structure and potential for confusion between the roles of the Board of the Company and the President's Council and Management Committee of SARU were all replaced by a single Executive Council (Exco).

It was hoped that the new structure would combine the best of the business focus of the old board, with its independent directors and fiduciary responsibilities, together with the rugby sense of the President's Council. It would also have the authority to act across all areas of the organisation without issues of jurisdiction slowing processes.

The work of combining the two operational arms of the organisation into one structure had begun at a theoretical level some time before. As part of that process the operations of SARU had been redesigned to be focused on the organisation's strategic goals. The job of incorporating the commercial operations into a unified structure and the design of a new SARU organogram is well underway and the new structure should be fully operational by mid-year at the latest. That work will see the wheel come full circle in the affairs of South African rugby administration, completing the reversal of a process that began in 2001 with the creation of SA Rugby (Pty) Ltd and two separate operational pathways.

The realignment of the "old" SARU's objectives had begun in 2007 and 2009 represented the first full year in which the results of that process could be measured. It principally revolved around the creation of a project-based approach to funding of union development activities. This process required provinces to submit applications for funding to SARU for programmes that were aligned to the strategic goals of the organisation.

The six strategic goals were identified as:

1. Establishing high-performance programmes for talent identification and development throughout the rugby system.
2. Establishing training and education programmes and accreditation standards for players, referees, coaches, medical personnel, technical staff and administrators at all levels of the game.
3. Broadening, deepening and improving participation in rugby at schools and clubs.
4. Re-engineering the demographic profile of rugby both on and off the field.
5. Enhancing rugby's reputation by improving relationships.
6. Maximising commercial opportunities.

To achieve those goals more specific measurable targets were set in 16 distinct areas to deliver on SARU's strategic goals. In the vast majority of instances the targets were achieved by provinces – 85% of the 177 specific targets set across the provinces were met or bettered.

The focus areas were:

1. **The introduction of new schools to rugby:** Particularly impressive results were achieved by KwaZulu-Natal, the Leopards and Blue Bulls who more than doubled their respective targets. KZN introduced the game to 225 new schools when their target had been set at 50.
2. **Increase participation at Under-11 level:** KZN and Western Province led the way by tripling or better on their target while the Blue Bulls doubled their target.
3. **Establish school and club linkages:** The Blue Bulls and Border led the way in this area while six unions failed to reach their target.
4. **Increase the number of Under-19 and Under-21 players:** Western Province produced a highly impressive result by exceeding their target of 220 players by more than 1 000. All other provinces – other than Boland – exceeded their target by more modest margins.
5. **Increase participation in women's rugby:** Western Province exceeded their goal of 300 new players by 1,500 players, the Golden Lions exceeded their target by 800 and Border by 400.
6. **New formats to introduce more players to rugby:** Modest achievement in most cases.
7. **Re-introduction of the game in various industries:** Boland were set significantly the highest target and more than met their goal.
8. **Increase the number of Level 1 and 2 coaches:** 10 of the 14 unions achieved their targets with most improvement shown by KZN, the Blue Bulls and Western Province in that order.
9. **Increase the number of Level 1 and 2 referees:** It was a concern that six of the unions failed to achieve their target and the recruitment of referees remains a major focus item for rugby. However Eastern Province more than doubled their target of 80 new referees while good results were also achieved by Western Province and KZN.
10. **Increase administrators at school and club level:** All goals were achieved or exceeded.

11. **Establish functional coaching association:** Associations were established in all 12 of the unions who were set this goal.
12. **Training of assistant referees:** Three provinces failed to achieve their goal while the Blue Bulls exceeded their target by almost 400%.
13. **Training of high performance coaches:** Only seven of the Unions undertook this project and all but one achieved or bettered their goal.
14. **Introduce a talent identification system:** All seven unions who introduced such a project achieved or bettered their goal.
15. **High performance training of players:** Nine provinces identified this as a project and all but one met or exceeded their goal.
16. **Identifying players in need of high performance assistance:** Free State significantly exceeded their goal in this area as did South Western Districts.

The year was also marked by the Bid to host either the 2015 or 2019 Rugby World Cups and a compelling case was prepared by SARU. The Union secured the full backing of government for the Bid and significant financial guarantees in support of the application. The Bid also rested on the infrastructure and stadium legacy to be left by the 2010 FIFA World Cup and, by common consent, the total package was regarded as the most complete response to Rugby World Cup's Invitation to Tender. However the report of Rugby World Cup's commercial agents and regional imperatives among the IRB Council members were factors over which SARU had no control and the upshot was a narrow defeat in the voting chambers.

The result was a considerable disappointment as it means that the earliest that South Africa can next host a Rugby World Cup tournament will be in 2023, some 28 years after the only time the tournament has been hosted in Africa. Even that cannot be taken for granted as it is likely that the award will again be by tender.

However, that disappointment aside, the year was one of considerable progress. The convergence of the dual arms of the organisation back into one governance and operational structure was achieved in a mature fashion – notwithstanding the rigorous debate – and the change to a strategic funding process also delivered significant results in its first year of operation.



Managing Director's Report

BY ANDY MARINÓS, Acting MD

The year 2009 will always be remembered as possibly the most significant in South African Rugby post-unification. The decision to reverse SA Rugby (Pty) Ltd back into the South African Rugby Union, thereby creating a unitary structure under which rugby can be run and managed, makes a lot of sense as the previous model did not create maximum operational efficiency with the split in the organisation around professional and amateur rugby.

A question I have often posed to the organisation is "What is our core business?" This has received mixed responses, from enhancing commercial programmes to transformation and development. Quite simply, our core business is RUGBY and the optimal performance of rugby in all facets of the game.

With change comes challenge, and the shift of people and structures out of comfort zones. 2009 presented us with the opportunity to take a good look at our business, what areas we could improve on and where we could be more efficient and scientific in our approach to our core business. This I believe we have managed to achieve and in 2010 we will see the emergence of a new structure, new ideas and world-class displays of rugby excellence.

COMMERCIAL OVERVIEW

The SA Rugby commercial programme grew to its highest levels in 2009, achieving a consolidated commercial income of around R240-million (inclusive of the Castle South Africa 2009 Lions Series sponsorship). The commercial programme that was set in place back in 2006 has seen a steady incremental growth in our revenues as well as the evolution of a multi-tiered approach in selling rights around teams, competitions and events.

The success of the Springbok Team, Springbok Sevens as well as the Vodacom Bulls in the Vodacom Super 14 all added to the value of the SA Rugby brands and has come at an appropriate time when we are entering the market in terms of the majority of our renewals. In 2009, we took an in-depth look at our market offering and will be presenting to sponsors and commercial partners a new and revised programme in 2010.

We have also come to the end of a cycle with our commercial partners Megapro, and whilst they



will be retained in a capacity with SA Rugby, our approach to the market with our commercial partners will also be different.

From an operational perspective, we have had some changes in the running of the department with Allen Kruger leaving us as the Marketing Manager and running a special project with the so-called smaller unions, primarily to assist them with the commercialisation and more efficient running and management of their stadia and facilities. This is a value add project as we realise that successful unions across the country will indirectly breed success on the field, thus generating excitement and participation at all levels. The new organisational structure will also see the convergence of the Marketing and Commercial departments into one with a more focused approach as to how we deal and interact with our stakeholders, supporters and Provincial Unions.

2009 also saw the adoption and expansion of a new SANZAR competition structure from 2011 onwards. This has enhanced the current product as we will move to a conference system and have an expanded finals series that will ensure we have a final in SA every year. The evolution continues

into the Internationals with discussions around the inclusion of Argentina from 2012 onwards.

Coupled with this we have been engrossed in the renegotiation of the broadcast deals with both Supersport and NewsCorp that will see a greater injection of revenue into SA Rugby. This will assist us further with the growth, promotion, development and participation of South African rugby teams on all levels.

BRITISH & IRISH LIONS TOUR

SA Rugby with the Provinces and Franchises entered into a Joint Venture agreement around the Castle South Africa 2009 Lions Series. This was a first for SA Rugby and its Provinces, but ensured that there was a collective effort in providing the best possible Lions Tour to South Africa as well as delivering world class events. Economic Impact studies were done on the tour and the estimated revenue generation was in the region of R1.5 billion for an event that ran six weeks. A special mention must be made of Castle, who took the rights as the Official Lions Tour Sponsor, as well as Vodacom, Canterbury, Sasol, Southern Sun, Absa, SA Tourism and other sponsors that supported the Lions Tour.



HOWARD CLELAND



Finances

BY BASIL HADDAD

The rugby highlight of 2009 was, undoubtedly, the tour to South Africa by the British & Irish Lions, which proved to be a great success in so many respects. Unfortunately, what was not anticipated during the several years of planning that preceded the tour was that it would take place in the midst of a severe worldwide recession. Under these circumstances, the demand for hospitality packages and match tickets was, understandably, not as strong as had been forecast. Nevertheless, an acceptable financial result was achieved overall, and SA Rugby and its partners in the joint venture, viz. the fourteen provincial unions, benefitted from their respective shares of the net tour revenues.

OPERATING RESULTS

Group operating profit before taxation amounting to R28.5 million has been reported for the year ended 31 December 2009, attributable mainly to SA Rugby's share of net revenues from the British & Irish Lions tour. However, this operating profit was well below budget, partly for the reason stated above relating to the tour, and higher than expected administration and governance expenses, particularly on legal and other professional fees relating to the amalgamation (of SARU and SA Rugby) process, and the efforts to settle the dispute with South African Revenue Services.

FINANCIAL POSITION

The Group's financial position remains healthy, with total equity of R54 million and cash reserves slightly higher than that of the previous year at R72 million. The ratio of current assets to current liabilities and non-current liabilities was 1.23 to 1.00 at year-end.

A net amount of R22.7 million was owed to SA Rugby by the British & Irish Lions Tour JV, but the total amount owing by provincial unions on loan account declined further to R6.5 million.

DISPUTE WITH SOUTH AFRICAN REVENUE SERVICES ("SARS")

Despite concerted efforts to resolve the historic "balancing payments" issue with SARS during the course of 2009 and the first quarter of 2010, this matter remains outstanding at the time of reporting, and attention is drawn to the details reflected in note 20 of the group annual financial statements for the year under review, under the heading of "Contingent liability – Income tax dispute".

PROSPECTS FOR 2010

Given that 2010 is the fifth and final year of the current broadcasting rights contracts, in terms of which annual revenues are essentially fixed over the period, it was always going to be difficult to cover operating costs which have steadily increased, due largely to inflation, over that same period.

Nevertheless, aided by a further £1 million grant from the IRB Trust early in the year, and fees from additional overseas matches, SA Rugby should achieve a modest net operating profit for the year, without having to curtail strategic programmes, competitions and rugby activities in general.

BEYOND 2010

As negotiations relating to broadcasting rights contracts for the period 2011 to 2015 draw to a close, indications are that revenues for South African rugby from this source will increase significantly. Agreement in principle has also been reached between SA Rugby and the fourteen provincial unions on the broadcasting revenue distribution model to be implemented from 2011. This model, which will take into account various participation and performance criteria, will result in a more equitable flow of funds to provincial unions, by comparison to the model which has been in place since the first broadcast deal was concluded back in the 1990's.

The larger broadcasting pot, together with regular flows of significant grant monies from the IRB Trust, generated primarily from RWC profits, and upcoming renewals of major sponsorship contracts for our successful brands, should ensure a healthy financial future for South African rugby in the medium to long term.

BENEFITS OF AMALGAMATION

Driven mainly by changes in income tax legislation, the decision by SARU, the sole shareholder of SA Rugby (Pty) Ltd ("the company"), to amalgamate, with effect from 31 December 2009, its operations with the business of the company, which has been responsible for professional rugby and the commercialization thereof since late 2001, will yield a number of governance and operational benefits, particularly in the area of management, administration and reporting. A single entity structure and identity, a unified and streamlined governing structure and a focused approach to SARU's recently adopted strategic plan is likely to provide a platform for maximizing revenues and meaningful cost savings, which, in turn, will ensure that SA Rugby is well placed to successfully face the future challenges of the game of rugby, both on and off the field.

AUDIT & RISK COMMITTEE

The Group's Audit & Risk Committee met on three occasions during the course of 2009, and a number of pertinent issues were dealt with by the committee. Under its guidance, the business risk identification, assessment and mitigation exercise continued and the internal audit function is set to commence in the first half of 2010. The King III report on corporate governance has been formally adopted in SARU's new constitution, and guidance on the implementation of the recommendations of the report is being provided by the committee.

Our sincere appreciation goes to the Chairman and other independent members of the committee for their clear and valuable inputs during the past year.

SANZAR

SA Rugby completed its two year period of running the secretariat for the SANZAR unincorporated joint venture at the end of December 2009, in terms of a rotational arrangement amongst the SANZAR partners, which includes controlling and reporting

on the finances of the joint venture. As from January 2010, this function became the responsibility of the New Zealand Rugby Union, but consideration is being given to the establishment of a permanent secretariat/office, from which all SANZAR affairs will be run.



South African Rugby Union

Voluntary Association
not for Gain

CONSOLIDATED
FINANCIAL STATEMENTS
for the year ended
31 December 2009

Statutory Information

REGISTERED ADDRESS:
Sports Science Institute of SA Building
Boundary Road, Newlands, 7700
Cape Town

POSTAL ADDRESS:
P O Box 99, Newlands, 7725
Cape Town

AUDITORS:
PricewaterhouseCoopers Inc.
Cape Town

BANKERS:
ABSA

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STATEMENT OF INTERIM EXECUTIVE COUNCIL'S RESPONSIBILITY

for the year ended 31 December 2009

The annual financial statements have been prepared by management in accordance with South African Statements of Generally Accepted Accounting Practice ("SA GAAP"). They are based on appropriate accounting policies, which have been consistently applied to all years presented, unless otherwise stated and which are supported by reasonable and prudent judgements and estimates.

The Interim Executive Council is responsible for the preparation of annual financial statements that fairly present the state of affairs and the results of the Union. The external auditors are responsible for independently auditing and reporting on these annual financial statements, in conformity with South African Standards of Generally Accepted Accounting Practice.

The Interim Executive Council is responsible for the Union's systems of internal control. These are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of its assets and to prevent and detect misstatement and loss. Nothing has come to the attention of the members of the Interim Executive Council to indicate that a material breakdown in the controls within the Union has occurred during the year under review.

The Interim Executive Council has recorded it has reasonable expectation that the Union has adequate resources and the ability to continue in operation for the foreseeable future. For these reasons, the financial statements have been prepared on a going concern basis.

The financial statements set out on pages 20 to 52 were approved on 25 March 2010 by the members of the Interim Executive Council and are signed on their behalf.

President
OPM Hoskins

Chairman
J Marais

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH AFRICAN RUGBY UNION

We have audited the annual financial statements and the group annual financial statements of South African Rugby Union, which comprise the Interim Executive Council report, the statement of financial position and consolidated statement of financial position as at 31 December 2009, the statement of comprehensive income and the consolidated statement of comprehensive income, the statement of changes in equity and the consolidated statement of changes in equity, the cash flow statement and the consolidated cash flow statement for the year, and a summary of significant accounting policies and other explanatory notes, as set out on pages 20 to 52.

Interim Executive Council's Responsibility for the Financial Statements

The members of the Interim Executive Council are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with South African Statements of Generally Accepted Accounting Practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the union's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Interim Executive Council, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the union and of the group as of 31 December 2009, and of their financial performance and their cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice.

PricewaterhouseCoopers Inc.

Director: E.J. Carelse

Registered Auditor

Cape Town

REPORT OF THE INTERIM EXECUTIVE COUNCIL

for the year ended 31 December 2009

The Interim Executive Council presents its annual report, which forms part of the audited financial statements of South African Rugby Union ('the union') for the year ended 31 December 2009.

1. Nature of business

To administer, develop and promote the game of rugby in South Africa.

2. Financial results

The financial results of the union and the group are set out in the attached financial statements. The group financial statements comprise those of the union and its subsidiary companies, SA Rugby (Pty) Ltd, SA Rugby World Cup 2011 Bid Company (Pty) Ltd and Springbok Supporters Club (Pty) Ltd.

SARU (South African Rugby Union) and SA Rugby (Pty) Ltd agreed to amalgamate their operations in SARU, by means of a transfer of SA Rugby's business to SARU effective 31 December 2009. Disclosure of the amalgamation is provided in note 27 of the financial statements.

As a result of the amalgamation, SARU elected to be taxed on the SARU and SA Rugby (Pty) Ltd income and expenses within SARU for the 2009 financial year end. Further detail of the disclosure regarding the income tax impact has been made in note 15 to financial statements.

The Interim Executive Council considered the financial implications of a dispute between the South African Revenue Services and a subsidiary of the Union, SA Rugby (Pty) Ltd. The Interim Executive Council concluded, based on an independent external Senior Counsel opinion, that this is a contingent liability which is disclosed in note 20 of the financial statements.

3. Governing structure

The members of the President's Council functioned until 9 November 2009, when a decision was taken to dissolve and the new constitution adopted with effect from that date.

M Alexander (Deputy President)	Dr J Marais
S Cronje	H Mentz
F Davids	B Ondala
S de Beer	J Prinsloo (CEO)
K de Klerk	A Rautenbach (Vice President)
B Fick	R September
D Groenewald	JY Stoffberg
P Hassard	T Titus
O Hoskins (President)	H Verster
	D Watson

The following members of the President's Council vacated office during the period up to the dissolution:

J Abrahams	K Parkinson	J Ferreira	C Pringle
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The following members of the President's Council were appointed during the period up to the dissolution:

F Davids	B Ondala	K de Klerk	R September
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With effect from 9 November 2009, an Interim Executive Council was constituted in terms of the new constitution, and its members, all of whom remained in office at 31 December 2009, were:

REPORT OF THE INTERIM EXECUTIVE COUNCIL

for the year ended 31 December 2009

M Alexander (Deputy President)	A Marinos
D Groenewald	H Mentz
B Haddad	J Prinsloo (CEO)
P Hassard	A Rautenbach (Vice President)
P Heymans	J Stoffberg
O Hoskins (President)	L Stofile
Dr J Marais (Chairman)	

4. Subsidiary companies, joint ventures and associate companies

The Union has a 100% holding in SA Rugby (Pty) Ltd ("company"), and also has a 100% holding in SA Rugby World Cup 2011 Bid Company (Pty) Ltd.

The Union has a 51% shareholding in the Springbok Supporters Club (Pty) Ltd.

The Union has a one-third interest in an unincorporated joint venture, SANZAR, which currently manages the Vodacom Super 14 and Tri Nations rugby competitions in the Southern Hemisphere. The assets and liabilities of the joint venture were not material as at 31 December 2009 and the Union's interests were therefore not included in the Union's financial statements. All income flowing from the broadcasting agreements was derived directly by the Union. All of the obligations of the venturers arising from or attributable to the joint venture are several only and not joint and several.

The Union has a one-third investment in SANZAR Europe s.a.r.l. This investment was established in conjunction with New Zealand Rugby Union and Australian Rugby Union, to develop a European operation to facilitate sales in the European broadcasting market. Based on an evaluation of the risks and rewards of the investment it is not equity accounted for by the Group. The Union and other investors all provided an equal portion of the loan to the investee for start up purposes. The Union's share of profits/(losses) of the investee as reported in its recent financial statements was R491,462 [2008; (R23,238)]

The Union has a 50% holding in Eastern Province Rugby (Pty) Ltd and Border Rugby (Pty) Ltd respectively. No control existed during the year under review over any of these entities, but there was significant influence and therefore these entities have been accounted for as associates. The Union's share of profits/(losses) of the associates as reported in their recent financial statements was (R271,857) [2008; R2,285,491].

Details relating to the subsidiary companies are given in notes 3, 8 and 23 of the annual financial statements.

5. Membership control

The group is controlled by 14 Provincial unions, each of which is a member of SARU.

6. Material events after year end

No matter which is material to the financial affairs of the union has occurred between the balance sheet date and the date of approval of the financial statements.

7. Auditors

PricewaterhouseCoopers Inc. acted as auditors during the year.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

for the year ended 31 December 2009

	Notes	Group		Union	
		2009 R	2008 R	2009 R	2008 R
Assets					
<i>Non-current assets</i>					
Equipment	2	3,124,684	1,956,518	3,124,684	1,163,665
Investment in subsidiaries	3	-	-	151	100
Investment in associates	4	-	-	-	-
Deferred income tax asset	5	16,492,591	24,907,756	16,492,591	-
Amount receivable from provincial unions	6	3,240,636	3,294,125	3,240,636	-
Total non-current assets		22,857,911	30,158,399	22,858,062	1,163,765
<i>Current assets</i>					
Inventory	7	71,144	75,606	71,144	-
Receivables and prepayments	6	91,971,586	60,548,850	91,971,586	1,584,206
Amount due from subsidiary	8	-	-	27,851,212	29,161,235
Cash and cash equivalents	9	71,950,744	69,655,840	2,121,549	2,584,970
Income tax asset		288,144	-	2,113,649	-
Total current assets		164,281,618	130,280,296	124,129,141	33,330,411
Total assets		187,139,529	160,438,695	146,987,202	34,494,176
Equity and liabilities					
<i>Capital and reserves</i>					
Retained income		53,980,916	45,090,984	13,828,539	25,289,327
		53,980,916	45,090,984	13,828,539	25,289,327
Equity attributable to the Union		53,810,707	45,090,984	13,828,539	25,289,327
Non-controlling interests		170,209	-	170,209	-
Total equity		53,980,916	45,090,984	13,998,748	25,289,327
<i>Non-current liabilities</i>					
Deferred revenue		43,333,333	30,000,000	43,333,333	-
Total non-current liabilities		43,333,333	30,000,000	43,333,333	-
<i>Current liabilities</i>					
Trade and other payables	11	65,738,495	40,989,472	65,738,545	5,780,147
Derivative financial liabilities	10	-	6,024,822	-	-
Deferred revenue		24,086,785	24,135,819	24,086,785	3,424,702
Income tax liability		-	14,197,598	-	-
Total current liabilities		89,825,280	85,347,711	89,825,330	9,204,849
Total liabilities		133,158,613	115,347,711	133,158,663	9,204,849
Total equity and liabilities		187,139,529	160,438,695	146,987,202	34,494,176

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2009

	Notes	Group		Union	
		2009 R	2008 R	2009 R	2008 R
Revenue		454,178,855	432,482,549	109,576,133	118,790,327
Gross income		454,178,855	432,482,549	109,576,133	118,790,327
Other income	12	46,926,502	1,843,238	-	-
Operating expenditure		(476,690,059)	(470,646,966)	(109,576,134)	(118,920,111)
Operating profit / (loss)	13	24,415,297	(36,321,179)	-	(129,784)
Net finance income	14	4,143,398	8,907,136	-	129,784
Profit / (loss) before taxation		28,558,695	(27,414,043)	-	-
Income tax expense	15	(19,668,763)	5,541,692	(11,460,788)	-
PROFIT FOR THE YEAR		8,889,932	(21,872,351)	(11,460,788)	-
Other comprehensive income					
Other comprehensive income for the year, net of tax		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		8,889,932	(21,872,351)	(11,460,788)	-
Profit attributable to:					
Equityholders of the Union		8,719,723	(21,872,351)	(11,630,997)	-
Non-controlling interests		170,209	-	170,209	-
		8,889,932	(21,872,351)	(11,460,788)	-
Total comprehensive income attributable to:					
Equityholders of the Union		8,719,723	(21,872,351)	(11,630,997)	-
Non-controlling interests		170,209	-	170,209	-
		8,889,932	(21,872,351)	(11,460,788)	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2009

Group	Retained earnings R	Attributable to the Union R	Non-controlling interests R	Total
Balance at 1 January 2008	66,963,335	66,963,335	-	66,963,335
Profit or loss for the year	(21,872,351)	(21,872,351)	-	(21,872,351)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	(21,872,351)	(21,872,351)	-	(21,872,351)
Balance at 31 December 2008	45,090,984	45,090,984	-	45,090,984
Profit or loss for the year	8,889,932	8,719,723	170,209	8,889,932
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	8,889,932	8,719,723	170,209	8,889,932
Balance at 31 December 2009	53,980,916	53,810,707	170,209	53,980,916

Union	Retained earnings R	Attributable to the Union R	Non-controlling interests R	Total
Balance at 1 January 2008	25,289,327	25,289,327	-	25,289,327
Profit or loss for the year	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance at 31 December 2008	25,289,327	25,289,327	-	25,289,327
Profit or (loss) for the year	(11,460,788)	(11,460,788)	170,209	(11,290,579)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	(11,460,788)	(11,460,788)	170,209	(11,290,579)
Balance at 31 December 2009	13,828,539	13,828,539	170,209	13,998,748

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2009

	Notes	Group 2009	2008 R	Union 2009 R	2008 R
Cash flow from operating activities					
Cash receipts from customers		469,638,050	467,414,259	86,651,223	124,203,500
Cash paid to suppliers and employees		(443,208,388)	(449,203,009)	(71,037,416)	(123,292,159)
Cash generated from operations	18	26,429,662	18,211,250	15,613,807	911,341
Interest received		5,905,516	9,813,773	-	129,784
Interest paid		(1,762,118)	(906,636)	-	-
Taxation paid	19	(25,739,453)	(2,115,346)	(12,040,000)	-
Net cash flow inflow from operating activities		4,833,607	25,003,041	3,573,807	1,041,125
Cash flow from investing activities					
Proceeds on disposal of equipment		-	26,511	-	-
Purchase of equipment		(2,592,192)	(872,451)	(796,592)	(456,479)
Acquisition of subsidiary		-	-	-	-
Loans to provincial unions		53,489	3,825,948	(3,240,636)	-
Net cash (used in)/generated from investing activities		(2,538,703)	27,983,048	(4,037,228)	(456,479)
Net increase / (decrease) in cash and cash equivalents		2,294,904	27,983,048	(463,421)	584,646
Cash and cash equivalents at beginning of year		69,655,840	41,672,792	2,584,970	2,000,324
Cash and cash equivalents at end of year	9	71,950,744	69,655,840	2,121,549	2,584,970

ACCOUNTING POLICIES

for the year ended 31 December 2009

The principal accounting policies applied in preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of the group have been prepared in accordance with South African Generally Accepted Practices ("SA GAAP"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the valuation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through income statement.

The preparation of financial statements in conformity with SA GAAP requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the accounting policies below.

(a) Standards, amendment and interpretations effective in 2009

IAS 1, Presentation of Financial Statements – Revised

Amendment to IFRS 7, Improving disclosures about financial instruments

(b) Standards, amendments and interpretations effective in 2009, but not relevant

The following standards, amendments and interpretations are mandatory for accounting periods beginning on or after 1 January 2009:

IFRS 8, Operating Segments

Amendment to IFRS 2, Amendment to IFRS 2 Share-Based Payment: Vesting Conditions and Cancellations.

Amendment to IAS 32 and IAS 1, Amendment to IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of financial statements – Puttable Financial Instruments and Obligations Arising on Liquidation.

Amendments to IFRS 1 and IAS 27, Amendments to IFRS 1 First-Time Adoption of International Financial Reporting Standards and IAS 27 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate.

IFRIC 13, Customer Loyalty Programmes

IFRIC 15, Agreements for the Construction of Real Estate

IFRIC 16, Hedges of a Net Investment in a Foreign Operation

IAS 23, Borrowing Costs – Revised

AC 503 Revised, Accounting for Black Economic Empowerment (BEE) Transactions

(c) Standards, amendments and interpretations that are not yet effective but relevant to the Group's operations

The following standards, amendments and interpretations are mandatory for accounting periods beginning on or after 1 January 2009 and are relevant to the Group's operations:

AC 504, IAS 19 (AC116) – The limit on a defined benefit asset, Minimum funding requirements and their interaction in the South African pension fund environment

Amendment to IAS 24 (still to be approved by the APB), Related party disclosures

ACCOUNTING POLICIES

for the year ended 31 December 2009

(d) Standards, amendments and interpretations that are not yet effective and not relevant to the Group's operations

The following standards, amendments and interpretations are mandatory for accounting periods beginning on or after 1 January 2010 but are not relevant to the Group's operations:

IFRS 3, Business Combinations – Revised

IAS 27, Consolidated and Separate Financial Statements – Revised

Amendments to IAS 39, Amendments to IAS 39 Financial Instruments: Recognition and Measurement Exposures Qualifying for Hedge Accounting

IFRIC 17, Distributions of Non-cash Assets to Owners

IFRIC 18, Transfers of assets from customers

Amendments to IFRIC 9 – Reassessment of Embedded Derivatives and IAS 39 – Financial Instruments: Recognition and Measurement,

Amendment to IFRS 2, Amendments to IFRS 2 Share-based payment – Group cash-settled share-based payment transactions

Amendment to IFRS 1, Amendments to IFRS 1 (AC 138): First-time Adoption of International Financial Reporting Standards (IFRSs)

Amendment to IAS 32 (still to be approved by the APB), Classification of Rights Issues

IFRS 9 (still to be approved by the APB), Financial instruments

Amendment to IFRIC 14 (still to be approved by the APB), Prepayments of a Minimum Funding Requirement

IFRIC 19 (still to be approved by the APB), Extinguishing Financial Liabilities with Equity Instruments

Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

ACCOUNTING POLICIES

for the year ended 31 December 2009

(b) Transactions and non-controlling interests

The group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the group.

Disposals to non-controlling interests result in gains and losses for the group and are recorded in the income statement. Purchases from non-controlling interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

(c) Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The group's investment in associate includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains or transactions between the group and its associate is eliminated to the extent of the group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the associate has been changed where necessary to ensure consistency with the policies adopted by the group.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Rands, which is the group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income statement within 'other (losses)/gains – net'.

ACCOUNTING POLICIES

for the year ended 31 December 2009

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are, included in the fair value reserve in equity.

Equipment

All items of equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only 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. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Office furniture and equipment	3 – 8 years
Computer equipment	3 years
Vehicles	3 – 5 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

ACCOUNTING POLICIES

for the year ended 31 December 2009

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets

Classification

The group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as 'trade and other receivables' in the balance sheet.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of end of the reporting period.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

ACCOUNTING POLICIES

for the year ended 31 December 2009

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (losses)/gains – net' in the period in which they arise.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from investment securities'.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the group's right to receive payments is established.

Impairment of financial assets

The group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

Inventory

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges purchases of raw materials.

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as noncurrent assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenditure. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'selling and marketing costs' in the income statement.

ACCOUNTING POLICIES

for the year ended 31 December 2009

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction, net of tax, in equity from the proceeds.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

ACCOUNTING POLICIES

for the year ended 31 December 2009

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available, against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Employee benefits

(a) Pension obligations

The group companies operate two pension schemes. The schemes are generally funded through payments to trustee-administered funds, determined by periodic actuarial calculations. The Group has a defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to the employee service in the current and prior periods.

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an 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 compensation.

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 balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. 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.

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.

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for the year ended 31 December 2009

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-line basis over the vesting period.

For defined contribution 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 expense 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.

(b) Other post-employment obligations

The group companies provide post-retirement healthcare benefits to their retirees. 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 the statement of changes in equity in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

(c) 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 balance sheet date are discounted to their present value.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The Group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

ACCOUNTING POLICIES

for the year ended 31 December 2009

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sales of goods

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

Sponsorship income

Long term 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.

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 the asset. Where the benefit relates only to the current period, the product is expensed (i.e. the net effect on the accounting records is nil).

Sales 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 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.

ACCOUNTING POLICIES

for the year ended 31 December 2009

Dividend income

Dividend income is recognised when the right to payment is established.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Non-current asset held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

Accounting for the company's acquisition of the controlling interest in subsidiaries and businesses under common control

The IFRS on business combinations (IFRS 3) does not apply to business combinations effected between parties that are ultimately controlled by the same entity, otherwise known as common control transactions. The Union has elected to apply the principle of "predecessor accounting".

The group financial statements incorporate the acquired entity's results only from the date on which the transaction occurred. Consequently, the group financial statements do not reflect the results of the acquired entity for the period before the transaction occurred. The corresponding amounts for the previous year are also not restated. The assets and liabilities of the acquired entity are recognised at the predecessor values, therefore no restatement of the acquiree's assets and liabilities to fair value was required.

The difference between the consideration given and the predecessor values are recognised directly in equity in (a separate reserve or retained income). As a result, no goodwill is recognised on acquisition.

Financial risk management

Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance. The group uses derivative financial instruments to hedge certain risk exposures.

(a) Market risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

ACCOUNTING POLICIES

for the year ended 31 December 2009

Management has set up a policy to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the group use forward contracts. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The group treasury's risk management policy is to mitigate the foreign currency exposure risk by between 75% and 100% of anticipated cash flows (mainly sale of broadcasting rights) in each major foreign currency for the subsequent 12 months. This is done by taking out a number of foreign exchange contracts.

At 31 December 2009, if the currency had weakened/strengthened by 11% against the USD with all other variables held constant, post-tax (loss)/profit for the year would have been R170,991 (2008: R197,225) higher/lower, mainly as a result of foreign exchange gains/losses on translation of USD denominated trade receivables.

(b) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions as well as credit exposures to sponsors, including outstanding receivables and committed transactions.

Counterparty	Rating	31 December 2009		31 December 2008	
		Credit limit	Balance	Credit limit	Balance
ABSA	AAA	(3,000,000)	71,585,796	(3,000,000)	64,560,454
Investec Bank	AAA	-	-	-	5,093,363
		(3,000,000)	71,585,796	(3,000,000)	69,653,817

(c) Liquidity and interest rate risk

The group has a number of short term deposits with banks and also number of loans granted to the Unions which result in risk from interest rate changes. The interest rates charged on these assets are linked to the prime overdraft lending rate. A 2% increase/decrease in the prime interest rate would result in a R 825,117 (2008: 302,000) change in the interest.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for IFRS 7 disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgements are continually

ACCOUNTING POLICIES

for the year ended 31 December 2009

evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment in investment in associates

The Group follows the guidance of IAS 39 to determine when a loan and receivable is impaired. This determination requires significant judgement. In making this judgement, the group evaluates, among other factors, the duration and extent to which the fair value of the loans to associates are less than the original consideration, the financial health of and near-term business outlook for the investee, including factors such as financing cash flow.

(b) Income taxes

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

2. Equipment

Group	Office Furniture & Equipment R	Computer Equipment R	Motor Vehicles R	Work in Progress R	Total R
2009					
Opening Balance					
- Cost	4,359,087	12,436,349	99,732	-	16,895,168
- Accumulated depreciation	(4,090,283)	(10,748,635)	(99,732)	-	(14,938,650)
Net book value at beginning of year	268,804	1,687,714	-	-	1,956,518
Additions	74,719	2,517,453	-	-	2,592,172
Impairment	-	-	-	-	-
Disposals	-	(33,368)	-	-	(33,368)
- Cost	-	(67,069)	-	-	(67,069)
- Accumulated depreciation	-	33,700	-	-	33,700
Current year depreciation	(89,554)	(1,301,084)	-	-	(1,390,638)
Closing Balance					
- Cost	4,433,806	14,886,734	99,732	-	19,420,272
- Accumulated depreciation	(4,179,837)	(12,016,019)	(99,732)	-	(16,295,588)
Net book value at end of year	253,969	2,870,715	-	-	3,124,684

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

2. Equipment

Group	Office Furniture & Equipment R	Computer Equipment R	Motor Vehicles R	Work in Progress R	Total R
2008					
Opening Balance					
- Cost	4,456,698	11,638,445	99,732	1,720,617	17,915,492
- Accumulated depreciation	(4,027,171)	(9,012,616)	(99,732)	-	(13,139,519)
Net book value at beginning of year	429,527	2,625,829	-	1,720,617	4,775,973
Additions	40,025	818,649	-	13,777	872,451
Impairment	-	-	-	(1,734,394)	(1,734,394)
Disposals	-	(13,255)	-	-	(13,255)
- Cost	(137,636)	(20,745)	(99,732)	-	(258,113)
- Accumulated depreciation	137,636	7,490	99,732	-	244,858
Current year depreciation	(200,748)	(1,743,509)	-	-	(1,944,257)
Closing Balance					
- Cost	4,359,087	12,436,349	-	-	16,795,436
- Accumulated depreciation	(4,090,283)	(10,748,635)	0	-	(14,838,918)
Net book value at end of year	268,804	1,687,714	-	-	1,956,518

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

2. Equipment

Union	Office Furniture & Equipment R	Computer Equipment R	Motor Vehicles R	Work in Progress R	Total R
2009					
Opening Balance					
- Cost	2,016,849	4,361,709	-	-	6,378,558
- Accumulated depreciation	(1,896,768)	(3,318,125)	-	-	(5,214,893)
Net book value at beginning of year	120,081	1,043,584	-	-	1,163,665
Additions	7,911	788,683	-	-	796,594
Amalgamation of SA rugby into SARU	153,155	1,794,279	-	-	1,947,434
- Cost	1,529,650	7,758,919	-	-	9,288,569
- Accumulated depreciation	(1,376,495)	(5,964,640)	-	-	(7,341,135)
Disposals	-	(15,347)	-	-	(15,347)
- Cost	-	(20,644)	-	-	(20,644)
- Accumulated depreciation	-	5,297	-	-	5,297
Current year depreciation	(27,179)	(740,483)	-	-	(767,662)
Closing Balance					
- Cost	3,554,410	12,888,668	-	-	16,443,078
- Accumulated depreciation	(3,300,442)	(10,017,951)	-	-	(13,318,393)
Net book value at end of year	253,968	2,870,717	-	-	3,124,684

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

2. Equipment

Union	Office Furniture & Equipment R	Computer Equipment R	Motor Vehicles R	Work in Progress R	Total R
2008					
Opening Balance					
- Cost	1,982,923	3,957,317	-	1,720,617	7,660,857
- Accumulated depreciation	(1,757,681)	(2,663,230)	-	-	(4,420,911)
Net book value at beginning of year	225,242	1,294,087	-	1,720,617	3,239,946
Additions	33,926	408,777	-	13,777	456,480
Impairment	-	-	-	(1,734,394)	(1,734,394)
Disposals	-	(2,802)	-	-	(2,802)
- Cost	-	(4,385)	-	-	(4,385)
- Accumulated depreciation	-	1,583	-	-	1,583
Current year depreciation	(139,087)	(656,478)	-	-	(795,565)
Closing Balance					
- Cost	2,016,849	4,361,709	-	-	6,378,558
- Accumulated depreciation	(1,896,768)	(3,318,125)	-	-	(5,214,893)
Net book value at end of year	120,081	1,043,584	-	-	1,163,665

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

3. Investment in subsidiaries

	Group		Union	
	2009 R	2008 R	2009 R	2008 R
SA Rugby World Cup 2011 Bid Company (Pty) Ltd	-	-	-	-
Springbok Supporters Club (Pty) Ltd	-	-	51	-
SA Rugby (Pty) Ltd	-	-	100	100
	<u>-</u>	<u>-</u>	<u>151</u>	<u>100</u>

4. Investment in associates

Beginning of the year	-	-	-	-
Reclassified as investment	-	1,500,000	-	-
Impairment charge	-	(1,500,000)	-	-
End of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The gross results, of its unlisted principal associates and of its assets, is based on the unaudited management accounts as at 31 December 2009, as follows:

The share % is indicated below.

	Assets	Liabilities	Revenue	Profit / (Loss)	Accumulated Losses
EP Rugby (Pty) Ltd (50%)	9,934,894	9,819,981	7,415,587	637,342	(1,042,411)
Border Rugby (Pty) Ltd (50%)	443,376	1,624,431	7,712,371	(1,181,055)	(7,194,327)
	<u>10,378,270</u>	<u>11,444,412</u>	<u>15,127,958</u>	<u>(543,713)</u>	<u>(8,236,738)</u>

Since acquisition of the investment in associates, the cumulative losses at acquisition have not been recognised.

The impairment charge in respect of the investments in, Eastern Province Rugby (Pty) Ltd and Border Rugby (Pty) Ltd amounted to R Nil in the current year.

5. Deferred income tax asset

Deferred income taxes are calculated on all temporary differences under the balance sheet liability method using a principal tax rate of 28%.

Balance at beginning of year	24,907,756	19,366,064	-	-
Amalgamation of SA Rugby and SSC	-	-	18,027,028	-
SSC prior year over provision	(137,507)	-	-	-
Tax losses reversed in SA Rugby	(6,743,221)	-	-	-
Income statement (debit) / credit	(1,534,437)	5,541,692	(1,534,437)	-
Balance at end of year	<u>16,492,591</u>	<u>24,907,756</u>	<u>16,492,591</u>	<u>-</u>

Deferred tax assets and liabilities are attributable to the following items:

Deferred income tax liabilities				
Accounts receivable	-	(114,181)	-	-
Prepayments	(818,656)	(463,283)	(818,656)	-
Deferred revenue	(2,016,000)	-	(2,016,000)	-
Other	(560,974)	-	(560,974)	-
	<u>(3,395,630)</u>	<u>(577,464)</u>	<u>(3,395,630)</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

5. Deferred tax asset (continued)	Group		Union	
	2009 R	2008 R	2009 R	2008 R
Deferred income tax assets				
Provisions	553,582	1,178,154	553,582	-
Unutilised tax losses of SA Rugby	-	6,991,315	-	-
Deferred revenue	18,877,633	15,325,144	18,877,633	-
Accounts receivable	238,514	1,868,187	238,514	-
Other deductible temporary differences	218,492	122,420	218,492	-
	<u>19,888,221</u>	<u>25,485,220</u>	<u>19,888,221</u>	<u>-</u>
Net deferred tax asset	<u>16,492,591</u>	<u>24,907,756</u>	<u>16,492,591</u>	<u>-</u>
6. Receivables and prepayments				
South African Revenue Service - VAT	9,120,611	7,435,266	9,120,611	-
Trade receivables	17,850,457	25,535,701	17,850,457	81,922
Less: Impairment provision raised	(1,091,117)	(8,858,630)	(1,091,117)	-
Amounts receivable from provincial unions	18,958,347	11,063,754	18,958,347	-
Loans to provincial unions	6,542,572	10,045,969	6,542,572	-
British & Irish Lions loan account	22,710,206	-	22,710,206	-
Prepayments	4,832,416	6,438,134	4,832,416	1,365,361
Accrued income	16,288,732	12,182,781	16,288,732	136,923
	<u>95,212,222</u>	<u>63,842,975</u>	<u>95,212,222</u>	<u>1,584,206</u>
Less : Non current portion of loans to provincial unions	<u>(3,240,636)</u>	<u>(3,294,125)</u>	<u>(3,240,636)</u>	<u>-</u>
	<u>91,971,586</u>	<u>60,548,850</u>	<u>91,971,586</u>	<u>1,584,206</u>

All non-current receivables are due within three to five years. The non-current receivables are unsecured and interest is charged, based on the prime interest rate less 2%. Prepayments includes R1,000,000 (2008: R1,496 000) payments to provincial unions for the 2010 ABSA Currie Cup, 1st division.

The effective interest rates on non-current receivables were as follows:

Loans to provincial unions	8.5-13.5%	10.5-13.5%	8.5-13.5%	-
Fully performing debtors	10,303,651	5,198,798	10,303,651	81,922

Trade receivables that are less than three months past due are not considered impaired. As of 31 December 2009 trade receivables of R6,455 689 (2008 : R15,298,093) were past due but not impaired. The ageing of these trade receivables is as follow:

Up to 3 months (60 to 90)	3,869,371	5,466,551	3,869,371	-
3 to 6 months	2,156,253	441,941	2,156,253	-
More than 6 month	430,065	9,389,601	430,065	-
	<u>6,455,689</u>	<u>15,298,093</u>	<u>6,455,689</u>	<u>-</u>

As of 31 December 2009, trade receivables of R1,091,117 (2008: 5,038,810) were impaired and provided for. The amount of the provision was R1,091,117 as of 31 December 2009 (2008: R8,858,630). The individually impaired receivables mainly relate to recoverable tournament expenditure and sponsorship due which is now considered to be doubtful of recovery. It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

3 to 6 months	372,791	1,880,268	372,791	-
Over 6 months	718,327	3,158,542	718,327	-
	<u>1,091,117</u>	<u>5,038,810</u>	<u>1,091,117</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

6. Receivables and prepayments (continued)

The carrying amount of trade and other receivables are denominated in the following currencies:

	Group		Union	
	2009 R	2008 R	2009 R	2008 R
Rands	89,950,074	61,353,138	89,950,074	1,584,206
US dollar	590,600	2,489,837	590,600	-
British pound	4,480,160	-	4,480,160	-
Euro	191,388	-	191,388	-
	<u>95,212,222</u>	<u>63,842,975</u>	<u>95,212,222</u>	<u>1,584,206</u>

Movements on the group provision for impairment of trade receivables are as follows:

At 1 January	8,858,630	2,250,000	-	-
Provision for receivables impairment	1,000,000	6,608,630	1,091,117	-
Amounts recovered from debtors	(8,767,513)	-	-	-
At 31 December	<u>1,091,117</u>	<u>8,858,630</u>	<u>1,091,117</u>	<u>-</u>

Amounts charged to the provision account are generally written off when there is no expectation of recovery.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The union does not hold any collateral as security.

7. Inventory

Merchandise	<u>71,144</u>	<u>75,606</u>	<u>71,144</u>	<u>-</u>
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8. Amount due from subsidiary

SA Rugby (Pty) Ltd	<u>-</u>	<u>-</u>	<u>27,851,212</u>	<u>29,161,235</u>
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The current account is unsecured, interest free and has no fixed term of repayment.

9. Cash and cash equivalents

Cash and bank balances and short term bank deposits	<u>71,950,744</u>	<u>69,655,840</u>	<u>2,121,549</u>	<u>2,584,970</u>
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10. Derivative financial liabilities

Foreign forward exchange contracts	<u>-</u>	<u>6,024,822</u>	<u>-</u>	<u>-</u>
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Trading derivatives are classified as either current assets or liabilities.

The notional principal amounts of the outstanding forward foreign exchange contracts at 31 December 2009 amounts to R Nil(2008: R55,505,600). A forward exchange liability of R Nil (2008: R 6,024,822) was recognised in respect of the foreign exchange loss on converting the forward exchange contract to spot rate at year end.

11. Trade and other payables

Accrued expenses	27,803,679	16,898,975	27,803,679	2,716,958
Trade payables	19,031,069	13,766,808	19,031,069	-
Amounts payable to provincial unions	8,794,014	7,379,300	8,794,014	2,440,768
Amounts payable to joint ventures	25,438	322,487	25,438	-
World Cup 2011 Bid Company (Pty) Ltd	12,750	47,975	12,750	-
South African Revenue Service	3,685,864	2,573,927	3,685,864	622,422
Sundry payables	6,385,681	-	6,385,731	-
	<u>65,738,495</u>	<u>40,989,472</u>	<u>65,738,545</u>	<u>5,780,148</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

12. Other income	Group		Union	
	2009 R	2008 R	2009 R	2008 R
Sublease of property	635,703	577,912	-	-
Share of profits British & Irish Lions	45,335,099	-	-	-
Springbok Supporters Club	-	255,000	-	-
Other income	955,700	1,010,326	-	-
	<u>46,926,502</u>	<u>1,843,238</u>	<u>-</u>	<u>-</u>

13. Operating profit / (loss)

The following items have been credited/charged in arriving at operating profit/(loss):

Foreign exchange gains	(6,460,979)	(3,500,916)	-	-
Foreign exchange losses	-	12,892,652	-	-
(Profit)/ loss on sale of equipment	33,368	13,255	15,347	2,801
Auditors remuneration	2,684,326	1,845,261	268,433	179,181
Current year	1,106,445	1,053,450	110,644	100,000
Prior year	-	121,721	-	12,172
Other services	1,577,881	670,090	157,788	67,009
Consulting fees	728,527	894,753	72,853	89,475
Depreciation (note 2)	1,390,638	1,944,257	767,662	795,565
Impairment of assets	-	4,126,223	-	1,734,394
Legal fees	4,666,308	2,961,091	-	-
Operating lease rentals	2,301,471	3,293,060	676,111	1,284,293
Staff costs (note 16)	30,976,115	32,689,818	12,971,216	13,496,723

Operating profit as disclosed by nature is as follows:

INCOME				
Broadcasting	184,124,999	182,554,554	-	-
Sponsorship	151,690,383	146,813,474	6,145,104	7,542,834
Grant from IRB Trust	1,855,468	-	1,855,468	-
Home tests guarantees	39,840,000	40,740,000	-	-
Overseas matches	5,900,060	-	-	-
Interest received	5,838,194	8,879,817	-	129,784
Merchandising royalties	6,456,748	11,817,036	-	-
Other income (note 12)	46,926,498	1,843,238	-	-
Springbok Supporters Club	14,865,395	-	-	-
S.A Rugby	-	-	100,688,150	110,090,181
	<u>457,497,745</u>	<u>392,648,119</u>	<u>108,688,722</u>	<u>117,762,799</u>
EXPENSES				
Governance	14,684,429	13,978,519	14,684,429	13,978,519
Commercial & National teams	179,894,205	167,836,963	-	-
Amateur Rugby Operations	92,872,203	101,025,747	92,872,203	101,025,747
Corporate Services	35,880,218	41,202,538	1,132,090	1,024,139
Broadcasting rights payments to provinces	74,340,000	70,224,000	-	-
Social Responsibility	6,545,007	10,442,131	-	-
Springbok Supporters Club	14,382,990	886,044	-	-
Impairment charge	-	4,126,224	-	1,734,394
Additional subsidies to provinces	10,339,998	10,339,996	-	-
	<u>428,939,050</u>	<u>420,062,162</u>	<u>108,688,722</u>	<u>117,762,799</u>
Profit / (loss) before taxation	28,558,695	(27,414,043)	-	-

Broadcasting and Sponsorship income was recognised net of commission and advertising costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

14. Net finance income	Group		Union	
	2009 R	2008 R	2009 R	2008 R
Interest received				
Bank balances and deposits	5,137,197	9,184,493	-	129,784
Loans to provincial unions	768,319	629,280	-	-
Interest paid				
Bank overdraft/other	(343,651)	(96,358)	-	-
Improper use of pension funds	-	(810,278)	-	-
Interest paid to SARS	(1,418,467)	-	-	-
	<u>4,143,398</u>	<u>8,907,137</u>	<u>-</u>	<u>129,784</u>

15. Taxation

Current tax	(18,134,326)	-	(9,926,351)	-
Deferred tax	(1,534,437)	5,541,692	(1,534,437)	-
	<u>(19,668,763)</u>	<u>5,541,692</u>	<u>(11,460,788)</u>	<u>-</u>

SARU and SA Rugby (Pty) Ltd agreed to amalgamate on 31 December 2009 and as a result SARU elected, in terms of section 125(8) of the Revenue Laws Amendment Act, 35 of 2007 to tax all income and expenses of SA Rugby (Pty) Ltd in SARU for the financial year ended 2009.

In accordance with the legal opinion of an independent external Senior Counsel, management provided for an amount of R 1,8 million. This relates to the contingent liability that is explained in more detail in note 20 of the financial statements.

The tax on the subsidiaries' profit before tax differs from the theoretical amount that would arise using the basic tax rate of South Africa as follows:

Profit before tax			-	-
Add profit before tax from SA Rugby (Pty) Ltd included in SARU's income tax calculation in terms of section 125(8) of the Revenue Laws Amendment Act, 35 of 2007			28,558,695	-
Profit / (loss) before tax	28,558,695	(27,414,043)	28,558,695	-
Tax calculated at a rate of 28%	7,996,435	(7,675,932)	7,996,435	-
Expenses not deductible for tax purposes	3,326,847	1,436,698	3,326,847	-
Change in tax rate	-	667,795	-	-
SA Rugby (Pty) Ltd	8,207,975	-	-	-
Deferred tax over provision for prior years	137,506	29,747	137,506	-
Tax charge	<u>19,668,763</u>	<u>(5,541,692)</u>	<u>11,460,788</u>	<u>-</u>

16. Staff costs

Salaries	26,594,764	26,731,500	11,033,634	11,758,910
Pension contributions	3,206,172	2,916,641	1,438,107	1,283,467
Medical aid contributions	977,163	877,382	456,960	402,184
Leave pay provision	198,016	64,295	42,515	52,162
Compensation for loss of office	-	2,100,000	-	-
	<u>30,976,115</u>	<u>32,689,818</u>	<u>12,971,216</u>	<u>13,496,723</u>

17. Operating lease commitments

The group and the union have the following operating lease commitments at 31 December 2009.

Less than 12 months	3,355,825	3,071,981	3,355,825	1,197,019
Between 1 and 5 years	5,316,898	6,207,962	5,316,898	2,547,817

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

18. Cash generated from operations	Group		Union	
	2009 R	2008 R	2009 R	2008 R
Reconciliation of operating profit/(loss) to cash generated from operations				
Operating profit/(loss)	24,415,297	(36,321,179)	-	(129,784)
Adjustments for:				
Depreciation (note 2)	1,390,638	1,944,257	767,662	795,565
Impairment charge	-	4,126,223	-	1,734,394
Unrealised foreign exchange loss/(profit)	(6,024,821)	6,024,821	-	-
Loss / (Profit) on sale of equipment	33,498	(13,255)	15,347	2,801
Changes in working capital:	6,615,049	42,450,383	14,830,799	(1,491,636)
(Increase) / Decrease in receivables and prepayments	(31,422,736)	29,705,738	(90,387,380)	8,709,933
Decrease/(increase) in amounts due from subsidiary	-	-	(18,664,490)	959,715
(Increase) / Decrease in inventory	4,462	(75,606)	(71,144)	-
Increase/(decrease) in payables	24,749,023	9,361,911	59,958,397	(8,435,164)
Increase/(decrease) in deferred revenue	13,284,301	3,458,340	63,995,416	(2,726,120)
	<u>26,429,662</u>	<u>18,211,250</u>	<u>15,613,808</u>	<u>911,341</u>

19. Taxation paid

Taxation asset / liability at the beginning of the year	14,197,598	16,312,944	-	-
Taxation asset on amalgamation			(12,040,000)	
Current taxation charge	11,253,711	-	9,926,351	-
Taxation liability / (asset) at the end of the year	(288,144)	14,197,598	(2,113,649)	-
	<u>25,739,453</u>	<u>2,115,346</u>	<u>12,040,000</u>	<u>-</u>

20. Contingent Liability and Guarantee

Income tax dispute

The dispute between the South African Revenue Services ("SARS") and SA Rugby (Pty) Ltd (SA Rugby) relates to the deductibility of the so-called "balancing payments" made by SA Rugby to the South African Rugby Union ("SARU") during 2003 to 2008. These payments are made annually in terms of a contractual obligation by SA Rugby that initially arose when the company was formed in 2001.

On 21 November 2009 SARS issued revised income tax assessments amounting to R155 million (R113 million of income tax and R42 million of interest) to SA Rugby for the 2003 to 2008 years of assessment disallowing the above payments in terms of sections 11(a) read with section 23(g) of the Income Tax Act. SA Rugby duly objected to these assessments. SARS disallowed SA Rugby's objection, and on 10 December 2009 SA Rugby lodged Notices of Appeal.

The original tax structure of SA Rugby and SARU was approved by senior officials of SARS during 2000 and 2001, prior to the formation of SA Rugby (Pty) Ltd. In 2005 SARS queried the deductibility of these payments. At the end of 2008 the representatives of the two parties met SARS to discuss this matter as well as the possible amalgamation of the two entities. At that time it was agreed that SARS would focus on an analysis of SARU's expenditure to resolve the matter. The required information was provided to SARS and a settlement methodology was confirmed at a meeting with SARS on 13 August 2009 with the understanding that the parties amalgamate in a certain manner. Based on this methodology a settlement proposal of R 1.8 million was communicated to SARS on 3 September 2009. During November 2009 SARS issued income tax assessments for the 2003 to 2008 years of assessment as referred to above.

The Interim Executive Council of SARU, based on an independent external Senior Counsel opinion, regarding the above matter concluded that an amount of R 1.8 million should be provided. See note 15 for the accrual of the R1.8 million.

Guarantee

A subsidiary of the Union has signed sureties totalling R4,800,000 for loans to an associate. The balance owing on such loans as at 31 December 2009 was R 8,517,458 (2008:R7,734,962).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

21. Retirement benefits

The Group continues to contribute towards the Rugby Pension Fund which operates defined benefit and a defined contribution pension schemes covering all eligible employees of the Group. 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 2009, using the projected unit method.

Principle actuarial assumptions at the balance sheet date:	2009	2008
- Discount rate	9.50%	8.50%
- Inflation rate	6.00%	5.25%
- Salary increase rate	7.00%	6.25%
- Expected return on scheme's assets	10.50%	9.50%
- Pension increase allowance	4.29%	3.33%

The movement in the defined benefit obligation over the year is as follows:

	R	R
Beginning of year	2,347,000	2,145,000
Current service cost	109,000	99,000
Member Contributions	44,000	39,000
Interest cost	186,000	193,000
Risk premiums	(15,000)	(15,000)
Actuarial (gain)/loss	273,000	(114,000)
At end of year	<u>2,944,000</u>	<u>2,347,000</u>

The movement in the fair value of scheme's assets over the year is as follows:

Beginning of year	2,098,000	2,608,000
Expected return on scheme's assets	188,000	252,000
Actuarial (gain)/loss	1,815,000	(864,000)
Contributions	131,000	117,000
Risk premiums	(15,000)	(15,000)
At end of year	<u>4,217,000</u>	<u>2,098,000</u>

The amounts recognised in the income statement are as follows:

Current service cost	109,000	99,000
Interest cost	186,000	193,000
Expected return on scheme's assets	(188,000)	(252,000)
Amortisation	2,000	-
Net actuarial loss/ (gain)	-	(463,000)
Paragraph 58A loss(gain)	-	501,000
	<u>109,000</u>	<u>78,000</u>

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 paragraph 59 of AC 116 "Employee benefits".

Funded Status

Defined benefit obligation	(2,944,000)	(2,347,000)
Assets at fair value	4,217,000	2,098,000
Funded status	1,273,000	(249,000)
Unrecognised net transitional obligation/(asset)	-	-
Unrecognised past service contract	-	-
Unrecognised net (gain)/loss (Liability)/Assets	(1,295,000)	249,000
Unrecognised due to par58 limit (Liability)/Assets recognised on the balance sheet	(22,000)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

22. Material events after balance sheet date

No matter which is material to the financial affairs of the union has occurred between the balance sheet date and the date of approval of the financial statements.

23. Related parties	Group		Union	
	2009 R	2008 R	2009 R	2008 R
Loans receivable from provincial unions				
- Non-current	3,240,636	3,294,125	3,240,636	-
- Current (included in receivables and prepayments)	3,301,936	6,751,843	3,301,936	-
	<u>6,542,572</u>	<u>10,045,968</u>	<u>6,542,572</u>	<u>-</u>
Loans receivable from associates				
Beginning of year	-	1,500,000	-	-
Impairment	-	(1,500,000)	-	-
End of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts receivable from provincial unions				
Included in trade receivables and prepayments	<u>18,958,347</u>	<u>11,063,754</u>	<u>18,958,347</u>	<u>-</u>
Amounts payable to provincial unions				
Included in trade and other payables	<u>8,794,014</u>	<u>7,379,300</u>	<u>8,794,014</u>	<u>2,440,768</u>
Amount receivable from SA Rugby (Pty) Ltd				
	<u>-</u>	<u>-</u>	<u>27,851,212</u>	<u>29,161,235</u>
Amount receivable from British & Irish Lions Joint Venture				
Included in trade and other receivables	<u>22,710,206</u>	<u>-</u>	<u>22,710,206</u>	<u>-</u>
Interim Executive Council / Directors remuneration				
<i>Interim Executive Council</i>				
Fees	2,583,616	2,524,548	2,583,616	2,524,548
Allowances	188,000	183,000	188,000	183,000
Retirement Annuity contributions	73,320	60,000	73,320	60,000
	<u>2,844,936</u>	<u>2,767,548</u>	<u>2,844,936</u>	<u>2,767,548</u>
<i>Non executive directors</i>				
Fees	815,155	761,382	-	-
Allowances	13,000	28,667	-	-
Retirement Annuity contributions	17,592	20,400	-	-
	<u>845,747</u>	<u>810,449</u>	<u>-</u>	<u>-</u>
<i>Executive remuneration</i>				
Salaries	3,450,881	2,970,292	984,324	878,865
Bonuses	846,427	567,239	74,027	65,239
Medical Aid contributions	48,876	61,173	12,828	11,376
Pension fund contributions	337,010	400,322	133,248	117,421
Compensation for loss of office	-	2,100,000	-	-
	<u>4,683,194</u>	<u>6,099,026</u>	<u>1,204,427</u>	<u>1,072,901</u>

24. Financial instruments

Fair values

At 31 December 2009 the carrying amounts of cash and short-term deposits, accounts receivable, accounts payable and accrued expenses approximated their fair values, due to the short term maturities of these assets and liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

25. Government grants	Group		Union		
	2009 R	2008 R	2009 R	2008 R	
Total amount awarded for 2009	-	100,000	-	100,000	
Less:					
- Amount set-off against expenses relating to womens rugby	-	(100,000)	-	(100,000)	
Amounts deferred	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
26. Financial Instruments by Category					
The accounting policies for financial instruments have been applied					
	Receivables and cash	At fair value through income statement	Derivatives used for hedging	Available for sale	Total
31 December 2009					
Assets as per balance sheet					
Trade and other receivables	91,971,586	-	-	-	91,971,586
Cash and cash equivalents	71,950,744	-	-	-	71,950,744
Total	163,922,330	-	-	-	163,922,330
Liabilities as per balance sheet					
Derivative financial instruments	-	-	-	-	-
Borrowings	-	-	-	65,738,495	65,738,495
Total	-	-	-	65,738,495	65,738,495
31 December 2008					
Assets as per balance sheet					
Trade and other receivables	60,548,850	-	-	-	60,548,850
Cash and cash equivalents	69,655,840	-	-	-	69,655,840
Total	130,204,690	-	-	-	130,204,690
Liabilities as per balance sheet					
Derivative financial instruments	-	-	6,024,822	-	6,024,822
Borrowings	-	-	-	40,989,472	40,989,472
Total	-	-	6,024,822	40,989,472	47,014,294

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2009

27. Amalgamation of SA RUGBY (Pty) Ltd and SARU (South African Rugby Union)

SARU (South African Rugby Union) and SA Rugby (Pty) Ltd agreed to amalgamate their operations in SARU, by means of the transfer of SA Rugby's business, including operating assets and liabilities to SARU effective on 31 December 2009.

The consideration payable for transfer is to be calculated on the basis of the accounting book value of assets, as at effective date.

SARU will assume the business assets and liabilities at book value transferred to them as part payment of the purchase consideration. The balance owing will be left outstanding on the loan account and will be settled in the course of the dissolution of SA RUGBY.

The following assets and liabilities have been transferred from SA Rugby (Pty) Ltd to SARU upon amalgamation through the loan account:

Deferred revenue	64,977,911
Payables	55,543,168
Receivables and prepayments	(84,181,685)
Equipment	(1,947,434)
Amounts owed by provincial unions	(3,240,636)
Current tax Asset	(12,040,000)
Deferred Tax	(17,910,594)
Investment in subsidiary	(51)
Inventories	(71,144)
	<hr/>
Balance transferred at year end from SA Rugby	<u>1,129,535</u>

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National Teams

BY ANDY MARINÓS

SPRINGBOKS

This was one of the most successful years in the professional era. The retention of the core group of players from the 2007 Rugby World Cup was a significant factor in success of the team in 2009. The focus that I have had with the coach is the retention of a strong "spine" of the team, coupled with good leadership. By spine we look at the tight head, hooker, lock, No 8, scrumhalf, fly half and fullback. The performance of the team under Peter de Villiers has been remarkable having clinched the Castle South Africa 2009 Lions Series (2-1) and then going on to beat the All Blacks three times in one year and winning again in NZ – the second time in as many years – thereby winning the Vodacom Tri-Nations.

Focus on the team has been around creating an environment where players feel at home and

comfortable as well as balancing this with maximum time off and away from rugby to ensure that we have fresh and eager players.

The end of year tour, whilst the intention was to bring through what the selectors thought could be the next generation of players post 2011, showed us where a lot of the young talent is in terms of their development and which players can cut it at International level, so this exercise was not futile. The results at the end of the year were disappointing given the highs that the team had achieved in the June to September International window.

Significant milestones in 2009 were beating the British & Irish Lions in a series for the first time since 1980, winning the Vodacom Tri-Nations for the third time and going through the Test season unbeaten against the All Blacks.

SPRINGBOK SEVENS

The completion of the short term strategic plan for the Sevens was achieved in 2009 with the winning of the IRB Sevens World Series. The success of establishing a base in Stellenbosch, contracting of sevens players directly to SA Rugby and a more dedicated and focused approach as to their playing and preparation was evident in their results.

The success of the team coached by Paul Treu has seen what most people might call 'ordinary' club and provincial players developing into world class performers that competed with the best week in and out on the International stage.

The Sevens environment has also been a wonderful nursery for exciting players from the SA U20 team, giving them the room to develop their skills further, become familiar with playing on the big stages and arenas around the world and preparing them for life as an International sportsman.

The announcement in October that Sevens will become an Olympic sport in 2016 has not only been a significant step in the right direction for Sevens, but assisted SA Rugby in their strategic plan for Sevens with this announcement. 2009 saw the conceptualisation of a SA strategic plan for Sevens to ensure

that we not only go to the Olympics in 2016, but also extend and grow the game on all levels throughout our structures from 2010 onwards – exciting times ahead.

The South African Under-20 team, coached by Eric Sauls, collected the bronze medal at the IRB Junior World Championship in Japan in June. They topped their pool, but lost to England in the semi-final before crushing Australia in the third place play-off game.

On the women's rugby front, our Springbok Women Sevens team made the semi-finals of the inaugural Sevens World Cup in Dubai in March. A few months later, in August, the Springbok Women competed in the IRB Nations Cup in Canada and drew one and lost two games.

In conclusion, as I have said to my staff at year end: From now on it is up to us as SA Rugby to decide how we see the glass – half full or half empty. With the changes we have and the great brands we represent 2010 presents a lot of positive and exciting opportunities that I believe will grow our brands and bring success as we work towards the ultimate challenge of being No. 1 in the world for all forms of the game.



Competitions

BY STEVEN ROOS

The Vodacom Blue Bulls, who finished third on the log, beat Vodacom Western Province in an away semi-final of the Absa Currie Cup Premier Division, and played against the Vodacom Free State Cheetahs, who finished fourth and defeated The Sharks in Durban. The Blue Bulls won a nail biting final of the Absa Currie Cup Premier Division in Pretoria against the Cheetahs.

The Pumas ended off a great season by winning the Absa Currie Cup First Division and beat Boland in a two-legged Promotion/Relegation play-off to obtain Premier Division status in the 2010 Absa Currie Cup season.

GWK Griquas won the Vodacom Cup for the fourth time since 1998 and for the second time received the prize money of R1 million.

Free State claimed the Absa Under 21 Trophy in extra time in tense final after their Under 19 team also won the Absa Under 19 Trophy earlier the day. For the second year in a row, Maties won the FNB Varsity Cup beating their arch-rivals NWU-Pukke in the final in Stellenbosch.

Hamilton Rugby Club had to wait 134 years to be crowned as the winners of the 35th SAA National Club Championships after beating NWU-Pukke in the final. GWK Griquas' amateur team was victorious in the Amateur Provincial Competition and again this competition showed what great value this competition added to the rural areas.

For the third time in a row the Eastern Province Women's team won the Inter-Provincial Women's competition.

VODACOM TRI-NATIONS 2009

TEAM	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
South Africa	6	5	1	0	158	130	10	11	0	1	21
New Zealand	6	3	3	0	141	131	9	6	1	0	13
Australia	6	1	5	0	103	141	8	10	3	0	7

IRB SEVENS WORLD SERIES 2008/09

TEAM	DUB	GEO	NZL	USA	HKG	AUS	LON	SCO	POINTS
South Africa	20	20	8	12	24	20	12	16	132
Fiji	12	12	4	4	30	12	8	20	102
England	16	8	20	16	8	8	20	2	98
New Zealand	12	16	16	8	8	4	16	8	88
Argentina	4	12	12	20	8	12	0	0	68
Kenya	6	0	12	6	18	16	2	4	64
Samoa	8	4	0	4	18	2	0	4	40
Australia	4	0	0	2	8	6	4	6	30
Scotland	0	0	0	0	0	0	12	12	24
Wales	0	0	6	0	2	4	0	12	24
USA	0	4	4	12	0	0	0	0	20
Portugal	2	6	0	0	1	0	6	0	15
France	0	2	0	0	2	0	4	0	8
Tonga	0	0	0	0	4	0	0	0	4
Canada	0	0	0	0	3	0	0	0	3
Cook Islands	0	0	2	0	0	0	0	0	2
Russia	0	0	0	0	0	0	0	0	0
Tunisia	0	0	0	0	0	0	0	0	0
Uganda	0	0	0	0	0	0	0	0	0
Germany	0	0	0	0	0	0	0	0	0

IRB WORLD JUNIOR CHAMPIONSHIP

POOL A	P	W	D	L	PF	PA	TF	TA	BP	PTS
New Zealand	3	3	0	0	140	9	22	0	2	14
Ireland	3	2	0	1	61	26	8	2	1	9
Argentina	3	1	0	2	51	79	5	10	2	6
Uruguay	3	0	0	3	15	153	2	25	0	0

POOL B

England	3	3	0	0	125	14	17	2	3	15
Samoa	3	2	0	1	53	86	7	12	1	9
Scotland	3	1	0	2	33	54	4	7	1	5
Japan	3	0	0	3	27	84	5	12	2	2

POOL C

South Africa	3	3	0	0	144	40	19	4	3	15
France	3	2	0	1	118	81	17	9	2	7
Fiji	3	1	0	2	55	98	6	12	0	4
Italy	3	0	0	3	30	128	2	19	1	1

POOL D

Australia	3	3	0	0	164	11	24	1	3	15
Wales	3	2	0	1	107	58	14	7	2	7
Tonga	3	1	0	2	47	111	7	15	1	5
Canada	3	0	0	3	35	173	5	27	0	0

VODACOM SUPER 14

TEAM	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
Vodacom Bulls	13	10	3	0	338	271	37	33	2	4	46
Chiefs	13	9	4	0	338	236	43	30	4	5	45
Hurricanes	13	9	4	0	380	279	49	35	2	6	44
Crusaders	13	8	4	1	231	198	27	22	4	3	41
Waratahs	13	9	4	0	241	212	28	21	2	3	41
The Sharks	13	8	5	0	282	239	31	28	3	3	38
Brumbies	13	8	5	0	311	305	36	41	1	5	38
Western Force	13	6	6	1	328	275	42	33	4	6	36
Blues	13	5	8	0	339	369	47	46	4	8	32
Vodacom Stormers	13	5	8	0	235	249	28	29	6	1	27
Highlanders	13	4	9	0	254	269	32	35	6	4	26
Auto & General Lions	13	4	9	0	294	419	36	56	4	5	25
Reds	13	3	10	0	258	380	36	49	3	4	19
Vodacom Cheetahs	13	2	11	0	213	341	26	40	3	1	12

ABSA CURRIE CUP PREMIER DIVISION

TEAM	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
The Sharks	14	12	2	0	424	231	48	21	0	6	54
Vodacom Western Province	14	10	4	0	445	226	51	19	3	7	50
Vodacom Blue Bulls	14	9	5	0	475	299	56	28	4	6	46
Vodacom Free State Cheetahs	14	8	6	0	485	280	62	27	2	6	40
GWK Griquas	14	8	6	0	404	447	50	52	1	7	40
Xerox Lions	14	7	7	0	391	292	43	26	6	3	37
Platinum Leopards	14	1	13	0	258	582	27	79	1	1	6
Boland	14	1	13	0	179	704	17	102	1	0	5

ABSA CURRIE CUP FIRST DIVISION

TEAM	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
Pumas	10	9	1	0	478	215	62	26	0	8	44
SWD	10	7	3	0	259	193	28	21	1	2	31
Griffons	10	6	3	1	285	271	36	34	0	5	31
Mighty Elephants	10	5	5	0	264	232	32	23	2	4	26
Border	10	2	7	1	256	302	32	37	3	4	17
Valke	10	0	10	0	211	540	28	77	1	2	3

VODACOM CUP – NORTH SECTION

TEAM	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
Vodacom Blue Bulls	6	5	0	1	180	117	15	10	0	2	24
GWK Griquas	6	5	1	0	255	153	31	13	0	3	23
Platinum Leopards	6	4	1	1	155	76	14	5	1	2	21
Golden Lions	6	2	4	0	196	162	24	17	3	3	14
Pumas	6	2	4	0	154	154	18	19	2	2	12
Griffons	6	1	5	0	149	286	16	37	1	3	8
Valke	6	1	5	0	111	252	13	30	1	2	7

VODACOM CUP – SOUTH SECTION

TEAM	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
The Sharks XV	6	6	0	0	213	80	25	7	0	3	27
SWD Eagles	6	5	1	0	161	119	16	11	1	2	23
Vodacom Free State Cheetahs	6	4	2	0	209	147	23	15	2	3	21
Vodacom Western Province	6	3	3	0	175	122	20	8	1	2	15
Border Bulldogs	6	2	4	0	115	157	12	21	1	1	10
Boland Cavaliers	6	1	5	0	122	173	14	18	2	2	8
Mighty Elephants	6	0	6	0	82	279	9	39	0	0	0



ABSA UNDER-21 CHAMPIONSHIP

GROUP A	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
Blue Bulls	12	10	2	0	386	265	41	29	1	4	45
Western Province	12	9	3	0	384	233	51	25	0	4	40
Sharks	12	8	4	0	342	198	36	19	3	5	40
Free State	12	7	5	0	452	203	66	18	3	7	38
Lions	12	5	7	0	390	342	43	40	3	5	28
Boland	12	2	10	0	215	614	28	86	1	3	12
Leopards	12	1	11	0	203	517	23	71	3	2	9

GROUP B

Griquas	6	5	1	0	178	148	25	17	0	5	25
Valke	6	3	3	0	178	184	26	25	1	4	17
Griffons	6	3	3	0	165	149	20	17	2	2	16
Border	6	3	3	0	160	141	18	20	1	2	15
SWD	6	3	3	0	146	167	20	24	0	3	15
Pumas	6	2	4	0	148	168	21	24	2	3	13
Eastern Province	6	2	4	0	144	162	19	22	1	2	11

ABSA UNDER-19 CHAMPIONSHIP

GROUP A	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
Blue Bulls	6	6	0	0	195	90	20	11	0	3	27
Western Province	6	5	1	0	203	109	26	9	0	3	23
Free State	6	3	2	1	155	108	20	9	1	2	17
Lions	6	3	2	1	173	156	21	18	0	3	17
Sharks	6	2	4	0	198	165	25	17	2	2	12
Leopards	6	1	5	0	119	191	12	25	2	1	7
Griffons	6	0	6	0	98	322	13	48	0	1	1

GROUP B

Eastern Province	6	6	0	0	143	53	18	5	0	3	27
Pumas	6	5	1	0	208	75	30	8	1	5	26
Boland	6	4	2	0	150	96	19	14	0	2	18
Valke	6	3	3	0	143	124	20	15	2	3	17
SWD	6	1	5	0	52	129	5	20	2	0	6
Griquas	6	1	5	0	72	165	10	21	2	0	6
Border	6	1	5	0	41	167	4	23	1	0	5

AMATEUR PROVINCIAL CHAMPIONSHIP

CENTRAL SECTION	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
GWK Griquas	4	4	0	0	164	69	26	8	0	4	20
Valke Rural	4	3	1	0	119	77	16	11	0	1	13
Griffons Rural	4	2	2	0	117	109	16	13	1	2	11
KZN Rural	4	1	3	0	105	94	12	13	2	2	8
Free State Rural	4	0	4	0	53	209	7	32	0	0	0

NORTH SECTION

Assupol Blue Bulls	7	6	1	0	377	117	53	15	0	6	30
Golden Lions	7	6	1	0	378	122	51	17	0	6	30
Blue Bulls Limpopo	7	5	2	0	268	159	34	21	0	3	23
Valke	7	5	2	0	266	176	32	20	0	3	23
Leopards Rural	7	3	4	0	173	205	27	24	0	3	15
Pumas	7	2	5	0	177	304	27	42	0	3	11
Pumas Rural	7	1	6	0	115	405	14	59	0	0	4
Leopards	7	0	7	0	114	380	15	55	2	1	3

SOUTH SECTION

Mighty Elephants	6	6	0	0	228	110	32	11	0	5	29
Boland	6	5	1	0	280	130	34	16	0	4	24
Border	6	3	3	0	148	136	17	16	2	2	16
GWK Griquas Rural	6	3	3	0	172	143	23	16	0	3	15
SWD	6	2	4	0	127	155	13	18	0	1	9
Mighty Elephants Rural	6	2	4	0	100	199	12	28	0	0	8
Border Rural	6	0	6	0	54	236	6	32	0	0	0

FNB VARSITY CUP

TEAM	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
Maties	7	6	1	0	203	84	22	8	1	3	28
UCT	7	5	2	0	177	121	21	13	2	3	25
Pukke	7	5	2	0	197	124	23	13	1	2	23
Tuks	7	4	3	0	185	151	18	13	2	2	20
UJ	7	4	3	0	140	110	16	12	0	2	18
Shimlas	7	3	4	0	202	175	30	20	1	3	16
NMMU	7	1	6	0	102	265	11	34	0	0	4
TUT	7	0	7	0	110	286	11	39	2	0	2

WOMEN'S INTER-PROVINCIAL CHAMPIONSHIP

GROUP A	P	W	L	D	PF	PA	TF	TA	LB	TB	PTS
Western Province	5	5	0	0	147	47	22	7	0	3	23
Eastern Province	5	4	1	0	194	68	34	9	0	3	19
Border	5	2	2	1	174	62	26	7	1	2	13
Blue Bulls	5	2	2	1	80	65	13	10	0	1	11
Golden Lions	5	1	4	0	34	272	2	46	0	0	4
KZN	5	0	5	0	6	121	0	18	0	0	0

GROUP B

Boland	4	3	1	0	127	54	23	9	1	4	17
Free State	4	3	1	0	136	54	22	9	0	2	14
SWD	4	2	2	0	117	69	18	11	1	1	10
Griffons	4	2	2	0	78	127	12	19	0	2	10
Leopards	4	0	4	0	22	176	3	30	0	0	0

SAA NATIONAL CLUB CHAMPIONSHIPS

20 September

Springs 37	Welkom Rovers 14
Hamiltons 83	Kuruman 19
Rawsonville 25	Groot Brakriver 21
College Rovers 33	Impala 25
Shimlas 26	Park 27
Pirates 66	Middelburg 3
NWU Pukke 87	Noordelikes 12
Pretoria Police 19	Buffalo 45

22 September

Noordelikes 29	Groot Brakriver 31
Hamiltons 39	Pirates 27
Impala 21	Shimlas 32
Buffalo 19	Springs 51
Kuruman 23	Middelburg 19
College Rovers 52	Park 22
Welkom Rovers 35	Pretoria Police 54
NWU Pukke 44	Rawsonville 34

24 September

Shimlas 49	Kuruman 12
Pretoria Police 52	Groot Brakriver 26
College Rovers 12	Hamiltons 34
NWU Pukke 43	Springs 16

26 September

NWU Pukke 34	Hamiltons 36
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Playing the Game

BY MERVIN GREEN

1. SARU STRATEGY ALIGNMENT FUNDING MECHANISM

STRATEGIC PROJECT FUNDING

SARU successfully introduced a funding system that focused on projects of strategic importance in three of the four strategic objectives i.e. Schools and Clubs, High Performance, Training and Education.

- Funds historically consumed by projects undertaken by SARU staff, were distributed to Provinces for the execution of projects supporting important aspects of SARU's strategy.
- The historically "Development" funds were also included in this resource pool.
- Project proposals based on the "Funding Support Menu" formed the basis on how funds were allocated to Provinces
- The emphasis when allocating funding, was on the actual measurable impact of the proposal, the cost benefit, the alignment to SARU strategy and the creative nature thereof.
- A senior management team evaluated and ranked the proposals for funding.
- Key to the proposals were the detailed project plan and budget.

- The final project plans formed the basis of a funding agreement.

SARU PROGRAM PORTFOLIO

PROGRAMME 1: HIGH PERFORMANCE

Structure and establish integrated, aligned and effective High Performance Programmes throughout the rugby system.

PROGRAMME 2: TRAINING AND EDUCATION

Design and establish multi-level training and education programmes for players, coaches, referees, administrators and medical practitioners.

PROGRAMME 3: SCHOOLS AND CLUBS

Broaden, deepen and improve the quality of rugby's participation base at school and club level.

PROGRAMME 4: TRANSFORMATION

Re-engineer, re-organise and revitalise and influence the demographic profile of the overall organisation on and off the field.



2. AMATEUR EVENTS

EVENT	HOST UNION	DATE	TEAMS PARTICIPATED	ACHIEVEMENTS	COMMENT
IRB U.20 RUGBY WORLD CUP	IRB/Japan	1 to 22 June 2009	16 Countries participated	Third position	SA Played in the semi-finals; Lionel Cronje was SA U20 Player of the Year
YOUTH WEEKS: U13 Coca-Cola Craven Week	Griqualand West	Monday, 29 June to Friday, 3 July 2009	Eighteen (18) teams participated in this Week. Each of the fourteen (14) SARU Provinces sent one (1) team with the exception of Blue Bulls and Border that sent two (2) teams. The U13 teams from Namibia and Zimbabwe made up the complement of 18 teams	Eastern Province was crowned the official winners of the tournament	
U16 Grant Khomo Week	SWD	Monday, 6 July 2009 to Thursday, 9 July 2009 in Riversdale.	Eighteen (18) teams participated in this Week. Each of the fourteen (14) SARU Provinces sent one (1) team with the exception of Blue Bulls, Border and SWD that sent two (2) teams. Namibia made up the complement of 18 teams	WP was crowned the winners	
U18 Coca-Cola Craven Week	Border	Monday, 13 July to Saturday, 18 July 2009 in East London	Twenty two (22) teams participated in this Week. Each of the fourteen (14) SARU Provinces sent (1) team with the exception of Blue Bulls, Border, Eastern Province and Griquas that sent two (2) teams. The U18 teams from Namibia, Zimbabwe, LSEN and the SA Academy made up the complement of 22 teams.	WP was crowned the winners	Player of the tournament was Andile Jho from Border
U18 Coca-Cola Academy Week	Blue Bulls	Monday, 29 June to Thursday, 2 July 2009 in Pretoria.	Twenty four (24) teams participated in this Week	Blue Bulls, WP and Free State played good entertaining rugby	
SA STUDENTS TEAM	Western Province	Wednesday, 5 August 2009 at Stellenbosch University Saturday, 8 August 2009 at Newlands	SA Students vs All Americans SA Students vs All Americans	SA won 72-14 SA won 59- 3	Earl Lewis was nominated player of the series
FNB VARSITY CUP	SARU	February to April 2009	Top eight Universities • Maties • Ikeys • Tuks • Pukke • UJ • Nelson Mandela Metropolitan University • Shimlas • Tshwane University of Technology		Maties won the Varsity Cup for the second consecutive year
SUB UNION TOURNAMENT: NORTH	Valke	6 to 10 July 2009	Blue Bulls, Blue Bulls Limpopo, Golden Lions, Falcons, Griffons, Leopards, Mpumalanga, Falcons XV	Blue Bulls Limpopo was the Cup Winner of the tournament and Golden Lions the plate winners	
SOUTH	Griqualand West	14 to 18 September 2009	Boland, Border, Eastern Province, Free State, Griqualand West, South Western Districts, Western Province and Kwazulu Natal	Western Province won a thrilling contest against EP and Boland was the Plate winners of the tournament	
SA SCHOOLS	Griqualand West	4 August 2009 7 August 2009	SA Schools vs Italy U18 SA Schools vs England U18	SA won 86-3 SA lost 13-45	Very successful tournament hosted by Griquas. Good feedback from people I spoke to.
SAA NATIONAL CLUB CHAMPIONSHIP	Blue Bulls	20 to 26 September 2009 in Pretoria	Sixteen (16) teams, consisting of the club champions of the fourteen (14) Provinces and the two (2) top clubs participated in the tournament	The final was won by Hamilton of Western Province and the Plate Champs was Shimlas of Free State	Very successful tournament hosted by the Bulls. Good feedback from people I spoke to.



3. MOBILE GYMS

The Mobile Team Training System (MTTS) comprises of a shipping container that is converted into a secure, waterproof gym that is rugged enough to endure being placed alongside sports fields in urban or rural environments.

The MTTS primary objectives are to address the imbalances of facility access at a community level, thus “leveling the playing fields”. It has shown that it is effective in improving the physical conditioning amongst disadvantaged and rural athletes, creating a culture of physical training amongst players and coaches.

Over the last 13 years the Sports Science Institute of South Africa (SSISA) has tested and trained more than 5 000 players for SARU. During this period rugby entered a professional era, where players are starting gym work with resistance training at 13 years of age onwards in order to meet the strength requirements of the game. It is no longer possible for a player to reach or perform at a national level without being conditioned through regular strength training. Regular strength training not only enhances performance but also assists in the prevention and speedy recovery from injuries. Research has shown that the disparity of access to the necessary training facilities, particularly in rural and disadvantaged areas, puts these players at a distinct physical disadvantage to their counterparts.

Despite all attempts to date by the different Provincial Unions and SARU, these players are still at a distinct physical disadvantage. **It is simply physiologically impossible to compete against a player who has five years or more of strength training behind them, yet this is often what players are expected to do.** SARU recognizes that in order to develop and sustain talent in rural areas will require the ability for these players to complete resistance training. **The beauty of this system is that it can be used for a number of sports including cricket, soccer, netball, hockey, rugby, tennis, boxing and athletics.**

The first MTTS was patented by the SSISA and SARU. It was then successfully piloted in Butterworth, Transkei early in 2003. The Minister of Sport at the time, Mr Ngconde Balfour opened the first MTTS. Guests were then invited for a practical demonstration of the system in operation.

SARU in association with the Sport Science Institute of South Africa has rolled out 33 systems in the past seven years. These gyms were funded by the national lottery and the Department of Sport and Recreation of South Africa.

The project has seen phenomenal success with players such as Hilton Lobberts and Jongi Nokwe (both Springboks) coming from a province where elite players use the gym on a daily basis. Research completed at Craven Week by SSISA has shown that black and coloured players are 8-10 kg lighter than their white counterparts. One of the main reasons for this has been a lack of access to training facilities and training programs. The MTTS project has given meaning to the concept of levelling the playing fields. No other sport in South Africa has taken such a bold step in trying to provide equal opportunities for all. The project is currently running at full pace with all units functioning. Over 1200 players a week train using the MTTS.

The primary objectives of the MTTS project are to address the imbalances of facility access at a community level, thus “leveling the playing fields”. **It has already been proven with the Rugby MTTS that it is effective in improving the physical conditioning amongst disadvantaged and rural players, enforcing a culture of physical training amongst players and coaches.** There are currently 33 Rugby MTTS’s implemented at different rugby clubs and unions around the country. The first container produced, was transported in March 2003 to Butterworth in the Eastern Cape and placed at the Eastern Cape Technikon (ECT). A pilot study was conducted on 20 players who trained using the MTTS.

The following components were measured: weight, height, upper-body strength (bench press), upper-body muscle endurance (push ups), 10 & 40 m speed and cardio vascular endurance (bleep test).

AN EXCITING GYM IN A BOX CONCEPT FOR HIGH SCHOOL SPORT AND PHYSICAL EDUCATION

We believe there are many significant benefits to the rollout of the MTTS. Some of these are:

- Empowering disadvantaged communities with their own training facility,



- Improved physical conditioning for sport,
- Financially more feasible than building clubhouses and purchasing equipment,
- The MTTS and the equipment is secure and not likely to get damaged,
- Visible branding for the client; and
- The coaches and players that have been provided the opportunity to utilize a MTTS are excelling!

The Sport Science Institute of South Africa (SSISA) has since 1996 provided sport science services to the SARU. These services have been provided to the following teams, camps and tournaments:

- Spoornet squads
- Nike All Star camps
- Craven Weeks
- Academy weeks
- Green squads
- SA U19
- SA U21
- Springbok Sevens
- Springboks

The involvement of the SSISA in all these activities has allowed us to identify specific needs and products to meet these needs. In 2002 we completed a study at Craven Week. The study showed that 73 percent of the white players were doing strength work, compared to 50 percent of the black players and 30 percent of the coloured players. The white players at Craven Week 2002 were on average 8 kg heavier than the black players. The two main reasons for non-participation in strength training in the black and coloured players were: firstly a lack of access to weight training facilities and secondly, they did not

have training programmes. This study showed that if players of colour were going to be empowered to compete against white players that they needed to have access to weight training facilities and education on how to use these facilities. The SSISA in consultation with SARU and the Lottery has to date rolled out 35 of these MTTS around the country.

The project was launched in February 2007 in 20 schools across the county. These were all be schools of colour with a rugby culture. Each school’s first team was tested at the beginning and again at the end of the 2008 and during 2009. A competition was held between the schools, with the fittest first rugby team, winning R20 000. The results of the programme have been phenomenal. A number of players from the schools selected were chosen for representative teams.

As part of the package each school was visited twice in 2009 by two biokineticists from SSISA. These biokineticists trained all the appropriate teachers at the school using the training DVD and other aids such as circuit layout plans and individual circuit exercise cards. **The advantage of the MTTS is that it can be used as a training system for any sport or for physical education classes for males and females. The current barriers to physical activity in high schools are the lack of equipment and trained teachers. This programme plans to address both these barriers.**

Each schools first and second rugby team will completed a full fitness evaluation. These players were reassessed within six months to evaluate progress.



4. TAG PROJECT

A ground-breaking rugby development programme aimed at encouraging children to play sport and steer them away from drugs and crime has been launched by the South African Rugby Union (SARU) and the TAG Rugby Association. Uniquely, officers of the South African Police Services (SAPS) will be involved as coaches.

The project has the support of the United Nations Office for Drugs and Crime, the Western Cape departments of Education, Cultural Affairs and Sport, and Community Safety and the SAPS.

A key part of the project is the training and deployment of SAPS officers, alongside TAG Rugby coaches, as integral members of the programme.

TAG can be played on any surface and requires minimal equipment beyond the belts, tags and a ball. It can be played by players as young as five years old.

The Tackle Safety training programme at schools began on 14 September 2009 and ran until 11 December 2009. As well as in-school coaching, TAG rugby tournaments between the schools on the Tackle Safety Project will begin in the schools in January 2010.

More than 5,000 learners have been introduced to the TAG Rugby Tackle Safety Programme since it was launched with the backing of SARU earlier in 2009.

The ground-breaking pilot project has seen 135 TAG Rugby sessions held in schools on the Cape Flats and in local townships, with a total of 5,158 children exposed to the concept. Seventeen (17) schools have also been introduced to the Anti Drugs/Anti Crime message and a total of 13 500 youngsters have been exposed to this campaign.





Schools & Clubs, Sevens & Women's Rugby

BY MAHLUBI PUZI

SCHOOLS & CLUBS

The Project driven funding model is one of the best methods of investing funds for development and promotion of rugby in the country. It enhances alignment of the work done by provinces with SARU's strategic focus areas. It gives a clear direction to what could be achieved over the chosen strategic period at provincial and national level. It provides the best measurement tools to compare output to input.

The process started well although some provinces had difficulty in finding the balance between their ongoing programmes and the new funding system. That was evident in the quality of the business plans received. The work also started very late, due to delayed release of funds to the provinces.

Griffons Rugby Union are the best performers in 2009, they have embraced the new system and have exceeded the deliverables. They have delivered not only numbers but their work is of high quality. There is progress achieved by most provinces and there are provinces that have not moved away from the habit of using the funds for other things.

I strongly recommend the formation of a Project Committee in each province. It should comprise of people elected from Schools, Clubs, Coaches, Referees, Women and rugby players. The Committee will advise during the compilation of Business Plans for Projects. They will be monitors and valuers of work done and utilisation of funds and other resources. The CEO will still be hands on and accountable.

SARU should put in place a reward system for the best performers and take decisive steps against non-performers. If that is not done, the system will be rendered ineffective.

WOMEN'S SEVENS

The Springbok Sevens took part in the Women's Inaugural World Cup held in Dubai in March. The tournament consisted of the Top 16 Nations in the world who all had to play to qualify in the zones. The team made history by reaching the semi-final at the first attempt and lost to the ultimate winners of the tournament Australia.

The Springbok Sevens team is now ranked 4th in the world and they qualify automatically for the next Sevens World Cup. The team's performance justified the potential and talent we have as a country.

As part of the preparation plan for the IRB Women's World Cup, the Springbok Women's team participated in the Nations Cup held in Canada in August. Although, they did not win any games, they accounted for themselves well.

The coaches drew a lot of inspiration from the draw against France and picked up a lot of lessons from the games against other nations. Although, we are not on par at competing on a high performance stage, the team has improved tremendously. The result of the game against England (the Six Nations, Nations Cup and second-ranked team in the world) is testament to that. In 2006 at the World Cup in Canada we lost by 80 points and at the Nations Cup in 2009, we lost by 25 points.

A comprehensive athlete and team preparation has been developed to make our team competitive at the World Cup. The programme combines technical, scientific and social aspects to improve human performance. Each player has to take full responsibility for her development and will be in charge of it. We will send a team that will lay down its marker at the 2010 Women's World Cup.

INTER-PROVINCIAL SEVENS COMPETITIONS

The 2009 edition of the IPC was held at NMMU in Port Elizabeth over two days, 6-7 November 2009. Eastern Province Rugby Union are to be commended for raising the bar with regards to the things they added to the event. The Nelson Mandela Metropolitan Municipality played a significant part in the whole tournament, from the mayoral welcoming function to providing funds for prizes and towards hosting activities.

It was also the first time that the IPC got exposure on SABC TV. That was a great step towards a campaign to promote Sevens in South Africa to all communities.

Eastern Province Men and Women won the Cup Finals in both their disciplines.

It was clear that there is a need for more Sevens competitions during the season. The IPC should be the pinnacle of the domestic Sevens rugby season.

WOMEN'S RUGBY PROGRAMMES

Since the introduction of the SARU Strategic Plan there is growth in the number of girls that have taken to rugby as a sport. Through Project 5, the provinces will deliver a growth accounting to 3880 new players. 60% of the newly recruited players are all U16 and school going. The standards and the quality of rugby in the domestic competitions are improving with time.



What still needs to improve is the conditioning of players at sub-elite level where the bulk of the players ply their trade.

- Eastern Province won the Inter-Provincial Competition for the 3rd year running.
- Western Province showed a lot of improvement during the season and were pipped at the post. Boland annexed the B section trophy convincingly. They displayed maturity and readiness to step up to the higher league.
- Mpumalanga were crowned as champions of the Bottom Six tournament held in Kimberley.

These teams will be afforded an opportunity to play more games in the coming season. That will enhance the standard of rugby and encourage growth of participants in these provinces.

Lack of sponsorship for Women's rugby remains an inhibitor; we cannot sustain all the programmes at both levels of the sport. Our partnership with the Department of Sport and Recreation is an enabling factor. They made funds and services available to our national team and gave support services to individual players.



Club Rugby

BY XHANTI LAMANI

MAIN OBJECTIVE

The main objective of the tournaments is to ensure exposure of previously disadvantaged rugby clubs and afford them an opportunity to play at the highest competitive level with other teams, thus enhancing development. The **founding philosophy** of these tournaments is that, participation in rugby creates a situation which **provides opportunities to learn lessons for life**. This teaches those involved in the game of rugby about what is desirable and undesirable conduct. This moral and educational aspect contributes to the **positive development of individuals** and, in turn, to **development of a society with a good moral fibre**.

Central to this philosophy are the values as espoused of good sportsmanship, friendship and fair play. These involve much more than just playing within the rules. They involve behavior and the way of thinking which incorporates:

- Respect of opponents and officials;
- Maintenance of self-control;
- Maintenance of dignity and integrity;
- Building and forging of friendships; and always
- Competing in the spirit of the game.

The highest and main goal is to have a representative side or clubs playing with African

neighboring countries and or even taking a team on an overseas tour.

BACKGROUND

The Traditional Easter Tournaments are based on the holiday tournaments that were held in the rural areas when migrant labourers were back for holidays. Such tournaments were referred to as "OoMacal'egusha" The clubs used to make some contributions and buy a sheep (igusha) and the winner would win half the sheep as a grand prize.

These tournaments have grown and developed to a level where tournaments include clubs from all corners of the country both rural and urban. The three main areas where these traditional tournaments have been held over the decades have been Eastern, Southern and Western Cape areas. At these tournaments rugby of high standard is played over three days, with eventual winners earning anything between R1 000 and R10 000. These tournaments are used to celebrate the milestone and other achievements of clubs e.g. Centenary, Jubilee etc.

PREPARATIONS

Preparations for these tournaments were not as smooth as one would like them to be, challenges were ranging from lack of:

- Sponsorships
- Accommodation
- Transport
- Facilities

These challenges are historical in African rugby and they require total commitment from policy makers from SARU to make a decision (financial) that will restore dignity to fellow South Africans who also aspire to produce Springboks one day. Let me also in the same vain mention that there is light at the end of the tunnel, because there are strategic partnerships established with some local municipalities and provincial governments in terms of infrastructure and logistical support. At the national department level negotiations are at the highest level and soon an agreement will be reached and a working document will be presented to the national department of club affairs with measureable targets.

Local Organizing Committees were set in all four hosting regions, and I must commend all those who worked hard given the challenges they had to face and deal with.

CLUB RUGBY ENVIRONMENT IN TOWNSHIPS

As we all know there was a drastic paradigm shift in club rugby, from how it was played to who is currently playing, from matured senior workers to present students, unemployed youth and young adults, **in the age range of 17–35 years**.

The other area which puts these clubs at a disadvantage and makes them more handicapped, is the lack of exposure of U19 and U21 programmes to rural and semi-urban based players. In 2007 we were afforded an opportunity to show case this talent at the SAA National Club Champs in Stellenbosch.

This has shown that if we (SARU) can intervene at the level of empowering and assisting these clubs to a level where they can be able to compete competitively, this can enhance and bridge the gap that exists within clubs. Logistical and financial support is of essence and paramount, this will address one of the strategic pillars of SA Rugby that of **growing and**

taking the game to the people, also this presents an opportunity for us as the organization to:

1. To provide basic needs of disadvantaged clubs
2. Establish sound relationship with major internal stakeholders via their Unions
3. To grow and transform the game through community rugby festivals
4. Enhance capacity of Club Administrators

As we say in our vernacular "*Umntu ngumntu ngabantu*". These words crystallize the essence of humanity "*Ubuntu*".

COMMUNITY RUGBY TOURNAMENTS

The major highlight in club rugby in 2009 was the Easter tournaments. These tournaments are held in rural areas across the country. The Flagship Easter tournament was held in Port Elizabeth. It was won by Harlequins RFC and Swallows East London were the runners-up.

The objective of the Easter tournaments is to showcase previously disadvantaged rugby clubs and give these clubs the opportunity to play at a competitive level against stronger opposition. In so doing these teams are aided in their development and growth.

Another major tournament is the Heritage tournament which was held at Forte Hare University. The main objective of this tournament was to revive club rugby in the area. In this tournament the lower league clubs in rural communities are the competitors.

The Heritage and Easter tournaments provide an important outlet for competition between rural and urban clubs across the country. Clubs are given the opportunity to develop and grow; this tournament plays an important part in fostering a great spirit in the communities.

SARU's Club Rugby department was instrumental in presenting the Effective Club Management Course. The course was conducted at both the major tournaments of the year as well as at various union outlets. This course is taken to the under privileged in rural areas and gives full guidance to the candidates on how to manage a club.



Referees

BY STEPHEN MEINTJES

REVIEW OF 2009

The success of the year was evidenced by the number of officials appointed to the IRB panels and by those invited to officiate in the various off-field capacities such as Selectors, Performance Reviewers and the like. Further successes were:

- the arresting of the decline in the number of registered referees throughout the country
- the contenders and academy squads
- the selection and grading process
- the symbiotic working relationship between SA Referees and the provincial Societies and between the Societies *per se*.

On the IRB front, SA Referees were very well represented with Jonathan Kaplan, Mark Lawrence, Craig Joubert, Marius Jonker, Cobus Wessels, Shaun Veldsman and Johan Meuwesen being appointed to their official panels. Another two referees officiated on the IRB Sevens Circuit

(Jaco Peyper and Jason Jaftha). Dennis Immelman and Arrie Schoonwinkel were appointed as IRB Performance Reviewers. Tappe Henning continued with sterling work as an IRB selector and performance reviewer and Theuns Naude was appointed to the Kenya Junior World Trophy as an IRB coach.

Our excellent relationship with SARU continued this year. The Union acknowledges and appreciates the work we are doing and have on numerous occasions used the collective skills of our Referees Department to assist them in achieving their goals. In return, we would express our sincerest gratitude to SARU for the substantial management and financial support that they afford us.

Over and above the performance briefly discussed above, there have been many other highlights and achievements that I cover later in this report.

REFEREE PANELS

It is with extreme disappointment that we accepted the resignation of Willie Roos from the national panel. This was as a result of the disgusting behaviour of a spectator. Much attention needs to be given to this abuse of match officials, be it verbal or physical, by players, spectators or even the media. This matter will be picked up by SA Referees as one of the areas of primary concern in the New Year.

One of the major concerns of the SA Referees was the diminishing numbers of registered referees throughout the country at provincial Society level, and the diminishing standard of our referees.

I can report on the positive results of our recruitment campaign. In general, there has been a pleasing turnaround in the numbers of registered referees throughout the country. It appears as if the decline has been arrested, and that there has been a slight improvement in the overall numbers. A few provincial Societies are still showing declining numbers, however there are more that are back in positive territory.

This campaign is slowly gaining momentum, and I believe that the process must continue with enthusiasm. Our target of more than 8000 registered referees throughout the country appears distant; however we have started progressing towards this goal.

This is an immense challenge, and we need to assist each other to achieve this.

IRB PANELS AND APPOINTMENTS

South African representation at IRB level remained strong. Statistically SA represents 23,5% of the IRB Referee panel – up from 21% in 2008 (Vodacom Tri-Nations 41% which is down from 53%), 12,5% up from 6% of the Assistant Referee panel (Vodacom Tri-Nations stable at 25%), and 25% down from 29% of the Television Match Official panel (Vodacom Tri-Nations 37,5% compared to 43%). Even though there have been marginal moves, these need to be seen in the context of the realignment of the panels. This is a remarkable achievement.

LAWS

During 2009 The Laws started to gain a semblance of acceptability. At the April meeting of the IRB, their Laws Committee reviewed all the ELV's as played in the Vodacom Super 14 and Vodacom Tri-Nations competition of the 2008 season. They decided to accept 13 of these ELV's into Law with immediate effect. These new law amendments were communicated extensively by the SA Referees Law Committee throughout communiqués, discussion groups and both the printed and live media.

TRANSFORMATION

The transformation of rugby refereeing continues to be our greatest single challenge, not only at SA Referee level, but also throughout the country. Great strides are being made through our recruitment and scouting programmes. In addition, the roles being performed by Eugene Daniels and Louis Mzomba have contributed positively in the drive towards identifying and introducing young talented referees of colour into our structures. They are able to achieve this through the close working relationship that exists between them and the respective provincial Societies.





Coaching

BY HILTON ADONIS

The sport environment is continuously changing. This changing environment is challenging coaches to stay abreast with the impact it might have on the performance of their respective players and/or teams. The commercialisation of the game has also necessitated coaches to acquire a number of other generic skills way beyond their technical and tactical prowess. A greater emphasis is now placed on the ability of coaches to manage the performance of their players and teams ensuring that they perform at optimal levels every time they take to the field of play. This entails a holistic player centred approach with a clear understanding of the educational and scientific principles underlying these performance factors.

Part of the new strategic plan of SARU is to establish a multi-level training education and accreditation material, process for players, referees, coaches, medical staff and administrators through the concept of a training and education centre. The past year focused on the implementation of two of the nine projects of this programme. Provinces had to meet the deliver-

ables set for each of the projects and monetary allocations were made based on specific norms assisting the provinces to meet these deliverables.

The key to successfully implement this process is the organizational culture, the strong rugby heritage and the unmatched opportunity to coaches to enhance their skills together with the highly qualified and knowledgeable training staff to aid in the running of the process.

The main objectives of this coaches' accreditation process are as follows :

- To provide world class training standards
- To ensure that appropriate training is available to all levels
- To ensure compliance to international standards
- To ensure a standardized and continuous evaluation system
- To create a pool of highly qualified and elite rugby coaches
- To develop lifelong learners who will continually upgrade their skills

South Africa has well established provincial and national structures that are envied by a number of other rugby playing nations. A critical success factor for this process is the recognition of these structures and support of all the stakeholders. The optimal functioning or operation of this structure will eventually culminate in SA Rugby achieving its strategic objectives. The organizational structure of the Coaching Department needs to be expanded in order to meet the ongoing demands of this dynamic game of rugby and to ensure total quality management (TQM).

Training programmes worldwide are in the process of becoming outcome-based or competency-based education and training programmes. It focuses on what coaches can actually do after they have experienced some form of education and training. Traditionally coaching courses emphasized the acquisition of knowledge and the understanding of this knowledge, neglecting the practical application of the knowledge. To train coaches in the application of rugby knowledge, courses should be

based on the use of the enquiry method of learning. In this way those conducting the course form a partnership with those participating. This is in contrast with the traditionally instructive or prescriptive method of training. "More of the same" using methods that have traditionally been used may only result in marginal improvement in coaching standards adversely affecting the vision to play successful and winning rugby.

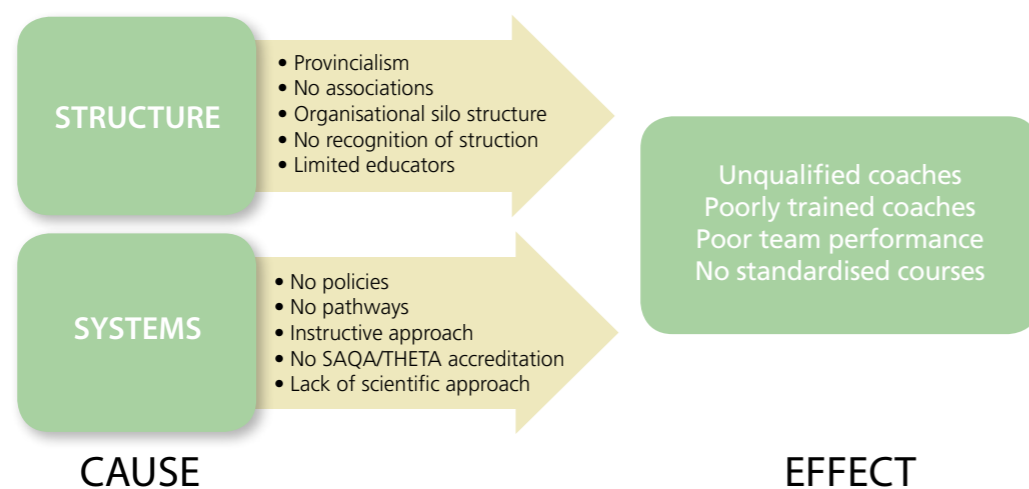
The traditional coaching courses were primarily rugby specific with very little or no scientifically integrated approach. The concept of a single qualification that includes fundamental knowledge of sport science and the common principles of effective coaching is common to the modern day coaching qualifications. Coaching has now also become a professional career. The content of the traditional courses does not meet the demands and challenges set by the modern and professional era. A new approach to coaching education and training is therefore essential if rugby wants to prosper.

PROJECTS 2009

PROJECT	DELIVERABLE
Ensure all Provinces schedule and present SARU accredited training and education courses	To accredit a minimum of 100 coaches at either level 1 and/or level 2
Ensure the existence of active effective and efficient coaches associations	To establish/revive an active, effective and efficient coaches association within the province

Associations are active in the following Provinces:
 Blue Bulls • BB Limpopo • Free State
 Golden Lions • Griffons • Griquas
 KZN • Leopards • WP

COACHING LANDSCAPE





PROJECT 3 – COURSE ATTENDANCE

PROVINCE	LEVEL 1	LEVEL 2	EDUCATORS
Blue Bulls	318		
BB Limpopo	157		
Boland	48	29	
Border			
EP	34	18	
Free State	26		
Golden Lions	279	102	
Griffons	194		16
Griquas			6
KZN	147		12
Leopards	80		14
Pumas	50		
SWD	91		
Valke	102		8
WP	252	110	
Total	1778	259	56

PROJECT 9 – COACHING ASSOCIATIONS

National Steering Committee elected:

J Schoeman (BB) [Chairman]

H Bekker (WP)

S Colby (FS)

E Hare (Leopards)

Q Reynolds (KZN)

H Adonis (SARU)

A Watson (SARU)

Steering Committee meetings:

3 February Cape Town

28 May Johannesburg

22 July Cape Town

24 August Cape Town

A National Forum was held in Cape Town on 3–4 February 2009

PROVINCE	COORDINATOR	ASS. CHAIRPERSON
Blue Bulls	Louis Nel	Kobus Redelinghuys
Boland	Denver Pienaar	Enrico Franse
Border	Stanley Raubenheimer	Xola Bikani
EP	Denver Wannies	Freddie Makoki
Free State		Ingo Machts
Golden Lions	Wynand Moolman	Dr Willem Boshoff
Griquas	Gerwyn Alexander	Jannie Louw
KZN	Colin Heard	
Leopards	Philip du Toit	
Mpumalanga	Arrie Myburg	
Griffons	Fritz Grobbelaar & Harry Pienaar	Maree Bester
SWD	Martin de Vos	Willie Small
Valke	Gesie vd Merwe	Herman Flemming
WP	Geoff Crowster & Wilfred Cupido	Jan Loubser
Steering Committee	Hennie Bekker (WP)	
	Selvyn Colby (FS)	
	Quentin Reynolds (KZN)	
	Johan Schoeman (BB)	
SARU	Hilton Adonis	
	Andre Watson	





High Performance

BY HERMAN MASIMLA

The SARU high performance programme has attempted to lay the foundation for talent development in each union over the past three years. SARU has decided in accordance with its new strategic plan to make their assistance to each province more specific in nature. Previously SARU provided software, nutrition, and finance for Biokineticists on a generic level. The statistics show that this programme was successful, but the time has come for the high performance programmes in each union to be more specific. Unions will now apply to SARU for assistance in implementing their specific plans. Each union has challenges, which are unique to that union and may want to apply resources provided to meet these challenges.

One area of the high performance that has been very successful up to now has been the software we have developed and circulated to the unions each year. This software will again be provided to each union at the end of 2009. This software provides training programmes, diet analysis, diet programmes, socio economic analysis and normative values for fitness reports. There are normative data from the Sport Science Institute of South Africa for provincial U16, U18, U19, U20 and seniors players available on the software.

HIGH PERFORMANCE CONCEPT

The latest talent identification research in rugby shows that many of the most critical physical and technical characteristics required for performance

at a top level begin to be evident from 15-16 years of age. It is therefore important that one invests in these players in order to confirm this physical talent, but also to ensure that this talent is fully developed. We have seen how players like François Steyn and others have successfully made the transition from junior to international rugby. What is needed from the High Performance Department is to ensure that more of our players make this successful transition?

The South African Rugby Union has established a high performance system that acts as a pathway that reaches from U13; right the way through to senior level. The player pathway is based on the long-term athlete development model, where players are identified and kept in the high performance system for as long as possible.

As part of this pathway SARU has established a number of High Performance squads. At an U18 and U19 level these squads have for the first time this year been involved in competing against several top flight International teams. This process of international competition was initiated to prepare these players for their eventual participation in the IRB U20 World Cup. SARU have now gone one step further in this exciting process, we have initiated the U16 High Performance Camp that is position specific.

Players at this age need to be given an opportunity to mix with the best senior players and coaches. They need to understand what is required to perform at the highest level. Many of these skills cannot be taught in theory but need to be experienced. This is what the High Performance Camp is all about, allowing players to experience and learn in an appropriate environment.

These players were divided in to position specific groups for specialist training but also played matches. To facilitate this goal a number of specialists have been brought into the camp to work on various skills and attributes which are key to being successful in rugby. The areas to be covered include:

- Rugby Skills
- Life Skills
- Media training and communication
- Nutrition and supplementation
- Mental skills

PROJECT DESCRIPTIONS

SA U16 HIGH PERFORMANCE CAMP

- In 1999 SARU initiated the Nike All Star project. The aim of this project was twofold, firstly to identify talent and then to develop this talent (U16 age group). This project ran for four years and was highly successful. The project was stopped due to a lack of funding. The aim is to restart this programme in order to better develop talent at U16 level.
- 50 players were selected by the national selectors (the same panel that is appointed to select our national teams) at the Grant Khomo Week in July 2009. This allows the selectors to identify the top 50 U16 players in South Africa.
- The Camp took place during the September school holiday in Cape Town and was hosted by SACS High School. All of the players were accommodated at the school for the duration of the camp.
- The camp culminated in the match played at Newlands between two teams selected from the players at the camp.

SA U18 HIGH PERFORMANCE PROGRAMME

- Aim is to identify talent through our national competition structures (Craven and Academy Weeks) and then to confirm this talent by providing these players with specialist coaching and opportunities to play against international competition.
- A group of 45 players were selected by the national selectors after the conclusion of the U18 Academy and Craven Week in July 2009.
- From the group of 45 players 32 were invited to assemble for a high performance training camp during August 2009.
- Players assembled in Cape Town for physical assessments at the Sports Science Institute of South Africa and intensive coaching under the guidance of the SA U20 Coach.
- As a result of good relations between France and SA Rugby we were fortunate to have the French U18 team in South Africa during this time. The Namibian Rugby Union replaced Argentina that withdrew from the intended Tri-Nations friendlies.
- As part of this camp the SA U18 High Performance Squad played two matches against France (won both matches) and one against the Namibian U19 team.



SA U19 HIGH PERFORMANCE PROGRAMME

- The aim of this programme is to provide a continuum for the development of those players who were previously engaged in the U18 High Performance programme. The programme also makes allowance for the inclusion of players who have matured at a later stage but have shown potential to compete at the highest level.
- Trials for the selection of this squad were held during November 2008.
- The trials were held in Cape Town. A group of 60 players were invited to the trials.
- A group of 32 players was selected for the SA U19 High Performance team, which successfully competed against the U19 national touring team from France during February 2009.
- The U19 High Performance squad was supposed to reciprocate with a two-match tour to France during in November/December 2009. This tour was postponed until February 2010
- The U19 High Performance squad will form the basis of the U20 team for the 2010 Junior World Cup.

SA U20 WORLD CUP PROGRAMME

- The aim of this programme is to ensure that the best possible group of players is selected and prepared to represent South Africa in the Junior Rugby World Cup in June 2010.
- The majority of this squad will be made up from players who were selected to represent South Africa against France as part of the SA U19 High

Performance team in February 2009.

- The first training camp and trials took place in December 2009. 45 Players were invited to the camp.
- The second camp will include an overseas tour to the UK. The reason for this is that other international teams such as England and France will play a minimum of eight internationals prior to competing in the World Cup. We therefore have to afford our players with the opportunity to gain international experience as a team prior to the World Cup. The tour group will consist of 32 players and 10 management. The duration of the tour will be 12 days. The team will play three matches during the tour. There is a possibility that this tour will include friendly matches against England and France U20 Teams.
- Camp three will take place between 24 February and 10 March 2010 (30 players). During this period an Argentina U20 team will have a training camp in South Africa. The SA U20 Squad will during this time play two matches against the visiting Argentines.
- Camp four will take place in April 2010 (26 players). During this camp the final preparation will take place. The SA U20 team will confirm their preparation during this camp with matches against the Vodacom Cup teams of Border, EP and SWD Eagles.
- The players will assemble for five days prior to departure at the end of May 2010 for the U20 IRB Junior World Cup in Argentina.

Transformation

BY MVELELI NCULA



ACHIEVEMENTS

APPOINTMENT OF THE TRANSFORMATION COMMITTEE

The appointment of a Committee to oversee the transformation activities of SARU was approved at the President's Council meeting held on 19 August 2009. The members are:

Mr R. Rautenbach (Chairman); Mr. F. Davids; Mr. D. Watson; Mr. J. Prinsloo; Mr. C. Ferreira; Mr. M. Ncula; Dr. W. Basson.

To date one meeting was convened on 1 September, 2009.

COMPLETION OF DATA SHEETS

It is common practice that all fourteen provinces affiliated to SARU are provided with data sheets to complete on their transformation activities. These activities are based on accessibility of rugby to all, demographics of all teams, skills development, procurement, community involvement and equity. Once these forms are completed they are then sent to SARU headquarters for verification and analysis.

FEEDBACK TO PROVINCES

Following the analysis of the results of the data sheets is the feedback given to the provinces. The following provinces were visited in 2009 by M.Ncula, Dr W. Basson and M. Green: Blue Bulls on 26 October; Cheetahs on 26 October; Valke on 27 October; WP on 28 October; Pumas on 2 November; KZN on 3 November; Leopards on 4 November and Lions on 9 November.

The attendance at all the feedback sessions was very encouraging. Most of the people that were in attendance were decision-makers in their respective provinces. The new funding model has had the desired results in terms of the transformation imperatives mentioned earlier.

CHALLENGES

The following are challenges which if not addressed could have serious consequences for our rugby:

1. The average per annum negative growth rate of 0.5% among whites over the past 10 years.
2. The per annum average positive growth rates of 1.5% and 1.4% among black Africans and Coloured people.
3. The fact that 84% of people in the 1-15 year-old category of South Africans are black Africans.

The long-term consequences therefore, of a continued reliance on a declining (and ageing) white participation and supporter base without gaining greater (and faster) access to the games potential coloured and more importantly very large black African population at an increased rate, cannot simply be ignored. One of the reasons for declining numbers of school and club rugby players and traditional rugby playing schools switching away from rugby can be attributed to these macro-demographic changes in SA society.

The forces driving demographic change in the country listed above is furthermore enhanced by the effect of the roughly 800,000 whites that have left the country in recent years. These factors have direct consequences for participation numbers at both school and club level that cannot and should not be ignored.

The 'tip of the iceberg', with respect to the representivity profiles of provincial and national teams, was shown to have changed very little over the last 10 years. This should be seen as a matter of some concern. The 2010 FIFA World Cup will also have an impact on rugby's participation numbers at a school level over the next five years.



Commercial

BY KHAYA MAYEDWA

Notwithstanding the global recession from which the South African economy is slowly emerging, SARU's commercial division has weathered the storm, garnering a sponsorship programme which augurs well for the game.

SA RUGBY RENEWALS

Not only has it brought new sponsors on board, it has managed to successfully renegotiate Marriott Income Specialists who remain the official referee sponsor for three years with BSN Medical also agreeing to remain product supplier to SARU and the Springboks for the same period. It has also salvaged Budget Rent-a-Car who remain the official supplier for the next three years to SARU and the Springboks. All three sponsorships run from 1 January 2010 to 31 December 2012.

NEW SPONSORS

The cherry on top is the securing of a new sponsorship by the South African Breweries' Castle as associate sponsor of the Vodacom Super 14 for a year. Another new sponsor is hTC Smart Mobility (LEAF), who are the official cell phone supplier to SARU and the Springboks for three years starting from August 1, 2009 to July 31, 2012.

SPRINGBOK SPONSORSHIP RENEWALS

Cushioning the sponsorship flagship of SARU are renewals by Canterbury who remain the official apparel sponsor for five years starting from January 1, 2009 to December 31, 2013. Energade have also renewed their commitment as associate sponsor to SARU and the Springboks for two years running from January 1, 2009 to December 31, 2010. Southern Sun remain associate sponsor to SARU and the Springboks for two years which ends on December 31, 2010 while Springbok Atlas agreed

to remain supplier to SARU and the Springboks for three years starting from January 1, 2009 to December 31, 2011.

VODACOM SUPER 14 RUGBY SPONSORSHIP

For the Vodacom Super 14, Powerade re-affirmed their commitment by agreeing to remain the official referee sponsor to SARU for five years running from January 1, 2009 to December 31, 2013.

BIL TOUR

The BIL Tour commercial series sponsor is Castle with Vodacom as tour partner and tour supporters being Southern Sun, ABSA and South Africa (It's possible). For the BIL Tour for coastal and highveld XV teams, Southern Kings are sponsored by Grinaker-LTA, Supersport, Megaview and Megapro while Royal XV are backed by RBH. The official BIL Tour official advertisers are Samsung, Xerox and Pick 'n Pay.

CONCLUSION

While the sponsorship programme is clearly a milestone as it was achieved during recession, there is no doubt that it is good corporate governance that attracts business. In a year in which South Africa hosts the FIFA World Cup, rugby is equipped to eclipse the heights it has achieved as the world's top rugby country.

MARKETING DEPARTMENT

SARU's marketing department embarked on a nationwide research campaign towards the end of 2009 that was driven over a period of 4 months. The purpose of this study was for SA Rugby to get an understanding of their current offering to established rugby supporters as well as South Africans that

currently don't have a passionate following for the game. The latter provides a valuable opportunity for SA Rugby to grow the development of the game.

The key insights and findings will ensure the marketing department streamlines all its activities and focuses in broadening the game to a wider base specifically as we head to RWC 2011.

New initiatives going forward will see the launch of Bokkie. This is a project in the making that will see Bokkie as a platform to communicate across the diverse SA cultural, race and age groups as well as communicate with audiences in other rugby nations: Australia, NZ and England. SARU have partnered with Sunrise Production to help the marketing department achieve this goal. Bokkie has the ability to support SA Rugby's goals, reach and vision.

ACTIVITIES/EVENTS

2009 saw the successful implementation and roll out plan for the Castle South Africa 2009 Lions Series. The positioning of this event as the last great rugby adventure ensured the event was seen as the classic and iconic event it is and certainly well worth the ticket price with a fantastic result for the Springboks.

The marketing department worked closely with our stakeholders, communications and commercial departments, to ensure the successful implementation of a Vodacom S14 final and Absa Currie Cup final, both being held at Loftus.

The launch of the new National Rugby Safety programme "BokSmart" was well received and marketing, together with the communications department, was instrumental in driving the core messages of Safe Rugby out in the market place. We look forward to some exciting programmes and events in 2010.

The National Referee Recruitment campaign saw some great successes with awareness being driven at the annual Coca-Cola Youth weeks as well as the Emirates Airline SA Sevens event in George. SAA National Club Championships, SARU Easter Festivals and the Coca-Cola Craven Weeks were managed and implemented by the marketing department.

With the Springbok Sevens team being crowned the IRB Sevens World Series champions, a couple of activities were driven focusing on the successes of their season. Regardless of the limitations and challenges faced in George, SARU saw another Sevens event taking place relatively successfully with a massive drive towards fans and supporters "dressing up". It has been the marketing departments' vision to benchmark themselves to the other successful tournaments on the world circuit, and together with our event partners we are working hard to closing this gap. The announcement of the Sevens as an Olympic Sport in 2016 was a massive milestone towards recognizing Sevens Rugby as a brand that is becoming well established globally.

Following a successful season, both on and off the field, SARU had an opportunity to showcase its credibility as a massive powerhouse in the rugby and sporting fraternity and share and honour its successes at the annual awards banquet held at Vodaworld in Johannesburg. Coverage on the various rugby platforms as well an introduction to magazine shows sees this event establishing itself as a must on the rugby and social calendars.

THE YEAR AHEAD

2010 sees the marketing department redefining current market segments with major takeouts stemming from the nationwide consumer fan based research. The positioning of various brands has shifted slightly in the past few years and will ensure the marketing department aligns overall SARU strategies better for each of those brand segments.

A major focus will be to see SARU's marketing department working closer with the Springbok Supporters Club in 2010 and ensure and pursue a strategic drive to increase the Springbok Supporters Club base. This will have a strong focus leading up towards RWC 2011.

Ongoing research and benchmarking will ensure marketing's overall strategy of seeing a rugby fan in every South African and a stronger Springbok brand affinity as major objective for 2010 and specifically again with a major focus for RWC 2011.

– Sarah Williams, Marketing



Communication

BY ANDY COLQUHOUN

The work begun in 2008 to re-organise and strengthen the performance of the communications department gathered momentum in 2009 with a significant number of initiatives and projects either completed or set in train.

STAFFING

That was achieved by the increase of the department's compliment from two to four to more professionally service the demands placed on it by the internal and external stakeholders of a high-profile national enterprise with a R0.5bn turnover.

A website and publications manager was appointed for the first time to oversee and rationalise the production of SA Rugby's significant number of publications and to develop the www.sarugby.co.za website as an increasingly important tool for communication with supporters and media. The site was relaunched in the second quarter of the year and the result was a near doubling in absolute unique visitors to 1.2 million for 2009.

In addition a communications manager with a special focus on SA Rugby tournaments and junior national teams was added to the existing staff and assisted in significantly increasing the information flow around representative teams and SA Rugby competitions. The upshot was that communications output from the department on all activities increased markedly on previous years to more accurately reflect the frenetic schedule of on-field and off-field activities.

The acquisition of new staff also led to a sharp reduction in the outsourcing of writing and editing functions with the preparation of competition press releases and reports, the writing and editing of four media guides and tournament brochures all taken in-house. Notable 'firsts' included the delivery of the Annual report in

time for the Annual meeting; the in-house production of the Springbok media guides for the first time in more than a decade; the production of Lions Tour official guides and Tour Books – both on a new business model to drive revenue rather than appear as a cost item. The same strategy was pursued in the appointment of Juiced Media as the publishers of the Official Match Programme at a significant royalty fee.

INITIATIVES

Among other initiatives was the creation of an "SA Rugby Communications" identity for the issue of all media releases; the delivery of a daily news digest to key operational staff and leadership and the establishment of an internal staff newsletter. Work also began on a new communications platform to interact directly with supporters in 2010.

BRITISH & IRISH LIONS TOUR

However, the centrepiece of the year was the tour by the British & Irish Lions. The global rugby importance of the event and the consequent media interest and high level of media attendance at such a series clearly carried the threat of being immensely damaging to the reputation of the South African rugby community if the event was poorly organised. As a consequence the department concentrated on delivering a world-class media platform to ensure that apparently trivial complaints about media working conditions did not 'infect' coverage of the general capacities of South African rugby.

This imperative of presenting the best possible face to the media world was given greater importance by the imminence of the vote on the hosting nations for the 2015 and 2019 Rugby World Cup tournaments. South Africa was one of four nations to present its bid (May 13) on the eve of the Series with the Board's recommendation (June 30) and Council's final decision

(July 28) following hard on the tour's heels. The tour was therefore treated as a 'mini-World Cup' with the intention of providing a standardised experience for media throughout with a dedicated operational team focusing largely on their needs. SA Rugby staff took control of match-day media operations at all ten matches and upgraded the normal domestic Test match media operations by the provision of many new services and protocols.

These included:

- Match-day media transport
- Provision of free wifi in media facilities
- Upgraded and standardised catering
- Big screen TV monitors in all facilities
- Closed-circuit broadcast of media conferences
- Provision of South African cell number (sim) for overseas media
- Creation of stand-alone stadium media centres
- Implementation of post-match mixed zones
- Creation and application of media facility signage
- Use of media volunteers

The goal of providing a world-class media service was achieved with many visiting and local media rating it as the best they had experienced either on Lions Tours or at Rugby World Cups. It ensured that at no point in the tour was South African rugby's ability called into question to organise or host a major rugby event and the international media's positive experience of the tour and South Africa was reflected in their reporting.

ACTIVITIES

The department was also extensively involved in the planning and preparation of the South African Rugby Union's Rugby World Cup Bid document and that of the Southern Kings on top of the day-to-day management of developing issues and media requests.

The major governance issues of the year concerned the reversion to a single entity with the dissolution of SA Rugby (Pty) Ltd and the transfer of its assets to the South African Rugby Union. Media were updated regularly by press release and media conference on the developing process and the outcome was that the process was completed without any controversy.

SARU's Bids to host the 2015 or 2019 Rugby World Cups and to secure a sixth berth in the expanded Vo-

dacom Super 15 in 2011 were long-running stories with disappointing outcomes but rugby was rarely embroiled in controversy in 2010 other than around comments made in the wake of the Schalk Burger citing and suspension for attacking the eye area of a Lions player during the second Test and the armband protest in the wake of Bakkies Botha's suspension for dangerously entering a ruck in the same match.

Other issues – such as ticket prices for matches in the Lions series, the liquidation of the South African licensee of kit sponsor Canterbury, the question of the Test eligibility of Zimbabwean-born Tendai Mtawarira and the performance of the anthem by Ras Dumisani in France – excited media attention but relatively briefly.



YEAR IN SUMMARY

But it was a good news year for South African rugby with record reserves announced in March, record ticket sales during the domestic Test season, a R1.5bn economic impact for South Africa from the Lions' tour, launch of a major rugby safety programme in Boksmart as well as other initiatives such as the Champion Tour and a TAG rugby pilot programme in the Western Cape.

However, they were all dwarfed by the performance of South African rugby teams with the success of the Springboks and Springbok men's and women's sevens teams and of the Vodacom Bulls ensuring that the backdrop against which South African rugby was measured was a happy one.



Medical

BY CLINT READHEAD

The year under review was very exciting for the medical department as we launched the SA Rugby BokSmart Rugby Safety Programme. The launch of this programme sees SARU move into a new era where SARU and her member provincial unions take responsibility for making rugby safer for all those play the game as well as improving the rugby performance of those players. Dr. Wayne Viljoen has provided a detailed report of the progress of BokSmart in 2009 (see page 90).

TOURNAMENTS

Once again SARU was able to provide Catastrophic Injury Insurance cover for all those players who participated in the SARU youth week tournaments. The insurance cover was sponsored by Channel Life as part of an agreement entered into between SARU, Channel Life and Sports Solutions. This was a once off deal and the challenge will be to find a sponsor to provide Catastrophic Injury Insurance for the 2010 Youth Week Tournaments.

SARU provides all the relevant medical infrastructure at the Youth Week Tournaments, Club Champs and various community tournaments so as to ensure that the players who attend these SARU sanctioned tournaments are well looked after.

The Youth Week Injury Audit was launched at this year's youth tournaments. The medical staff at the various tournaments participated in collecting injury data for the audit. The data was collected on a standardised reporting form and was sent back to SARU at the completion of the tournaments. Professor Mike Lambert, Dr. Wayne Viljoen and Clint Readhead have been tasked with putting the report together. This report will be available at the end of February 2010 and will be posted on the BokSmart website. We believe that making this type of information available to the

public will encourage cooperation between the various stakeholders on the issue of injuries in rugby and how to prevent them. The Youth Week Injury Audit will be done annually.

Injury Data was also collected from the Club Championships and the IRB Sevens Tournament and will be reported on. This will also be done annually.

NATIONAL TEAMS

It is becoming increasingly difficult every year to acquire the services of well trained medical and conditioning staff. The top medical personal and conditioning coaches all have full time contracts with the various unions and these unions are reluctant to release these contracted professionals to work with SARU national teams. As a result of this SARU has over time built up a core group of medical personal and conditioning coaches to look after the various SARU teams. An aim of the medical department is to look after our medical staff and ensure that we can provide the best medical and conditioning support to the various different teams. SARU spends a large amount of money and time preparing these medical teams so as to ensure they have all the necessary skills to make a positive contribution in the teams they work for. In order to do this effectively we must guarantee continuity of these medical personal and conditioning coaches. In order to achieve this we need to contact our medical personal and conditioning staff for a period of time (minimum of three years) and not on a year to year basis as is done at the present moment.

Taking this into account SARU has been successful in keeping the medical staff for the various SARU teams and Springbok Sevens and Springboks the same for the last three years. This year, with the introduction of the various high performance squads, we have been able to expose potentially new medical staff to the

environment of high performance rugby. This process will continue in 2010 and we are hoping to use the SA U20 medical staff to mentor these new doctors, physios and Biokineticists.

Having said this there will always times when staff members for various reasons move on. At the end of 2009 we saw the departure of two members who over the years have contributed their time and energy to ensure that the rugby players they look after are given every opportunity to become the stars of the future. The medical department would like to thank Dr. Pierre Viviers and biokineticist Nceba Hene for all they did for SARU and wish the all the very best with their new adventures.

SERIOUS INJURY TASK TEAM

The SARU medical department in conjunction with Dr. Wayne Viljoen (BokSmart manager) and the Chris Burger/ Petro Jackson Players Fund formed the Serious Injury Task Team. The function of the team is to visit areas that appear to have an "Out of the norm" injury occurrence or history. The aim of the task team is then to assist and facilitate the union in making sure that all the necessary procedures have been put in place and that all the regulations and legislation have been adhered to so that rugby can be played safely in that union. In 2009 we visited the Border and Boland region respectively.

SARU MEDICAL AND SCIENTIFIC ASSOCIATION

2009 saw the official launch of the SARU Medical and Scientific Association. After further work had been done on the structure of the association and the aims and objectives of the association the medical department was in a position, towards the end of last year, to launch the association. The CEO's of every union were contacted and asked to submit the name of one person who will serve as the medical manager for that union. Once all the names had been received the first official meeting of the new association took place in November 2009. The aim of the meeting was to explain how the new Medical and Scientific association would operate in order to achieve on the strategic objectives outlined in the SARU Strategic Framework document.

The annual SARU medical conference was done away with in order to fund the establishment and



assist in the functioning of the medical associations in the various unions. The way the association has been structured is that it functions to ensure that all relevant information that pertains to the health, safety and well being of players as well as documentation with respect to rules, regulations and legislation will be communicated to the union medical association managers at two meetings a year or via email in-between these meeting times. The medical association managers then have to communicate this information to the relevant persons within the union and to the association members. The objective of the meeting is to ensure that the persons responsible for the various programs/tasks/areas in the union convey this information to the relevant stakeholders (clubs, schools, communities). SARU assists financially to the hosting of two union medical association meetings a year. The union association manager has to indicate to the SARU medical manager that this process has taken place by supplying the minutes of that meeting to the SARU Medical Manager.

IRB MEDICAL CONFERENCE

In 2009 the IRB introduced their new strategic framework. The new strategic framework allows for the medical managers of the various member unions to meet once a year. The IRB Medical Conference takes place in London each year where various medical and health issues are discussed and debated. Matters that need to be addressed further are handed over to specialist groups to research or to task teams to manage. (Medical managers from the various member unions are invited to participate on the task teams). Clint Readhead is part of the task team that will be reviewing Cervical Spinal Cord Injuries and Dr. Jakoet is part of a team that will be reviewing transgender issues.

BOKSMART PROGRAMME

The BokSmart programme, generously sponsored by Absa, has three main pillars, the BokSmart Rugby Safety workshops, the BokSmart Rugby Medic Programme, and the BokSmart SpineLine.

The BokSmart Rugby Medic Programme, provided by EMT, is a full one day eight hour course and provides coaches, referees, players, and any involved person in primarily disadvantaged or extreme rural rugby communities, with the primary skills necessary to be able to identify and manage a potentially serious or catastrophic concussion, head, neck, or spine injury.

The BokSmart SpineLine (0800 678 678), operated by ER24, is there to provide potentially serious or catastrophically injured rugby players with the best possible emergency medical care related to their injuries. This implies providing proper telephonic screening and advice, appropriate head, neck and spine stabilisation, and expedited transportation to the most suitable medical facility.

However, the primary level of intervention for the BokSmart programme rests on the freely available DVD-facilitated Rugby Safety workshops, an approximately four hour course aimed at coaches and referees, dealing with issues around injury prevention, injury management, rugby safety and player performance.

For scientific credibility and what SARU are trying to achieve with the BokSmart programme, it was required that each of the selected topics on injury prevention, injury management, rugby safety and player performance, be properly researched and drafted using an evidence-based framework. More than 30 specialists, professionals and experts in the field were contracted to research their allocated topics and provide, evidence-based practical guidelines that embrace the newest and most up to date information on their respective topics, i.e. with scientific backing. All of these documents underwent a comprehensive peer-reviewed editing process. While this was happening, the BokSmart website developers were working on the framework for the BokSmart site, and building the base and background for the content to come. Both domains of www.BokSmart.com and www.BokSmart.co.za were registered.

While the above process was underway, comprehensive editing and development of the BokSmart DVD's took place and the BokSmart materials i.e. a double DVD set, Manuals and Concussion Guides were then mass produced. To date 50 000 copies have been produced for distribution in courses around the country. Together with this, the BokSmart Management also edited and produced another short BokSmart DVD for the launch of the programme.

It was decided to launch BokSmart on the 9th of July 2009 in Johannesburg. SARU requested three potential trainers from each Union to attend the launch in Johannesburg, and trained and assessed them on the BokSmart programme. Simon Gianotti from New Zealand's RugbySmart programme was also invited to the launch, and contributed to the initial training. The 42 candidates were trained and assessed on the 7th and 8th of July 2009, and the programme was officially launched on the 9th of July 2009 to great enthusiasm and expectation.

All 14 Provincial Unions have been contracted to run BokSmart within their structures and have the necessary training resources and equipment required to present BokSmart workshops within their regions. Since the launch BokSmart has presented two-day BokSmart Trainer workshops at all 14 Provincial Unions. The overall feedback has been incredibly positive.

Of the total of 303 people trained to function as BokSmart Trainers around the country, 270 (89%) passed their assessments, and 33 (11%) failed to demonstrate sufficient competency to be used as a BokSmart Trainer.

By December 2009, 1887 individuals have been BokSmart trained (table 2) and 85 workshops were presented around the country; 15 being Train-the-trainer workshops (table 1).

BokSmart received substantial market value media coverage. An overall combined minimum Advertising and PR value of R 5,567,687.32 was achieved in 2009. BokSmart also had a presence at the U18 SA Academy Week, the U18 Craven Week, the SAA Club Championships, the SA U16 High Performance squad weeks, the Springbok Sevens squads,

TABLE 1:
NUMBER OF WORKSHOPS PRESENTED (2009)

Lions	3
Valke	17
Griffons	15
Leopards	6
Western Province	15
Blue Bulls	2
Cheetahs	2
Boland	6
Sharks	3
Total workshops presented by trainers	69
Train-the-Trainer workshops	15
Non Union affiliated workshops	1
OVERALL TOTAL	85

TABLE 2:
NUMBER OF PEOPLE BOKSMART TRAINED (2009)

Blue Bulls	58
Boland	210
Border	28
Free State	83
Eastern Province	31
SWD Eagles	26
Griffons	212
Griquas	11
Leopards	242
Lions	94
Pumas	16
Sharks	26
Valke	389
Western Province	441
Non Union affiliated (Sevens)	20
TOTAL	1887

and the George 7s tournament, where opportunities were provided to talk to players and management about BokSmart, and message BokSmart to the public at large.

On the research front, BokSmart published four peer-reviewed scientific papers in the SA Journal of Sports Medicine. Other scientific research projects were the annual KAB (Knowledge, Attitudes and Behaviour) survey of the SA Academy and SAA Club Championship players, the BokSmart Rugby Medic study, Telephonic Rugby Medic Questionnaire, BokSmart SpineLine, Rugby Safety Workshop, Serious/Catastrophic Injury and SARU tournament injury surveillance surveys.

Regulations were drafted regarding the abuse of under-aged rugby players in SA. These were ratified by the SARU Interim Executive Committee on 10 December 2009. Additional regulations were proposed regarding the implementation and enforcement of BokSmart nationally. These regulations were approved in principle, with minor amendments before final acceptance in February 2010.

BokSmart established a MANCO consisting of two members of SARU, one member from the Chris Burger/Petro Jackson Players' Fund and one member from the Sport Science Institute of South Africa that meets every two months to monitor the progress of the BokSmart programme, and provides oversight on any key strategic decisions regarding the programme going forward.

BokSmart also recently formed a Serious Injury Task Team (SITT), with the main thrust being to investigate spates of serious/catastrophic head, neck and spine injuries associated with the game of rugby around the country.

An Expert Advisory Panel was compiled for brainstorming new ideas and concepts for BokSmart going forward. This panel will assist in drafting new ideas for content on the BokSmart programme and includes experts from all the main fields i.e. coaching, refereeing, and medical.

On top of this, BokSmart compiled a Steering Committee with representation from each of the Provinces. This committee would meet to discuss and workshop practical rollout issues at ground level to ensure that Unions are delivering to target, and that BokSmart and the Unions address the needs of all role players in the game and at all levels of play.

The BokSmart website continues to maintain a good hit rate since the first lull after the launch, and has sustained its viewership. December 2009 it had been accessed 17 022 times with 14 889 unique page views.

In summary, BokSmart has made significant progress in the relatively short time that it has been running. The biggest challenge over next 12 months is making it accessible to all involved in the game.

Notes



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