

**World Anti-Doping Agency
Lausanne**

**Report of the Auditors
to the Foundation Board on the
Financial Statements 2007**

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

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)

World Anti-Doping Agency

Balance Sheet as at 31 December 2007

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

	Notes	2007 USD	2006 USD	2007 CHF	2006 CHF
Assets					
Current assets					
Cash and cash equivalents	4	14,258,325	22,224,235	16,159,836	27,086,920
Held-to-maturity investments	5a	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>
Non-current assets					
Available-for-sale investments	5b	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>
Total Assets		<u>33,866,079</u>	<u>30,944,593</u>	<u>38,382,509</u>	<u>37,715,301</u>
Liabilities and Equity					
Current liabilities					
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
Total Liabilities		<u>4,101,429</u>	<u>3,281,421</u>	<u>4,648,402</u>	<u>3,999,399</u>
Equity					
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	-
Excess of income over expenses brought forward					
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
Total Equity		<u>29,764,650</u>	<u>27,663,172</u>	<u>33,734,107</u>	<u>33,715,902</u>
Total Liabilities and Equity		<u>33,866,079</u>	<u>30,944,593</u>	<u>38,382,509</u>	<u>37,715,301</u>

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

World Anti-Doping Agency

Statement of Activities for the year ended 31 December 2007

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

	Notes	2007 USD	2006 USD	2007 CHF	2006 CHF
Income					
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
Total income		24,408,298	24,255,358	29,147,866	30,588,671
Operating expenses					
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
		24,311,061	21,234,508	29,031,746	26,779,047
Excess of operating income before financial income (expenses)		97,237	3,020,850	116,120	3,809,624
Financial income (expenses)					
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
		1,801,808	1,263,042	2,151,681	1,592,835
Excess of income over expenses for the year		1,899,045	4,283,892	2,267,801	5,402,459

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

World Anti-Doping Agency

Statement of Cash Flows for the year ended 31 December 2007

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

	2007 USD	2006 USD	2007 CHF	2006 CHF
Operating activities				
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)
Net source of cash in operating activities	2,340,412	1,949,288	2,794,878	2,423,664
Investing activities				
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
Net cash used in investing activities	(10,306,322)	(986,516)	(12,307,591)	(1,244,105)
Increase (decrease) in cash and cash equivalents	(7,965,910)	962,772	(9,512,713)	1,179,559
Currency translation impact	-	(27,789)	(1,414,371)	(2,072,911)
Cash and cash equivalents at beginning of year	22,224,235	21,289,252	27,086,920	27,980,272
Cash and cash equivalents at end of year	14,258,325	22,224,235	16,159,836	27,086,920

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

World Anti-Doping Agency

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

(in Swiss Francs with audited U.S. 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
Balance as at 1 January 2006	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
Balance as at 31 December 2006 and 1 January 2007	4,102,391	23,656,672	(95,891)	-	-	27,663,172
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
Balance as at 31 December 2007	4,411,656	24,055,717	(405,156)	1,500,000	202,433	29,764,650

	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
Balance as at 1 January 2006	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
Balance as at 31 December 2006 and 1 January 2007	5,000,000	30,153,672	(1,437,770)	-	-	33,715,902
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
Balance as at 31 December 2007	5,000,000	30,721,431	(3,916,795)	1,700,042	229,429	33,734,107

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

Notes to Financial Statements
31 December 2007

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.

Notes to Financial Statements
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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.

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.

Notes to Financial Statements
31 December 2007

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

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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.

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.

Notes to Financial Statements
31 December 2007

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.

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.

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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		Rating	2006	
		Balance			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
		28,483,103	32,289,543		25,951,707	31,629,940

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
	14,258,325	22,224,235	16,159,836	27,086,920

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.

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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	Loans and receivables		Held to maturity		Available for sale		Total	
	USD	CHF	USD	CHF	USD	CHF	USD	CHF
Assets per balance sheet								
Current assets								
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
Non-current assets								
Available-for-sale investments	-	-	-	-	9,136,399	10,354,843	9,136,399	10,354,843
Total	<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>

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Year ended 31 December 2006	Loans and receivables		Held to maturity		Available for sale		Total	
	USD	CHF	USD	CHF	USD	CHF	USD	CHF
Assets per balance sheet								
Current assets								
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
Total	22,915,644	27,929,610	3,774,393	4,600,234	-	-	26,690,037	32,529,844

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	-
	820,457	691,409	929,874	842,690

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	-
	2,614,438	2,678,746	2,963,103	3,264,858

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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
Year ended 31 December 2006								
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)
Closing net book amount	19,544	23,820	48,909	59,611	12,875	15,692	81,328	99,123
As at 31 December 2006								
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)
Net book amount	19,544	23,820	48,909	59,611	12,875	15,692	81,328	99,123
Year ended 31 December 2007								
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)
Closing net book amount	4,359	4,940	66,005	74,808	71,377	80,896	141,741	160,644
As at 31 December 2007								
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)
Net book amount	4,359	4,940	66,005	74,808	71,377	80,896	141,741	160,644

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9 Intangible assets

	<u>Software</u>	
	USD	CHF
Year ended 31 December 2006		
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)
Closing net book amount	<u>1,494,482</u>	<u>1,821,476</u>
As at 31 December 2006		
Cost	2,013,514	2,421,193
Accumulated amortization	(519,032)	(650,176)
Exchange effect	-	50,459
Net book amount	<u>1,494,482</u>	<u>1,821,476</u>
Year ended 31 December 2007		
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)
Closing net book amount	<u>1,744,719</u>	<u>1,977,397</u>
As at 31 December 2007		
Cost	2,854,279	3,374,084
Accumulated amortization	(1,109,560)	(1,355,372)
Exchange effect	-	(41,315)
Net book amount	<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.

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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>

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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).

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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.

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)
Total research grants expensed	5,692,853	4,016,847	6,798,283	5,065,685
Research grants paid out				
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)
Research grants paid out	5,011,966	4,652,870	5,985,183	5,867,780

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
	2,823,587	2,350,727	3,371,867	2,964,525

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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.

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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.

