

2023



Bermuda
sport anti-doping
authority

ANNUAL REPORT

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ABOUT US

MISSION STATEMENT

To prevent, detect and deter the use of illicit drugs and banned doping practices by delivering education and testing services to the Bermuda Sporting Community.

BOARD MEMBERS

Michael Smith-Chairman
Dean Williams-Treasurer
Sheila Brown
David Porter
Dr. Desiree Spriggs
Jekon Edness-Ex-Officio

Anthony Roberts-Vice Chairman
Craig Brown * Jan 2023
Jocene Harmon
Jay Smith
Sean Tucker-Secretary

DISCIPLINARY PANEL MEMBERS

Janita Burke-Chairman
Cristen Suess-Vice Chairman
Dr. Melvyn Bassett
Dr. Mahesh Reddy
Dr. Basil Wilson

Carla George-Vice Chairman
Colin Blades
Dr. Seb Henagulph * Apr 2022
Gerry Swan

APPEALS PANEL MEMBERS

Kevin Bean-Chairman
Donna Bradshaw
Crystal Hanna * Apr 2022
Oscar Lightbourne
Calvin Simons

Christopher Swan-Vice Chairman
Dr. Burton Butterfield
Dr. Margot Harvey * Jan 2023
Dr. Amne Osseyran

STAFF

Deborah Hunter	Chief Executive Officer
Duncan Barclay	Results, Compliance & Investigations Manager
Carlrika Roser	Doping Control Manager
Deborah Lambert	Administrative Assistant

* New Appointment

* Resigned



MESSAGE FROM CHAIRMAN & CEO



Bermuda Sport Anti-Doing Authority (BSADA), located on an island of twenty-one square miles, can proudly boast that we are ranked as a Tier 2 National Anti-Doing Organization (NADO) by the World Anti-Doping Agency (WADA) which requires BSADA's production in all areas of anti-doping to be highly efficient, effective, and vigilant.

Fiscal 2023 has been a rewarding year for BSADA. The organization has continued its Sample Collection component with relationships already established globally; completed the World Anti-Doping Compliance Questionnaire comprising of 257 questions ranging over the eight (8) International Standards; are in the process of revamping of the Anti-Doping in Sport Act, NADOs Operational Independence, the advancement of Artificial Intelligence and the Education component.

The World Anti-Doing Agency hosted its annual WADA Symposium in Lausanne, Switzerland. Stakeholders ranged from NADOs, International Olympic Committees, International Federations, Ministry officials, UNESCO officials and the Media. With discussions on Operational Independence, Artificial Intelligence, Education, Athlete Biological Passport, Paperless Doping Control, and continued collaboration with NADOs. Without a doubt, the anti-doping industry is growing at a very rapid and robust pace.

Institute of National Anti-Doping Organizations (iNADO) Symposium, was also held prior to the WADA Symposium, addressed the need to expand, improve and welcome Women into the industry with a view to be impactful in leading roles and to take a deeper dive into all members of iNADO to support, promote and implement the six (6) Guiding Principles for the Future of Anti-Doping.

BSADA also accompanied the Minister of Youth, Culture & Sports to WADA's Minister's Forum in Jamaica which was attended by various high-ranking officials including WADA's President Witold Banka. The focal point of the forum was improving the presence of anti-doping practices and awareness in the Caribbean and the development of anti-doping legislation.

Education serves as a vital source in ensuring our athletes' rights, responsibilities, and concerns are addressed and providing them with the necessary resources needed to make informed decisions. Significant attention was given to the International Standard for Education at WADA's Annual Symposium as many organizations can only budget limited funding to the education component. Education is a must!

With the revoking of the Domestic Illicit Policy, this has allowed BSADA to deliver education to various sporting stakeholders at a minimum with the view to expanding our reach to the wider sporting community.

BSADA's continued compliance with WADA and the clean audit by the Auditor General could not be achieved without the dedication and diligence of BSADA's management and staff, who ensure the organization continues to operate efficiently and effectively.

BSADA’s unwavering commitment to drug free sport, in Bermuda, is evident through the organization’s educational outreach to Bermuda’s locally and internationally based athletes, continued adherence to international anti-doping standards/protocols and progressive staff development to ensure awareness of current trends/issues in the anti-doping sphere.

From our office in Hamilton and on-site at local sporting events, also through international partnerships to coordinate testing for our overseas athletes, BSADA plays a pivotal role in the local and global sporting community by ensuring athletes adhere to international anti-doping standards.

Fiscal 2023 presented many challenges and accomplishments; BSADA remains dedicated and honoured to serve the local and global sporting community in the fight for fair, clean, drug-free sport.



Michael Smith—Chairman



Deborah Hunter—CEO

COMMITTEE MEMBERS	<i>Communications</i>	<i>Compliance</i>	<i>Education</i>	<i>Finance/Audit</i>	<i>Governance/Risk</i>	<i>Health & Safety</i>	<i>Human Resources</i>	<i>Results</i>	<i>Test Distribution</i>
CRAIG BROWN	X		X						
SHEILA BROWN				X			X		
JOCENE WADE						X	X		
DAVID PORTER	X		X						
ANTHONY B. ROBERTS		X			X		X		
JAY SMITH		X			X				
MICHAEL SMITH	X	X		X	X		X		
DESIREE SPRIGGS			X					X	
SEAN TUCKER		X			X			X	
DEAN WILLIAMS				X	X				
DEBORAH HUNTER ex-officio	X	X		X	X	X	X	X	X
DUNCAN BARCLAY ex-officio	X	X			X	X		X	X
CARLNIKA ROSER ex-officio		X						X	X
DEBORAH LAMBERT ex-officio						X			

INADO AND WADA CONFERENCES



BSADA Staff-Mrs. Deborah Hunter and Mr. Duncan Barclay attended the 2023 INADO Workshop in Lausanne, Switzerland. Mrs. Hunter spoke on Women and Anti-Doping .



BSADA Staff in attendance at the 2023 World Anti-Doping Agency Symposium in Lausanne, Switzerland.

RESULTS, COMPLIANCE & INVESTIGATIONS

During the fiscal year, Bermuda Sport Anti-Doping Authority (BSADA) completed the WADA Code Compliance Questionnaire (CCQ) and received a Corrective Action Report (CAR) in December. World Anti-Doping Agency (WADA) identified four (4) items as critical actions and eight (8) as high priority. Arguably the biggest corrective action related to the Anti-Doping in Sport Act, with WADA highlighting several provisions within the Act that were not compliant with the Code. BSADA was aware of the deficiencies within the Act and had previously highlighted these to various stakeholders. Indeed, the comments received from WADA highlighted the good work and competency of BSADA as the comments from both organizations were very similar. The proposed amendments to the Act have now been handed over to the relevant government departments for action and we await an update. WADA must sign off on the amendments and be advised that the amendments have come into force to ensure our compliance.

The agency was represented at the annual WADA symposium in March 2023, which gave BSADA's delegates an opportunity to meet with WADA Compliance personnel to discuss the ongoing legislative amendments. The symposium always provides a great opportunity for a deeper dive into many subject areas in more detail and network with colleagues from around the world.

BSADA continues to regularly review the Risk Assessment and Test Pools, with four (4) athletes being added to the National Test Pool 1 (NTP1) during the fiscal year, and one (1) athlete being moved up to the RTP from the NTP1. There are currently four (4) athletes in the Registered Test Pool (RTP) and seventeen (17) in the NTP1. It is important to note however, that athletes can be removed or added to a Test Pool at any time.

The Illicit Drug Policy was revoked in May 2022, by the Ministry of Youth Culture and Sport. Due to the revoking of the domestic Illicit Policy, local athletes are no longer required to report for testing prior to representing Bermuda.

RESULTS MANAGEMENT AND SANCTIONS

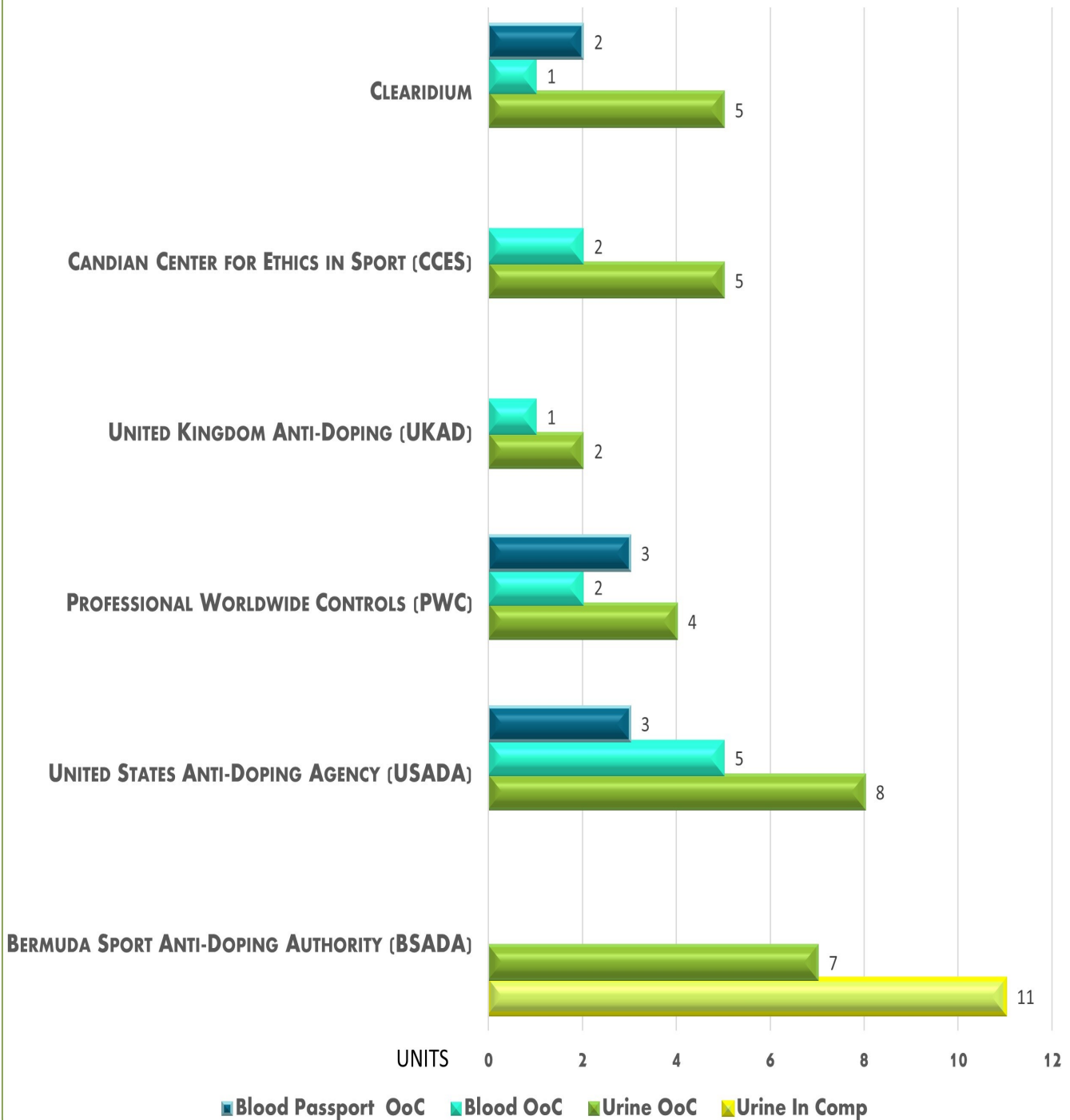
Anti-Doping Program :

One Adverse Analytical Finding (AAF) was recorded during the fiscal year however the athlete was entitled to and granted a Therapeutic Use Exemption (TUE) certificate, therefore no Anti-Doping Rule Violation (ADRV) was recorded.

There were five (5) Filing Faults recorded against NTP1 athletes during the fiscal year.

Anti-Doping Tests by Sample Collection Agency April 2022—March 2023

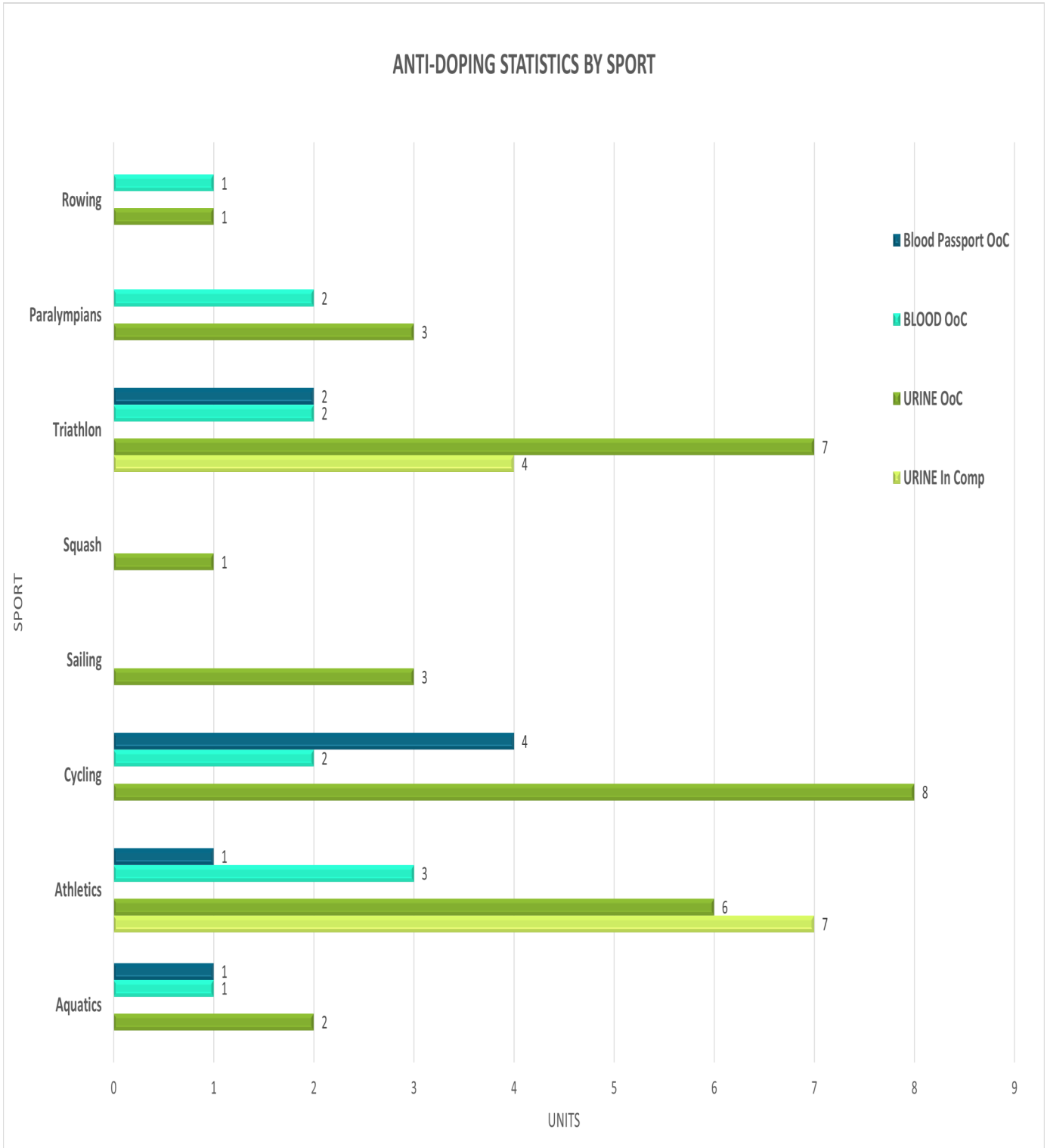
ANTI-DOPING STATISTICS BY SERVICE PROVIDER



LEGEND: *In Comp*:— In-Competition *OoC*:—Out-of-Competition

Anti-Doping Tests by Sport

April 2022 — March 2023



LEGEND: *In Comp:*— *In-Competition*

OoC:— *Out-of-Competition*

DOPING CONTROL



BSADA'S Doping Control Manager working with CENTRAL DIAGNOSTICS LAB's Phlebotomist.



BSADA DOPING CONTROL TEAM and volunteers at the International Triathlon Union (ITU) Event.

DOPING CONTROL TEAM

David Bean
Whitney Butterfield
Shanika Franklin
Debra Saltus

Deborah Bean
Marguerita Carter
Ann Tene McPherson
Marionette Zuill

Bradley Butterfield
Kristin Foster
John Payne

EDUCATION

EDUCATION SUMMARY

Bermuda Sport Anti-Doping Authority (BSADA) provides education through a variety of resources and mediums such as Outreach Events, In person sessions, Zoom session, Facebook, Website and Island Stats.

While BSADA provides education to our Test Pool inductees, the organization also is mandated to provide education sessions in alignment with the International Standard for Education to the sporting community as presented below.

Athletics (Bermuda National Carifta Games Team)
Commonwealth Games Team
National Cricket Team
Soccer (Kappa Classic Soccer Tournament) (Youth ages 7-16 Outreach Event)

National Sporting Teams

Athletics (Bermuda National Carifta Games Team Ages 13-18)

Education Plan Components: Anti-Doping Education, Information provision and Awareness raising

This education session was designed to provide the athletes with information related to the Sample Collection process, the Prohibited List and Therapeutic Exemptions Use.

Commonwealth Games

Education Plan Components: Anti-Doping Education, Information provision and Awareness raising

Many of the members of the Commonwealth Games Team were members of BSADA's test pools and had been involved in the anti-doping process.

BSADA provided the team with the ADEL e-learning links pertaining to the rules and requirements of the Games.

Cricket National Team

Education Plan Components: Anti-Doping Education, Information provision and Awareness raising

BSADA provided the organization with general information pertaining to the Sample Collection process, the Prohibited List, Therapeutic Exemptions Use and Anti-Doping rules pertaining to cricket.

Outreach Event

Kappa Classic Soccer Tournament (Youth ages 7-16 Outreach Event)

Education Plan Component: Values Based Education

Communicated the negative impact of the use of drugs in sport and the need to make good decisions reinforcing positive values such as honesty, respect, fairness and commitment.

CARIFTA EDUCATION



Athletes preparing for Carifta Games received Anti-Doping Education prior to leaving Bermuda.

Information was provided on the Sample Collection Process, the Prohibited List and Therapeutic Exemption Use.



There were approximately 60 persons in attendance, which included athletes, parents and support personnel.

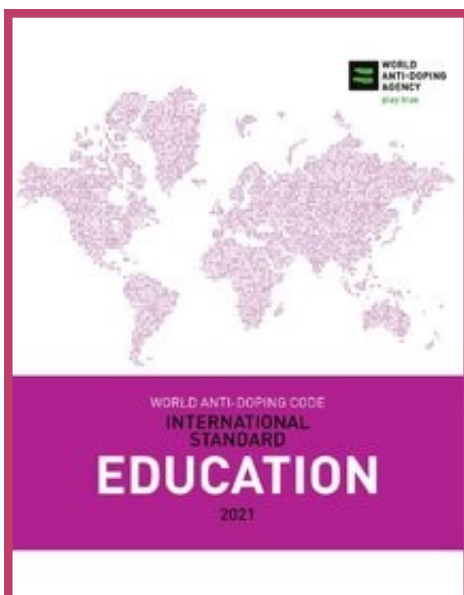
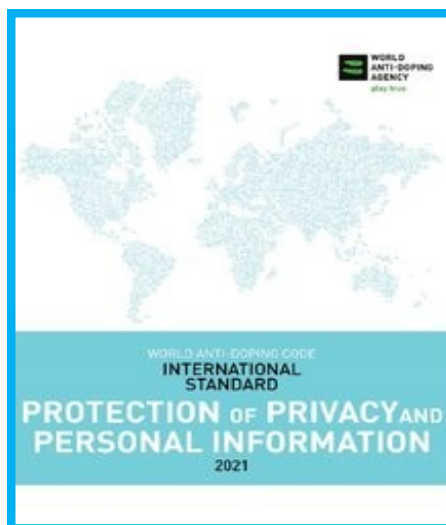
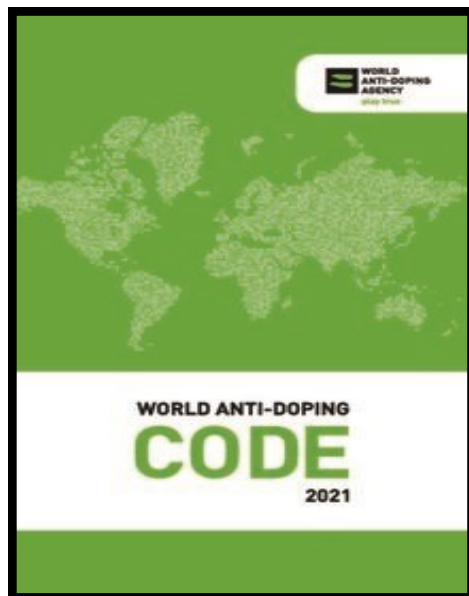


OUTREACH EVENT

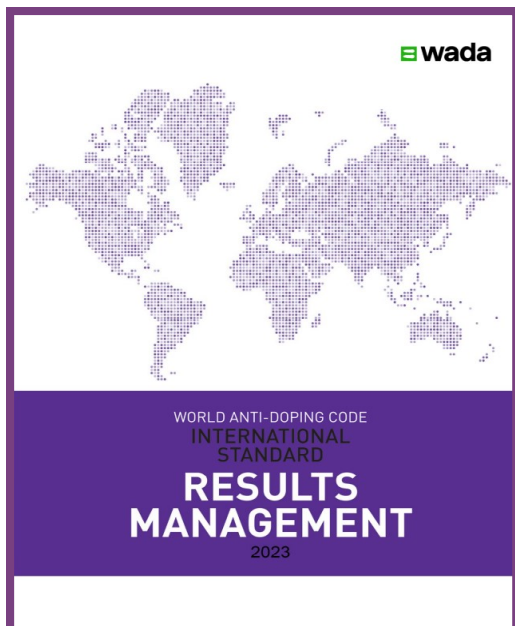
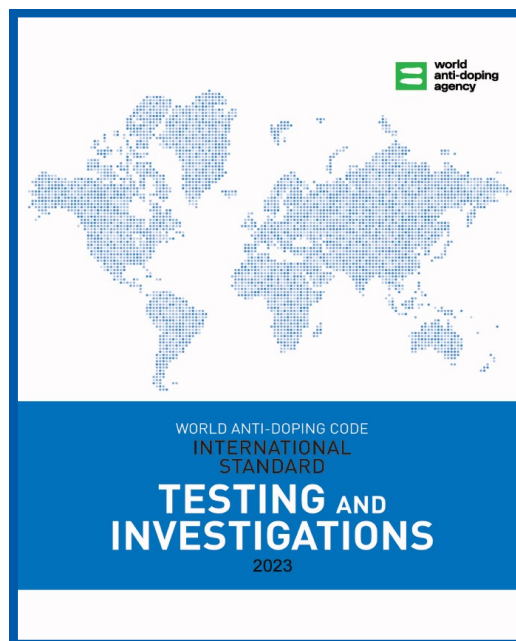
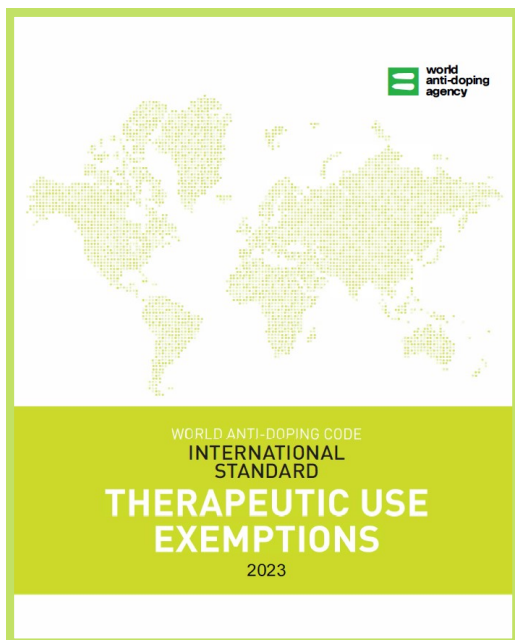
2022 Kappa Classic



INTERNATIONAL STANDARDS



INTERNATIONAL STANDARDS



THE BERMUDA SPORT ANTI-DOPING AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2023

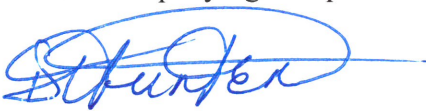
Management's Responsibility for the Financial Statements

These financial statements have been prepared by management, who are responsible for the reliability, integrity and objectivity of the information provided. The preparation of financial statements necessarily involves using management's best estimates and judgments, where appropriate.

Management is responsible for maintaining a comprehensive system of accounting records, internal controls, policies and management practices, designed to provide reasonable assurance that transactions are properly authorized and in compliance with legislation, assets are safeguarded, and reliable financial information is available on a timely basis.

The *Bermuda Sport Anti-Doping Authority Board of Directors* through the *Audit and Finance Committee*, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal controls. The *Audit and Finance Committee* meets periodically with management to discuss matters relating to financial reporting, internal control and audits. The *Audit and Finance Committee* also reviews the financial statements before recommending approval by the *Board of Directors*. The financial statements have been approved by the *Board of Directors* and have been examined by the Office of the Auditor General.

The accompanying Independent Auditor's Report is presented herein.



Mrs. Deborah Hunter
Chief Executive Officer



Mr. Dean Williams
Treasurer to the Board

DATE June 28, 2023



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3 Reid Street
Hamilton HM 11, Bermuda

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Fax: (441) 295-3849
Email: oag@oagbermuda.bm
Website: www.oagbermuda.bm

INDEPENDENT AUDITOR'S REPORT

To the Minister of Youth, Culture and Sports

Opinion

I have audited the financial statements of the Bermuda Sport Anti-Doping Authority, which comprise the statement of financial position as at March 31, 2023, and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bermuda Sport Anti-Doping Authority as at March 31, 2023, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with public sector accounting standards generally accepted in Bermuda and Canada.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in Bermuda and Canada. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Bermuda Sport Anti-Doping Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in Bermuda, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with public sector accounting standards generally accepted in Bermuda and Canada, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bermuda Sport Anti-Doping Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Bermuda Sport Anti-Doping Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bermuda Sport Anti-Doping Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with auditing standards generally accepted in Bermuda and Canada, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, related safeguards.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the Office of the Auditor General website at: www.oagbermuda.bm. This description forms part of my auditor's report.



Hamilton, Bermuda
June 28, 2023

Heather Thomas, CPA, CFE, CGMA
Auditor General

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2023

	2023	2022
	\$	\$
FINANCIAL ASSETS		
Cash	54,192	41,153
Due from CG Insurance (Note 6)	5,105	13,829
Rental security deposit (Note 10)	2,750	2,750
	<u>62,047</u>	<u>57,732</u>
LIABILITIES		
Account payable and accrued liabilities	40,839	21,173
Post-employment benefits and compensated absences (Note 6)	12,365	25,574
Due to the Government of Bermuda (Note 5)	6,114	5,187
	<u>59,318</u>	<u>51,934</u>
NET FINANCIAL ASSETS	<u>2,729</u>	<u>5,798</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	13,376	7,070
Tangible capital assets (Note 4)	474	1,057
	<u>13,850</u>	<u>8,127</u>
ACCUMULATED SURPLUS	<u>16,579</u>	<u>13,925</u>

CONTRACTUAL OBLIGATION (Note 10)

APPROVED BY:

Chairman

Vice Chairman

The accompanying notes are an integral part of these financial statements

THE BERMUDA SPORT ANTI-DOPING AUTHORITY
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2023	2022
	\$	\$	\$
	Budget (Note 11)	Actual	Actual
REVENUES			
Government of Bermuda grant (Note 5)	764,158	586,000	550,000
Testing Fees	2,500	32,168	-
Board members' fees (Note 5)	6,600	4,550	4,300
CG Pension Forfeiture (Note 6)	-	-	18,919
	<u>773,258</u>	<u>622,718</u>	<u>573,219</u>
EXPENSES (Note 7)			
Performance enhancement testing program	323,802	272,861	223,402
General administration	270,640	237,461	265,018
Illicit drug screening program	178,816	109,742	110,350
	<u>773,258</u>	<u>620,064</u>	<u>598,770</u>
ANNUAL SURPLUS (DEFICIT)	<u>-</u>	2,654	(25,551)
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>13,925</u>	<u>39,476</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>16,579</u>	<u>13,925</u>

The accompanying notes are an integral part of these financial statements

THE BERMUDA SPORT ANTI-DOPING AUTHORITY
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
	\$	\$
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>5,798</u>	<u>30,247</u>
Annual surplus (deficit)	2,654	(25,551)
Acquisition of tangible capital assets (Note 4)	-	(939)
Amortization of tangible capital assets (Note 4)	583	2,949
Change in prepaid expense	(6,306)	(908)
Change in net financial assets	<u>(3,069)</u>	<u>(24,449)</u>
NET FINANCIAL ASSETS, END OF YEAR	<u>2,729</u>	<u>5,798</u>

The accompanying notes are an integral part of these financial statements

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

	2023 \$	2022 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Annual surplus (deficit)	2,654	(25,551)
Adjustment for items not affecting cash:		
Amortization of tangible capital assets	583	2,949
	<u>3,237</u>	<u>(22,602)</u>
Change in non-cash working capital:		
(Decrease) increase in post-employment benefits and compensated absences	(13,209)	6,446
Increase in prepaid expenses	(6,306)	(908)
Decrease in rental security deposit	-	2,290
Increase in due to the Government of Bermuda	927	1,006
Decrease (increase) in due from CG Insurance	8,724	(13,829)
Increase (decrease) in accounts payables and accrued liabilities	19,666	(12,121)
Net cash from (used in) operating activities	<u>13,039</u>	<u>(39,718)</u>
CASH FLOW USED IN CAPITAL ACTIVITY		
Acquisition of tangible capital assets	-	(939)
NET INCREASE (DECREASE) IN CASH	<u>13,039</u>	<u>(40,657)</u>
CASH, BEGINNING OF YEAR	<u>41,153</u>	<u>81,810</u>
CASH, END OF YEAR	<u>54,192</u>	<u>41,153</u>

The accompanying notes are an integral part of these financial statements

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

1. AUTHORITY

In January 2011, the Bermuda Sport Anti-Doping Authority ("BSADA") changed its name from The Bermuda Council for Drug-Free Sport, which at the time was incorporated as a registered charity to provide prevention and testing services to the sporting community for domestic illicit drug screening as well as performance enhancing testing for athletes on a global level. BSADA also provides services in results management, compliance, education, intelligence, investigations, and research. On February 24, 2012, its status formally changed from a charity to a legislated entity under the Anti-Doping in Sport Act 2011.

2. SIGNIFICANT ACCOUNTING POLICIES

Pursuant to standards established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada"), BSADA is classified as an "other government organization". These financial statements are prepared in accordance with public sector accounting standards generally accepted in Bermuda and Canada and the accounting policies considered particularly significant are as follows:

a) Cash

Cash includes all cash on deposit with financial institutions that can be withdrawn without prior notice or penalty.

b) Tangible capital assets

Tangible capital assets are recorded at cost on a straight-line basis over their estimated useful lives:

Furniture and office equipment	3 years
Vehicle	5 years
Leasehold improvements	lease term

Capitalization of assets occurred for all capital purchases above \$500 in accordance with BSADA's Financial Policies manual.

Tangible capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to BSADA's ability to provide goods and services, or the value of future economic benefits associated with the capital asset is less than its net book value. In either case, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value.

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Revenue recognition

Grant revenue is recognized when it has been received or receivable. Testing fees are recognized when the deposit is received prior to testing and the remaining balance when actual testing has occurred.

d) Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are stated at cost.

BSADA recognizes a provision if a present obligation has arisen as a result of a past event, payment is probable, and the amount can be measured reliably. The amount recognized is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date, that is, the amount BSADA would rationally pay to settle the obligation to a third party.

e) Expenses

Expenses are recognized when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration paid or payable.

f) Measurement uncertainty

These financial statements are prepared in accordance with public sector accounting standards generally accepted in Bermuda and Canada. These standards require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring the use of estimates include the estimated useful lives of tangible capital assets and accruals. Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Actual results could differ from these estimates.

g) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current period and are not intended for sale in the normal course of operations.

h) Translation of foreign currencies

Assets and liabilities in foreign currencies are translated to Bermuda dollars at rates of exchange in effect at the statement of financial position date.

Revenues and expenses are translated at the exchange rate in effect at the transaction date.

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Subsequent events

Post year end events that provide additional information about BSADA's position at the statement of financial position date (adjusting events) are reflected in the financial statements. Post year end events that are not adjusting events are disclosed in the notes to the financial statements when material.

j) Financial instruments

BSADA's financial instruments consist of cash, due from CG Insurance, rental security deposit, accounts payable and accrued liabilities, and due to the Government of Bermuda (the "Government"). These financial instruments are measured at cost.

Transaction costs related to financial instruments in the cost category are added to the carrying value of the instrument when initially recognized.

It is management's opinion that BSADA is not exposed to significant interest rate, currency or credit risks arising from these financial instruments.

3. ECONOMIC DEPENDENCE

BSADA is economically dependent upon legislated funds provided by the Government to fund its daily operations, cash flow and capital acquisitions.

These financial statements have been prepared on a going concern basis. BSADA's ability to continue as a going concern and discharge its liabilities in the normal course of business is dependent upon the continued support of Government.

These financial statements do not reflect any adjustments to the carrying value or classification of BSADA's assets and liabilities, the reported revenues and expenses, and the statement of financial position classifications that would be necessary if the going concern assumption was not appropriate. Such adjustment could be material to these financial statements.

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

4. TANGIBLE CAPITAL ASSETS

	2023			
	Vehicle	Leasehold Improvements	Furniture and Office Equipment	Total
	\$	\$	\$	\$
Cost				
Opening balance	22,501	3,275	52,945	78,721
Additions	-	-	-	-
Disposals	-	-	-	-
Closing balance	<u>22,501</u>	<u>3,275</u>	<u>52,945</u>	<u>78,721</u>
Accumulated amortization				
Opening balance	22,501	2,491	52,672	77,664
Amortization for the year	-	310	273	583
Disposals	-	-	-	-
Closing balance	<u>22,501</u>	<u>2,801</u>	<u>52,945</u>	<u>78,247</u>
Net book value	<u>-</u>	<u>474</u>	<u>-</u>	<u>474</u>
	2022			
	Vehicle	Leasehold Improvements	Furniture and Office Equipment	Total
	\$	\$	\$	\$
Cost				
Opening balance	22,501	20,175	66,813	109,489
Additions	-	939	-	939
Disposals	-	(17,839)	(13,868)	(31,707)
Closing balance	<u>22,501</u>	<u>3,275</u>	<u>52,945</u>	<u>78,721</u>
Accumulated amortization				
Opening balance	22,501	20,175	63,746	106,422
Amortization for the year	-	155	2,794	2,949
Disposals	-	(17,839)	(13,868)	(31,707)
Closing balance	<u>22,501</u>	<u>2,491</u>	<u>52,672</u>	<u>77,664</u>
Net book value	<u>-</u>	<u>784</u>	<u>273</u>	<u>1,057</u>

Cost of the fully amortized tangible capital assets is \$77,781 (2022 - \$90,829).

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

5. RELATED PARTY TRANSACTIONS

BSADA is related to all Government agencies, departments, ministries, funds and quasi- autonomous non-governmental organizations under the common control of the Government. Also, BSADA is related to organizations that the Government jointly controls or significantly influences.

BSADA enters into transactions with these entities in the normal course of business and such transactions are measured at the exchange amount which is the amount of consideration established and agreed by the related parties.

BSADA relies on a funding grant from the Department of Youth, Sport and Recreation to meet its operational objectives. For the year ended March 31, 2023, BSADA received a grant of \$586,000 (2022 - 550,000).

BSADA's board members' fees are paid directly to the board members by the Department of Youth, Sport and Recreation bi-annually. The Board chair and members' fees are paid \$100 and \$50, respectively, per attendance. The Board members' fee amounted to \$4,550 (2022 - \$4,300).

BSADA had transactions with the Government such as payroll tax and social insurance. Payroll tax transactions totalled \$8,904 (2022 - \$8,363) of which \$4,103 (2022 - \$4,181) remains payable. Social insurance transactions totalled \$7,471 (2022 - \$5,604) of which \$2,011 (2022 - \$1,006) remains payable.

6. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES

a) Pension plan

BSADA has a defined contribution pension plan. Employee contributions to the plan are 5% (2022 - 5%) of gross salary, which are matched by BSADA. Pension expense for the year is included in the performance enhancement testing program and the illicit drug screening program totalling \$8,725 (2022 - \$6,544).

The amount due from CG Insurance represents forfeiture of pension in respect to former employees not being vested and therefore ineligible to receive their employer's portion of pension payments made on their behalf. The initial pension forfeiture credit amount of \$18,919 will be reduced monthly by applying it as a deduction against the monthly employer pension payment obligation until the credit balance has been exhausted. These credit deductions commenced in September 2021. The pension forfeiture balance as at March 31, 2023, is \$5,105 (2022 - \$13,829).

b) Compensated absences

Compensated absences include maternity leave, paternity leave, sick leave, and vacation days. All of these benefits are unfunded.

Maternity and paternity leave do not accumulate or vest and therefore an expense and liability is only recognized when extended leave is applied for and approved. There were no maternity or paternity benefits applied for or approved during the current year and therefore no liability has been accrued in the accounts.

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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

6. POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES (continued)

b) Compensated absences (continued)

Sick leave does not accumulate or vest, and like maternity and paternity leave, a liability is recorded only when extended leave is applied for and approved. Extended sick leave was not applied for or approved during the current year and therefore a liability has not been accrued in the accounts.

Vacation days accumulate and vest and therefore a liability has been accrued at year end. The accrued vacation liability as of March 31, 2023, is \$12,365 (2022 - \$25,574).

7. EXPENSE BY OBJECT

	2023			
	Performance Enhancement Testing	Illicit Drug Screening	General Administration	Total
	\$	\$	\$	\$
Salaries and employee benefits	171,722	100,839	125,368	397,929
Testing	85,795	4,061	-	89,856
Rent	-	-	66,000	66,000
General	-	-	19,871	19,871
Audit	-	-	14,050	14,050
Education	4,842	4,842	1,004	10,688
Conference, workshops and seminars	9,722	-	-	9,722
Board members' fees	-	-	4,550	4,550
Utilities	-	-	2,857	2,857
Computer maintenance and software	-	-	2,320	2,320
Bank charges	780	-	858	1,638
Amortization of tangible capital assets	-	-	583	583
	272,861	109,742	237,461	620,064

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

7. EXPENSE BY OBJECT (continued)

	2022			
	Performance Enhancement Testing	Illicit Drug Screening	General Administration	Total
	\$	\$	\$	\$
Salaries and employee benefits	170,706	100,942	121,848	393,496
Rent	-	-	63,325	63,325
Testing	47,187	6,750	-	53,937
Repairs and maintenance	-	-	28,358	28,358
General	-	-	23,500	23,500
Audit	-	-	14,050	14,050
Education	2,658	2,658	1,348	6,664
Board members' fees	-	-	4,300	4,300
Amortization of tangible capital assets	-	-	2,949	2,949
Computer maintenance and software	-	-	2,393	2,393
Utilities	-	-	2,329	2,329
Conference, workshops and seminars	2,076	-	-	2,076
Bank charges	775	-	618	1,393
	223,402	110,350	265,018	598,770

8. FINANCIAL RISK MANAGEMENT

BSADA is exposed to various risks through its financial instruments. The Board members have overall responsibility for the establishment and oversight of its risk management framework. BSADA manages its risk and risk exposures through sound business practices. The following analysis provides a measure of the risks at the reporting date, March 31, 2023:

a) Credit risk

Credit risk arises from cash held with a bank and accounts receivable. The maximum exposure to credit risk is equal to the carrying values of these financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. BSADA determines, on a continuous basis, amounts receivable on the basis of amounts it is virtually certain to receive based on their estimated realizable value. It is management's opinion that BSADA is not exposed to significant credit risk.

There are no significant changes from the previous year in the exposure to risk or policies, procedures and methods to measure credit risk.

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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

8. FINANCIAL RISK MANAGEMENT (continued)

b) Liquidity risk

Liquidity risk is the risk that BSADA will not be able to meet its financial obligations as they fall due. BSADA's objective in managing liquidity is to ensure that it will always have sufficient funds to meet its commitments when due, without incurring unacceptable losses or risking damage to BSADA's reputation. BSADA manages exposure to liquidity risk by closely monitoring supplier and other liabilities, focusing on generating positive cash flows from operations and establishing and maintaining good relationships with various financial institutions.

The expected cash flows of financial liabilities for accounts payable and accrued liabilities and due to the Government are current.

There have been no changes from the previous year in the exposure to risk or policies, procedures and methods to measure liquidity risk.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the fair value of recognized assets and liabilities or future cash flows of BSADA's results of operations. BSADA has minimal exposure to market risk.

i) Foreign exchange risk

BSADA's business transactions are mainly conducted in Bermuda dollars and, as such, it has minimal exposure to foreign exchange risk.

There have been no significant changes from previous year in the exposure to risk or policies, procedures and methods to measure market risk.

9. CAPITAL MANAGEMENT

BSADA's objective when managing capital is to hold sufficient accumulated surplus to enable it to withstand negative unexpected financial events. BSADA seeks to achieve this objective through receipt of grants from the Government and maintaining a surplus. BSADA maintains sufficient liquidity to meet its short-term obligations as they come due. BSADA is not subject to any externally imposed capital requirements.

THE BERMUDA SPORT ANTI-DOPING AUTHORITY

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10. CONTRACTUAL OBLIGATION

On October 1, 2021, BSADA entered into a lease agreement with Woodbourne Limited expiring on March 31, 2024. Rent was paid in monthly installments of \$5,500. The remaining obligation under this lease is \$66,000.

The lease agreement required BSADA to maintain a half-month rental security deposit amounting to \$2,750 which is included in rental security deposit in the Statement of Financial Position.

11. BUDGET

The Board approved the original budget of \$773,258 on September 15, 2021. The Government of Bermuda grant awarded for the financial year was \$586,000.

12. FUTURE CHANGE IN ACCOUNTING STANDARD

PSAB has issued the following pronouncement:

Revenue, PS 3400

Effective April 1, 2023

The extent of the impact on adoption of this accounting standard is not known at this time.



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