



The **World Anti-Doping Agency's** mission is to lead a collaborative worldwide campaign for doping-free sport.

Composed and funded equally by the sport movement and governments of the world, WADA created and regularly updates the **World Anti-Doping Code** (Code) through a collaborative, global process. The Code continues today to harmonize anti-doping policies for all sports and all countries, creating a more level playing field for all athletes who strive to **play true**.

For more than a decade, WADA has worked steadfastly to foster fairer competition and more effective education and outreach programs that encourage the values of doping-free sport.



03 CHAIRMAN'S MESSAGE

06 DIRECTOR GENERAL'S MESSAGE

08 WADA MEMBERS

10 THE CODE

12 UNESCO

13 INVESTIGATIONS

14 ADAMS

16 COMMUNICATIONS

18 SCIENCE & RESEARCH

19 MEDICINE

20 EDUCATION

22 RADOS

25 INDEPENDENT OBSERVERS

25 OOC TESTING

26 FINANCE OVERVIEW

27 BUDGET SUMMARIES

28 FINANCIAL STATEMENTS

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Full compliance remains our aim and we will continue to work with our stakeholders to see that this goal is achieved.

”

Message from the Chairman

The Honorable John Fahey, AC



2011 was another significant year for WADA and indeed for the entire global anti-doping community.

It was a year of both accomplishments and of challenges, the latter most notably due to the climate of financial uncertainty that continues to cast a shadow across nations and regions alike.

Economic hardship is of course never easy to deal with, especially when it occurs on a global scale, but I am confident that if anti-doping stakeholders continue to impress upon governments that doping is no longer only an issue for sport, but rather one which affects the health and vitality of all society, our shared mission will continue to be respected and supported.

Another important challenge is the sense of anti-doping fatigue that exists in some quarters, and the concern that attention is being given instead to other issues.

Those of us close to sport and the science of anti-doping understand that challenge is dynamic, and that the desire to cheat and the willingness of disreputable researchers to provide newer and more dangerous methods of cheating is an ongoing threat.

We must continue to stress this point as we maintain our focused strategy for fighting doping in sport.

Compliance Assistance

One area where WADA was particularly diligent during 2011 was in the provision of assistance to signatories as they sought to achieve compliance with the World Anti-Doping Code (Code).

I was very pleased to see that 81 percent of Code signatories had met the required standards when we reported to the Foundation Board in November. Any non-compliant organizations were given assurance that they could continue to rely on the full support of WADA as they continue their efforts to reach compliance.

Full compliance remains our aim and we will continue to work with our stakeholders to see that this goal is achieved.

Strategic Plan 2011-2016

WADA also published the fourth revision of its Strategic Plan in 2011, a plan which will run through to 2016. The Plan seeks to align WADA's activities and resources and features eight objectives based on the Code, current trends in anti-doping and WADA's governance and operational activities.

At the start of any strategic phase it is important to gain momentum quickly and set a precedent by hitting targets. In this respect, 2011 certainly met my expectations. You will read in the following pages about advances made in many areas.

Our strategic objectives serve to promote the integrity and values of sport and youth, reinforce the 'level playing field' philosophy, and assist WADA in acting independently, professionally and without bias or influence.

Contributions and Revenues

The global commitment of sport and governments to WADA's mission is reflected in the high level of funding we received from public authorities in 2011. The year ended with a record 99.16 percent of budgeted contributions being submitted, in addition to the matched funds contributed by the International Olympic Committee.

In light of the impact of the global economic conditions mentioned earlier, WADA has accepted and adjusted to the zero percent budget increase approved by its Foundation Board in November. This raises obvious concerns and brings about a re-appraisal of whether or not our Agency should be proactively seeking revenues from other sources..

The global sport industry is presently generating somewhere in the region of US\$500 billion in annual revenues, against which the annual budget for the fight against doping in sport pales into insignificance. I would suggest that it may be time for this sector to assume more of the responsibility for protecting athletes from doping and defending the integrity of all sports and, by extension, all leagues.

UNESCO

In parallel with WADA's Code Compliance monitoring activities, UNESCO continued its own scrutiny during 2011 of the countries which have ratified its International Convention against Doping in Sport (Convention).

The UNESCO Convention allows governments to show their commitment to anti-doping through their ratification. It not only serves to ensure the effectiveness of the Code, but additionally assists with the application of international law to doping-related activities.

Whenever I have any doubt as to the level of political will supporting anti-doping worldwide, I need only remind myself that at year end no fewer than 168 States had ratified the UNESCO Convention. This makes it the third-most ratified convention in UNESCO's history and is a particularly heartening fact as we continue with our efforts.

I would also like to highlight that UNESCO makes a further contribution to anti-doping through its Fund for

the Elimination of Doping in Sport, which has been especially important to the member countries of WADA's Regional Anti-Doping Organizations.

Since its anti-doping fund was established in 2008, UNESCO has offered financial assistance to 63 anti-doping education and awareness projects across the world – many of which would not have happened without this support.

New Code Review

WADA launched a Code Review Process in November that will reach its conclusion at the World Conference on Doping in Sport in 2013, held on this occasion in Johannesburg, South Africa.

Consultation and coordination are fundamental to the Code's continued development and WADA will be encouraging and collating the input of global sport, government and law enforcement stakeholders as we continue to ensure that sport's guiding anti-doping document continues to represent and serve the entire anti-doping community.

All WADA signatories, as well as athletes and even members of the general public, are encouraged to contribute to the Code Review Process. An online tool, 'WADACONnect', has been created to make this process simpler and more efficient than ever before.

Looking Ahead

I have warned both here and on separate occasions about the risk of complacency as competing social concerns attempt to take priority over anti-doping issues.

Our high profile successes in recent years may make some observers less likely to consider our community as needing further support at this juncture.

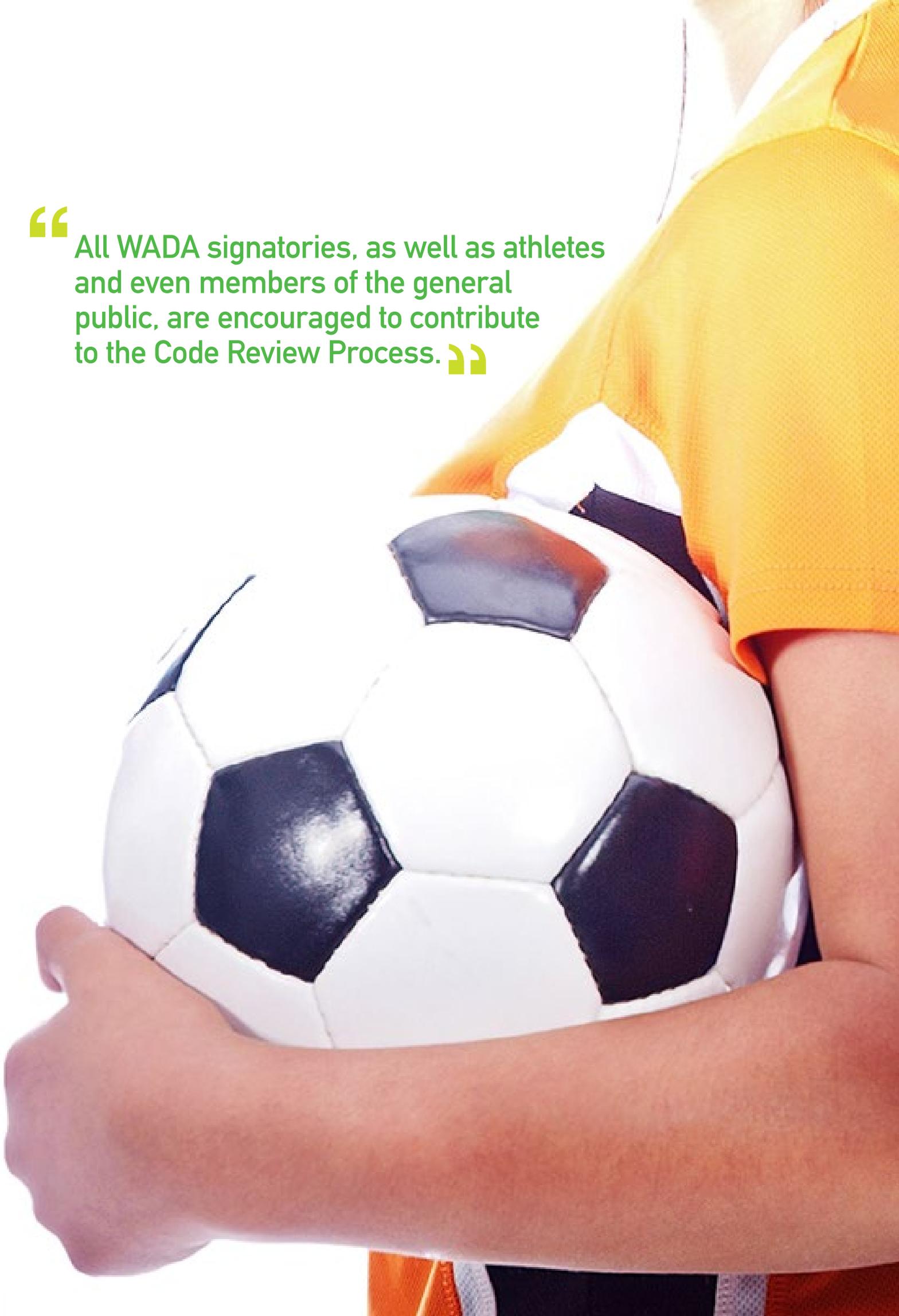
In light of this, WADA will maintain its focus and continue to highlight the importance of anti-doping education and culture in supporting clean sport and the important personal and social values it engenders.

We need champions in government and champions in sport to stand up for the values of clean competition.

We need to focus on the integrity of sport at every level of athletic endeavor so that athletes can play true.

“

All WADA signatories, as well as athletes and even members of the general public, are encouraged to contribute to the Code Review Process. ”



Message from the Director General

David Howman



The fight against doping in sport has reached a stage where science can no longer be relied upon to detect doping cheats eradicate the problem of doping within sport. Sample collection and analysis is getting more expensive and, at times, the rules can appear to be getting more complicated.

What has become more apparent of late is that the effective and comprehensive collection of doping evidence can no longer be pursued only through testing. Indeed, WADA has already decreased its reliance on traditional methods of detection and perhaps this is a concern to some in the anti-doping community.

But we have added new means of pursuing athletes and member of their entourage who continue to rely on prohibited substances and methods and these new strategies are also leading to increasing levels of success in the identification of cheaters.

Progress through Partnership

Following the successful agreement with INTERPOL that has been progressing related initiatives and programs since 2008, WADA continues to forge new alliances that increase the intelligence on illegal upstream organizations and individuals supplying doping substances to the sporting world.

WADA signed a Memorandum of Understanding (MOU) with the World Customs Organization (WCO) in 2011 that will give a significant boost to the fight against doping in sport. The WCO MOU will improve cooperation for the common goal of fighting doping and the trafficking of illegal doping substances as applicable within the organizations' respective mandates.

To support and coordinate these activities, we have hired a Chief Investigative Officer whose mandate is to manage and expand the sharing of information between the anti-doping community and global law enforcement agencies.

These collaborative ventures provide a strong basis from which to encourage the implementation of relevant legislation in all UNESCO member countries, which in turn will enable law enforcement bodies to more efficiently combat both domestic and international trafficking of doping substances.

Another important new partnership, inspired by a number of successful bilateral collaborative exercises between WADA and pharmaceutical companies, saw WADA sign a similar agreement with GlaxoSmithKline (GSK) that will help the agency develop early detection methods for medicines that have performance-enhancing potential.

The agreement will enable GSK to supply WADA with confidential research-stage information on emerging medical substances that have potential for abuse.

Our work with the pharmaceutical industry is critical to staying one step ahead of the dopers, who have access to an ever-increasing level of scientific expertise. We are particularly enthusiastic about this new partnership with GSK as it will play a significant role in helping WADA achieve its mission of fostering a doping-free sporting culture.

As further evidence that the fight against doping in sport is becoming more comprehensive and unified, in June the 'Joint Declaration on Cooperation in the Fight against Doping in Sport' between WADA and the International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) was endorsed by the Biotechnology Industry Organization (BIO).

BIO represents more than 1,100 biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and in more than 30 other nations.

The declaration between WADA and the IFPMA outlines a voluntary framework whereby IFPMA members are encouraged to identify medical compounds with

“ Our work with the pharmaceutical industry is critical to staying one step ahead of the dopers, who have access to an ever-increasing level of scientific expertise. ”

doping potential, restrict misuse of medicines still in development, improve sharing of relevant information, and facilitate development of detection methods in the context of the fight against doping sport.

Only the Highest Level of Standards for Anti-Doping Laboratories

Under WADA's accreditation system, the processes undertaken by anti-doping laboratories are rigorously scrutinized via quality assurance and monitoring programs to ensure that they maintain the highest quality standards and are in compliance with the International Standard for Laboratories (ISL).

In 2011, these activities led to WADA exercising disciplinary sanctions against two anti-doping laboratories: Turkey had its accreditation revoked and Tunis its accreditation suspended. Malaysia lost its appeal against WADA's 2010 decision of revocation and Prague ceased its activities voluntarily for financial reasons.

ADAMS Whereabouts Module Launched

We have been talking about the enhancements to ADAMS for some time now and I am pleased to report that WADA successfully introduced the new 3.0 version of ADAMS in late 2011, providing a more efficient whereabouts function for athletes. Though the implementation of ADAMS 3.0 is still in its early stages, we are already receiving positive reviews from athletes and ADAMS administrators.

Athlete Biological Passport

WADA has also been satisfied with the progress made with the Athlete Biological Passport (ABP). New ABP cases were completed in 2011 and decisions were duly rendered by the Court of Arbitration for Sport (CAS).

These cases represent a significant step in the global fight against doping in sport and provided further evidence that the ABP can withstand legal and scientific challenges. They further established the ABP as a valid and reliable method for indirectly detecting doping and we look forward to a wider implementation of this tool as we continue to enhance and improve it.

In closing, I would like to acknowledge the highly-professional manner in which WADA's personnel continue to conduct themselves. The Agency is involved in the fight against doping in sport 365 days a year and must continue to achieve excellence and obtain new expertise — an area where we have grown to increasingly rely on the value of our strategic partnerships.

All of these advances and changes impact the way WADA operates, both at a management level and at the practical level within specific anti-doping programs. Major progress has been made in this regard, allowing us to confront new challenges such as the cost of the fight against doping, the increasing sophistication of those who cheat, and the widening presence of organized crime in black market anti-doping activities.

All of these challenges, among many others, require increased scrutiny and vigilance while operating in a climate of restricted financial and human resources.

Given the importance of our shared mission and its value not only to sport but society at large, WADA is responding to this challenge and will continue to provide comprehensive leadership to the anti-doping and sport communities to the level that all of you have come to expect from us.

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The Code:

Acceptance, Implementation & Compliance

On January 1, 2009, the revised World Anti-Doping Code (Code) came into force. In November 2011, WADA's Foundation Board approved the first official report on compliance with this version of the Code. Following this fundamental step, reports on non-compliant signatories will be regularly tabled at meetings of WADA's Executive Committee and Foundation Board.

WADA is active in providing assistance to Anti-Doping Organizations (ADOs) that continue to work towards Code compliance. The Agency reviews the rules and regulations of Code Signatories, providing required guidance and model rules to facilitate the more comprehensive and effective implementation of the revised Code. Furthermore, WADA assists signatories in implementing effective anti-doping programs in line with the requirements of the Code.

For more information on Code compliance and full Compliance Report, please consult the following section of WADA's Web site:



wada-ama.org/codecompliance



Code Monitoring: Doping Sanctions

As outlined in the World Anti-Doping Code (Code), WADA exercises its right of appeal whenever sanctions are not in line with the Code. In 2011 WADA was notified of and reviewed 1,730 decisions, 18 of which were appealed.

By year-end, of the 18 sanction decisions appealed by WADA:

- Six were still pending with the Court of Arbitration for Sport (CAS).
- Two were upheld by the CAS.
- One was dismissed by an International Federation (IF) appeals body.
- Four were upheld by a national appeals body.
- Three were pending with a national appeals body.
- Two were pending with a national administrative tribunal.

Furthermore, of the 1,730 decisions received by WADA in 2011, four were decisions resulting from appeals filed by WADA in 2010.

- Two were upheld by the CAS.
- Two were upheld by a national appeals body.



UNESCO International Convention against Doping in Sport

Represents 96 percent of the global population (Dec. 31, 2011)

Throughout 2011, the completion rate by UNESCO Member States of the International Convention against Doping in Sport (Convention) continued at a higher than anticipated rate, reaching a total of 168 by year-end, representing an increase of 15 Member States more than in 2010. Two countries, South Sudan and Palestine, became UNESCO Member States in 2011, opening the way for both countries to be able to ratify the Convention.

In 2011, the Convention became UNESCO's second most successful Convention in terms of numbers of countries having ratified.

The countries yet to ratify are less developed in anti-doping terms and many face difficult economic and/or political circumstances or there is civil unrest. Parallels can be drawn with those who have struggled to achieve compliance with the World Anti-Doping Code. WADA is working, particularly through the Regional Anti-Doping Organizations (RADOs) to provide support and expertise to many of these countries.

A list of countries that have and have yet to ratify the Convention can be found on WADA's Web site:



wada-ama.org/unesco

UNESCO Third Session of the Conference of Parties Meeting to the Convention

The third session of the biennial meeting of the Conference of Parties to the Convention took place in Paris (France) in November 2011 and was attended by over 85 countries, including 78 of the 162 who were States Parties at the time. WADA Chairman, John Fahey, gave an opening address alongside WADA Vice Chairman, who was representing the International Olympic Committee (IOC). WADA Director General, provided by a key note presentation on WADA's global activities.

UNESCO Fund for the Elimination of Doping in Sport – UNESCO Voluntary Fund

By December 31, 2011, a total of 63 projects over the lifetime of the fund had been approved, with an estimated disbursement of over US\$1 million to anti-doping development projects around the world. The key focus of the projects was in anti-doping education, capacity building and policy. WADA continued to actively promote applications to the fund, working closely with the UNESCO Secretariat.

In 2011, 26 projects were approved worth just over US\$480,000.

A key change to the policy governing the fund agreed by governments at the Third Session of the Conference of Parties Meeting included that in order applicants to receive monies its government must have completed the UNESCO Add Logic Questionnaire, which is the compliance requirement for the Convention.

The fund continues to act as an incentive for countries yet to ratify the Convention to do so, as only those countries who have ratified can apply.



wada-ama.org/unescofund

Investigations

Under WADA's leadership, the traditional anti-doping model has evolved from a strategy focusing only on the athlete and relying mainly on testing, research and education, to a new wider approach incorporating the athlete's entourage and the upstream elements of doping.

WADA signed a Memorandum of Understanding (MOU) on June 24, 2011 in Brussels with the World Customs Organization (WCO), the global intergovernmental organization in customs matters, whose mission is to enhance the effectiveness and efficiency of customs worldwide. This MOU mainly focuses on facilitating the exchange of information and expertise along with the prevention and suppression of doping and trafficking of doping substances, as well as on encouraging the implementation of relevant legislation in all WCO countries to enable customs officers to efficiently fight against this trafficking. As it is the case with Interpol, with which WADA already has an MOU, a special liaison officer between WADA, its stakeholders and WCO's bureaus will be seconded to WCO headquarters in Brussels. The French Government and Gendarmerie have extended the assignment of the dedicated officer, with INTERPOL. The collaboration with INTERPOL is continuing in a very satisfactory fashion and has led to the organization of operational meetings involving law enforcement agencies from many different countries.

In 2011, WADA hired a Chief Investigations Officer (CIO). WADA's CIO is bridging closer working relationships and increased intelligence sharing between anti-doping authorities and law enforcement agencies on both the international and national levels.

The intelligence sharing also identifies illicit suppliers of performance-enhancing drugs (PED) and related substances to assist global law enforcement authorities in the conduct of investigations as well as informing National Anti-Doping Organizations (NADOs) of suspected athletes who can then be targeted for testing.

The CIO is working in close association with INTERPOL and eventually with the future officer assigned to the WCO. Through the collaboration of WADA, INTERPOL and the WCO, law enforcement efforts are being encouraged and supported in the dismantlement of PED trafficking organizations and to more promptly identify new doping trends and substances. The use of computer software technology is being explored to facilitate more efficient intelligence collection and sharing.

WADA and UNESCO initiated a joint research project in 2008 regarding the analysis of legislation in countries around the world which outlaw the manufacture, distribution and possession of performance-enhancing substances. Work continued on the second phase of this project in 2011, with the finalization of the questionnaire by UNESCO in partnership with Loughborough University. The aim of the project is to have more comprehensive data to understand the extent to which countries have in place enforcement measures and to identify good working models.



wada-ama.org/investigations



ADAMS

Anti-Doping Coordination

Under the World Anti-Doping Code (Code), WADA has an obligation to provide a mechanism to assist stakeholders with their implementation of the Code. WADA's Anti-Doping Administration & Management System (ADAMS) was developed for this purpose and to act as a clearinghouse for anti-doping information.

ADAMS is a Web-based platform where stakeholders can share anti-doping information and activities in one secure system. This includes athletes providing whereabouts information, Anti-Doping Organizations (ADOs) ordering tests and managing results, or laboratories reporting results.

ADAMS was designed specifically for WADA stakeholders — it is free to use and available online.

ADAMS Milestones in 2011

Whereabouts: The enhanced ADAMS whereabouts module was successfully launched on schedule in November 2011 and has been very well received to date. Anecdotal feedback from ADOs and athletes has been very positive and WADA continues to fine tune the system based on the practical feedback of users. Its availability in 12 languages, ease of use while traveling and address book features, as well as the integrated 'guide' have contributed towards achieving a more user friendly whereabouts tool for athletes.

Languages in ADAMS: To ensure that ADAMS continues to meet the needs of its stakeholders, particularly athletes, WADA developed a consistent and transparent process in 2011, which involves ADOs signing a Memorandum of Understanding (MOU) to support translation into new languages and maintain existing languages. This collaborative approach reduces WADA's expenditures related to translation, promotes ADO collaboration and makes integrating new languages more convenient. Consequently, at the end of 2011, ADAMS was available in 12 languages: Arabic, Chinese, Dutch, English, Finnish, French, German, Italian, Japanese, Korean, Russian, and Spanish.

Technological Infrastructure Updates: The servers, storage, operating system and database that house the ADAMS platform, were upgraded in 2011. This was mainly done in order to ensure a smooth transition to the new whereabouts interface that was expected to require additional processing power.

ADAMS Usage in 2011

In 2011, WADA had prioritized the development of the whereabouts module, which was the primary focus of WADA's ADAMS staff.

ADAMS usage and volume of data continued to increase in 2011. By the close of the year, 71 International Federations (IFs) and 62 National Anti-Doping Organizations (NADOs) were using ADAMS. All 34 WADA accredited laboratories reported both their External Quality Assessment Scheme (EQAS) results and all Adverse Analytical Findings and Atypical Findings through ADAMS.

As of December 2011 the ADAMS data repository contained:

| | |
|----------------|---|
| 180,000 | Athlete profiles (an increase of 8% from 2010) |
| 20,068 | Therapeutic Use Exemptions (TUEs) entered (an increase of 3% from 2010) |
| 232,800 | Analytical results reported by laboratories (an increase of 15% from 2010) |

Numerous Major Game Organizers (MGOs) used ADAMS during events in 2011 and benefitted from WADA training for implementation at future events. This included the 7th Asian Winter Games (Astana, Kazakhstan), the XVI Pan American and IV Parapan American Games (Guadalajara, Mexico), the 5th CISM Military World Games (Rio de Janeiro, Brazil) and the World Mind Games (China).

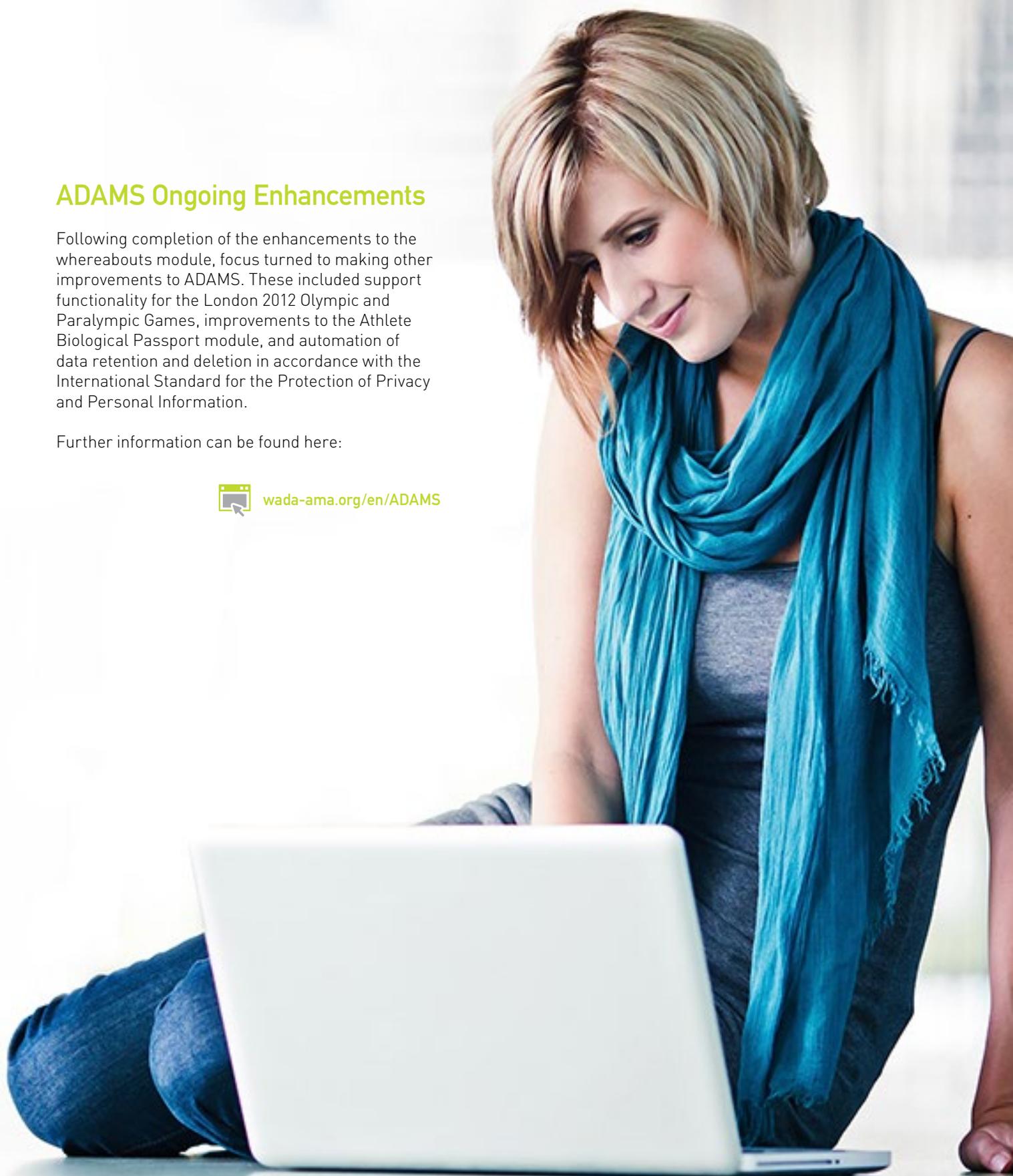
ADAMS Ongoing Enhancements

Following completion of the enhancements to the whereabouts module, focus turned to making other improvements to ADAMS. These included support functionality for the London 2012 Olympic and Paralympic Games, improvements to the Athlete Biological Passport module, and automation of data retention and deletion in accordance with the International Standard for the Protection of Privacy and Personal Information.

Further information can be found here:



wada-ama.org/en/ADAMS



Communications

WADA strives to provide comprehensive strategies and programs towards an overall campaign for doping-free sport and communicates these effectively through a number of channels.

WADA reaches out to athletes and stakeholders worldwide by providing up-to-date anti-doping information in multiple languages, and ensures that the issue of doping in sport is communicated effectively in the world's media.

Outreach Program and Model

WADA's Outreach Program is a significant platform that enables the Agency to reach out to and interact with athletes and their entourage from around the world. Four major events hosted the Program in 2011, where WADA engaged with athletes, coaches and officials:

- SportAccord Convention - London, England
- All Africa Games - Maputo, Mozambique
- Pan American Games - Guadalajara, Mexico
- Pan Para Games - Guadalajara, Mexico

The Outreach Model (OM) was created in 2006 following the success of the Outreach Program to support stakeholders in delivering Outreach at their own national/regional events, using modest resources.

An extensive redesign and remarketing effort was put into the OM in 2010. The revamped OM was launched in 2011, increasing ease of use and uptake by stakeholders. It has never been easier or cost so little for the sporting community to do their part in getting information to athletes and their entourage.

Upon signing up to the OM, stakeholders are provided with a starter kit including banners, a selection of anti-doping information, a USB key containing logos, templates and files to reproduce more information and lastly, the award winning CoachTrue program and the Play True Quiz, which is currently available in 26 languages. WADA also encourages stakeholders to use our 'partnership logos' which helps showcase a united front to athletes in all countries and all sports.

WADA congratulates those organizations who have signed up to the Outreach Model and are looking for creative and strategic ways to raise awareness, distribute information and promote the Say NO! To Doping message to their athletes and their athletes' entourage.

Media Relations

Anti-doping continues to be a topic of significant interest to the world's media, and while there are spikes in coverage around particular cases, there remains a steady flow of inquiries between cases as well.

WADA's Communications Department is in constant dialogue with the media, recognizing the media's role in highlighting doping issues and using it to try to educate the public on anti-doping matters. It is vital that WADA continues to service the media as best it can with a view to enhancing coverage of doping issues.

In February 2011, while in Europe for other commitments, WADA's Chairman met with journalists in France, England and Germany. This was another useful opportunity to deliver messages, clarify WADA's role and exchange ideas with media on current issues.

WADA was proactive at a number of other press opportunities throughout 2011, including the Play the Game conference in Cologne, the All Africa Games in Mozambique, and the Partnership for Clean Competition conference in New York.

WADA is the main source for anti-doping information from the world's media and as such it has a key responsibility to ensure that the information it delivers to the press are both accurate and informative.

In addition to reacting to press inquiries, WADA is also responsible for proactively using the media to deliver anti-doping messages by regularly communicating the Agency's activities, and publishing articles and editorials.

WADA continues to engage journalists, athletes, the youth and the general public with its anti-doping messaging through the use of social media and continues to enhance its tools to maximize Outreach.

SAY NO! TO DOPING

These social media tools, particularly Facebook, played an important role in highlighting WADA's Outreach Program activities in 2011 to help build interaction with athletes. At year end WADA was maintaining a dialogue on anti-doping matters on a daily basis with more than 5,000 people.

Say No! To Doping

Say NO! To Doping (SNTD) is an awareness campaign that seeks to engage sport and anti-doping communities in demonstrating their commitment to clean sport. These communities can draw attention to the commitment of athletes to compete free from doping by incorporating green elements into competition venues, providing an opportunity to highlight the importance of respect and fair play.

The campaign is a starting point for meaningful and substantive anti-doping education programs.

WADA has created tools for stakeholders to implement their own Say NO! To Doping campaigns, which are provided at no cost.

The promotion of the SNTD campaign continues and is gaining visibility and uptake. Following the successful launch in 2010 by many stakeholders, in 2011 the World Triathlon Corporation (IRONMAN), the International Handball Federation, and the International Ski Federation incorporated elements of it into their anti-doping awareness campaigns.

Stakeholders in Brazil, South Africa, New Zealand and Finland have also used it as a template for their messaging.

In October 2011, UK Anti-Doping launched Win Clean: Say NO! To Doping to underline the zero tolerance approach in the UK to doping. The campaign is designed to help prevent doping ahead of and during London's Olympic and Paralympic Games in 2012.



wada-ama.org/no2doping



Science & Research

List of Prohibited Substances and Methods

WADA annually prepares and publishes the List of Prohibited Substances and Methods (List). This is done in consultation with experts in the field and WADA's many stakeholders, involving an extensive year-long process.

Development of the 2012 List occurred throughout 2011 including three meetings of the List Expert Group. A consultation draft was shared with stakeholders who were invited to make submissions. The List was approved by WADA's Executive Committee in September and published three months prior to it coming into effect on January 1, 2012.

The current List is available on WADA's Web site.

Accredited Anti-Doping Laboratories

WADA is responsible for accrediting and re-accrediting the worldwide network of anti-doping laboratories. There are currently 33 laboratories worldwide that are monitored through an external quality assessment scheme.

In 2011, the Prague laboratory (Czech Republic) and the Ankara laboratory (Turkey) lost their WADA accreditation. Also in 2011, the Tunis laboratory was suspended while the Rio de Janeiro laboratory was suspended specifically with regards to conducting isotope ratio mass spectrometry (IRMS) testing on samples.

The Mexico City laboratory (Mexico) progressed to the probationary phase and the candidate laboratories in Doha (Qatar) and Buenos Aires (Argentina) further advanced towards their future admission in the probationary phase. A number of other countries and individual laboratories also expressed interest in joining the network of WADA accredited laboratories during 2011. Site visits were organized, often jointly with the national accreditation body operating under the International Laboratory Accreditation Cooperation (ILAC) agreement, to assess the development of existing or potential future WADA accredited laboratories.

Scientific Research

WADA's Scientific Research Program has contributed to the development and implementation of a comprehensive range of detection means for doping substances and methods.

In 2011, WADA received 82 research project proposals from investigators originating from 23 different countries on all five continents. Thirty-four of these projects were selected for funding, totaling US\$4.5 million, or 16 percent of WADA's annual budget. This has brought WADA's total commitment to scientific research since 2001 to US\$54 million.

In 2011, approximately 95 publications and many conference presentations acknowledged WADA's invaluable support for their research activities in the field of anti-doping.



The list of 2011 publications can be found on WADA's Web site.

Strategic Alliances

In 2011, collaboration with the pharmaceutical and biotechnology industries was further developed with regular discussions and transfer of information on drugs in development with doping potential as well as global reflections on how to strengthen the ongoing collaborations between the industry and WADA. It is expected that more collaboration agreements between companies and WADA will be completed in 2012 to further prevent abuse of drugs in development by the athlete population.



wada-ama.org/en/Science-Medicine

Medicine

WADA continued to focus on all matters relating to athlete health, as it further develops a broader understanding of the dangers of doping.

Therapeutic Use Exemptions

Athletes with legitimate and documented medical conditions are permitted to apply for a Therapeutic Use Exemption (TUE) for a prohibited substance or method. The main objective of WADA's International Standard for TUE (ISTUE) is to ensure that the process of granting of TUEs is harmonized across all sports and countries. As part of its monitoring role, WADA screens TUEs granted by Anti-Doping Organizations (ADOs).

In 2011, the Medical Information to Support the Decisions of TUE Committees in areas such as musculoskeletal conditions, ADHD (hyperactivity disorder), anaphylaxis, asthma, androgen deficiency, rhinosinusitis, post-infectious cough, irritable bowel syndrome, and infertility were either revised or created and added to WADA's Web site.



Athlete Biological Passport

The fundamental principle of the Athlete Biological Passport (ABP) is based on the understanding that the long-term monitoring of selected athlete's biological variables will indirectly reveal the effects of doping, as opposed to more traditional direct detection methods. The ABP can be a means to detecting an anti-doping rule violation under Article 2.2 (Use or Attempted Use by an Athlete of a Prohibited Substance or a Prohibited Method) of the World Anti-Doping Code (Code). The information obtained from an athlete's profile also serves a valuable role in supporting more intelligent targeting of athletes for conventional doping control.

Following extensive expert and stakeholder consultation, WADA drafted and fine-tuned appropriate ABP operating guidelines, as well as harmonized protocols for the collection, transportation and analysis of blood samples, and results management.

The resulting document, WADA's Athlete Biological Passport Operating Guidelines, was originally approved by the Agency's Executive Committee in December 2009 and in 2011 a revision of these guidelines was carried out and coming into effect on January 1, 2012. This document provides an overview of the scientific principles behind the blood module of the ABP and gives practical advice on the implementation of this type of program. WADA also provides direct assistance to various ADOs implementing the ABP.

WADA continued to further refine the hematological ABP based on both internal and external discussions. As the ABP Program is being implemented by an increasing number of ADOs, WADA has organized meetings with haematological experts, medical doctors and anti-doping administrators to advance on issues related to the implementation of the passport and has continued to work with experts to further develop the steroid and endocrine modules of the ABP.



wada-ama.org/passport

Education

In 2011 WADA carried out a survey amongst its stakeholders. The overall feedback from the survey was that all education tools enjoyed a very high level of satisfaction. We are pleased that these resources are seen as useful and continue to assist stakeholders in furthering their education initiatives.

Youth Programs

The Play True Generation Program maintained momentum in reaching young athletes in 2011 as it was successfully implemented at the Commonwealth Youth Games in the Isle of Man. The program, which encourages young athletes to completely reject doping were invited to accept the Play True Challenge, a computer-based simulation game that teaches users about the consequences of their actions.

In 2011 the Play True Challenge won a silver award in the 'Games for Good/Non-Profit' at the International Serious Game Conference. In 2011 four new languages were added to the Play True Challenge bringing the total number of languages to ten.

CoachTrue

CoachTrue, a computer-based anti-doping learning tool for coaches, continued to see an increase in users. At the end of 2011, 961 users representing 109 countries and 65 sports were using CoachTrue. The tool provides anti-doping education to coaches of elite and recreational-level athletes and is available at no cost to stakeholders. CoachTrue received recognition in 2011 at the International Davey Awards.

Social Science Research

WADA's Social Science Research Program continued to provide valuable insight into how to make preventive education programs more effective. In response to its 2011 Social Science Research Grant 'Call for Proposals', WADA received 34 applications from 25 countries. Four of these projects were funded and resources were additionally allocated for two targeted research projects. Final reports from the Social Science Research Program can be found on WADA's Web site.

Young Investigator Award

In 2011 WADA's Young Investigator Award recognized four masters level students, who focused their area of research on anti-doping issues, with a prize of US\$2,000 each. The award acknowledges outstanding and innovative research projects that contribute to the development of effective doping prevention strategies.

Partnerships

In 2011 WADA continued to place an increased focus on partnerships to expand the reach of our education programs. The following outlines the partnerships established in 2011.

WADA signed a Memorandum of Understanding (MOU) with Olympafrica. The MOU is intended to provide a framework to facilitate the implementation of anti-doping education programs among 19 Olympafrica Training Centers.

WADA, in partnership with South African Institute for Drug-Free Sport (SAIDS), held an Education Symposium in Johannesburg, South Africa. The objective of the symposium was for education experts to share their expertise and experiences to further develop models and resource materials to be used by all Anti-Doping Organizations in the African Region.

WADA and the International Council for Coach Education (ICCE) agreed to incorporate material from WADA's Coach's Tool Kit as well as CoachTrue, into their global coaching framework.

RESOURCES

Training Tool Kits

for Coaches, Teachers, Program Officers, Doping Control Officers and Physicians

Dangers of Doping Leaflet

Choose Your Own Adventure Books

Doping Control Video

Youth Zone

CoachTrue

Play True Challenge

At-a-Glance Series

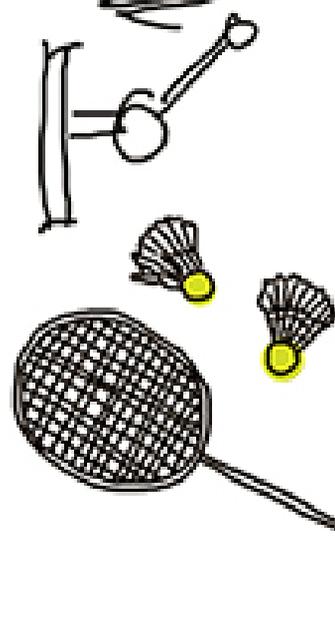


wada-ama.org/en/Education-Awareness

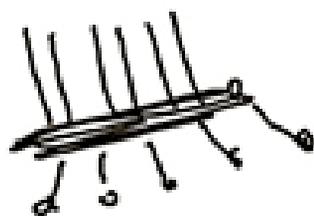
PLAN:



Coach True



PT Gen



Regional Anti-Doping Organizations

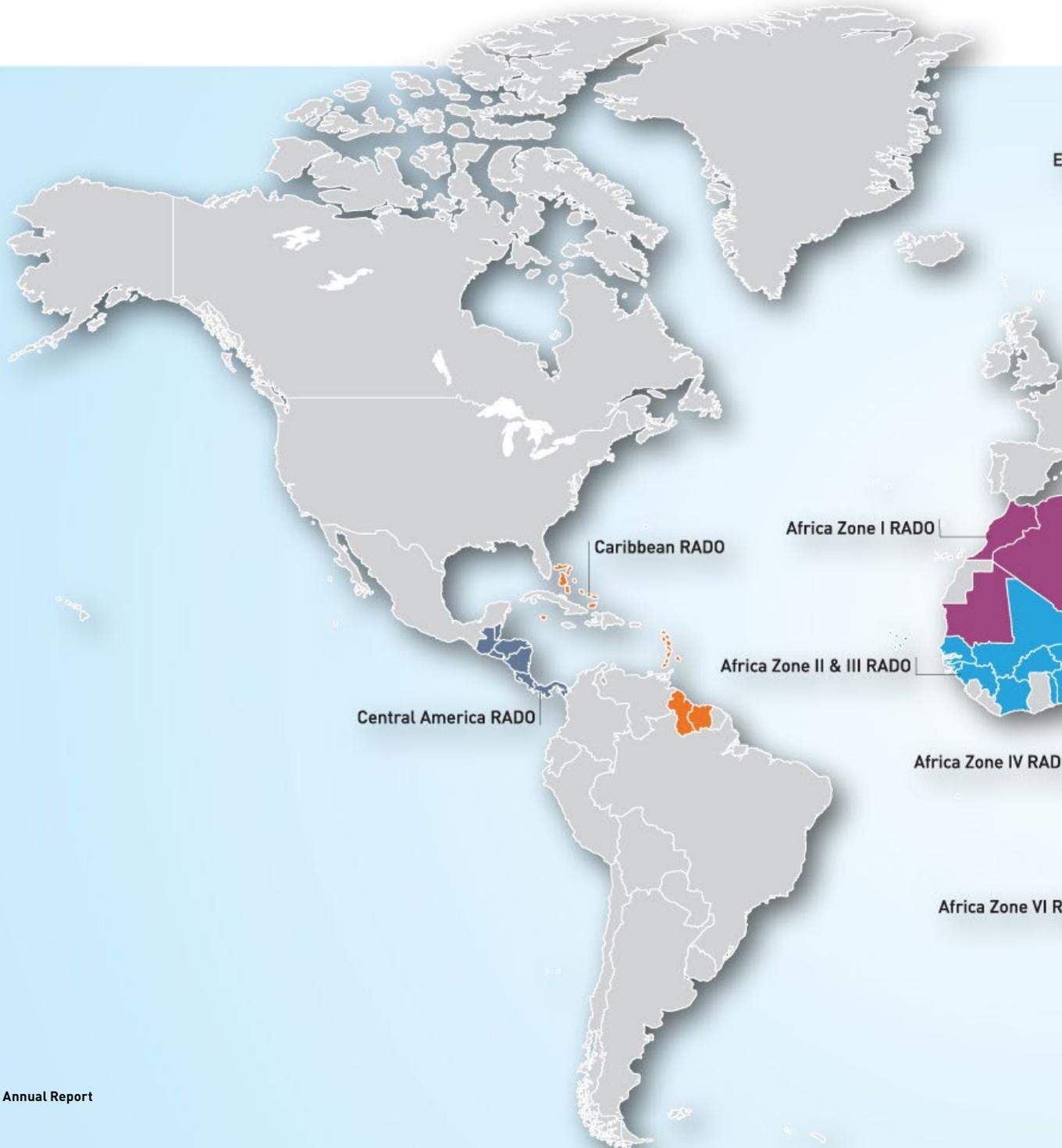
Regional Anti-Doping Organizations (RADOs) continue to be a priority for WADA to ensure the development of smaller and less developed countries.

In 2011, WADA worked directly with 118 countries through the establishment of 15 RADOs – Africa (six), Asia (five), Americas (two), Oceania (one), and Europe (one).

WADA assisted all RADOs in the coordination of out-of-competition testing, which also ensured that the majority of the countries involved achieved compliance

with the World Anti-Doping Code (Code). The RADO concept has helped reduce the amount of resources needed to develop testing and education programs while increasing awareness of anti-doping issues.

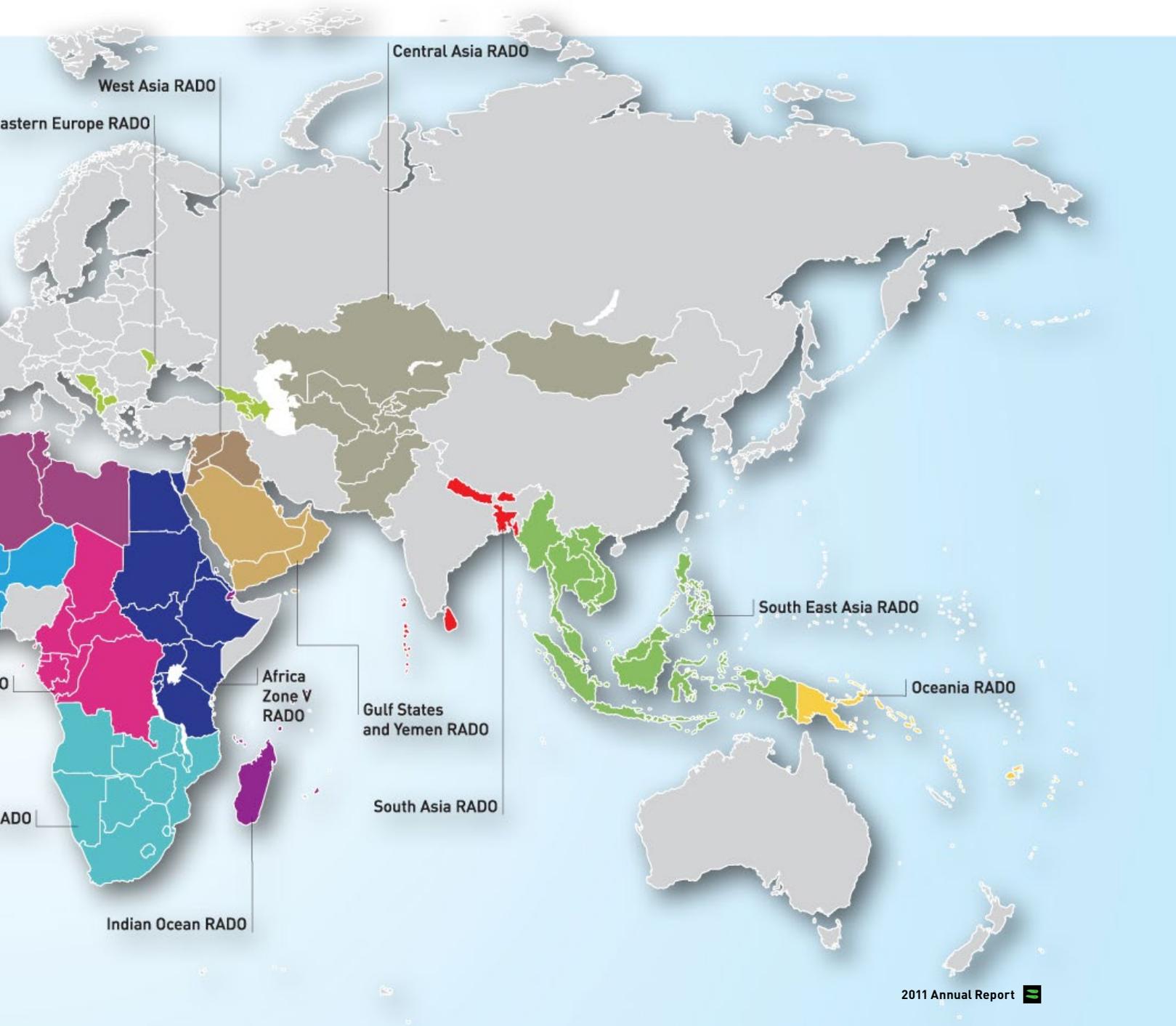
In 2011, all RADOs had the necessary structures in place to carry out anti-doping programs. This included having committees for results management and Therapeutic Use Exemptions (TUEs) in place as well as training Doping Control Officers (DCOs) and education programs.



In 2011, several well established National Anti-Doping Organizations contributed to the success of the RADO Program through the training of experts in respective RADOs. These organizations include: UK Anti-Doping, Finish Anti-Doping Agency, United States Anti-Doping Agency, South African Institute for Drug-Free Sport and Drug Free Sport New Zealand.

WADA received financial support for RADOs from the following sources: the Japanese Government to further assist Asian RADOs; the Conférence des Ministres de la Jeunesse et des Sports des États et Gouvernements ayant le français en partage (CONFEJES) for French-speaking RADOs involving African countries; the Australian Government for the Oceania RADO.

 wada-ama.org/en/Anti-Doping-Community/RADOs





IO Missions

WADA's Independent Observer (IO) Program helps enhance athlete and public confidence at major sporting events by randomly monitoring and reporting on all phases of the doping control and results management processes. Individuals serving on WADA's IO Teams are experts recruited from around the world in various fields pertinent to anti-doping.

Since its launch at the 2000 Olympic Games in Sydney, the IO Program has monitored the anti-doping programs of more than 30 major events, including Olympic and Paralympic Games, World Championships, Commonwealth Games, to name a few.

Since 2010, WADA has modified its program whereby it is now conducted in an audit-style fashion. This format was first applied with the International Paralympic Committee (IPC) in Beijing in 2008 and was well-received.

The program provides a system of evaluation whereby any non-conformity in procedures is identified and the event organizer is advised of such matters at daily meetings with the IO Chair. The need for corrective action can then be suggested and the opportunity for improvements to be made during the event is made possible. A final summary report is also provided and published on WADA's Web site.

Two IO (audit-style) missions were held in 2011:

- All Africa Games - Maputo, Mozambique
- Pan American Games - Guadalajara, Mexico



wada-ama.org/independentobservers

OOC Testing

In 2011, WADA managed an independent out-of-competition testing (OOCT) program to complement the worldwide doping control programs of 40 International Federations (IFs) and to assist with Regional Anti-Doping Organization (RADO) program development.

Testing was carried out on WADA's behalf by a number of sample collection agencies. The purpose of the program was to conduct testing in those areas of the world and in sports with minimal or insufficient anti-doping programs. Additionally, the program sought to support the progress of RADOs, and to target test athletes at highest risk for doping based on credible intelligence and information.

WADA's 2011 OOCT Program conducted more than 950 tests, including blood collection for the analysis of human growth hormone (hGH), blood transfusions, Continuous Erythropoietin Receptor Activator (CERA), and haemoglobin-based oxygen carriers (HBOCs). The majority of tests also included analysis for EPO and where possible, Insulin and IRMS were also performed. Final statistics show that the program completed 742 urine and 215 blood tests in 52 countries, on athletes of 71 different nationalities. RADOs, with the support and cooperation of WADA, also tested 473 athletes.

Forty sports (IFs) were allocated tests under the 2011 Program. All tests were carried out in accordance with the rules of each relevant IF and the International Standard for Testing (IST). WADA's 2011 Program generated a total of 13 Findings, of which four cases have resulted in Anti-Doping Rule Violations (ADRVs) to date. IFs are responsible for the results management of these tests.



wada-ama.org/en/Resources/Global-Statistics

2011 FINANCE OVERVIEW

In 2011 WADA achieved its highest collection year where it reached a record 99.16 percent of its budgeted public authority contributions, as well as the annual US\$1.7 million grant from the Canadian Government and additional grants from other countries and organizations totalling US\$373,974. WADA collected more than it had anticipated and is grateful to its stakeholders for their support, particularly in a period of difficult economic times.

The annual accounts show a deficit of US\$475,908, which also represents a better result than anticipated. This was due to the excellent collection rate and savings of three percent on the expenditure budget. However, WADA continues to be impacted by the value of the US Dollar against the Canadian Dollar and the Swiss Franc, resulting in significantly higher costs for WADA.

In accordance with the budget, capital expenditure of US\$1.7 million was incurred in 2011, mainly in IT and development of the ADAMS whereabouts module. The development of ADAMS remains a priority in particular with the inclusion of the Athlete Biological Passport.

Income from investments was lower by 13 percent of the budget due to prolonged low rates in the market and WADA's investment policy not to invest funds in speculative financial products.

Litigation costs have been higher than budgeted due to the high profile case of the Spanish cyclist Alberto Contador. In this case WADA not only faced substantial legal costs, but also the costs of a full inquiry into the contamination of meat in Spain and Europe. Furthermore, in relation to its compliance report and following the CAS decision for IOC vs. USOC (the Osaka rule issue) WADA incurred additional costs as it sought a legal opinion from a leading barrister in London. This report was tabled at WADA's Foundation Board meeting in November. Substantial costs were also incurred to defend WADA's decision in the revocation of the Malaysian laboratory's accreditation. The revocation was upheld by CAS.

WADA's IT costs remained within forecast in 2011, although more effort is anticipated to ensure that ADAMS meets its user requirements.

The overall financial situation of the Agency remains stable but as indicated in previous years, the cash reserves used to cover deficits are depleting. The result of this is that income will have to increase or activities will have to be reduced, since WADA's unallocated cash reserve will not meet deficits beyond the next 30 months.



IOC
Contribution

50%

Public Sector
Contribution

50%

Budget >>

US\$ 26,420,098

100%

Remitted as of 31/12/2011

US\$ 13,210,049

The IOC matches public contributions dollar for dollar. 100% of contributions received by December 22, 2011.

99.16%

Remitted as of 31/12/2011

US\$ 13,098,712

Balance owed: US\$ 111,337
Additional donations: US\$ 373,974

Public Sector Contributions by Region

Invoiced and remitted as of December 31, 2011 for Budget Year 2011

Africa

83.32%

Invoiced
US\$ 66,050

Remitted
US\$ 55,035

Americas

99.96%

Invoiced
US\$ 3,830,914

Remitted
US\$ 3,829,215

Asia

96.69%

Invoiced
US\$ 2,702,776

Remitted
US\$ 2,613,293

Europe

99.85%

Invoiced
US\$ 6,274,773

Remitted
US\$ 6,265,634

Oceania

100%

Invoiced
US\$ 335,535

Remitted
US\$ 335,535

Financial Statements



Report of the statutory auditor
to the Foundation Board of
World Anti-Doping Agency
Lausanne

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www.pwc.ch

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of World Anti-Doping Agency, which comprise the balance sheet, statement of activities, statement of cash flows, statement of comprehensive loss and changes in equity and notes, for the year ended 31 December 2011.

Foundation Board's Responsibility

The Foundation Board is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS), the requirements of Swiss law and the Foundation's deed. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. The Foundation Board is further responsible for 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 financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards as well as the International Standards on Auditing. Those standards require that we 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 judgment, 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 the internal control system relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, 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 financial statements for the year ended 31 December 2011 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law and the Foundation's deed.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 83b, paragraph 3 CC in connection with article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 83b, paragraph 3 CC in connection with article 728a paragraph 1, item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Foundation's Board.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers SA



Pierre-Alain Dévaud
Audit expert
Auditor in charge

David Albasini
Audit expert

Lausanne, 18 May 2012

Enclosure:

- financial statements (balance sheet, statement of activities, statement of cash flows, statement of comprehensive loss and changes in equity and notes)

Balance Sheet as at 31 December 2011

(in Swiss Francs with audited US Dollar figures as complementary information – Note 2a)

| | Notes | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|-------|--------------------------|--------------------------|--------------------------|--------------------------|
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 4 | 16,070,589 | 14,982,740 | 15,080,496 | 13,995,392 |
| Available-for-sale investments | 5b | 2,688,395 | 1,300,000 | 2,522,766 | 1,214,331 |
| Receivables | 6 | 452,718 | 302,807 | 424,827 | 282,852 |
| Other current assets | 7 | 2,882,696 | 2,947,351 | 2,705,095 | 2,753,123 |
| | | <u>22,094,398</u> | <u>19,532,898</u> | <u>20,733,184</u> | <u>18,245,698</u> |
| Non-current assets | | | | | |
| Available-for-sale investments | 5b | 9,008,613 | 11,805,654 | 8,453,601 | 11,027,673 |
| Fixed assets | 8 | 629,753 | 742,091 | 590,954 | 693,188 |
| Intangible assets | 9 | 3,133,138 | 2,927,913 | 2,940,109 | 2,734,967 |
| | | <u>12,771,504</u> | <u>15,475,658</u> | <u>11,984,664</u> | <u>14,455,828</u> |
| Total Assets | | <u>34,865,902</u> | <u>35,008,556</u> | <u>32,717,848</u> | <u>32,701,526</u> |
| Liabilities and Equity | | | | | |
| Current liabilities | | | | | |
| Accounts payable | | 1,043,876 | 730,642 | 979,564 | 682,493 |
| Accrued expenses | 10 | 2,455,273 | 2,484,399 | 2,304,008 | 2,320,679 |
| Advance contributions | | 1,474,339 | 1,438,641 | 1,383,507 | 1,343,836 |
| Total Liabilities | | <u>4,973,488</u> | <u>4,653,682</u> | <u>4,667,079</u> | <u>4,347,008</u> |
| Equity | | | | | |
| Foundation capital | 11 | 5,328,271 | 5,352,741 | 5,000,000 | 5,000,000 |
| Exchange adjustment on USD Foundation capital | | (1,321,771) | (1,346,241) | - | - |
| Cumulative translation adjustment | | - | - | (9,285,379) | (9,374,395) |
| Litigation reserve | 12a | 1,500,000 | 1,500,000 | 1,407,587 | 1,401,152 |
| Operation reserve | 12b | 2,400,000 | 2,400,000 | 2,252,138 | 2,241,842 |
| Cumulative fair value gain on available-for-sale investments | | 389,819 | 376,371 | 365,803 | 351,569 |
| Excess of income over expenses brought forward | | 21,596,095 | 22,072,003 | 28,310,620 | 28,734,350 |
| Total Equity | | <u>29,892,414</u> | <u>30,354,874</u> | <u>28,050,769</u> | <u>28,354,518</u> |
| Total Liabilities and Equity | | <u>34,865,902</u> | <u>35,008,556</u> | <u>32,717,848</u> | <u>32,701,526</u> |

"Notes 1 to 20 are an integral part of the financial statements."

Statement of Activities for the year ended 31 December 2011

(in Swiss Francs with audited US Dollar figures as complementary information – Note 2a)

| | Notes | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|-------|-------------------|--------------------|-------------------|--------------------|
| Income | | | | | |
| Annual contributions | 13 | 26,492,689 | 25,825,716 | 23,588,027 | 27,068,766 |
| Grants | 14 | 2,077,201 | 2,031,434 | 1,849,456 | 2,129,211 |
| Other | 15 | 188,979 | 211,933 | 168,259 | 222,134 |
| Total income | | 28,758,869 | 28,069,083 | 25,605,742 | 29,420,111 |
| Operating expenses | | | | | |
| Salaries and other personnel costs | 16 | 9,436,860 | 8,597,721 | 8,402,196 | 9,011,548 |
| Travel and accommodation | | 3,580,896 | 3,249,554 | 3,188,286 | 3,405,962 |
| Information and communications | | 179,474 | 299,792 | 159,796 | 314,222 |
| Testing fees | | 1,441,166 | 1,617,570 | 1,283,157 | 1,695,427 |
| Accreditation fees | | 448,386 | 349,616 | 399,225 | 366,444 |
| Research grants | 17 | 4,887,468 | 5,933,043 | 4,351,606 | 6,218,613 |
| Other grants | | 226,838 | 312,646 | 201,968 | 327,694 |
| Education | | 32,786 | 54,941 | 29,192 | 57,585 |
| Project consulting fees | | 2,489,438 | 2,452,659 | 2,216,497 | 2,570,711 |
| Administration | | 3,053,933 | 3,139,845 | 2,719,098 | 3,290,973 |
| IT costs | | 1,892,865 | 1,684,867 | 1,685,332 | 1,765,963 |
| Depreciation of fixed and intangible assets | | 1,579,138 | 1,280,015 | 1,406,001 | 1,341,625 |
| Writedown of intangible assets | | - | 542,084 | - | 568,176 |
| | | 29,249,248 | 29,514,353 | 26,042,354 | 30,934,943 |
| Excess of operating expenses over income before financial income | | (490,379) | (1,445,270) | (436,612) | (1,514,832) |
| Financial income (expenses) | | | | | |
| Interest | | 479,396 | 558,752 | 426,835 | 585,647 |
| Losses from disposal of available-for-sale investments | | - | (396) | - | (415) |
| Bank fees | | (134,168) | (123,780) | (119,459) | (129,738) |
| Net gains (losses) on exchange rates | | (330,757) | 367,708 | (294,494) | 385,406 |
| | | 14,471 | 802,284 | 12,882 | 840,900 |
| Excess of expenses over income for the year | | (475,908) | (642,986) | (423,730) | (673,932) |

"Notes 1 to 20 are an integral part of the financial statements."

Statement of Cash Flows for the year ended 31 December 2011

(in Swiss Francs with audited US Dollar figures as complementary information – Note 2a)

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|--|-------------------|--------------------|-------------------|--------------------|
| Operating activities | | | | |
| Excess of expenses over income for the year | (475,908) | (642,986) | (423,730) | (673,932) |
| Depreciation of fixed and intangible assets | 1,579,138 | 1,280,015 | 1,406,001 | 1,341,625 |
| Writedown of intangible assets | - | 542,084 | - | 568,176 |
| Interest | (479,396) | (558,752) | (426,835) | (585,647) |
| Losses from disposal of available-for-sale investments | - | 396 | - | 415 |
| Changes in | | | | |
| Receivables | (149,911) | 224,413 | (133,475) | 235,215 |
| Other current assets | 34,193 | 392,264 | 30,443 | 411,142 |
| Accounts payable | 474,482 | 157,211 | 422,460 | 164,779 |
| Accrued expenses | (29,126) | 356,509 | (25,933) | 373,668 |
| Advance contributions | 35,698 | (159,792) | 31,784 | (167,483) |
| Net cash provided by operating activities | 989,170 | 1,591,362 | 880,715 | 1,667,958 |
| Investing activities | | | | |
| Purchase of fixed assets | (410,766) | (324,124) | (365,730) | (339,725) |
| Purchase of intangible assets | (1,422,506) | (1,250,076) | (1,266,542) | (1,310,245) |
| Interest received | 509,857 | 573,131 | 453,957 | 600,717 |
| Purchase of investments | - | (4,936,495) | - | (5,174,100) |
| Proceeds from sale of investments | 1,422,094 | 4,013,116 | 1,266,176 | 4,206,277 |
| Net cash provided by (used in) investing activities | 98,679 | (1,924,448) | 87,861 | (2,017,076) |
| Increase (decrease) in cash and cash equivalents | 1,087,849 | (333,086) | 968,576 | (349,118) |
| Currency translation impact | - | - | 116,528 | (1,512,744) |
| Cash and cash equivalents at beginning of year | 14,982,740 | 15,315,826 | 13,995,392 | 15,857,254 |
| Cash and cash equivalents at end of year | 16,070,589 | 14,982,740 | 15,080,496 | 13,995,392 |

"Notes 1 to 20 are an integral part of the financial statements."

Statement of Comprehensive Loss and Changes in Equity for the year ended 31 December 2011

(in Swiss Francs with audited US Dollar figures as complementary information – Note 2a)

| | Foundation capital USD | Cumulative translation adjustment on USD Foundation capital USD | Litigation reserve USD | Operation reserve USD | Cumulative fair value gain on available-for-sale investments USD | Excess of income over expenses brought forward USD | Total USD |
|---|------------------------|---|------------------------|-----------------------|--|--|--------------------|
| Balance as at 31 December 2009 | 4,829,281 | (822,781) | 1,500,000 | 2,400,000 | 280,484 | 22,714,989 | 30,901,973 |
| Excess of expenses over income for the year | - | - | - | - | - | (642,986) | (642,986) |
| Fair value gain on available-for-sale investments | - | - | - | - | 95,887 | - | 95,887 |
| Exchange movement | 523,460 | (523,460) | - | - | - | - | - |
| Total comprehensive loss for the year | | | | | | | (547,099) |
| Balance as at 31 December 2010 | 5,352,741 | (1,346,241) | 1,500,000 | 2,400,000 | 376,371 | 22,072,003 | 30,354,874 |
| Excess of expenses over income for the year | - | - | - | - | - | (475,908) | (475,908) |
| Fair value gain on available-for-sale investments | - | - | - | - | 13,448 | - | 13,448 |
| Exchange movement | (24,470) | 24,470 | - | - | - | - | - |
| Total comprehensive loss for the year | | | | | | | (462,460) |
| Balance as at 31 December 2011 | 5,328,271 | (1,321,771) | 1,500,000 | 2,400,000 | 389,819 | 21,596,095 | 29,892,414 |
| | Foundation capital CHF | Cumulative translation adjustment CHF | Litigation reserve CHF | Operation reserve CHF | Cumulative fair value gain on available-for-sale investments CHF | Excess of income over expenses brought forward CHF | Total CHF |
| Balance as at 31 December 2009 | 5,000,000 | (6,742,163) | 1,553,027 | 2,484,842 | 290,400 | 29,408,282 | 31,994,388 |
| Excess of expenses over income for the year | - | - | - | - | - | (673,932) | (673,932) |
| Fair value gain on available-for-sale investments | - | - | - | - | 61,169 | - | 61,169 |
| Exchange movement | - | (2,632,232) | (151,875) | (243,000) | - | - | (3,027,107) |
| Total comprehensive loss for the year | | | | | | | (3,639,870) |
| Balance as at 31 December 2010 | 5,000,000 | (9,374,395) | 1,401,152 | 2,241,842 | 351,569 | 28,734,350 | 28,354,518 |
| Excess of expenses over income for the year | - | - | - | - | - | (423,730) | (423,730) |
| Fair value gain on available-for-sale investments | - | - | - | - | 14,234 | - | 14,234 |
| Exchange movement | - | 89,016 | 6,435 | 10,296 | - | - | 105,747 |
| Total comprehensive loss for the year | | | | | | | (303,749) |
| Balance as at 31 December 2011 | 5,000,000 | (9,285,379) | 1,407,587 | 2,252,138 | 365,803 | 28,310,620 | 28,050,769 |

"Notes 1 to 20 are an integral part of the financial statements."

Notes to Financial Statements

31 December 2011

1 Activity

The World Anti-Doping Agency ("WADA" or the "Agency"), domiciled in Lausanne, Switzerland, is a not-for-profit foundation constituted in Lausanne on 10 November 1999 under the Swiss Civil Code. On 2 June 2002, the Head Office of WADA was officially moved to Montréal, Canada, in accordance with the vote of the Foundation Board on 21 August 2001 in Tallinn, Estonia, the office in Lausanne therefore becoming a branch office. However, WADA remains a Swiss foundation with its registered office in Lausanne, Switzerland.

The mission of WADA is to promote and coordinate, at an international level, the fight against doping in sports in all its forms. The Agency cooperates with intergovernmental organizations and governments (hereafter "Public Authorities") and other public and private organizations devoted to fighting against doping in sports, including the International Olympic Committee, the International Sports Federations, the National Olympic Committees and athletes.

Effective 1 January 2002, the financing of WADA is provided equally by the Olympic Movement and the Public Authorities involved in the mission of WADA. Previously, the financing was exclusively provided by the Olympic Movement.

2 Basis of presentation and summary of significant accounting policies

a) Basis of presentation and changes to accounting policies

These financial statements have been approved by the Foundation Board of WADA on 18 May 2012 and cannot be amended after issuance. The financial statements of WADA for the year ended 31 December 2011 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). WADA's financial statements are prepared in accordance with Swiss legal requirements.

The financial statements have been prepared under the historical cost principle, except for available-for-sale investments which are shown at fair value. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying WADA's accounting policies. In particular, areas involving a higher degree of judgment or complexity are the definition of the functional currency and the research grant recognition described below.

The functional currency is the US Dollar, as the majority of the activities (income and expenses) are based in US Dollars. The presentation currency is the Swiss Franc to fulfil Swiss legal requirements. Assets and liabilities are converted from US Dollars to Swiss Francs at the closing rate. The Foundation capital in Swiss Francs is kept at historical exchange rates. The Foundation capital is presented at closing rates in US Dollars. The resulting exchange differences are recorded as the exchange adjustment on USD Foundation capital in equity. The statement of activities is translated into Swiss Francs at the average exchange rate for the year. Any resulting exchange difference is recorded in the cumulative translation adjustment. The cash flow is converted into Swiss Francs at the average rate for the year. Any resulting exchange difference is shown separately on the statement of cash flows.

US Dollar figures are included as complementary information.

b) Foreign currencies

Foreign currency income and expenses are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of activities. Non-monetary items that are carried at historical cost and denominated in a foreign currency are reported using the historical exchange rate at the date of the transaction.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and unrestricted deposits held with banks with original maturity of three months or less.

Notes to Financial Statements

31 December 2011

d) Financial instruments

The Agency classifies its financial assets in the following categories: held-to-maturity investments, loans and receivables and available-for-sale assets. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that WADA's management has the positive intention and ability to hold to maturity. Financial assets in this category are classified as current assets, except for investments with maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

Held-to-maturity investments are originally recognized at fair value and subsequently carried at amortized cost using the effective interest rate method.

Loans and receivables

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

Loans and receivables are originally recognized at fair value and subsequently measured at amortized cost less provision for bad debts or impairment losses, as appropriate.

Available-for-sale assets

Available-for-sale 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 the balance sheet date. Available-for-sale assets are classified as Available-for-sale investments on the balance sheet.

Available-for-sale assets are initially recognized at fair value plus transaction costs and subsequently carried at fair value. Gains or losses arising from changes in the fair value are presented in equity in Cumulative fair value gain on available-for-sale investments.

When assets classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the statement of activities as Gains (losses) from disposal of available-for-sale investments. Interest on available-for-sale investments calculated using the effective interest rate method is recognized in the statement of activities as part of financial income.

WADA discloses the fair value measurements by level as per the following hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Substantially all available-for-sale assets held by WADA are valued using quoted prices (unadjusted) in active markets (Level 1) at the balance sheet date.

WADA assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. If any such evidence exists for available for sale 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 recognized in profit or loss – is removed from equity and recognized in the statement of activities.

Regular purchases and sales of investments are recognized on the settlement date. Investments are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and WADA has transferred substantially all risks and rewards of ownership.

Notes to Financial Statements

31 December 2011

e) Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Leasehold improvements are depreciated over the lower of the life of the lease and its useful life. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

| | |
|-----------------------------|-----------|
| Computer equipment..... | 2.5 years |
| Office equipment..... | 4 years |
| Leasehold improvements..... | 5 years |

f) Intangible assets

Intangible assets comprise the Anti-Doping Administration & Management System software ("ADAMS"), which is stated at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over four years, which is the estimated useful life of the assets.

Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

g) Leases

The leasing of computer equipment and software where the Agency has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the statement of activities over the lease period. Leases where a significant portion of the risks and rewards of ownership is retained by the lessor are classified as operating leases, and such payments are charged to the statement of activities on a straight-line basis over the term of the lease. WADA does not currently hold any finance leases.

h) Revenue recognition

Annual contributions

The annual contributions due from Public Authorities involved in the fight against doping in sports and the Olympic Movement are recognized as income in the period for which they are due. However, annual contributions which have not been paid by year-end when due are only recognized when they are received. Payments received in advance relating to the following year's activities are deferred and presented as advance contributions in the balance sheet.

Financial income

Interest income is recognized on an effective yield basis.

Grants

Grants are recorded as income when there is reasonable assurance that the grant will be received and WADA will comply with all attached conditions.

Other

Laboratory accreditation and re-accreditation fees are recognized on the date of payment, which is the date giving full effect to the accreditation.

i) Income taxes

WADA is exempt from paying income taxes.

Notes to Financial Statements

31 December 2011

j) Research grants

Research grants are provided for specific research projects and paid by WADA on a yearly basis by an upfront payment of 80% of the granted amount and 20% payment upon completion of the yearly research project report. These grants cover a 12 month research period. They are expensed on a straight-line basis from the date the amount is granted as per contractual agreement.

k) Standards, interpretations and amendments to published standards not yet effective

The standards, amendments or interpretations becoming effective in 2011 had no impact on the financial statements as at 31 December 2011. Certain standards, amendments and interpretations to existing standards have been published and are mandatory to WADA's accounting periods beginning on or after 1 January 2012 or later periods, but WADA has not early-adopted them. WADA currently believes that none of them will have an impact on its financial statements.

3 Financial risk management

1. Financial risk factors

Because of the international nature of its activities, WADA is exposed to the following financial risks: changes in foreign currency exchange rates, changes in interest rates, liquidity risk, credit risk and capital risk.

Risk management is carried out by management under policies approved by the Foundation Board. Management identifies, evaluates and hedges financial risks.

a) Foreign currency exchange risk

WADA is exposed to foreign currency exchange risk mainly because most of its revenues are generated in US Dollars, whereas its operating expenses are essentially in US Dollars and Canadian Dollars. As at 31 December 2011, WADA used price collars and bank deposits in US Dollars, Canadian Dollars, Swiss Francs and Euros to partly cover its currency exposure.

As at 31 December 2011, if the Canadian Dollar had weakened by 5% against the US Dollar with all other variables held constant, excess of expenses over income for the year would have been CHF406,805 (USD433,514) lower (2010 – excess of expenses over income would have been CHF194,374 (USD208,086) lower), mainly as a result of foreign exchange loss on translation of cash and cash equivalents denominated in Canadian Dollars. Excess of expenses over income was more sensitive to movement in US Dollar exchange rates in 2011 than 2010 because of the high amount of cash and cash equivalents denominated in Canadian Dollars.

As at 31 December 2011, if the Swiss Franc had weakened by 2% against the US Dollar with all other variables held constant, excess of expenses over income for the year would have been CHF26,452 (USD28,188) lower (2010 – excess of expenses over income would have been CHF18,451 (USD19,753) lower), mainly as a result of foreign exchange loss on translation of cash and cash equivalents denominated in Swiss Francs.

b) Interest rate risk

WADA is exposed to interest rate risk through the impact of rate changes on interest-bearing assets. As at 31 December 2011, WADA's only interest-bearing assets were cash and cash equivalents, and available for sale investments.

As at 31 December 2011, if interest rates had been 0.25% lower, with all other variables held constant, equity would have been CHF59,358 (USD63,255) higher (2010 – CHF87,727 (USD93,916)) as a result of an increase in the fair value of bonds classified as available for sale.

c) Liquidity risk

WADA needs to maintain sufficient levels of cash and cash equivalents to finance its ongoing activities. In the absence of bank financing facilities, it is dependent on the receipt of contributions on a timely basis from stakeholders to meet its cash needs.

Notes to Financial Statements

31 December 2011

d) Credit risk

Substantially all of WADA's revenues are generated from contributions, which are recognized in the statement of activities at their payment date. Revenues generated from grants are considered to be fully collectible by WADA. WADA has policies which limit the amount of credit and investment exposures. WADA is exposed to minimal credit risk on accounts receivable, as a large portion is due from the Quebec government for value-added taxes (Quebec sales tax). Cash and cash equivalents and available-for-sale investments are placed with major banks. The table below shows the balance held at the three major banks at the balance sheet date in the form of cash and term deposits.

| Banks | 2011 | | | 2010 | | |
|------------------------------|--------|-------------------|-------------------|--------|-------------------|-------------------|
| | Rating | Balance | | Rating | Balance | |
| | | USD | CHF | | USD | CHF |
| UBS | A | 8,299,784 | 7,788,443 | A+ | 8,029,575 | 7,500,434 |
| Lombard Odier Darier Hentsch | AA- | 5,604,336 | 5,259,059 | AA- | 4,121,485 | 3,849,883 |
| The Bank of Nova Scotia | AA- | 2,130,093 | 1,998,860 | AA- | 2,810,652 | 2,625,433 |
| | | <u>16,034,213</u> | <u>15,046,362</u> | | <u>14,961,712</u> | <u>13,975,750</u> |

Available-for-sale investments represent mainly bonds issued by major corporations and government entities.

e) Capital risk management

WADA's objective when managing capital is to maintain an appropriate level to develop new programs and participate in new activities. Foundation capital, litigation and operation reserves are considered for capital risk management.

2. Fair value estimation

As at 31 December 2011, the fair value of cash and cash equivalents, receivables, accounts payable and accrued expenses was not significantly different from their book value because of their maturity being close to the balance sheet date. As at 31 December 2011, no financial assets were impaired or past due.

4 Cash and cash equivalents

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---------------------|-------------------|-------------------|-------------------|-------------------|
| Cash | 6,837,060 | 6,050,756 | 6,415,836 | 5,652,018 |
| Term deposits | | | | |
| in US Dollars | 2,494,522 | 4,790,000 | 2,340,837 | 4,474,344 |
| in Canadian Dollars | 5,622,495 | 2,744,418 | 5,276,098 | 2,563,564 |
| in Swiss Francs | 479,544 | 642,329 | 450,000 | 600,000 |
| in Euros | 636,968 | 755,237 | 597,725 | 705,466 |
| | <u>16,070,589</u> | <u>14,982,740</u> | <u>15,080,496</u> | <u>13,995,392</u> |

Cash and term deposits are held in major Swiss and Canadian banks. They are subject to current interest rates.

Notes to Financial Statements

31 December 2011

5 Financial instruments

a) Financial instruments by category

| As at 31 December 2011 | Loans and receivables | | Available for sale | | Total | |
|--|-----------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
| | USD | CHF | USD | CHF | USD | CHF |
| Current assets | | | | | | |
| Cash and cash equivalents (note 4) | 16,070,589 | 15,080,496 | - | - | 16,070,589 | 15,080,496 |
| Available-for-sale investments (note 5 b)) | - | - | 2,688,395 | 2,522,766 | 2,688,395 | 2,522,766 |
| Receivables (note 6) | 452,718 | 424,827 | - | - | 452,718 | 424,827 |
| Non-current assets | | | | | | |
| Available-for-sale investments (note 5 b)) | - | - | 9,008,613 | 8,453,601 | 9,008,613 | 8,453,601 |
| Total | 16,523,307 | 15,505,323 | 11,697,008 | 10,976,367 | 28,220,315 | 26,481,690 |

| As at 31 December 2010 | Loans and receivables | | Available for sale | | Total | |
|--|-----------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
| | USD | CHF | USD | CHF | USD | CHF |
| Current assets | | | | | | |
| Cash and cash equivalents (note 4) | 14,982,740 | 13,995,392 | - | - | 14,982,740 | 13,995,392 |
| Available-for-sale investments (note 5 b)) | - | - | 1,300,000 | 1,214,331 | 1,300,000 | 1,214,331 |
| Receivables (note 6) | 302,807 | 282,852 | - | - | 302,807 | 282,852 |
| Non-current assets | | | | | | |
| Available-for-sale investments (note 5 b)) | - | - | 11,805,654 | 11,027,673 | 11,805,654 | 11,027,673 |
| Total | 15,285,547 | 14,278,244 | 13,105,654 | 12,242,004 | 28,391,201 | 26,520,248 |

b) Available-for-sale investments

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Bonds in US Dollars | 9,301,343 | 10,609,233 | 8,728,297 | 9,910,095 |
| Structured products in US Dollars | 258,930 | 267,340 | 242,977 | 249,723 |
| Bonds in Euros | 1,845,778 | 1,934,673 | 1,732,061 | 1,807,180 |
| Bonds in Canadian Dollars | 290,957 | 294,408 | 273,032 | 275,006 |
| | 11,697,008 | 13,105,654 | 10,976,367 | 12,242,004 |

Bonds bear interest at rates ranging from 2.38% to 5.35% and mature from February 2012 to October 2015. The structured product is capital guaranteed and will mature on 9 September 2013.

6 Receivables

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|--|----------------|----------------|----------------|----------------|
| Other receivables | 154,392 | 151,033 | 144,880 | 141,080 |
| Quebec sales tax receivable | 270,940 | 110,253 | 254,248 | 102,987 |
| Recoverable withholding taxes | 4,840 | 2,886 | 4,542 | 2,696 |
| Rental deposits and guarantees | 22,546 | 22,449 | 21,157 | 20,969 |
| Interest receivable on long-term investments | - | 16,186 | - | 15,120 |
| | 452,718 | 302,807 | 424,827 | 282,852 |

The rental deposit is for the Uruguay office amounting to CHF21,157 (USD22,546) (2010 – CHF20,969 (USD22,449)).

Notes to Financial Statements

31 December 2011

7 Other current assets

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|-------------|-------------|-------------|-------------|
| Prepaid expenses | 1,071,820 | 1,015,982 | 1,005,787 | 949,030 |
| Accrued interest | 188,642 | 219,104 | 177,020 | 204,665 |
| Prepaid scientific research grants 2005 | 3,677 | 46,660 | 3,450 | 43,585 |
| Prepaid scientific research grants 2007 | 3,600 | 245,844 | 3,378 | 229,643 |
| Prepaid scientific research grants 2008 | 133,475 | 375,442 | 125,252 | 350,700 |
| Prepaid scientific research grants 2009 | 715,719 | 259,672 | 671,624 | 242,560 |
| Prepaid scientific research grants 2010 | 686,736 | 666,087 | 644,426 | 622,192 |
| Prepaid social science research grants 2008 | 759 | 11,340 | 712 | 10,593 |
| Prepaid social science research grants 2009 | - | 14,497 | - | 13,542 |
| Prepaid social science research grants 2010 | 15,414 | 92,723 | 14,464 | 86,613 |
| Prepaid social science research grants 2011 | 62,854 | - | 58,982 | - |
| | 2,882,696 | 2,947,351 | 2,705,095 | 2,753,123 |

8 Fixed assets

| | Computer equipment | | Office equipment | | Leasehold improvements | | Total | |
|------------------------------------|--------------------|----------------|------------------|---------------|------------------------|----------------|----------------|----------------|
| | USD | CHF | USD | CHF | USD | CHF | USD | CHF |
| Year ended 31 December 2010 | | | | | | | | |
| Opening net book amount | 483,682 | 500,781 | 21,513 | 22,274 | 36,195 | 37,474 | 541,390 | 560,529 |
| Additions | 69,109 | 72,435 | 77,843 | 81,589 | 349,235 | 366,044 | 496,187 | 520,068 |
| Depreciation charge | (260,380) | (272,913) | (17,828) | (18,686) | (17,278) | (18,109) | (295,486) | (309,708) |
| Exchange effect | - | (27,161) | - | (9,022) | - | (41,518) | - | (77,701) |
| Closing net book amount | 292,411 | 273,142 | 81,528 | 76,155 | 368,152 | 343,891 | 742,091 | 693,188 |
| As at 31 December 2010 | | | | | | | | |
| Cost | 979,149 | 1,330,600 | 1,202,060 | 1,614,480 | 435,624 | 465,073 | 2,616,833 | 3,410,153 |
| Accumulated depreciation | (686,738) | (1,015,289) | (1,120,532) | (1,443,949) | (67,472) | (74,253) | (1,874,742) | (2,533,491) |
| Exchange effect | - | (42,169) | - | (94,376) | - | (46,929) | - | (183,474) |
| Net book amount | 292,411 | 273,142 | 81,528 | 76,155 | 368,152 | 343,891 | 742,091 | 693,188 |
| Year ended 31 December 2011 | | | | | | | | |
| Opening net book amount | 292,411 | 273,142 | 81,528 | 76,155 | 368,152 | 343,891 | 742,091 | 693,188 |
| Additions | 169,156 | 177,298 | 29,813 | 31,248 | 51,416 | 53,891 | 250,385 | 262,437 |
| Depreciation charge | (270,635) | (240,962) | (19,925) | (17,741) | (72,163) | (64,251) | (362,723) | (322,954) |
| Exchange effect | - | (30,308) | - | (3,878) | - | (7,531) | - | (41,717) |
| Closing net book amount | 190,932 | 179,170 | 91,416 | 85,784 | 347,405 | 326,000 | 629,753 | 590,954 |
| As at 31 December 2011 | | | | | | | | |
| Cost | 1,148,305 | 1,507,898 | 1,231,873 | 1,645,728 | 487,040 | 518,964 | 2,867,218 | 3,672,590 |
| Accumulated depreciation | (957,373) | (1,256,251) | (1,140,457) | (1,461,690) | (139,635) | (138,504) | (2,237,465) | (2,856,445) |
| Exchange effect | - | (72,477) | - | (98,254) | - | (54,460) | - | (225,191) |
| Net book amount | 190,932 | 179,170 | 91,416 | 85,784 | 347,405 | 326,000 | 629,753 | 590,954 |

As at 31 December 2011, the amount of leasehold improvements included in payables was USD11,681 (2010 – USD172,063).

Notes to Financial Statements

31 December 2011

9 Intangible assets

| | Software | |
|------------------------------------|------------------|------------------|
| | USD | CHF |
| Year ended 31 December 2010 | | |
| Opening net book amount | 3,182,891 | 3,295,410 |
| Additions | 1,271,635 | 1,187,836 |
| Depreciation charge | (984,529) | (1,031,917) |
| Exchange effect | - | (148,186) |
| Writedown of intangible assets | (542,084) | (568,176) |
| Closing net book amount | 2,927,913 | 2,734,967 |
| As at 31 December 2010 | | |
| Cost | 6,772,744 | 7,910,275 |
| Accumulated depreciation | (3,844,831) | (4,857,893) |
| Exchange effect | - | (317,415) |
| Net book amount | 2,927,913 | 2,734,967 |
| Year ended 31 December 2011 | | |
| Opening net book amount | 2,927,913 | 2,734,967 |
| Additions | 1,421,640 | 1,334,053 |
| Depreciation charge | (1,216,415) | (1,083,047) |
| Exchange effect | - | (45,864) |
| Closing net book amount | 3,133,138 | 2,940,109 |
| As at 31 December 2011 | | |
| Cost | 8,194,384 | 9,244,328 |
| Accumulated depreciation | (5,061,246) | (5,940,940) |
| Exchange effect | - | (363,279) |
| Net book amount | 3,133,138 | 2,940,109 |

Intangible assets comprise the ADAMS project and other software. The amount related to the ADAMS project represents the core software necessary to fulfil the requirements of the World Anti-Doping Code regarding tracking and management of testing activity. This software enables more efficient tracking and management of the testing results.

As at 31 December 2011, the amount of intangible assets included in payables was USD20,693 (2010 – USD21,559).

10 Accrued expenses

| | 2011 | 2010 | 2011 | 2010 |
|---|------------------|------------------|------------------|------------------|
| | USD | USD | CHF | CHF |
| Accruals | 997,289 | 1,247,263 | 935,849 | 1,165,069 |
| Accrued scientific research grants 2004 | - | 10,838 | - | 10,123 |
| Accrued scientific research grants 2005 | 39,999 | 50,199 | 37,534 | 46,891 |
| Accrued scientific research grants 2006 | 119,464 | 149,464 | 112,104 | 139,615 |
| Accrued scientific research grants 2007 | 362,191 | 402,481 | 339,876 | 375,958 |
| Accrued scientific research grants 2008 | 482,145 | 398,965 | 452,441 | 372,674 |
| Accrued scientific research grants 2009 | 253,621 | 215,911 | 237,996 | 201,683 |
| Accrued scientific research grants 2010 | 187,177 | - | 175,645 | - |
| Accrued social science grants 2006 | - | 2,280 | - | 2,130 |
| Accrued social science grants 2008 | - | 1,755 | - | 1,639 |
| Accrued social science grants 2009 | 7,550 | 5,243 | 7,085 | 4,897 |
| Accrued social science grants 2010 | 5,837 | - | 5,478 | - |
| | 2,455,273 | 2,484,399 | 2,304,008 | 2,320,679 |

Notes to Financial Statements

31 December 2011

11 Foundation capital

The Foundation capital is defined in the statutes as a fixed amount of CHF5,000,000.

12 Reserves

a) Litigation

In 2007, the WADA Foundation Board agreed to a reserve of USD1,500,000 dedicated to litigation. This will allow the Agency to engage in any case where it is required.

b) Operations

In 2009, the WADA Foundation Board agreed to a reserve of USD2,400,000 dedicated to operations.

13 Annual contributions

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|-------------------|-------------------|-------------------|-------------------|
| 2002 Public Authorities and governments | 3,944 | 1,853 | 3,512 | 1,942 |
| 2002 International Olympic Committee | 3,944 | 1,853 | 3,512 | 1,942 |
| 2003 Public Authorities and governments | 2,347 | 2,149 | 2,090 | 2,253 |
| 2003 International Olympic Committee | 2,347 | 2,149 | 2,090 | 2,253 |
| 2005 Public Authorities and governments | 5,000 | - | 4,452 | - |
| 2006 Public Authorities and governments | 7,082 | 2,232 | 6,306 | 2,340 |
| 2006 International Olympic Committee | - | 2,232 | - | 2,340 |
| 2007 Public Authorities and governments | 281 | 9,073 | 250 | 9,509 |
| 2007 International Olympic Committee | 281 | 9,073 | 250 | 9,509 |
| 2008 Public Authorities and governments | 9,285 | 7,753 | 8,267 | 8,126 |
| 2009 Public Authorities and governments | 16,624 | 62,559 | 14,801 | 65,570 |
| 2010 Public Authorities and governments | 132,793 | 12,773,762 | 118,234 | 13,388,592 |
| 2010 International Olympic Committee | - | 12,951,028 | - | 13,574,390 |
| 2011 Public Authorities and governments | 13,098,712 | - | 11,662,566 | - |
| 2011 International Olympic Committee | 13,210,049 | - | 11,761,697 | - |
| | <u>26,492,689</u> | <u>25,825,716</u> | <u>23,588,027</u> | <u>27,068,766</u> |

14 Grants

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|------------------|------------------|------------------|------------------|
| Cash amount granted by Montréal International | 1,703,227 | 1,608,251 | 1,516,484 | 1,685,659 |
| Government of Australia | 125,000 | 120,000 | 111,295 | 125,776 |
| Government of Canada – Caribbean RADO | - | 91,956 | - | 96,382 |
| Government of Japan | 223,360 | 80,461 | 198,871 | 84,334 |
| Government of South Africa | 25,614 | - | 22,806 | - |
| Amgen Fund | - | 100,000 | - | 104,813 |
| CONFESSES | - | 15,599 | - | 16,350 |
| Olympic Council of Asia | - | 15,167 | - | 15,897 |
| | <u>2,077,201</u> | <u>2,031,434</u> | <u>1,849,456</u> | <u>2,129,211</u> |

Notes to Financial Statements

31 December 2011

WADA benefits from two major government supports in Canada. The Government of Canada provides WADA with a total cash contribution of CAD10,000,000, indexed, over a ten-year period (2002–2011) and exempts WADA from any income tax. The Government of Quebec also provides WADA with a total cash contribution of CAD5,000,000, indexed, over a ten-year period (2002–2011). The Governments of Canada and Quebec amended the agreement in order to extend the financial contributions for the initial period by an additional ten-year period. Under this amended agreement, WADA will receive an additional total cash contribution of CAD10,000,000, indexed over a ten-year period (2012–2021) from the Government of Canada and an additional total cash contribution of CAD5,000,000, indexed, over a ten-year period (2012–2021) from the Government of Quebec. The grants are paid as one combined amount from a corporation, Montréal International, formed by the aforementioned governments. The grants are subject to the following conditions: WADA must maintain its permanent operational headquarters in Montréal, maintain a minimum staff of 17 to 25 employees, supply quarterly unaudited and annual audited accounts, budgets and activity reports, and continue its original mission. The aim of these government supports is to encourage and support WADA's activities on a long-term basis.

WADA also receives additional grants from Public Authorities (Governments) to support specific activities.

15 Other income

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|--|----------------|----------------|----------------|----------------|
| Laboratory accreditation and re-accreditation fees | 162,080 | 169,980 | 144,309 | 178,162 |
| Code monitoring | 26,899 | 41,953 | 23,950 | 43,972 |
| | <u>188,979</u> | <u>211,933</u> | <u>168,259</u> | <u>222,134</u> |

16 Salaries and other personnel costs

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|--|------------------|------------------|------------------|------------------|
| Salaries | 5,480,906 | 4,881,224 | 4,879,974 | 5,116,168 |
| Social charges and other benefits | 3,922,919 | 3,584,179 | 3,492,809 | 3,756,693 |
| Defined benefit pension plan contributions | 28,681 | 128,688 | 25,536 | 134,882 |
| Temporary staff | 4,354 | 3,630 | 3,877 | 3,805 |
| | <u>9,436,860</u> | <u>8,597,721</u> | <u>8,402,196</u> | <u>9,011,548</u> |

The number of people employed was 63 as at 31 December 2011 (2010 – 57).

Retirement benefit obligation

Most of WADA's employees are located at its Montréal headquarters. WADA grants all of its employees a predefined proportion of each employee's salary as a contribution to their pension plan. Considering that WADA has no further obligation once payments are made, these costs are considered as fringe benefits and are included in Salaries and other personnel costs in the statement of activities in the period they are incurred. The retirement obligations for WADA's employees in Tokyo are met by the Japanese government. For its South African office employees, WADA only contributes with the employees into the state pension scheme. For WADA's employees in Switzerland, the retirement obligations qualify as a defined benefit plan. It is funded by contributions from WADA and the employees to a financially independent trust. Because of the limited number of employees under this plan, no actuarial calculations have been performed for reasons of materiality.

Notes to Financial Statements

31 December 2011

17 Research grants

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|------------------|------------------|------------------|------------------|
| Scientific research grants expensed | 4,615,851 | 5,757,127 | 4,109,769 | 6,034,230 |
| Social science research grants expensed | 320,240 | 175,916 | 285,129 | 184,383 |
| Refunds received on cancellation of project | (48,623) | - | (43,292) | - |
| Total research grants expensed | 4,887,468 | 5,933,043 | 4,351,606 | 6,218,613 |
| Research grants paid out | | | | |
| Research grants expensed | 4,887,468 | 5,933,043 | 4,351,606 | 6,218,613 |
| Prepaid expenses (movement) | (90,033) | (397,777) | (80,162) | (416,923) |
| Accruals (movement) | (220,851) | (438,946) | (196,637) | (460,073) |
| Research grants paid out | 4,576,584 | 5,096,320 | 4,074,807 | 5,341,617 |

18 Related party transactions

Transactions with Public Authorities and other organizations including the Olympic Movement are disclosed separately in these financial statements. The Foundation Board members, the President and the Executive Committee of WADA are not remunerated by the Agency. However, WADA covers all expenses related to the execution of their functions, in particular, travel, hotel and meal expenses and a daily allowance for out-of-pocket expenses. These costs are included in Travel and accommodation in the statement of activities.

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|--|------------------|------------------|------------------|------------------|
| Compensation of key management | | | | |
| Salaries | 2,207,704 | 2,241,818 | 1,965,651 | 2,349,722 |
| Benefits and social charges | 1,040,128 | 996,849 | 926,088 | 1,044,830 |
| Defined benefit pension plan contributions | 15,070 | 47,071 | 13,418 | 49,337 |
| | 3,262,902 | 3,285,738 | 2,905,157 | 3,443,889 |

Key management of WADA is defined as all the directors of the Agency. Compensation is for 11 directors through 2011, ending with 10 directors as at 31 December 2011 (2010 – 10 directors).

19 Commitments

a) Operating lease commitments

The future minimum lease payments payable under non-cancellable operating leases are as follows:

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|------------------|----------------|------------------|----------------|
| Less than one year | 490,666 | 675,997 | 460,437 | 631,449 |
| More than one year and less than five years | 1,662,240 | 211,084 | 1,559,831 | 197,174 |
| More than five years | 2,084,511 | - | 1,956,086 | - |
| | 4,237,417 | 887,081 | 3,976,354 | 828,623 |

The operating lease commitments are for the following:

- Montréal, Canada office lease to February 2021
- Lausanne, Switzerland office lease to April 2017
- Tokyo, Japan office lease to February 2013
- Montevideo, Uruguay office lease to December 2013

Notes to Financial Statements

31 December 2011

b) Commitments for non-lease elements

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|------------------|------------------|------------------|------------------|
| Less than one year | 1,473,744 | 1,820,969 | 1,382,948 | 1,700,969 |
| More than one year and less than five years | 1,190,510 | 2,162,888 | 1,117,164 | 2,020,356 |
| More than five years | - | 639 | - | 597 |
| | <u>2,664,254</u> | <u>3,984,496</u> | <u>2,500,112</u> | <u>3,721,922</u> |

The commitments for non-lease elements are related mainly to the OSI Technologies management service contract to 2013 and various other contracts.

c) Scientific and social science research commitments

Scientific research grants and social science research grants may be committed over several years by the signing of research grant contracts, including upcoming years of research for certain projects. The related amounts at the end of the year are as follows:

| | 2011 USD | 2010 USD | 2011 CHF | 2010 CHF |
|---|------------------|------------------|------------------|------------------|
| Less than one year | 4,760,505 | 4,221,495 | 4,238,562 | 4,424,685 |
| More than one year and less than five years | 856,305 | 773,743 | 762,420 | 810,985 |
| | <u>5,616,810</u> | <u>4,995,238</u> | <u>5,000,982</u> | <u>5,235,670</u> |

20 Contingent liabilities

At the end of 2011, WADA has CHF4,216,116 (USD4,492,921) (2010 – CHF4,882,370 (USD5,226,812)) of contingent commitments. This amount is for all research grants that have been granted by WADA but are contingent upon one or more of the following approvals: ethical approval from the government of the country of the laboratory which is to conduct the research or signing of the research contract by the laboratory. Eighty percent of the amount would be due upon these approvals and would probably occur in 2012.



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