



LEADING A STRONGER, MORE UNITED FIGHT AGAINST DOPING



**WORLD  
ANTI-DOPING  
AGENCY**

2007 ANNUAL REPORT



THE WORLD ANTI-DOPING AGENCY WAS CREATED IN 1999 TO PROMOTE, COORDINATE AND MONITOR THE FIGHT AGAINST DOPING IN SPORT IN ALL ITS FORMS.

COMPOSED AND FUNDED EQUALLY BY THE SPORTS MOVEMENT AND GOVERNMENTS OF THE WORLD, WADA COORDINATED THE DEVELOPMENT AND IMPLEMENTATION OF THE WORLD ANTI-DOPING CODE (CODE), THE DOCUMENT HARMONIZING ANTI-DOPING POLICIES IN ALL SPORTS AND ALL COUNTRIES.

WADA WORKS TOWARDS A VISION OF THE WORLD THAT VALUES AND FOSTERS A DOPING-FREE CULTURE IN SPORT.

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## CHAIRMAN'S MESSAGE

THE HONORABLE JOHN FAHEY, A.C.

2007 was a productive and successful year for the World Anti-Doping Agency (WADA). Seen in the context of the evolution of strategies to combat doping in sport, it was a watershed year. On the morning of November 17, 2007, the WADA Foundation Board unanimously approved provisions to strengthen the World Anti-Doping Code (Code). Later that day, some 1,500 participants of the Third World Conference on Doping in Sport, hosted in Madrid (Spain), passed the "Madrid Resolution" in which they lauded WADA for its leadership in the global campaign against doping, endorsed the strengthening of the Code and reconfirmed their commitment to working together through WADA to combat doping.

For an Agency as young as ours, only eight years old, it is particularly rewarding to consider what the year's success signifies in terms of how far we've come and our current ability to lead the global fight against doping. To put it simply: WADA and the fight against doping are forging ahead on firm footing and solid foundations.

When Sport and Governments of the world came together in 1999 to confront the problem of doping, they recognized the need to ally their forces and

develop a uniform approach, coordinated on a global scale. This led to the creation of WADA as the independent international body to marshal the global campaign.

Since its creation, WADA has dedicated itself to establishing and monitoring procedures and protocols to serve stakeholders in their efforts against doping. First and foremost is the Code, unanimously accepted by all stakeholders in March of 2003. That was followed by the 2004 implementation of the Code and its related International Standards in time for the Olympic Games in Athens. By the end of 2007, not only had all stakeholders participated in a thorough consultation process to strengthen the Code based on their experience since 2004, but also they unanimously accepted and approved the Code's improvement, making way for its implementation in January 2009. At the same time, the consultation and revision process progressed with the International Standards, also targeting implementation on or before January 2009.

Governments, for their part, have made major advances by putting the tenets of the Code into the form of an international treaty under the



aegis of UNESCO. They unanimously accepted the UNESCO International Convention against Doping in Sport at the UNESCO General Session in October 2005, making it available for individual ratification by each of these countries. By the close of 2007, seventy-five individual nations had ratified the Convention.

With the framework in place, WADA also dedicated its formative years to providing the direction, insisting upon a combination of strategies, coordinated in a comprehensive approach to combat doping. These strategies include testing, scientific research, education and athlete outreach, development, coordination, monitoring Code compliance, and investigations. The advances made in 2007 in each of these key areas are detailed throughout this report.

What I would like to stress here is that each of these strategies—from testing to investigations—form the building blocks that have been created by and through WADA to guide and support the global fight against doping in sport.

The resulting benefits in place today are important. The Agency's foundations are firm. The commitment and participation of Sport and

Government stakeholders to the mission are solid. The Code has been put to the test and has proven itself to be both fair and effective. The network of anti-doping organizations is well-established. The Agency's management and staff are highly skilled and dedicated. Clean athletes, and all those who want clean sport, can be confident that we are moving in the right direction.

The success in laying the foundation and building the framework for an international collaborative can be attributed in large part to the unwavering dedication and stalwart leadership of WADA's first president Richard W. Pound who stepped down at the end of his third term on December 31, 2007. I want to take this opportunity, on behalf of all WADA stakeholders and staff, to express our warmest gratitude to Richard for providing what is surely to result in an enduring legacy in the name of clean sport.

WADA's work is never done, of course, and we remain highly ambitious to pursue our evolving strategy to still greater success ahead. But in 2007, we made major strides toward advancing the fight for clean sport. ■

“THE AGENCY'S FOUNDATIONS ARE FIRM. THE COMMITMENT AND PARTICIPATION OF SPORT AND GOVERNMENT STAKEHOLDERS TO THE MISSION ARE SOLID. THE CODE HAS BEEN PUT TO THE TEST AND HAS PROVEN ITSELF TO BE BOTH FAIR AND EFFECTIVE. THE NETWORK OF ANTI-DOPING ORGANIZATIONS IS WELL-ESTABLISHED. THE AGENCY'S MANAGEMENT AND STAFF ARE HIGHLY SKILLED AND DEDICATED.”



## DIRECTOR GENERAL'S MESSAGE

DAVID HOWMAN

The Third World Conference on Doping in Sport symbolized another major step forward in the global campaign against doping. The strengthening of the Code, and the extensive and collaborative process by which all stakeholders contributed to its improvement, demonstrate that Sport and Governments, and many others, are overwhelmingly committed to curtailing the threat doping poses to athlete safety, sport integrity and public health.

WADA covered much ground in 2007, and you will read about many of our programs and activities in the following pages. I would like to highlight just a few of the key accomplishments.

### World Conference and Stronger Code

In November, the WADA Foundation Board unanimously approved, and the World Conference on Doping in Sport endorsed, revisions to the Code in a move to advance anti-doping harmonization and programs worldwide. Two general themes emerge from these revisions—firmness and fairness—that are the result of contributions from stakeholders who based their recommendations on experience, common sense, and the goal of improving anti-doping programs.

### Investigations Strategy

In 2007 WADA made significant progress in advancing its investigations strategy. This strategy, launched in 2006, is based on the recognition that testing does not catch all cheaters and that evidence gathered by enforcement agencies and others, shared in a legally appropriate manner, with anti-doping and sport authorities helps to uncover anti-doping rule violations that might otherwise escape detection. In April, with the support of UK Sport, WADA hosted a second symposium convening representatives from these groups to discuss the drafting of protocols and best practices for the sharing of evidence and information among organizations. This will be completed in 2008 and will be a significant addition to our strategies to remove cheaters from competition.

### UNESCO Convention

The entering into formal effect on February 1 of the UNESCO International Convention against Doping in Sport marks another milestone in global efforts to stop the spread of doping. The Convention is the practical tool by which individual countries align their domestic policies with the Code. On February 5–7, in Paris (France), WADA participated in the first meeting of the Convention's Conference of Parties, chaired by Vyacheslav Fetisov, Russian Minister of Sport and WADA Athlete Committee Chairman, to provide guidance on UNESCO's monitoring of the Convention's implementation by governments, in addition to other initiatives. As for advances in 2007 in nations' individual ratifications of the Convention, by year-end 75 countries had achieved full ratification. The rapid rate of advancement of this treaty must be noted as it reflects the universal commitment of governments to combat doping: governments drafted and approved the Convention in two years (2003–2005), and within one year reached the necessary threshold of ratifications (30) for it to come into force. Already at 75 ratifications, the Convention rivals many of UNESCO's other international treaties which traditionally have taken at least a decade to advance this far.

### Global Development

WADA's development program works towards true global harmonization of the fight against doping by bringing together stakeholders in regions where doping control programs were non-existent due to lack of national resource (human and financial) in order to establish Regional Anti-Doping Organizations (RADOs). By the close of 2007, the development program, since its launch in 2004, has fostered the creation of 14 RADOs across 118 countries from Central America, the Caribbean, Gulf States, East Africa (ANOCA Zone V), Oceania, Southern Africa (ANOCA Zone VI), Central Asia, West Africa (Africa Zone II & III), South East Asia, Central Africa (ANOCA Zone IV), Eastern Europe, West Asia, South Asia and the Indian Ocean (Africa Zone VII). Let me take this opportunity to

acknowledge the invaluable support of many organizations to the development of the RADOs, including established national anti-doping organizations, governments, international federations, and Olympic organizations, as well as the Commonwealth Secretariat. We are similarly encouraged by discussions initiated in 2007 with CONFEJES for support for RADOs in French-speaking regions.

Within these pages, you will read more about these accomplishments as well as those in our

other priority areas: monitoring Code compliance, science and research, medicine, ADAMS, Independent Observers, education, communications, and out-of-competition testing.

I am proud of WADA's progress in 2007, in terms of both the Agency's achievements and the positive partnerships we have developed among stakeholders. It is through partnership that we have advanced the fight for clean sport, and I look to 2008 with much enthusiasm about what more we can accomplish together. ■

“ THE STRENGTHENING OF THE CODE, AND THE EXTENSIVE AND COLLABORATIVE PROCESS BY WHICH ALL STAKEHOLDERS CONTRIBUTED TO ITS IMPROVEMENT, DEMONSTRATE THAT SPORT AND GOVERNMENTS, AND MANY OTHERS, ARE OVERWHELMINGLY COMMITTED TO CURTAILING THE THREAT DOPING POSES TO ATHLETE SAFETY, SPORT INTEGRITY AND PUBLIC HEALTH.”



# THE WORLD ANTI-DOPING CODE

## A Stronger Code:

### The Third World Conference on Doping in Sport

On November 17, 2007, the Sports Movement and Governments of the world, adopted a resolution (Madrid Resolution) in which they renewed their joint commitment to a rigorous fight against doping in sport and approved the strengthening of the Code.

The World Conference endorsed the revised Code in a move to advance anti-doping harmonization and programs worldwide. Since its initial adoption in 2003 by Sport and Governments as the framework for the global harmonized fight against doping in sport, the Code has proven to be a fair and effective tool for combating doping. In a meeting held prior to the World Conference's adoption of the Madrid Resolution, WADA's Foundation Board unanimously approved the revisions to enhance the Code, which will come into force on January 1, 2009.

Two general themes emerge from the revisions approved by the Foundation Board: firmness and fairness. For example, now sanctions can be increased when involving aggravating circumstances, such as the athlete having used multiple substances. At the same time, a lower sanction is possible, for instance, when the athlete can prove that the substance involved was not intended to enhance performance.

The World Conference was organized by WADA with the support of the Spanish High Council for Sport from November 15–17, 2007, and involved the participation of more than 1,500 representatives of public authorities, the Sport Movement, the anti-doping community, athletes, observers, and the media to review the major advances that have been made in the fight against doping since WADA's inception in late 1999, and what strategies will be needed in the future.

Everyone with an interest in ethical sport and the health of athletes had the opportunity to contribute to the strengthening of the Code through a wholly transparent and consultative process. WADA launched the Code revisions process in April 2006. Consultations extended over 18 months and involved 3 rounds of review with 3 successive draft revisions of the Code distributed to all stakeholders for feedback. In addition, WADA sought input from various stakeholder groups, which included initiating 40 individual meetings and 70 presentations. The process for participating in the consultations was made public and transparent via WADA's Web site and communications to stakeholders. Each draft revision of the Code was published online along with the official submissions made by stakeholders in response to the drafts. The International Standards, which are an integral part of the World Anti-Doping Program organized under the Code, are also being revised through stakeholder consultation.



### Governments & the Code: UNESCO Convention

Another important step forward in 2007 in the fight against doping in sport was the coming into force, on February 1, of the UNESCO International Convention against Doping in Sport. Because many governments cannot be bound by a non-governmental document such as the Code, this international treaty, under the auspices of UNESCO, was developed to serve as the practical tool by which governments individually align their domestic laws and policies with the Code. This Convention is considered the most successful international treaty in UNESCO's history—the quickest to be drafted and the quickest to be accepted—signifying the universal recognition of governments' need to confront doping, particularly at the public health level.

Also in February 2007, the Convention's first Conference of Parties met in Paris (France) to discuss the management and monitoring of governments' ratification and implementation of the treaty. By year-end, 75 countries had fully completed their ratifications and many others were well on their way to ratification.

The UNESCO Convention follows on the initial Copenhagen Declaration, the political declaration a government makes to commit itself to the Code and WADA. Some 192 governments have signed this declaration, thereby agreeing to move forward with the UNESCO International Convention against Doping in Sport.

### Sports & the Code: Acceptance, Implementation & Compliance

In 2007 WADA continued to track and report on sports organizations' acceptance of the Code. By year-end, 587 organizations had accepted the Code. WADA also actively reviewed the rules and regulations of International Federations (IFs), National Anti-Doping Organizations (NADOs) and Major Games Organizations, and provided guidance and model rules of best practice to facilitate full implementation of the Code.

WADA monitored doping sanctions and exercised its right of appeal to the Court of Arbitration for Sport (CAS) when sanctions were not in line with the Code. In 2007, WADA reviewed 708 decisions, of which 93 were not in line with the Code.

Of the 93 non-compliant decisions, 42 could not be appealed, mainly due to state rules; 10 were appealed by anti-doping organizations other than WADA; 21 resulted in dispositions satisfactory to WADA (e.g. a resolution appropriately reached by the parties, or the IF amended the decision); and 20 were appealed by WADA. By year-end, of the 20 decisions appealed by WADA, 12 were still pending with CAS, 3 were pending with the national appeals body, 1 had been dismissed by CAS, 1 was upheld by the IF, and 3 were upheld by the national appeals body. ■





THE 2007 WORLD CONFERENCE, INCLUDING MORE THAN 1,500 STAKEHOLDERS REPRESENTING GOVERNMENTS, SPORTS, ANTI-DOPING ORGANIZATIONS, ATHLETES, THE SCIENTIFIC COMMUNITY AND ANTI-DOPING LABORATORIES, AND MANY OTHERS, NOTED THE "URGENT NEED FOR MORE EFFECTIVE HARMONIZATION IN ALL COUNTRIES AND FOR ALL SPORTS, INCLUDING PROFESSIONAL LEAGUES," AND URGED ALL STAKEHOLDERS TO INTENSIFY EFFORTS TO COMBAT DOPING.



INVESTIGATIONS



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WADA initiated a strategy in 2006 and further advanced it in 2007 to work with government, law enforcement and anti-doping agencies in the development of protocols and best practices for the sharing of evidence collected in major doping and trafficking investigations.

Recent major busts targeting source and supply demonstrate that doping often occurs on a broad scale and involves the participation of well-financed and well-organized members of the athlete entourage, those who profit from the athlete's success, derived from doping, while risking very little themselves.

Heightening the risk is the ease with which one has access to doping substances and information online as the Internet facilitates the clandestine buying and selling of dangerous doping substances. Suppliers use the Web to market doping substances produced in countries that lack anti-doping legislation or enforcement and ship to purchasers anywhere in the world. Rogue operations promote the human use of steroids produced for veterinary purposes. And purchasers are easily duped into buying counterfeit drugs, often produced with toxic

ingredients and containing doses so large they endanger the health of the user. The trafficking of doping substances is now understood to be linked, in many cases, with organized crime and its sophisticated distribution networks, who find it a particularly high-profit low-risk business.

Based on these factors, and considering that law enforcement and government agencies possess investigative powers to attack source and supply which in many cases uncover evidence of anti-doping rule violations, WADA is working with both stakeholder groups—governments on the one hand and sports on the other—to develop protocols for evidence and information sharing.

In April of 2007, in partnership with UK Sport, a second Investigations Symposium was hosted in London for this very purpose. The London meeting followed on the first Investigations Symposium held in Colorado Springs (U.S.) in October 2006 with the U.S. Anti-Doping Agency and Olympic Committee. The project developed in 2006 and 2007 will be finalized at a third symposium planned for 2008 so that it may be added to the strategies to combat doping in sport. ■

SCIENCE & RESEARCH

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### List of Prohibited Substances and Methods

Since 2004, WADA has been responsible for annually preparing and publishing the List of Prohibited Substances and Methods (List). This is done in consultation with a panel of experts in the field, as well as WADA's many stakeholders, and involves an extensive year-long process.

The development of the 2008 List occurred throughout 2007. A consultation draft was sent to more than 1,800 stakeholders, following which WADA received 23 comments. The List was approved by the WADA Executive Committee in September and published in October, three months prior to its becoming effective.

### Accredited Anti-Doping Laboratories

WADA is also responsible for accrediting and re-accrediting the world's network of anti-doping laboratories, a duty it inherited from the International Olympic Committee (IOC) in 2004. There are currently 33 laboratories worldwide that are accredited by WADA and monitored through proficiency testing.

In 2007, the accreditation of one laboratory (HFL in the United Kingdom) was revoked, primarily due to the fact that the laboratory chose not to pursue its anti-doping business and was not meeting the minimum standard for annual analysis necessary to maintain accreditation. Also in 2007, other laboratories entered or advanced in the probationary phase (Kazakhstan and India), prior to potential accreditation.

The International Standard for Laboratories was revised, and came into force on January 1, 2008, to enhance the rules governing laboratory practices.

The WADA Executive Committee approved the creation of an ad hoc group to review the process for accrediting laboratories and to reflect upon the multiplication of accreditation requests, in the context of the evolution and improvement of the fight against doping.

WADA also signed a Memorandum of Understanding with the International Laboratory Accreditation Cooperative to officially recognize the collaboration between the two organizations in the area of anti-doping laboratory accreditation.

### Scientific Research

WADA's scientific research program has contributed to the development and implementation of a number of detection methods for doping substances and methods.

In 2007, WADA received a record number of proposals: 80 requests received from all 5 continents (compared to 71 in 2006), of which 40 were selected for funding, totalling US\$6.6 million, or 26 percent of WADA's annual budget. Two-thirds of these projects are from research teams not directly related to doping. This brings WADA's total commitment to scientific research, in the period since 2001, to US\$31.4 million.

WADA also hosted expert meetings targeting specific topics, for example human growth hormone (meeting hosted in June in Chicago, U.S., and in November in Lausanne, Switzerland), and erythropoietin (meeting hosted in December in Montreal, Canada).

More than 100 publications acknowledged the support of WADA for its research activities in the field of anti-doping. In addition, WADA published several papers in scientific journals, including "WADA proficiency testing program as an integral part of the fight against doping in sport" in *Accreditation and Quality Assurance: Journal for Quality, Comparability and Reliability in Chemical Measurement*, 2007, and "Hormone abuse in sports: the anti-doping perspective" in *Asian Journal of Andrology*, 2007. ■

MEDICINE



In the medical domain, WADA focuses on all matters relating to athlete health—including generating a broader understanding of the dangers of doping and exploring new medical models for enhanced detection.

#### Therapeutic Use Exemptions

Under the Code, WADA has the responsibility for monitoring the administration of Therapeutic Use Exemptions (TUEs) by Code signatories. In 2007, WADA developed a formal review body for appeals by athletes and reviews initiated by WADA. Guidelines were completed in January for IFs and NADOs in their administration of TUEs. A document outlining medical information to support TUE Committee decisions was released in April. And, the revision of the International Standard for TUEs, involving consultation with WADA stakeholders and proposals from the WADA TUE Working Group was initiated, with a view to having the revised standard effective on or prior to January 1, 2009, the date the revised Code comes into force.

#### Education

WADA initiated a medical course for sport physicians, to ensure a common approach and culture in the field, and is preparing a future workshop on TUEs and medical practice for TUE Committee members.

#### Athlete's Passport

The fight against doping is an evolving endeavour that benefits from innovations in scientific thinking and methods to deter and detect the abuse of doping substances. The longitudinal monitoring of athlete biological parameters is one of the latest considerations.

Based on the monitoring of selected parameters which indirectly reveal the effects of doping, as opposed to the traditional direct detection of doping, biological tracing throughout an athlete's career should make any illegal preparation far harder to implement.

The concept of the Athlete's Passport has been discussed by WADA since 2002. It gained momentum as a result of questions raised during the 2006 Olympic Winter Games surrounding "no start" suspensions of athletes by their federations following health checks that reported high haemoglobin levels. Some concerns were expressed at the time regarding the results and their potential relation to doping. WADA convened a meeting of different sports (ski, biathlon, skating, cycling, track and field) to develop a consensus on the topic. They agreed the analysis of blood parameters should be part of the anti-doping process itself. Further meetings with a group of experts in the field of haematology led to the consensus that the longitudinal analysis of athlete blood parameters should be registered in a database, and should be used in target testing and sanctioning when abnormal values are observed.

WADA will continue to lead in the global development, harmonization and implementation of the Passport program and is actively participating in several projects with a long-term goal of its application on a universal scale. 

# ANTI-DOPING DEVELOPMENT

Launched in 2004 with four countries in the Oceania region, the anti-doping program development project has resulted in significant advances in the development of anti-doping programs globally through the establishment of Regional Anti-Doping Organizations (RADOs).

The RADO concept brings together countries with similar geographical interests and pools human and financial resources in order to develop anti-doping programs shared among the respective regions. This in turn lessens the individual responsibility of smaller countries and National Olympic Committees (NOCs).

In each of the regions the RADO fulfils different responsibilities for each of the countries involved—ranging from the coordination of sample collection, management of results, appeals, TUE approvals and dissemination of education and information materials, as well as assistance with establishing Code compliant anti-doping regulations.

Building on the momentum from previous years WADA worked with five regions in 2007 to discuss the establishment of RADOs to assist each of the regions in their development of anti-doping programs. In 2007, RADOs were developed in:

- Africa Zone VII (Indian Ocean), involving 5 countries,
- West Asia, involving 5 countries,
- Eastern Europe, involving 12 countries,
- South Asia, involving 5 countries, and
- Africa Zone IV, involving 8 countries.

Each of these regions successfully obtained buy-in and support from both their NOCs and governments for the establishment of their RADO.

2007 also resulted in the further development of existing RADOs in the Oceania, Caribbean, Gulf States, Africa Zone V, Africa Zone VI, Central Asia,

Southeast Asia, Central America, and Africa Zones II and III regions. The focus during this time was to ensure that each region continued to build mechanisms to support their objective of establishing Code compliant anti-doping programs.

While development varied in each region, emphasis was placed on doping control officer training, and the establishment of TUE, results management and appeals committees, as well as the establishment of Code compliant anti-doping rules. With Code compliance reporting to occur in November 2008, the RADO programs will be essential in assisting countries and NOCs to become fully compliant.

By the end of the year, 14 RADOs have been established across 118 countries—in Central America, the Caribbean, Gulf States, East Africa (ANOCA Zone V), Oceania, Southern Africa (ANOCA Zone VI), Central Asia, West Africa (Africa Zones II and III), Southeast Asia, Central Africa (ANOCA Zone IV), Eastern Europe, West Asia, South Asia and the Indian Ocean (Africa Zone VII).

The ultimate objective is the establishment of rigorous, Code compliant anti-doping programs around the world so that there is universal harmonization in anti-doping activities.

It must be highlighted that the successful development of the RADO initiative is in large part due to the commitment of established NADOs, Governments, IFs, and Olympic organizations; and in four regions (Africa Zone V, Africa Zone VI, Caribbean and Oceania), the Commonwealth Secretariat has supported these RADOs by way of employing experts and funding educational initiatives. In a similar fashion, discussions began in 2007 with CONFEJES (Conférence des Ministres de la Jeunesse et des Sports des Etats et Gouvernements ayant le français en partage) for support for RADOs in French-speaking regions. ■

## ANTI-DOPING COORDINATION

Under the Code, WADA has an obligation to provide a mechanism to assist stakeholders with their implementation of the Code. ADAMS was developed for this purpose.

ADAMS is a web-based platform for stakeholders to share important anti-doping information and activities in one secure system—from athletes providing whereabouts information, to anti-doping organizations ordering tests, to laboratories reporting results, to anti-doping organizations managing results. ADAMS was designed specifically for WADA stakeholders and is free to use from anywhere in the world via the Internet. It operates in seven languages and meets European Union data protection requirements.

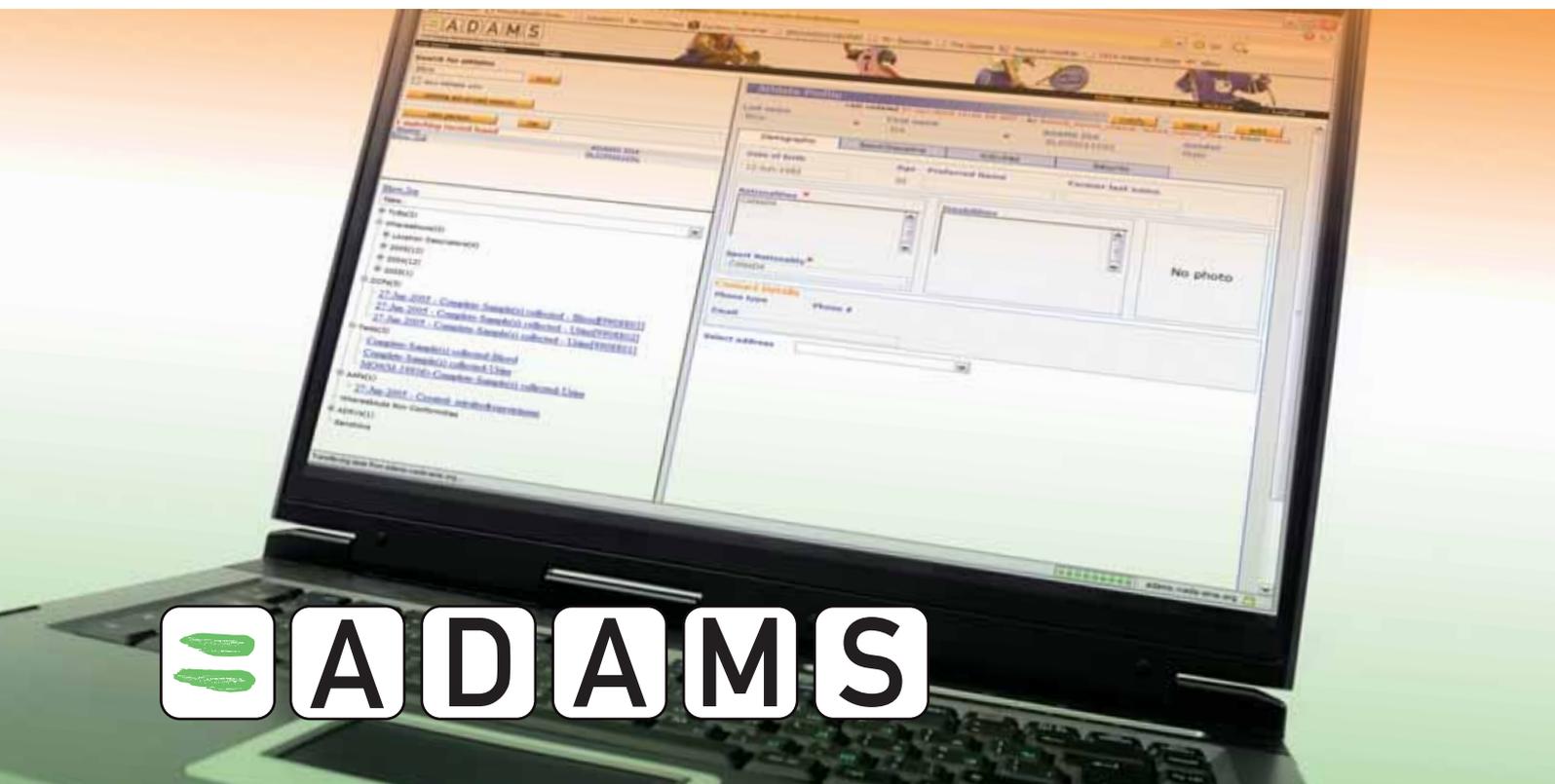
Since the launch of ADAMS in late 2005, an increasing number of stakeholders have adopted it for their doping control and results management programs. In addition, it has been successfully deployed for in-competition testing programs, for example at the 2006 Winter Paralympic Games, the 2006 Asian Games, and the 2007 Pan American Games in Rio de Janeiro (Brazil).

Based on the successful implementation of ADAMS in Rio, the Pan American Sports Organization (PASO) plans to use ADAMS for all future Latin American major competitions. In

addition to PASO, the International Paralympic Committee and Olympic Council of Asia, having successfully used ADAMS in major game events in 2006, intend to use it for all future competitions.

By the close of 2007, 17 IFs and 15 NADOs had adopted ADAMS. An additional 30 organizations (IFs and NADOs) fully committed themselves to using ADAMS in early 2008. The total number of anti-doping organizations using or committed to using ADAMS grew to 62 by year-end (compared to 25 in 2006). In addition, 9 WADA-accredited laboratories have adopted ADAMS and another 9 are fully committed. The remaining accredited laboratories are expected to implement ADAMS in early 2008.

The evolution of ADAMS continued in 2007 through four new upgrades or releases. In addition to overall enhancements, new modules dealing with the management of doping control officers, team sports, Major Games Organizations and laboratory proficiency testing were implemented. All modifications to ADAMS have been proposed by users of the system and prioritized by the ADAMS Working Group which consists of five IFs and five NADOs. Representatives from the laboratories, athletes and Major Games Organizations participate as required. ■



# EDUCATION



From an education perspective, WADA's mission is to develop, promote and instil the values inherent in the Spirit of Sport (as defined in the World Anti-Doping Code) through coordinated education activities worldwide, for the purpose of preventing doping in sport. While these activities naturally target the athlete and all of the athlete's entourage, attention has also been directed at children and adolescents. Activities are developed and implemented in partnership and/or in consultation with stakeholders, and are designed with a view to customization by their end-user to ensure cultural fit and usefulness.

During the implementation phase of the Code many anti-doping organizations were focused on achieving Code compliance. To assist these organizations WADA's education efforts initially included running lecture-style Symposia and producing information materials. WADA's Education Department has now turned its attention to running interactive seminars based on the train-the-trainer model, developing the use of tool kits for coaches, program officers and teachers, and building a strong social sciences research program.

#### Traveling Seminars

The interactive seminar, known as Traveling Seminars, was piloted in Nicaragua and Columbia in September 2006. Given the positive outcomes of the pilot project, the Traveling Seminars continued in 2007 in Africa (Seychelles, Mauritius, Madagascar, Niger, Morocco, Nigeria, Ghana and Mali), Caribbean (Barbados, Trinidad and Tobago, and Aruba) and Latin America (Bolivia, Panama and Venezuela).

#### Tool Kits

Also in 2007, WADA continued the development of its Tool Kits, created to assist three main target groups (teachers, program officers, and coaches) in their anti-doping education. The Coach's Tool Kit, which was launched in early 2007, is aimed at elite coaches. It contains material that will allow coaches to become familiar with anti-doping rules and also help them to reflect on the problem of doping in sport. In November the train-the-trainer concept was piloted in Lausanne (Switzerland) with various IFs. The session was well received and many participants have asked to have a downloadable version of the Tool Kit on the Web site.

#### Social Science Research

The Social Science Research Grant Program has grown significantly. Applications received in 2007 for the 2008 Program tripled since the launch of the program in 2005, with 36 project proposals received.

A team of academics from Leeds Metropolitan University in the United Kingdom will undertake a comprehensive review of the research literature with a wider span than that of a typical sport-based review. The leader of the team, Dr. Susan Backhouse, completed a WADA-funded project under the 2006 Program, whose final report can be found on our Web site. ■

# COMMUNICATIONS

## Athlete Relations

WADA's Athlete Committee, chaired by Russian Sport Minister and Ice Hockey Hall of Famer Vyacheslav Fetisov, is composed of elite international athletes who help WADA by providing constructive feedback on anti-doping topics, such as the handling of whereabouts information, and by speaking out on behalf of clean sport. Committee members have been key participants throughout the review and revision of the Code.

WADA's Athlete Outreach Program continues to be an important vehicle for WADA in reaching out to and interacting with the athletes of the world. With the goal of raising awareness about WADA and the anti-doping issue, Athlete Outreach is an important platform to provide information in a fun and engaging way at major events worldwide.

In 2007, the Outreach Program interacted with thousands of athletes and officials in four key regions of the world: Africa, South America, Europe and Asia. Each program recruited a team of international anti-doping experts to support its operation and used the WADA Doping Quiz, now translated into 16 languages, to provide anti-doping information directly to athletes and officials. Events included:

- FIS Nordic Junior World Ski Championships and U-23 Cross Country World Championships  
*Tarvisio, Italy (March)*
- All Africa Games  
*Algiers, Algeria (July)*
- Pan American Games  
*Rio de Janeiro, Brazil (July)*
- World University Games (Universiade)  
*Bangkok, Thailand (August)*

**Athlete Outreach Model:** The Athlete Outreach Model was launched in 2006 in an effort to provide stakeholders all the tools necessary to

deliver their own outreach activities. The program is turn-key and available at no cost. Stakeholders who sign up to the Model are provided templates for educational resources and banners, the Doping Quiz co-branded with their logo, and guidance on how best to start an outreach program.

The program grew significantly in 2007, with more than 25 organizations using some aspect of the program in their national or sport-specific activities. Recent examples include:

- The European Athletic Association adopted and launched the Athlete Outreach Model at the European Athletic Championships in July in Debrecen (Hungary).
- The International Association of Athletics Federation continued its partnership in delivering the Athlete Outreach Model at the Track and Field World Championships in Osaka (Japan) in August and September. They ran their program with the help of the Japan Anti-Doping Agency.
- The International Tennis Federation adopted the Athlete Outreach Model and used it for the first time at the U.S. Open held in August and September in New York City (U.S.).

**Doping Quiz Link Program:** WADA's Doping Quiz "Link Program," launched in June, provides an avenue for organizations around the world to link their Web sites to WADA's Doping Quiz, thus allowing more athletes and officials to receive this information. The Doping Quiz, now in 16 different languages, has become a cornerstone to WADA's Outreach activities and the Link Program is a direct result of stakeholder feedback and requests. Since its launch, more than 100 organizations from around the world have linked their organization's Web sites to WADA's Doping Quiz which has solidified the importance and impact of this multi-lingual educational tool.



### Media Relations

In 2007, the interest of media in anti-doping and WADA remained very high. This can be explained by the number of high-profile doping cases and investigations occurring throughout the year, but also by some high-profile issues addressed by WADA, such as investigations and the Code review. WADA responded to media requests from all regions of the world and proactively focused media outreach in areas where traditionally there had been limited understanding of anti-doping.

In January, WADA hosted a Media Symposium in Lausanne (Switzerland) to update journalists about the Agency's work and mission, as well as the advances and the challenges in the fight against doping in sport. WADA also conducted in July a Media Outreach Program at the All Africa Games in Algiers (Algeria) and at the PanAmerican Games in Rio de Janeiro (Brazil). An information booth was set up in the Media Center by WADA Media Relations staff who interacted with hundreds of journalists and provided important information about WADA, the Code and global efforts to combat doping. In addition, to facilitate media understanding of hot issues, WADA continued to develop a series of topic-specific Questions and Answers and posted them to the Web site.

### Corporate Communications

A task force of Communications specialists from several IFs and NADOs was established in 2007 to facilitate the development of suggested guidelines in the handling of potential doping cases. The task force met several times by conference call to advance the development of the best practices that will be finalized in early 2008 for the benefit of all anti-doping organizations in their management of communications and potential doping cases. In February, WADA initiated a monthly e-mail update, distributed to a growing network of Communications specialists from WADA stakeholders, in order to provide updates on

communications and outreach resources available from WADA and to keep them informed of significant developments in the fight against doping in sport.

WADA publishes its *Play True* magazine three times per year. The first issue in 2007 focused on new strategies such as investigations to help combat doping. The second issue highlighted the outcomes and advances that have been achieved in the detection of doping thanks to WADA's leadership in scientific research. The third issue, published in time for the World Conference in Madrid, presented a historical perspective of the fight against doping, profiling the evolution of the Code and the World Conferences.

Other publications include the *Athlete Guide* and the annual *List of Prohibited Substances and Methods*. WADA makes these available to stakeholders online. In addition, through the "Content Sharing Program," stakeholders can make use of anti-doping information content that is already developed by WADA in order to enhance their anti-doping activities and to help ensure the consistency of anti-doping messages disseminated by the anti-doping movement. Content available under this program may be reproduced as-is, translated into other languages (already available in English, French and Spanish), and co-branded with the WADA Partnership logo.

WADA's Web site, published in the Agency's two official languages English and French, has available for download much of its content translated into multiple other languages. However, recognizing the large number of Spanish-speaking populations and in view of the World Conference 2007 being hosted in Madrid, WADA aggregated its Spanish-language content and made it more accessible from the WADA home page via a special *Contenido en Español* button. More than forty documents and multimedia resources are available in Spanish. =

## INDEPENDENT OBSERVER PROGRAM

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WADA's Independent Observer (IO) program helps enhance athlete and public confidence at major events by randomly monitoring and auditing all phases of the doping control and results management processes.

Since its launch at the 2000 Olympic Games in Sydney, the IO program has monitored the anti-doping programs of more than 20 major events including Olympic and Paralympic Games, World Championships, Mediterranean Games and Commonwealth Games.

Two successful IO missions were held at major events in 2007:

- All Africa Games  
*Algiers, Algeria (July)*
- Pan American Games  
*Rio de Janeiro, Brazil (July)*

The IO missions conducted at these events were based on the more interactive program style, which was first trialed at the Asian Games in late 2006. The IO teams conducted their observations independently, yet they met regularly with the Games organizers during the events to provide advice which would then enable corrective actions to be put in place where necessary. Final summary reports were also provided. 



## OUT-OF-COMPETITION TESTING

In 2007 WADA continued to provide an independent out-of-competition testing program to complement existing international anti-doping activities. Test distribution planning was carried out by WADA, with the prime focus of the program continuing to be on those areas of the world with minimal or non-existent testing programs, although no athletes were excluded from test distribution planning. WADA's goal was to give all athletes an equal opportunity to be tested, regardless of geographical location. This was achieved through direct partnership agreements with 17 anti-doping organizations worldwide, as well as IDTM and ANADO-ADS. All samples collected were analyzed at independent WADA-accredited anti-doping laboratories.

The 2007 program met its target by conducting close to 3,000 tests, including blood collection for the analysis of human growth hormone, blood transfusion and haemoglobin-based oxygen

carriers. A significant number of the urine samples are regularly analyzed for erythropoietin in those sports at highest risk for its abuse. Final statistics show that the testing program completed 2,898 urine and 265 blood tests in 76 countries on athletes from 110 different nationalities.

Forty-six IFs committed to the WADA out-of-competition testing program in 2007. Testing was carried out in accordance with the rules of each relevant IF and the World Anti-Doping Program. All controls were distributed among International Olympic Summer Sports Federations, the IPC, all International Olympic Winter Sport Federations, and several Recognized Federations.

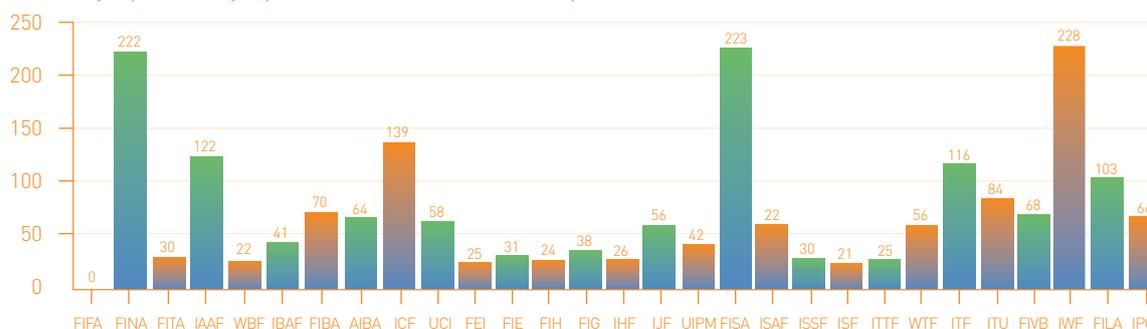
The 2007 WADA program has resulted in 38 Adverse Analytical Findings (AAFs) thus far. Nine of these so far have resulted in Anti-Doping Rule Violations (ADRVs), each carrying a 2-year sanction.

S1 (Anabolic agents)	10
S3 (Beta-2 agonists)	1
S4 (Anti-Estrogenics)	2
S5 (Diuretics and other masking agents)	5
Elevated T/Es	20
Refusal	7
<b>TOTAL</b>	<b>45</b>

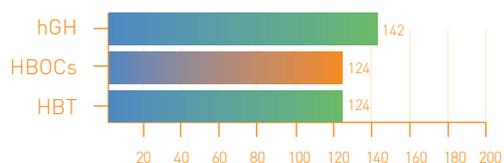
Urine tests	2898
Blood tests	265
Sport Federations	42
In countries	76
Athlete Nationalities	110

## 2007 - Total Out-of-Competition Testing (OOCT) Doping Controls

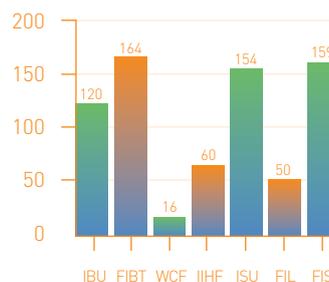
Olympic/Paralympic Summer IFs (urine samples)



Blood Analysis (Transfusion/hGH/HBOCs)



Olympic Winter IFs (urine samples)



Recognized Federations (urine only)



### SUMMER FEDERATIONS

AIBA International Boxing Association  
 FEI International Equestrian Federation  
 FIBA International Basketball Federation  
 FIE International Fencing Federation  
 FIFA International Federation of Football Associations  
 FIG International Gymnastics Federation  
 FIH International Hockey Federation  
 FILA International Federation of Associated Wrestling Styles  
 FINA International Swimming Federation  
 FISA International Rowing Federation

FITA International Archery Federation  
 FIVB International Volleyball Federation  
 IAAF International Association of Athletics Federations  
 IBAF International Baseball Federation  
 IBF International Badminton Federation  
 ICF International Canoe Federation  
 IHF International Handball Federation  
 IJF International Judo Federation  
 IPC International Paralympic Committee  
 ISAF International Sailing Federation

ISF International Softball Federation  
 ISSF International Shooting Sport Federation  
 ITF International Tennis Federation  
 ITTF International Table Tennis Federation  
 ITU International Triathlon Union  
 IWF International Weightlifting Federation  
 UCI International Cycling Union  
 UIPM International Modern Pentathlon Union  
 WTF World Taekwondo Federation

### WINTER FEDERATIONS

FIBT International Bobsleigh and Tobogganing Federation  
 FIL International Luge Federation  
 FIS International Ski Federation  
 IBU International Biathlon Union  
 IIHF International Ice Hockey Federation  
 ISU International Skating Union  
 WCF World Curling Federation

### RECOGNIZED FEDERATIONS

FIRS International Federation of Roller Sports  
 IDSF International Dance Sport Federation  
 IFNA International Federation of Netball Associations  
 IKF International Korfball Federation  
 ILS International Life Saving Federation  
 IOF International Orienteering Federation  
 IRB International Rugby Board  
 WKF World Karate Federation

## 2007 MANAGEMENT REPORT

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2007 was a record collection year for WADA, with 96 percent of its budgeted Public Authority contributions received by 31 December 2007.

Unfortunately, 2007 was a year when the decline of the U.S. dollar was very steep, and when the Canadian dollar reached unseen levels. This obviously had an impact on WADA, which collects its dues in U.S. dollars but spends a healthy portion in Canadian dollars, particularly with respect to the running costs of the Montreal office. This impact was partly offset by high interest bearing USD Treasury Deposits and careful money management.

The 2007 accounts show an excess of income over expenses of US\$1.9 million. It is important to note that this excess exceeds the budgeted amount due mainly to record collections of contributions, prudent investments, and the accounting method of the research grants. Research grants are budgeted in a given year but expensed over a 2- to 4-year period. In 2007, US\$5.6 million was expensed for research, out of which only 1.3 million is linked to 2007 research projects.

WADA committed US\$6.5 million towards research in 2007; therefore, if we were to expense the entire research budget in the given year, the excess over income would be in line with the budget. This clearly demonstrates that in 2007 WADA met its target and delivered its projects within its budget despite difficult conditions on the currency exchange market.

As anticipated, expenses of litigation exceeded the budget. This is due to an increase in the number of cases WADA has appealed before the Court of Arbitration for Sport, and to WADA's assistance to cycling and the U.S. Anti-Doping Agency in the Landis case. The WADA Foundation Board has agreed to a cash reserve of US\$1.5 million dedicated to litigation. This will allow WADA to engage in any case where it is required.

Further capital investments have been made in ADAMS (Anti-Doping Administration and Management System), our database for the coordination of doping control worldwide. These investments represent modifications to the system in order to meet the requirements and needs of our various stakeholders. We are now proud to have a very efficient system in place that has been adopted by more than 40 organizations.

2007 marked the adoption of the revised World Anti-Doping Code at the Third World Conference on Doping in Sports. The entire Code revision exercise was very successful and was achieved with costs running only slightly over budget.

The Third World Conference held in Madrid in November 2007 was a highly successful event, with costs coming in under budget due mainly to the very generous contribution of our Spanish hosts.

2007 Budget:  
23,026,834



-  IOC Contribution: 11,513,417 (USD)
-  Public Sector Contribution: 11,513,417 (USD)

IOC Contribution  
Remitted as of 31/12/2007\*

\* The IOC matches public contributions dollar for dollar. The outstanding balance for 2007 was remitted in 2008.



-  Remitted: 10,780,409 (USD)
-  Balance Owed: 733,008 (USD)

Public Sector Contribution  
Remitted as of 31/12/2007



-  Remitted: 11,036,183 (USD)
-  Balance Owed: 477,234 (USD)

## Public Sector Contributions by Region

Invoiced and Remitted as of 31 December 2007 for Budget Year 2007

Region	Invoiced and Remitted	%
Africa	 57,567  56,835	98.7
Americas	 3,338,891  3,033,039	90.8
Asia	 2,355,645  2,204,642	93.6
Europe	 5,468,873  5,449,227	99.6
Oceania	 292,441  292,441	100

 Invoiced (USD)       Remitted (USD)

# FINANCIAL STATEMENTS



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

**Pricewaterhouse Coopers SA**

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Case postale 1172  
1001 Lausanne  
Tel: +41 (58) 792 81 00  
Fax: +41 (58) 792 81 10  
www.pwc.ch

As auditors of the Foundation as per article 14 of the statutes, we have audited the consolidated financial statements (balance sheet, statement of activities, statement of cash flows, statement of changes in equity and notes) of the World Anti-doping Agency for the year ended 31 December 2007.

These financial statements are the responsibility of the board of the Foundation Board. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with Swiss Auditing Standards and with the International Standards on Auditing, which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements 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.

PricewaterhouseCoopers SA

Felix Roth  
Auditor in charge

Etienne Hamoir

Lausanne, 15 May 2008

*Enclosure:*

Financial statements (balance sheet, statement of activities, statement of cash flows, statement of changes in equity and notes).

## Balance sheet at 31 December 2007

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

	Notes	2007 USD	2006 USD	2007 CHF	2006 CHF
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	14,258,325	22,224,235	16,159,836	27,086,920
Held-to-maturity investments	5 a	5,150,000	3,774,393	5,836,812	4,600,234
Receivables	6	820,457	691,409	929,874	842,690
Other current assets	7	2,614,438	2,678,746	2,963,103	3,264,858
		<u>22,843,220</u>	<u>29,368,783</u>	<u>25,889,625</u>	<u>35,794,702</u>
<b>Non-current assets</b>					
Available-for-sale investments	5 b	9,136,399	-	10,354,843	-
Fixed assets	8	141,741	81,328	160,644	99,123
Intangible assets	9	1,744,719	1,494,482	1,977,397	1,821,476
		<u>11,022,859</u>	<u>1,575,810</u>	<u>12,492,884</u>	<u>1,920,599</u>
<b>Total Assets</b>		<b><u>33,866,079</u></b>	<b><u>30,944,593</u></b>	<b><u>38,382,509</u></b>	<b><u>37,715,301</u></b>
<b>Liabilities and Equity</b>					
<b>Current liabilities</b>					
Accounts payable		260,650	340,125	295,411	414,545
Accrued expenses	10	2,182,976	1,518,537	2,474,101	1,850,794
Advance contributions		1,657,803	1,422,759	1,878,890	1,734,060
<b>Total Liabilities</b>		<u>4,101,429</u>	<u>3,281,421</u>	<u>4,648,402</u>	<u>3,999,399</u>
<b>Equity</b>					
Foundation capital	11	4,411,656	4,102,391	5,000,000	5,000,000
Exchange adjustment on USD foundation capital		(405,156)	(95,891)	-	-
Cumulative currency translation reserve		-	-	(3,916,795)	(1,437,770)
Litigation reserve	12	1,500,000	-	1,700,042	-
Cumulative fair value gain on available-for-sale investments		202,433	-	229,429	-
<b>Excess of income over expenses brought forward</b>					
Opening excess of income over expenses brought forward		23,656,672	19,372,780	30,153,672	24,751,213
Transfer to litigation reserve		(1,500,000)	-	(1,700,042)	-
Excess of income over expenses for the year		1,899,045	4,283,892	2,267,801	5,402,459
<b>Total Equity</b>		<u>29,764,650</u>	<u>27,663,172</u>	<u>33,734,107</u>	<u>33,715,902</u>
<b>Total Liabilities and Equity</b>		<b><u>33,866,079</u></b>	<b><u>30,944,593</u></b>	<b><u>38,382,509</u></b>	<b><u>37,715,301</u></b>

## Statement of Activities for the year ended 31 December 2007

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

	Notes	2007 USD	2006 USD	2007 CHF	2006 CHF
<b>Income</b>					
Annual contributions	13	22,696,853	22,713,833	27,104,095	28,644,638
Grants	14	1,451,390	1,377,124	1,733,219	1,736,705
Other	15	260,055	164,401	310,552	207,328
<b>Total income</b>		<b>24,408,298</b>	<b>24,255,358</b>	<b>29,147,866</b>	<b>30,588,671</b>
<b>Operating expenses</b>					
Salaries and other personnel costs	16	6,999,274	6,133,479	8,358,383	7,734,991
Travel and accommodation		3,258,148	3,107,059	3,890,810	3,918,343
Information and communications		103,706	72,173	123,843	91,018
Contributions to other institutions		-	2,347	-	2,960
Testing fees		1,677,543	2,175,576	2,003,286	2,743,640
Accreditation fees		229,726	220,623	274,334	278,230
Research grants	17	5,692,853	4,016,847	6,798,283	5,065,685
Education expenses		11,332	(12,234)	13,532	(15,428)
Project consulting fees		1,452,494	949,394	1,734,537	1,197,290
Administration		2,728,408	2,777,397	3,258,206	3,502,603
IT costs		1,513,660	1,359,663	1,807,580	1,714,684
Depreciation		643,917	432,184	768,952	545,031
		<b>24,311,061</b>	<b>21,234,508</b>	<b>29,031,746</b>	<b>26,779,047</b>
<b>Excess of operating income before financial income (expenses)</b>		<b>97,237</b>	<b>3,020,850</b>	<b>116,120</b>	<b>3,809,624</b>
<b>Financial income (expenses)</b>					
Interest		1,311,514	1,056,722	1,566,182	1,332,643
Bank fees		(77,024)	(16,315)	(91,980)	(20,575)
Net gains on exchange rates		567,318	222,635	677,479	280,767
		<b>1,801,808</b>	<b>1,263,042</b>	<b>2,151,681</b>	<b>1,592,835</b>
<b>Excess of income over expenses for the year</b>		<b>1,899,045</b>	<b>4,283,892</b>	<b>2,267,801</b>	<b>5,402,459</b>

## Statement of Cash Flows for the year ended 31 December 2007

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

	2007 USD	2006 USD	2007 CHF	2006 CHF
<b>Operating activities</b>				
Excess of income over expenses for the year	1,899,045	4,283,892	2,267,801	5,402,459
Clearing of provision for bad debt	-	(685,142)	-	(898,639)
Depreciation	643,917	432,184	768,952	545,031
Interest	(1,311,514)	(1,056,722)	(1,566,182)	(1,332,643)
Foreign exchange differences	(325)	23,043	(388)	29,060
Changes in:				
Receivables	(129,048)	632,532	(154,106)	797,692
Other current assets	290,756	(395,886)	347,221	(499,256)
Accounts payable	48,098	(543,675)	57,439	(685,634)
Accrued expenses	664,439	474,849	793,458	598,837
Advance contributions	235,044	(1,215,787)	280,683	(1,533,243)
<b>Net source of cash in operating activities</b>	<b>2,340,412</b>	<b>1,949,288</b>	<b>2,794,878</b>	<b>2,423,664</b>
<b>Investing activities</b>				
Purchase of fixed assets	(120,293)	(43,482)	(143,654)	(54,836)
Purchase of intangible assets	(961,847)	(582,086)	(1,148,617)	(734,074)
Interest received	1,085,066	1,041,317	1,295,763	1,313,215
Purchase of investments	(17,083,966)	(21,781,393)	(20,401,306)	(27,468,729)
Proceeds from sale of investments	6,774,718	20,379,128	8,090,223	25,700,319
<b>Net cash used in investing activities</b>	<b>(10,306,322)</b>	<b>(986,516)</b>	<b>(12,307,591)</b>	<b>(1,244,105)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(7,965,910)</b>	<b>962,772</b>	<b>(9,512,713)</b>	<b>1,179,559</b>
<b>Currency translation impact</b>	<b>-</b>	<b>(27,789)</b>	<b>(1,414,371)</b>	<b>(2,072,911)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>22,224,235</b>	<b>21,289,252</b>	<b>27,086,920</b>	<b>27,980,272</b>
<b>Cash and cash equivalents at end of year</b>	<b>14,258,325</b>	<b>22,224,235</b>	<b>16,159,836</b>	<b>27,086,920</b>

## Statement of Changes in Equity for the year ended 31 December 2007

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

	Foundation capital USD	Excess of income over expenses brought forward USD	Exchange adjustment on USD foundation capital USD	Litigation reserve USD	Cumulative fair value gain on available-for-sale investments USD	Total USD
<b>Balance as at 1 January 2006</b>	3,804,336	19,372,780	202,164	-	-	23,379,280
Excess of income over expenses for the year	-	4,283,892	-	-	-	4,283,892
Exchange movement	298,055	-	(298,055)	-	-	-
Total income (expenses) for the year	298,055	4,283,892	(298,055)	-	-	4,283,892
<b>Balance as at 31 December 2006 and 1 January 2007</b>	<b>4,102,391</b>	<b>23,656,672</b>	<b>(95,891)</b>	<b>-</b>	<b>-</b>	<b>27,663,172</b>
Excess of income over expenses for the year	-	1,899,045	-	-	-	1,899,045
Transfer to litigation reserve	-	(1,500,000)	-	1,500,000	-	-
Fair value gain on available-for-sale investments	-	-	-	-	202,433	202,433
Exchange movement	309,265	-	(309,265)	-	-	-
Total income (expenses) for the year	309,265	399,045	(309,265)	1,500,000	202,433	2,101,478
<b>Balance as at 31 December 2007</b>	<b>4,411,656</b>	<b>24,055,717</b>	<b>(405,156)</b>	<b>1,500,000</b>	<b>202,433</b>	<b>29,764,650</b>

	Foundation capital CHF	Excess of income over expenses brought forward CHF	Currency translation reserve CHF	Litigation reserve CHF	Cumulative fair value gain on available-for-sale investments CHF	Total CHF
<b>Balance as at 1 January 2006</b>	5,000,000	24,751,213	975,967	-	-	30,727,180
Excess of income over expenses for the year	-	5,402,459	-	-	-	5,402,459
Exchange movement	-	-	(2,413,737)	-	-	(2,413,737)
Total income (expenses) for the year	-	5,402,459	(2,413,737)	-	-	2,988,722
<b>Balance as at 31 December 2006 and 1 January 2007</b>	<b>5,000,000</b>	<b>30,153,672</b>	<b>(1,437,770)</b>	<b>-</b>	<b>-</b>	<b>33,715,902</b>
Excess of income over expenses for the year	-	2,267,801	-	-	-	2,267,801
Transfer to litigation reserve	-	(1,700,042)	-	1,700,042	-	-
Fair value gain on available-for sale investments	-	-	-	-	229,429	229,429
Exchange movement	-	-	(2,479,025)	-	-	(2,479,025)
Total income (expenses) for the year	-	567,759	(2,479,025)	1,700,042	229,429	18,205
<b>Balance as at 31 December 2007</b>	<b>5,000,000</b>	<b>30,721,431</b>	<b>(3,916,795)</b>	<b>1,700,042</b>	<b>229,429</b>	<b>33,734,107</b>

## Notes to Financial Statements

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### 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, 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 sport 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 sport, including the International Olympic Committee (IOC), the International Sports Federations (IFs), the National Olympic Committees (NOCs) 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 11 May 2008 and cannot be amended after issuance. The financial statements of WADA for the year ended 31 December 2007 have been prepared in accordance with the International Financial Reporting Standards (IFRS). WADA's accounts are produced according to Swiss legal requirements.

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

IFRS changes which became effective in 2007 and which had an impact on WADA relate to IFRS 7, "Financial Instruments: Disclosures", and the complementary amendment to IAS 1, "Presentation of Financial Statements – Capital Disclosures", which introduce new disclosures relating to financial instruments and management of capital. They did not have any impact on the classification and valuation of the Agency's financial instruments or the disclosures relating to payables.

The functional currency is the U.S. Dollar as the majority of the activities (both funding and expenses) is U.S. Dollar based. The presentation currency is the Swiss Franc to fulfil Swiss legal requirements. Assets and liabilities are converted from U.S. 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 current rates in U.S. Dollars. The resulting exchange differences are recorded in the line Exchange adjustment on USD foundation capital in equity. The statement of activities is translated at the average rate for the year. Any resulting exchange difference is recorded in the Currency translation reserve. The cash flow is converted at the average rate for the year. Any resulting exchange difference is shown separately on the statement of cash flows.

U.S. Dollar figures are included as complementary information.

#### B. Foreign currencies

Foreign currency income and expenditure 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 a maturity of up to three months.

## Notes to Financial Statements

31 December 2007

### D. Financial instruments

The Agency classifies its financial assets in the following categories: Held-to-maturity investments, loans and receivables, available-for-sale assets and financial instruments at fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

#### (a) *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 if they have maturities of less than 12 months from the balance sheet date and otherwise as non-current assets.

#### (b) *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 maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as "Receivables" in the balance sheet.

#### (c) *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 in the balance sheet.

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 and losses from investment securities".

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.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted investments), WADA establishes fair value by using valuation techniques. These include the use of recent arm's-length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

WADA assesses at each balance sheet date whether there is objective evidence that a financial asset or a 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. 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 are originally recognized at fair value and subsequently measured at amortized cost less provision for bad debts or impairment losses, as appropriate. 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.

#### (d) *Financial instruments at fair value through profit or loss*

The Agency uses collars to manage foreign currency exchange rate fluctuations. It does not use financial derivatives for trading or speculative purposes. These instruments are classified as "financial instruments at fair value through profit or loss". The Agency applies the fair value method of accounting by recording an asset or liability on the balance sheet and recognizes changes in the fair value of the instrument in the statement of activities for the current period. The fair values of these instruments are based on quoted market prices.

## Notes to Financial Statements

31 December 2007

### E. Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Leasehold improvements are depreciated at 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 hardware .....	2.5 years
Office equipment .....	4 years
Leasehold improvements .....	5 years

### F. Intangible assets

Intangible assets are stated at cost less accumulated amortization. Amortization is calculated on a straight-line basis over the estimated useful life of the assets as follows:

ADAMS (Anti-Doping Administration & Management System) software.....	4 years
--	---------

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

### G. Leases

Lease of computer hardware 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 or 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, in which case, 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 sport and the Olympic Movement are recognized as income in the period for which they are due.

Payments received in advance relating to the next year's budget are deferred to the following year.

Annual contributions for the current year which have not been paid by year-end are only recognized when they are received.

#### 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 2007

### J. Research grants

Research grants are provided to 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

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory to WADA's accounting periods beginning on or after 1 January 2008 or later periods. WADA currently believes that none of them will have an impact on its financial statements except for IAS 1 (amendment), "Presentation of Financial Instruments", (effective from 1 January 2009). This amendment primarily affects the presentation of owner changes in equity and of statement of recognized profit or loss. It does not change the recognition, measurement or disclosures of specific transactions and other events required by other IFRS.

### L. Comparative information

Certain comparative figures have been reclassified to conform to the current year's presentation.

## 3. Financial risk management

### 1. Financial risk factors

Due to their international nature, WADA's activities expose it to the following financial risks: changes in foreign currency exchange rates and interest rates.

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

#### *(a) Foreign exchange risk*

WADA is exposed to foreign exchange risks mainly because most of its revenues are generated in U.S. Dollars, whereas its operating expenses are essentially U.S. Dollar and Canadian Dollar based. As at 31 December 2007, WADA used price collar and bank deposits in U.S. Dollar, Swiss Franc and Euro to partly cover its currency exposure.

As at 31 December 2007, if the Canadian Dollar had weakened by 5% against the U.S. Dollar with all other variables held constant, excess of income over expenses for the year would have been CHF77,600 (USD68,500) (2006 – CHF296,000 (USD261,150)) lower, mainly as a result of foreign exchange loss on translation of Canadian Dollar denominated cash and cash equivalents. Excess of income over expenses is more sensitive to movement in U.S. Dollar exchange rates in 2006 than 2007 because of the higher amount of Canadian Dollar denominated cash and cash equivalents.

As at 31 December 2007, if the Swiss Franc had weakened by 2% against the U.S. Dollar with all other variables held constant, excess of income over expenses for the year would have been CHF22,191 (USD19,580) (2006 – CHF23,857 (USD21,050)) lower, mainly as a result of foreign exchange loss on translation of Swiss Franc denominated cash and cash equivalents.

#### *(b) Interest rate risk*

WADA is exposed to interest rate risks through the impact of rate changes on interest-bearing assets. As at 31 December 2007, WADA's only interest-bearing assets were cash and cash equivalents, held-to-maturity investments and available-for-sale investments.

As at 31 December 2007, if interest rates had been 0.25% lower with all other variables held constant, equity would have been CHF42,700 (USD37,700) (2006 – nil) higher as a result of an increase in the fair value of bonds classified as available for sale.

## Notes to Financial Statements

31 December 2007

### (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.

### (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 major amounts are due from the Quebec government for value-added taxes (QST) and withholding taxes. Cash and cash equivalents, held-to-maturity investments and available-for-sale investments are placed with major banks.

The table below shows the balance of the three major banks at the balance sheet date.

Banks	Rating	2007 Balance		Rating	2006 Balance	
		USD	CHF		USD	CHF
UBS	Aa1	15,785,788	17,890,981	Aaa	21,700,715	26,448,831
LODH	AA-	10,425,573	11,815,927	AA-	-	-
Scotia	Aa1	2,271,742	2,582,635	Aa1	4,250,992	5,181,109
		<u>28,483,103</u>	<u>32,289,543</u>		<u>25,951,707</u>	<u>31,629,940</u>

## 2. Fair value estimation

As at 31 December 2007, the fair value of cash and cash equivalents, held-to-maturity investments, receivables, other current assets, accounts payable, accrued expenses and advance contributions were not significantly different from their book value due to their maturity being close to the balance sheet date. As at 31 December 2007, no financial assets were impaired or past due.

## 4. Cash and cash equivalents

	2007 USD	2006 USD	2007 CHF	2006 CHF
Cash and cash equivalents	3,889,859	4,302,289	4,408,616	5,243,635
Term deposits of up to three months				
in U.S. Dollars	8,650,000	14,400,000	9,803,577	17,550,734
in Canadian Dollars	781,788	3,258,024	886,048	3,970,883
in Swiss Francs	352,933	-	400,000	-
in Euros	583,745	263,922	661,595	321,668
	<u>14,258,325</u>	<u>22,224,235</u>	<u>16,159,836</u>	<u>27,086,920</u>

Term deposits are in major Swiss and Canadian banks, subject to current interest rates on term deposits of up to three months and on current accounts.

## Notes to Financial Statements

31 December 2007

### 5. Investments

#### 5a Held-to-maturity investments

	2007 USD	2006 USD	2007 CHF	2006 CHF
Bank deposits of more than three months				
in U.S. Dollars	5,150,000	2,000,000	5,836,812	2,437,602
in Canadian Dollars	-	1,114,587	-	1,358,460
in Euros	-	659,806	-	804,172
	<u>5,150,000</u>	<u>3,774,393</u>	<u>5,836,812</u>	<u>4,600,234</u>

Bank deposits are in major Swiss and Canadian banks, subject to current interest rates on term deposits from three to twelve months.

#### 5b Available-for-sale investments

	2007 USD	2006 USD	2007 CHF	2006 CHF
Bonds in U.S. Dollars	7,682,019	-	8,706,505	-
Structured products in U.S. Dollars	1,454,380	-	1,648,338	-
	<u>9,136,399</u>	<u>-</u>	<u>10,354,843</u>	<u>-</u>

#### 5c Financial instruments by category

##### Year ended 31 December 2007

Assets per balance sheet	Loans and receivables		Held to maturity		Available for sale		Total	
	USD	CHF	USD	CHF	USD	CHF	USD	CHF
<b>Current assets</b>								
Cash and cash equivalents	14,258,325	16,159,836	-	-	-	-	14,258,325	16,159,836
Held-to-maturity investments	-	-	5,150,000	5,836,812	-	-	5,150,000	5,836,812
Receivables	820,457	929,874	-	-	-	-	820,457	929,874
<b>Non-current assets</b>								
Available-for-sale investments	-	-	-	-	9,136,399	10,354,843	9,136,399	10,354,843
<b>Total</b>	<u>15,078,782</u>	<u>17,089,710</u>	<u>5,150,000</u>	<u>5,836,812</u>	<u>9,136,399</u>	<u>10,354,843</u>	<u>29,365,181</u>	<u>33,281,365</u>

##### Year ended 31 December 2006

Assets per balance sheet	Loans and receivables		Held to maturity		Available for sale		Total	
	USD	CHF	USD	CHF	USD	CHF	USD	CHF
<b>Current assets</b>								
Cash and cash equivalents	22,224,235	27,086,920	-	-	-	-	22,224,235	27,086,920
Held-to-maturity investments	-	-	3,774,393	4,600,234	-	-	3,774,393	4,600,234
Receivables	691,409	842,690	-	-	-	-	691,409	842,690
<b>Total</b>	<u>22,915,644</u>	<u>27,929,610</u>	<u>3,774,393</u>	<u>4,600,234</u>	<u>-</u>	<u>-</u>	<u>26,690,037</u>	<u>32,529,844</u>

## Notes to Financial Statements

31 December 2007

### 6. Receivables

	2007 USD	2006 USD	2007 CHF	2006 CHF
QST receivable	340,063	173,958	385,414	212,020
Recoverable withholding taxes	189,514	339,588	214,788	413,890
Other receivables	68,449	66,834	77,577	81,458
Rental deposits and guarantees	204,301	111,029	231,547	135,322
Interest receivable on long-term investments	18,130	-	20,548	-
	<u>820,457</u>	<u>691,409</u>	<u>929,874</u>	<u>842,690</u>

Rental deposits and guarantees include a cash balance of CHF226,672 (USD200,000) (2006 – CHF104,497 (USD85,738)) that is restricted in use as it is set as guarantee for corporate credit card expenses. Rental deposits for the Uruguay regional office and Director's apartment amount to CHF4,875 (USD4,301) (2006 – CHF3,630 (USD2,979)); and rental deposit for the Lausanne office of CHF27,195 (USD22,312).

### 7. Other current assets

	2007 USD	2006 USD	2007 CHF	2006 CHF
Prepaid expenses	617,924	532,093	700,331	648,516
Prepaid expenses – Olympic games	88,662	-	100,486	-
Accrued interest	308,453	82,005	349,589	99,948
Prepaid scientific research grants 2001	-	119,564	-	145,725
Prepaid scientific research grants 2002	18,667	-	21,156	-
Prepaid scientific research grants 2003	-	8,447	-	10,295
Prepaid scientific research grants 2004	157,429	371,796	178,424	453,145
Prepaid scientific research grants 2005	171,027	582,828	193,835	710,351
Prepaid scientific research grants 2006	407,689	967,733	462,059	1,179,474
Prepaid scientific research grants 2007	805,429	-	912,843	-
Prepaid monitoring program	38,360	-	43,476	-
Prepaid social science research grants 2006	-	14,280	-	17,404
Prepaid social science research grants 2007	798	-	904	-
	<u>2,614,438</u>	<u>2,678,746</u>	<u>2,963,103</u>	<u>3,264,858</u>

## Notes to Financial Statements

31 December 2007

### 8. Fixed assets – Computer and office equipment and leasehold improvements

	Computer equipment		Office equipment		Leasehold improvements		Total	
	USD	CHF	USD	CHF	USD	CHF	USD	CHF
<b>Year ended 31 December 2006</b>								
Opening net book amount	53,782	70,687	44,474	58,450	-	-	98,256	129,137
Additions	8,501	10,361	28,379	34,588	13,093	15,958	49,973	60,907
Amortization charge	(42,739)	(53,899)	(23,944)	(30,195)	(218)	(275)	(66,901)	(84,369)
Exchange effect	-	(3,329)	-	(3,232)	-	9	-	(6,552)
<b>Closing net book amount</b>	<b>19,544</b>	<b>23,820</b>	<b>48,909</b>	<b>59,611</b>	<b>12,875</b>	<b>15,692</b>	<b>81,328</b>	<b>99,123</b>
<b>As at 31 December 2006</b>								
Cost	439,015	587,302	1,081,759	1,484,901	13,093	15,958	1,533,867	2,088,161
Accumulated amortization	(419,471)	(557,501)	(1,032,850)	(1,346,894)	(218)	(275)	(1,452,539)	(1,904,670)
Exchange effect	-	(5,981)	-	(78,396)	-	9	-	(84,368)
<b>Net book amount</b>	<b>19,544</b>	<b>23,820</b>	<b>48,909</b>	<b>59,611</b>	<b>12,875</b>	<b>15,692</b>	<b>81,328</b>	<b>99,123</b>
<b>Year ended 31 December 2007</b>								
Opening net book amount	19,544	23,820	48,909	59,611	12,875	15,692	81,328	99,123
Additions	-	-	40,506	45,908	73,296	83,071	113,802	128,979
Amortization charge	(15,185)	(18,134)	(23,410)	(27,955)	(14,794)	(17,667)	(53,389)	(63,756)
Exchange effect	-	(746)	-	(2,756)	-	(200)	-	(3,702)
<b>Closing net book amount</b>	<b>4,359</b>	<b>4,940</b>	<b>66,005</b>	<b>74,808</b>	<b>71,377</b>	<b>80,896</b>	<b>141,741</b>	<b>160,644</b>
<b>As at 31 December 2007</b>								
Cost	439,015	587,302	1,122,265	1,530,809	86,389	99,029	1,647,669	2,217,140
Accumulated depreciation	(434,656)	(575,635)	(1,056,260)	(1,374,849)	(15,012)	(17,942)	(1,505,928)	(1,968,426)
Exchange effect	-	(6,727)	-	(81,152)	-	(191)	-	(88,070)
<b>Net book amount</b>	<b>4,359</b>	<b>4,940</b>	<b>66,005</b>	<b>74,808</b>	<b>71,377</b>	<b>80,896</b>	<b>141,741</b>	<b>160,644</b>

## Notes to Financial Statements

31 December 2007

### 9. Intangible assets

	USD	Software CHF
<b>Year ended 31 December 2006</b>		
Opening net book amount	1,169,316	1,536,821
Additions	690,449	841,520
Amortization charge	(365,283)	(460,662)
Exchange effect	-	(96,203)
<b>Closing net book amount</b>	<u>1,494,482</u>	<u>1,821,476</u>
<b>As at 31 December 2006</b>		
Cost	2,013,514	2,421,193
Accumulated amortization	(519,032)	(650,176)
Exchange effect	-	50,459
<b>Net book amount</b>	<u>1,494,482</u>	<u>1,821,476</u>
<b>Year ended 31 December 2007</b>		
Opening net book amount	1,494,482	1,821,476
Additions	840,765	952,891
Amortization charge	(590,528)	(705,196)
Exchange effect	-	(91,774)
<b>Closing net book amount</b>	<u>1,744,719</u>	<u>1,977,397</u>
<b>As at 31 December 2007</b>		
Cost	2,854,279	3,374,084
Accumulated amortization	(1,109,560)	(1,355,372)
Exchange effect	-	(41,315)
<b>Net book amount</b>	<u>1,744,719</u>	<u>1,977,397</u>

The total amount of intangible assets is linked to the ADAMS project and other software. The amount represents the core software necessary to fulfil the requirements of the Antidoping Code regarding tracking and management of testing activity for ADAMS. This intangible asset enables a more efficient tracking and management of the testing results.

## Notes to Financial Statements

31 December 2007

### 10. Accrued expenses

	2007 USD	2006 USD	2007 CHF	2006 CHF
Accruals	1,435,318	986,525	1,626,734	1,202,377
Accrued scientific research grants 2001	-	102,668	-	125,132
Accrued scientific research grants 2002	-	106,580	-	129,900
Accrued scientific research grants 2003	8,083	6,083	9,161	7,414
Accrued scientific research grants 2004	193,721	147,043	219,556	179,216
Accrued scientific research grants 2005	244,429	157,847	277,026	192,384
Accrued scientific research grants 2006	285,986	-	324,126	-
Accrued Monitoring Program	-	1,800	-	2,194
Accrued social science grants 2005	500	9,048	567	11,028
Accrued social science grants 2006	7,280	943	8,251	1,149
Accrued social science grants 2007	7,659	-	8,680	-
	<u>2,182,976</u>	<u>1,518,537</u>	<u>2,474,101</u>	<u>1,850,794</u>

### 11. Foundation capital

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

### 12. Litigation reserve

The WADA Foundation Board has 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.

### 13. Annual contributions

	2007 USD	2006 USD	2007 CHF	2006 CHF
2002 Public Authorities and governments	922	895	1,101	1,129
2002 International Olympic Committee (IOC)	-	867	-	1,093
2003 Public Authorities and governments	1,070	1,302	1,278	1,642
2003 International Olympic Committee (IOC)	7,354	1,302	8,782	1,642
2004 Public Authorities and governments	42,731	27,441	51,028	34,606
2004 International Olympic Committee (IOC)	35,377	27,441	42,246	34,606
2005 Public Authorities and governments	25,091	270,972	29,963	341,725
2005 International Olympic Committee (IOC)	25,119	1,464,688	29,997	1,847,132
2006 Public Authorities and governments	370,169	10,463,561	442,048	13,195,700
2006 International Olympic Committee (IOC)	372,428	10,455,364	444,746	13,185,363
2007 Public Authorities and governments	11,036,183	-	13,179,173	-
2007 International Olympic Committee (IOC)	10,780,409	-	12,873,733	-
	<u>22,696,853</u>	<u>22,713,833</u>	<u>27,104,095</u>	<u>28,644,638</u>

## Notes to Financial Statements

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### 14. Grants

WADA benefits from two major government supports. On the one hand, the Canadian government provides WADA with a cash contribution of a total of CAD10 million, indexed, over a ten-year period and exempts WADA from any income tax. On the other hand, the Government of Quebec also provides WADA with CAD5 million, indexed, over a ten-year period. The grants are actually paid as one from a corporation, Montreal 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, and supply quarterly unaudited and annual audited accounts, budgets and activity reports, as well as continue its original mission. The aim of these government supports is to encourage and support WADA's activities on a long-term basis.

In 2002, the total grant of CHF2,533,440 (USD1,828,011) represented the initial installment, whereas the remaining installments, in Canadian Dollars, are indexed and equally split over nine years.

	2007 USD	2006 USD	2007 CHF	2006 CHF
Cash amount granted by Montreal International	1,451,390	1,377,124	1,733,219	1,736,705

### 15. Other income

	2007 USD	2006 USD	2007 CHF	2006 CHF
Laboratory accreditation and re-accreditation fees	247,555	148,421	295,625	187,176
Code monitoring	10,000	14,980	11,942	18,891
Therapeutic use exemption appeal	2,500	1,000	2,985	1,261
	260,055	164,401	310,552	207,328

### 16. Salaries and other personnel costs

	2007 USD	2006 USD	2007 CHF	2006 CHF
Salaries	4,068,732	3,625,798	4,858,792	4,572,529
Social charges and other benefits	2,804,199	2,322,173	3,348,715	2,928,515
Defined benefit pension plan contributions and expense	82,177	73,568	98,134	92,778
Temporary staff	15,408	14,539	18,400	18,335
Recruitment expenses	28,758	97,401	34,342	122,834
	6,999,274	6,133,479	8,358,383	7,734,991

The number of people employed was 59 as at 31 December 2007 (2006 – 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. Due to the limited number of employees under this plan, no actuarial calculations have been performed for reason of materiality.

## Notes to Financial Statements

31 December 2007

### 17. Research grants

	2007 USD	2006 USD	2007 CHF	2006 CHF
Scientific research grants expensed	5,552,246	3,919,825	6,630,373	4,943,330
Social science research grants expensed	140,607	109,281	167,910	137,815
Refunds received on cancellation of project	-	(12,259)	-	(15,460)
<b>Total research grants expensed</b>	<b>5,692,853</b>	<b>4,016,847</b>	<b>6,798,283</b>	<b>5,065,685</b>
<b>Research grants paid out</b>				
Research grants expensed	5,692,853	4,016,847	6,798,283	5,065,685
Research grants on cancelled project	-	12,259	-	15,460
Prepaid expenses (movement)	(465,238)	669,615	(555,577)	844,458
Accruals (movement)	(215,649)	(45,851)	(257,523)	(57,823)
<b>Research grants paid out</b>	<b>5,011,966</b>	<b>4,652,870</b>	<b>5,985,183</b>	<b>5,867,780</b>

### 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 expenses in the statement of activities.

#### Compensation of Key Management

	2007 USD	2006 USD	2007 CHF	2006 CHF
Salaries	1,877,449	1,616,763	2,242,009	2,038,916
Benefits and social charges	883,133	676,647	1,054,619	853,326
Defined benefit pension plan contributions	63,005	57,317	75,239	72,283
	<b>2,823,587</b>	<b>2,350,727</b>	<b>3,371,867</b>	<b>2,964,525</b>

Key Management of WADA is defined as all the directors of the Agency. There are 11 directors as at 31 December 2007 (2006 – 11 directors).

### 19. Commitments

#### Derivatives

As at 31 December 2007, the Agency had the following U.S. Dollar contract:

USD	Period	Volume	CAD Price
Price collar	10 December 2007 to 10 March 2008	3,000,000	0.97–1.044

The derivatives' fair value as at 31 December 2007 was zero.

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

#### Operating lease commitments

	2007 USD	2006 USD	2007 CHF	2006 CHF
Less than one year	638,122	544,744	723,223	663,935
More than one year and less than five years	1,970,467	2,061,013	2,233,251	2,511,965
More than five years	60,480	90,187	68,546	109,920
	<u>2,669,069</u>	<u>2,695,944</u>	<u>3,025,020</u>	<u>3,285,820</u>

The operating lease commitments are for the following:

Montréal office lease to February 2012  
 Lausanne office lease to April 2012  
 Tokyo office lease to February 2009  
 Montevideo office lease to December 2015

#### Commitments for non-lease elements

	2007 USD	2006 USD	2007 CHF	2006 CHF
Less than one year	1,049,896	876,055	1,189,912	1,067,735
More than one year and less than five years	300,196	1,037,081	340,230	1,263,994
	<u>1,350,092</u>	<u>1,913,136</u>	<u>1,530,142</u>	<u>2,331,729</u>

The commitments for non-lease elements are related to a CGI Technology-managed services contract to March 2009 and various other contracts.

#### Scientific and social science research commitments

Scientific research grants to laboratories 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:

	2007 USD	2006 USD	2007 CHF	2006 CHF
Less than one year	6,044,138	4,033,530	6,850,194	4,916,070
More than one year and less than five years	590,067	1,663,027	668,759	2,026,899
	<u>6,634,205</u>	<u>5,696,557</u>	<u>7,518,953</u>	<u>6,942,969</u>

## 20. Contingent liabilities

At the end of 2007, WADA has CHF5,227,697 (USD4,612,559) (2006 – CHF4,695,907 (USD3,852,891)) 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 2008.

# NOTES

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