

# World Anti-Doping Agency

Lausanne

Independent auditor's report  
to the Foundation Board  
on the financial statements 2023



# Independent auditor's report

## to the Foundation Board of World Anti-Doping Agency

Lausanne

### Opinion

We have audited the financial statements of World Anti-Doping Agency, which comprise the statement of financial position as of December 31, 2023, the statement activities, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Foundation in accordance with the requirements of the Swiss audit profession and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and the Foundation Board for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Foundation Board is responsible for overseeing the Foundation's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and Swiss Standards on Auditing (SA-CH) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

PricewaterhouseCoopers SA

Andrea Costa

Polina Pyatakhina

Lausanne, June 20, 2024

Enclosure:

Financial statements (statement of financial position, statement of activities, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes)

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# World Anti-Doping Agency Lausanne

## Statement of Financial Position

As at December 31, 2023

(in thousands of Swiss francs with audited US dollar figures as complementary information – Note 2)

	Note	2023 USD	2022 USD	2023 CHF	2022 CHF
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	23,600	33,804	19,806	31,213
Guaranteed investment certificate	4	7,586	4,489	6,366	4,146
Investments	5(b)	2,700	4,100	2,266	3,785
Market value on currency option		69	-	58	
Receivables	6	1,637	1,996	1,374	1,843
Other current assets	7	4,289	2,917	3,600	2,693
		<u>39,881</u>	<u>47,306</u>	<u>33,470</u>	<u>43,680</u>
<b>Non-current assets</b>					
Investments	5(b)	18,436	16,532	15,472	15,266
Fixed assets	8	3,475	3,011	2,916	2,780
Intangible assets	9	6,509	5,370	5,462	4,959
Right-of-use assets	10	12,695	13,355	10,655	12,331
		<u>41,115</u>	<u>38,268</u>	<u>34,505</u>	<u>35,336</u>
<b>Total assets</b>		<u>80,996</u>	<u>85,574</u>	<u>67,975</u>	<u>79,016</u>
<b>Liabilities and Equity</b>					
<b>Current liabilities</b>					
Accounts payable		2,609	3,090	2,190	2,853
Lease liabilities	10	418	398	351	368
Accrued expenses	11	1,582	1,711	1,327	1,580
Derivative financial instruments			221		205
Advance contributions		13,899	20,886	11,665	19,285
		<u>18,508</u>	<u>26,306</u>	<u>15,533</u>	<u>24,291</u>
<b>Non-current liabilities</b>					
Net pension obligation		542	279	455	256
Lease liabilities	10	12,851	12,906	10,785	11,917
<b>Total liabilities</b>		<u>31,901</u>	<u>39,491</u>	<u>26,773</u>	<u>36,464</u>
<b>Equity</b>					
Foundation capital	12	4,006	4,006	5,000	5,000
Cumulative translation adjustment			-	(14,550)	(10,491)
Litigation reserve	13	2,000	2,000	1,917	1,917
Operation reserve	13	9,600	7,400	8,731	6,754
Accumulated other comprehensive income (loss)		(278)	(564)	(263)	(521)
Excess of income over expenses brought forward		33,766	33,241	40,367	39,893
<b>Total equity</b>		<u>49,094</u>	<u>46,083</u>	<u>41'202</u>	<u>42,552</u>
<b>Total liabilities and equity</b>		<u>80,996</u>	<u>85,574</u>	<u>67,975</u>	<u>79,016</u>
<b>Commitments</b>	19				
<b>Contingent liabilities</b>	20				

Approved by the Board of Directors

\_\_\_\_\_ Director \_\_\_\_\_ Director

The accompanying notes are an integral part of these financial statements.

# World Anti-Doping Agency Lausanne

## Statement of Activities

For the year ended December 31, 2023

(in thousands of Swiss francs with audited US dollar figures as complementary information – Note 2)

	Note	2023 USD	2022 USD	2023 CHF	2022 CHF
<b>Income</b>					
Annual contributions	14	45,393	44,751	40,797	42,722
Grants/Partnerships	15	2,407	2,586	2,163	2,468
Other		790	349	710	334
		<u>48,590</u>	<u>47,686</u>	<u>43,670</u>	<u>45,524</u>
<b>Operating expenses</b>					
Salaries and other personnel costs	16	24,684	23,584	22,185	22,514
Travel and accommodation		3,483	3,128	3,130	2,986
Information and communications		74	142	66	136
Testing fees		378	407	340	388
Accreditation fees		523	484	470	461
Research grants	17	2,152	1,602	1,934	1,529
Other grants		50	50	45	48
Consulting fees		5,180	4,454	4,656	4,252
Rents		453	534	407	510
Depreciation of right-of-use assets	10	659	616	592	588
Administration		3,311	3,199	2,976	3,054
IT costs		2,372	1,613	2,132	1,540
Depreciation and amortization of fixed and intangible assets	8, 9	3,009	3,039	2,704	2,902
		<u>46,328</u>	<u>42,852</u>	<u>41,637</u>	<u>40,908</u>
Gain on disposal of leases			92		87
					<u>87</u>
<b>Excess of operating income over expenses before financial income (expenses)</b>					
		<u>2,263</u>	<u>4,926</u>	<u>2,034</u>	<u>4,703</u>
<b>Financial income (expenses)</b>					
Interest		438	251	393	240
Bank fees		(257)	(157)	(231)	(151)
Net gain on currency exchange rates		283	456	254	435
		<u>464</u>	<u>550</u>	<u>417</u>	<u>524</u>
<b>Excess of income over expenses for the year</b>					
		<u>2,727</u>	<u>5,476</u>	<u>2,451</u>	<u>5,227</u>

The accompanying notes are an integral part of these financial statements.

# World Anti-Doping Agency Lausanne

## Statement of Comprehensive Income

For the year ended December 31, 2023

(in thousands of Swiss francs with audited US dollar figures as complementary information – Note 2)

	2023 USD	2022 USD	2023 CHF	2022 CHF
<b>Excess of income over expenses for the year</b>	2,727	5,476	2,451	5,227
<b>Other comprehensive income (loss)</b>				
Item that will be reclassified to the statement of activities:				
Net change in unrealized gains and losses on investments classified at fair value through other comprehensive income:	632	(1,354)	568	(1,214)
Item that may be subsequently reclassified to the statement of activities:				
Currency translation adjustment	-	-	-	234
Item that will not be subsequently reclassified to the statement of activities:				
Remeasurement of net pension plan obligation	(281)	313	(253)	291
Other OCI movements	(67)		(60)	
<b>Total comprehensive income for the year</b>	<b>3,011</b>	<b>4,435</b>	<b>2,706</b>	<b>4,538</b>

The accompanying notes are an integral part of these financial statements.

# World Anti-Doping Agency Lausanne

## Statement of Changes in Equity

For the year ended December 31, 2023

(in thousands of Swiss francs with audited US dollar figures as complementary information – Note 2)

	Foundation capital USD	Litigation reserve USD	Operation reserve USD	Accumulated other comprehensive income (loss) USD	Excess of income over expenses brought forward USD	Total USD
<b>Balance as at December 31, 2021</b>	4,006	2,000	7,400	477	27,765	41,648
Excess of income over expenses for the year recognised in the statement of activities	-	-	-	-	5,476	5,476
Other comprehensive loss for the year	-	-	-	(1,041)	-	(1,041)
<b>Total comprehensive income for the year</b>						4,435
<b>Balance as at December 31, 2022</b>	4,006	2,000	7,400	(564)	33,241	46,083
Excess of income over expenses for the year recognised in the statement of activities	-	-	-	-	2,727	2,727
Allocation to Operation reserve	-	-	2,200	-	(2,200)	-
Other comprehensive loss for the year	-	-	-	285	-	285
<b>Total comprehensive income for the year</b>						3,011
<b>Balance as at December 31, 2023</b>	4,006	2,000	9,600	(279)	33,766	49,094

	Foundation capital CHF	Cumulative translation adjustment CHF	Litigation reserve CHF	Operation reserve CHF	Accumulated other comprehensive income (loss) CHF	Excess of income over expenses brought forward CHF	Total CHF
<b>Balance as at December 31, 2021</b>	5,000	(10,725)	1,917	6,754	402	34,666	38,014
Excess of income over expenses for the year recognised in the statement of activities	-	-	-	-	-	5,227	5,227
Transfers to litigation and operation reserves	-	-	-	-	-	-	-
Other comprehensive income (loss) for the year	-	234	-	-	(923)	-	(689)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	4,538
<b>Balance as at December 31, 2022</b>	5,000	(10,491)	1,917	6,754	(521)	39,893	42,552
Excess of income over expenses for the year recognised in the statement of activities	-	-	-	-	-	2,451	2,451
Transfers to litigation and operation reserves	-	-	-	1,977	-	(1,977)	-
Other comprehensive income (loss) for the year	-	-	-	-	256	-	256
<b>Total comprehensive income for the year</b>							2,706
Exchange movement	-	(4,059)	-	-	-	-	(4,059)
<b>Total comprehensive income for the year</b>							
<b>Balance as at December 31, 2023</b>	5,000	(14,550)	1,917	8,731	(263)	40,367	41,202

The accompanying notes are an integral part of these financial statements.

# World Anti-Doping Agency Lausanne

## Statement of Cash Flows

For the year ended December 31, 2023

(in thousands of Swiss francs with audited US dollar figures as complementary information – Note 2)

	2023 USD	2022 USD	2023 CHF	2022 CHF
<b>Cash flows from</b>				
<b>Operating activities</b>				
Excess of income over expenses for the year	2,727	5,476	2,451	5,227
Depreciation and amortization of fixed and intangible assets	3,009	3,039	2,704	2,902
Gain on disposal of leases	0	(92)	0	(87)
Depreciation of right-of-use assets	659	616	592	588
Excess of defined contribution cost over contributions	(54)	314	(49)	286
Change in fair value of investments through OCI	632		568	
Gain (loss) on currency exchange rates	283	(826)	254	(753)
Remeasurement of net pension obligation	281	(305)	253	(278)
Changes in				
Receivables	358	690	322	609
Other current assets	(1,372)	86	(1,233)	47
Accounts payable	(480)	701	(431)	931
Accrued expenses	(130)	242	(117)	239
Advance contributions	(6,986)	8,503	(6,279)	7,982
<b>Net cash provided by operating activities</b>	<u>(1,073)</u>	<u>18,444</u>	<u>(965)</u>	<u>17,693</u>
<b>Investing activities</b>				
Purchase of fixed assets	(939)	(2,746)	(844)	(2,659)
Purchase of intangible assets	(3,727)	(2,074)	(3,350)	(2,190)
Purchase of investments				
Net Proceeds from purchase of investments	<u>(802)</u>	<u>(1,750)</u>	<u>(721)</u>	<u>(1,599)</u>
<b>Net cash used in investing activities</b>	<u>(5,468)</u>	<u>(6,570)</u>	<u>(4,915)</u>	<u>(6,448)</u>
<b>Financing activities</b>				
Principal payments on lease liabilities	<u>(566)</u>	<u>(378)</u>	<u>(508)</u>	<u>(349)</u>
<b>Net cash used in financing activities</b>	<u>(566)</u>	<u>(378)</u>	<u>(508)</u>	<u>(349)</u>
<b>Increase in cash and cash equivalents</b>	<u>(7,107)</u>	<u>11,496</u>	<u>(6,387)</u>	<u>10,896</u>
<b>Currency translation impact</b>	-	-	(2,800)	4
<b>Cash and cash equivalents and guaranteed investment certificate – Beginning of year</b>	<u>38,293</u>	<u>26,797</u>	<u>35,359</u>	<u>24,459</u>
<b>Cash and cash equivalents and guaranteed investment certificate – End of year</b>	<u>31,185</u>	<u>38,293</u>	<u>26,172</u>	<u>35,359</u>

The accompanying notes are an integral part of these financial statements.

## **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 November 10, 1999 under the Swiss Civil Code. WADA is a Swiss foundation with its registered office in Lausanne, Switzerland and its Head Office in Montréal, Canada.

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

The financing of WADA is provided equally by the International Olympic Committee and the Public Authorities involved in the mission of WADA.

## **2 Basis of presentation and summary of significant accounting policies**

### **Basis of presentation**

These financial statements have been approved by the Foundation Board of WADA on June 24, 2024 and cannot be amended after issuance. The financial statements of WADA for the year ended December 31, 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared under the historical cost principle, except for investments at fair value through other comprehensive income, which are shown at fair value. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Management exercises judgment, as needed, in the process of applying WADA's accounting policies.



The functional currency of the Agency is the US dollar, as the majority of its activities (income and expenses) are based in US dollars. The presentation currency of the Agency is the Swiss franc, and US dollars as chosen by management are included as complementary information.

Assets and liabilities are converted from US dollars to Swiss francs at the closing rate.

The Agency's capital in Swiss francs is kept at historical exchange rates.

The statement of activities is translated into Swiss francs at the average rate. Any resulting exchange difference is recorded in the cumulative translation adjustment on the statement of financial position in equity. The statement of cash flows is translated into Swiss francs at the average rate. Any resulting exchange difference is shown separately on the statement of cash flows.

### **Foreign currencies**

Foreign currency income and expenses are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised 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.

### **Cash and cash equivalents**

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

### **Financial instruments**

On initial recognition, the Agency determines the financial instruments classification as per the following categories:

- instruments measured at amortised cost;
- instruments measured at fair value through other comprehensive income (FVOCI); and
- instruments measured at fair value through profit or loss (FVTPL).

The table below summarises the classification and measurement of the Agency's financial instruments:

#### **Classification and measurement**

##### **Assets**

Cash and cash equivalents	Amortised cost
Investments	FVOCI
Receivables	Amortised cost
Derivative financial instruments	FVTPL

##### **Liabilities**

Accounts payable  
Accrued expenses

Amortised cost  
Amortised cost

## **Evaluation**

Financial instruments at amortised cost

Financial instruments at amortised cost are initially measured at fair value, and subsequently at amortised cost using the effective interest method less any impairment loss. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of activities.

Financial instruments at FVOCI

Financial instruments at FVOCI are initially and subsequently measured at fair value and are accounted for in the statements of comprehensive income and changes in equity. Upon disposal, the realised gains or losses included in the OCI are transferred to the excess income within equity.

Financial instruments at FVTPL

Financial instruments at FVTPL are initially and subsequently measured at fair value and are accounted for in the statement of activities.

## **Derecognition**

Financial assets

WADA derecognises a financial asset when, and only when, the contractual rights to the cash flows from the financial asset have expired or when contractual rights to the cash flows have been transferred.

Financial liabilities

The Agency derecognises a financial liability when, and only when, it is extinguished, meaning when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the extinguished financial liability and the consideration paid or payable, including non-cash assets transferred or liabilities assumed, is recognised in the statement of activities.

## **Impairment**

IFRS 9, Financial Instruments, also introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial recognition. IFRS 9 requires an entity to recognise a loss allowance for expected credit losses on financial assets which are measured at amortised cost or FVOCI. The loss allowance shall be recognised in other comprehensive income.

Since the Agency has no trade receivables, the impairment related to expected credit losses on receivables is limited. The Agency has limited exposure to credit risk from financial assets recorded at FVOCI, given that

credit risk on those instruments is low and no loss allowance is recognised as any such impairment will not have a significant impact on the financial statements.

### **Financial assets and financial liabilities disclosure**

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

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

Substantially all investments held by WADA are valued using quoted prices (unadjusted) in active markets (Level 1) at the statement of financial position date.

WADA assesses at the financial reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. If any such evidence exists for assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from other comprehensive income and recognised in the statement of activities.

Regular purchases and sales of investments are recognised on the settlement date. Investments are derecognised 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.

### **Fixed assets**

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

Computer equipment	2.5 years
Office equipment	4.0 years
Leasehold improvements	Over the lower of the life of the lease and its useful life

### **Intangible assets**

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

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

## **Impairment of non-financial assets**

Fixed assets and intangible assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset as determined by management).

## **Revenue and income recognition**

### *Annual contributions and advance contributions*

The annual contributions due from Public Authorities involved in the fight against doping in sports and the International Olympic Committee are recognised as income in the period for which they are received.

Advance contributions are composed of annual contributions received in the current year for the following years' income and grants received for special projects such as Regional Anti-Doping Organizations (RADO), Symposium for Anti-Doping Organizations (ADO) and additional contributions from Public Authorities.

### *Grants*

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

### *Other*

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

### *Financial income*

Interest income is recognised on an effective yield basis.

## **Income taxes**

WADA is exempt from paying income taxes.

## **Research grants**

Research grants are provided for specific research projects and paid by WADA on a yearly basis by an up-front 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 the contractual agreement.

## **Leases**

As a lessee

The Agency recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use of the asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset, less any lease incentives received prior to the commencement date. Any costs related to the removal and restoration of leasehold improvements, which meet the definition of fixed assets under IAS 16, Property, Plant and Equipment, are assessed under IAS 37, Provisions, Contingent Liabilities and Contingent Assets, and are not within the scope of IFRS 16, Leases.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, which is considered the appropriate useful life of these assets. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, to the extent necessary.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Agency's incremental borrowing rate if the rate implicit in the lease arrangement is not readily determinable.

Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments and variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured to reflect a constant periodic rate of interest on the remaining balance of the lease liability. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, lease term, or if the Agency changes its assessment of whether it will exercise an extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease incentives receivable are included in the initial measurement of the lease liability and right-of-use asset.

### *Short-term leases and lease of low-value assets*

The Agency has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Agency recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

On the statement of cash flows, lease payments related to short-term leases, low-value assets and variable lease payments not included in lease liabilities and interest on lease liabilities are classified as cash outflows from operating activities, whereas the remaining lease payments are classified as cash flows from financing activities.

The Agency does not currently act in the capacity of a lessor.

The disclosures relating to IFRS 16 can be found in note 10.

### **Pension benefit plan**

WADA offers to its employees based in Switzerland a defined benefit pension plan subject to the Swiss Prévoyance professionnelle regime.

The cost of this plan is recognized in the statement of activities and includes current service cost, past service cost and net interest on net defined benefit plan liability.

Remeasurements of net defined benefit plan liabilities are recognized in items of other comprehensive income that will not be reclassified subsequently to excess of income over expenses and are immediately reclassified to accumulated other comprehensive income. These remeasurements include actuarial gains and losses and the difference between the actual return on plan assets and the interest income generated by such assets, which is recognized in excess of income over expenses. Actuarial gains and losses result from changes in actuarial assumptions used to determine the defined benefit plan obligation and experience gains and losses on such obligation.

Net defined benefit plan assets or liabilities are equal to the present value of the plans' obligation, calculated using the projected unit credit method, less the fair value of plan assets. The value of any defined benefit plan asset is, when appropriate, limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the pension plans.

### **Future accounting changes**

As at December 31, 2023, there were no accounting standards issued by the IASB that were not yet effective as at such date that would have a significant impact on the Agency.

## **3 Financial risk management**

### **Financial risk factors**

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

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

a) Foreign currency exchange risk

WADA is exposed to foreign currency exchange risk mainly because most of its revenues are generated in US dollars, whereas its operating expenses are partially in Canadian dollars. WADA uses price collars and bank deposits in Canadian dollars, Swiss francs and Euros to partly cover its currency exposure.

As at December 31, 2023, had the Canadian dollar weakened by 5% against the US dollar, with all other variables held constant, excess of income over expenses for the year would have been CHF98 (USD110) lower (2022 - CHF228 (USD298) lower) mainly as a result of foreign exchange loss on translation of cash and cash equivalents denominated in Canadian dollars.

As at December 31, 2023, the following accounts are shown in Canadian dollars, Swiss francs, Euros, South African rand, Japanese yen and British pounds sterling, and have been converted to the functional currency in the statement of financial position.

	<b>2023</b>					
<b>Denominated in</b>	<b>CAD</b>	<b>CHF</b>	<b>EUR</b>	<b>ZAR</b>	<b>JPY</b>	<b>GBP</b>
Cash and cash equivalents	14,605	322	135	3,290	20,201	37
Receivables	86	17	2	-	129	1
Accounts payable and accrued expenses	1,707	694	108	2	199	9
	<b>2022</b>					
<b>Denominated in</b>	<b>CAD</b>	<b>CHF</b>	<b>EUR</b>	<b>ZAR</b>	<b>JPY</b>	<b>GBP</b>
Cash and cash equivalents	11,087	4,839	788	1,258	16,332	107
Receivables	62	28	5	-	246	-
Accounts payable and accrued expenses	3,080	645	144	120	118	25

b) Interest rate risk

WADA is exposed to interest rate risk through the impact of rate changes on interest-bearing assets. As at December 31, 2023, WADA's interest-bearing assets were cash and cash equivalents and investments at FVOCI.

As at December 31, 2023, had interest rates been 0.25% lower, with all other variables held constant, equity would have been CHF44 (USD53) higher (2022 - CHF48 (USD52) higher) as a result of an increase in the fair value of bonds classified as FVOCI.

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, WADA is dependent on the receipt of contributions from stakeholders on a timely basis to meet its cash needs.

	<b>December 31, 2023</b>			
	<b>Less than 1 year USD</b>	<b>1 to 5 years USD</b>	<b>More than 5 years USD</b>	<b>Total USD</b>
Accounts payable and accrued expenses	4,112	-	-	4,112
Lease liabilities	418	1,592	11,314	13,324
	<b>4,530</b>	<b>1,592</b>	<b>11,314</b>	<b>17,436</b>

  

	<b>December 31, 2022</b>			
	<b>Less than 1 year USD</b>	<b>1 to 5 years USD</b>	<b>More than 5 years USD</b>	<b>Total USD</b>
Accounts payable and accrued expenses	4,801	-	-	4,801
Lease liabilities	398	1,592	11,314	13,304
	<b>5,199</b>	<b>1,592</b>	<b>11,314</b>	<b>18,105</b>

  

	<b>December 31, 2023</b>			
	<b>Less than 1 year CHF</b>	<b>1 to 5 years CHF</b>	<b>More than 5 years CHF</b>	<b>Total CHF</b>
Accounts payable and accrued expenses	3,451	-	-	3,451
Lease liabilities	351	1,336	9,495	11,182
	<b>3,802</b>	<b>1,336</b>	<b>9,495</b>	<b>14,633</b>

  

	<b>December 31, 2022</b>			
	<b>Less than 1 year CHF</b>	<b>1 to 5 years CHF</b>	<b>More than 5 years CHF</b>	<b>Total CHF</b>
Accounts payable and accrued expenses	4,433	-	-	4,433
Lease liabilities	368	1,470	10,447	12,285
	<b>4,801</b>	<b>1,470</b>	<b>10,447</b>	<b>16,718</b>



d) Credit risk

Substantially all of WADA's revenues are generated from contributions, which are recognised in the statement of activities. 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 receivables, as a large portion is due from the Quebec government for Quebec sales tax. Cash and cash equivalents and investments at FVOCI are placed with major banks. The table below shows the balance held in the form of cash and term deposits and guaranteed investment certificate at the three major banks at the statement of financial position date.

	2023		2022			
	Rating	Balance	Rating	Balance		
		USD	CHF	USD	CHF	
UBS		16,352	13,723	AA-	28,568	27,272
Lombard Odier Darier Hentsch		786	660	AA-	7,894	7,536
The Bank of Nova Scotia		14,031	11,775	A+	1,791	1,710
		<u>31,169</u>	<u>26,158</u>		<u>38,253</u>	<u>36,518</u>

e) Capital risk

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

**Fair value estimation**

As at December 31, 2023, the fair value of cash and cash equivalents, receivables, accounts payable and accrued expenses was not significantly different from their book value because of their maturity being close to the statement of financial position date. As at December 31, 2023, no financial assets were impaired or past due.

**4 Cash and cash equivalents and guaranteed investment certificate**

	2023 USD	2022 USD	2023 CHF	2022 CHF
Cash	22,309	32,028	18,723	29,574
Guaranteed investment certificate	7,586	4,489	6,366	4,146
Term deposits	1,290	1,776	1,083	1,639
	<u>31,185</u>	<u>38,293</u>	<u>26,172</u>	<u>35,359</u>

Cash and term deposits are subject to current interest rates.

## 5 Financial instruments

### a) Financial instruments by category

As at December 31, 2023	Note	Financial assets at amortised cost		Investments at FVOCI		Investments at FVTPL		Total	
		USD	CHF	USD	CHF	USD	CHF	USD	CHF
<b>Current assets</b>									
Cash and cash equivalents and guaranteed investment certificate	4	31,185	26,172					31,185	26,172
Investments	5(b)			2,700	2,266	-	-	2,700	2,266
Receivables	6	1,638	1,374					1,638	1,374
<b>Non-current assets</b>									
Investments	5(b)	-	-	18,436	15,472	-	-	18,436	15,472
		<b>32,823</b>	<b>27,546</b>	<b>21,136</b>	<b>17,738</b>	<b>-</b>	<b>-</b>	<b>53,959</b>	<b>45,284</b>

As at December 31, 2022	Note	Financial assets at amortised cost		Investments at FVOCI		Investments at FVTPL		Total	
		USD	CHF	USD	CHF	USD	CHF	USD	CHF
<b>Current assets</b>									
Cash and cash equivalents and guaranteed investment certificate	4	38,293	35,359	-	-	-	-	38,293	35,359
Investments	5(b)	-	-	4,100	3,785	-	-	4,100	3,785
Receivables	6	1,996	1,843	-	-	-	-	1,996	1,843
<b>Non-current assets</b>									
Investments	5(b)	-	-	16,532	15,266	-	-	16,532	15,266
		<b>40,289</b>	<b>37,202</b>	<b>20,632</b>	<b>19,051</b>	<b>-</b>	<b>-</b>	<b>60,921</b>	<b>56,253</b>

### b) Investments at FVOCI

	2023 USD	2022 USD	2023 CHF	2022 CHF
Bonds in US dollars	21,136	20,632	17,738	19,051
Less: Current portion	2,700	4,100	2,266	3,785
	<b>18,436</b>	<b>16,532</b>	<b>15,472</b>	<b>15,266</b>

Bonds bear interest at rates ranging from 0.6% to 6.7% and mature from January 2024 to November 2029. Investments at FVOCI represent mainly bonds issued by major corporations and banking institutions and include corporate, banking and government bonds.

## 6 Receivables

	<b>2023 USD</b>	<b>2022 USD</b>	<b>2023 CHF</b>	<b>2022 CHF</b>
Quebec sales tax receivable	886	1,471	744	1,359
Other receivables	710	484	596	447
Recoverable withholding taxes	15	15	12	13
Rental deposit and guarantees	26	26	22	24
	<u>1,637</u>	<u>1,996</u>	<u>1,374</u>	<u>1,843</u>

## 7 Other current assets

	<b>2023 USD</b>	<b>2022 USD</b>	<b>2023 CHF</b>	<b>2022 CHF</b>
Prepaid expenses	2,782	1,960	2,335	1,810
Accrued interest	148	123	124	113
Prepaid scientific research grants	907	551	761	509
Prepaid social science research grants	452	283	380	261
	<u>4,289</u>	<u>2,917</u>	<u>3,600</u>	<u>2,693</u>

## 8 Fixed assets

	Computer equipment		Office equipment		Leasehold improvements		Work in progress		Total	
	USD	CHF	USD	CHF	USD	CHF	USD	CHF	USD	CHF
<b>Year ended December 31, 2022</b>										
Opening net book amount	345	314	42	40	144	131	-	-	531	485
Additions	62	59	71	68	115	110	2,537	2,422	2,785	2,659
Depreciation charge	(189)	(181)	(30)	(29)	(86)	(82)	-	-	(305)	(292)
Currency exchange impact	-	9	-	(3)	-	(5)	-	(73)	-	(72)
<b>Closing net book amount</b>	<b>218</b>	<b>201</b>	<b>83</b>	<b>76</b>	<b>173</b>	<b>154</b>	<b>2,537</b>	<b>2,349</b>	<b>3,011</b>	<b>2,780</b>
<b>As at December 31, 2022</b>										
Cost	917	2,331	410	1,524	548	1,488	2,537	2,422	4,412	7,765
Accumulated depreciation	(699)	(2,199)	(327)	(1,454)	(375)	(1,380)	-	-	(1,401)	(5,033)
Currency exchange impact	-	69	-	6	-	46	-	(73)	-	48
<b>Net book amount</b>	<b>218</b>	<b>201</b>	<b>83</b>	<b>76</b>	<b>173</b>	<b>154</b>	<b>2,537</b>	<b>2,349</b>	<b>3,011</b>	<b>2,780</b>
<b>Year ended December 31, 2023</b>										
Opening net book amount	218	201	83	74	173	154	2,537	2,349	3,011	2,778
Additions	29	26	403	362	507	455	-	-	939	844
Transfers	40	36	2	1	2,495	2,243	(2,537)	(2,280)	-	-
Depreciation charge	(177)	(159)	(74)	(66)	(224)	(201)	-	-	(475)	(426)
Currency exchange impact	-	(12)	-	(24)	-	(175)	-	(69)	-	(280)
<b>Closing net book amount</b>	<b>110</b>	<b>92</b>	<b>414</b>	<b>347</b>	<b>2,951</b>	<b>2,476</b>	<b>-</b>	<b>-</b>	<b>3,475</b>	<b>2,916</b>
<b>As at December 31, 2023</b>										
Cost	946	2,354	814	1,886	1,055	1,943	2,537	2,349	5,351	8,534
Transfers	40	36	2	1	2,495	2,243	(2,537)	(2,280)	-	-
Accumulated depreciation	(876)	(2,356)	(402)	(1,520)	(599)	(1,581)	-	-	(1,876)	(5,457)
Currency exchange impact	-	58	-	(20)	-	(129)	-	(69)	-	(161)
<b>Net book amount</b>	<b>110</b>	<b>92</b>	<b>414</b>	<b>347</b>	<b>2,951</b>	<b>2,476</b>	<b>-</b>	<b>-</b>	<b>3,475</b>	<b>2,916</b>

As at December 31, 2023, the amount of leasehold improvements included in accounts payable was NIL (2022 – USD35 (CHF33)).

## 9 Intangible assets

	Software		Work in progress		Total	
	USD	CHF	USD	CHF	USD	CHF
<b>Year ended December 31, 2022</b>						
Opening net book amount	5,788	5,283	-	-	5,788	5,283
Additions	1,841	1,757	475	433	2,316	2,190
Amortization charge	(2,734)	(2,610)	-	-	(2,734)	(2,610)
Currency exchange impact	-	57	-	39	-	96
<b>Closing net book amount</b>	<b>4,895</b>	<b>4,487</b>	<b>475</b>	<b>472</b>	<b>5,370</b>	<b>4,959</b>
<b>As at December 31, 2022</b>						
Cost	29,375	31,035	475	433	29,850	31,468
Accumulated amortization	(24,480)	(26,323)	-	-	(24,480)	(26,323)
Currency exchange impact	-	(225)	-	39	-	(186)
<b>Closing net book amount</b>	<b>4,895</b>	<b>4,487</b>	<b>475</b>	<b>472</b>	<b>5,370</b>	<b>4,959</b>
<b>Year ended December 31, 2023</b>						
Opening net book amount	4,895	4,487	475	472	5,370	4,959
Additions	1,989	1,787	1,731	1,556	3,720	3,342
Amortization charge	(2,581)	(2,320)	-	-	(2,581)	(2,320)
Currency exchange impact	-	(343)	-	(177)	-	(519)
<b>Closing net book amount</b>	<b>4,303</b>	<b>3,611</b>	<b>2,206</b>	<b>1,851</b>	<b>6,509</b>	<b>5,462</b>
<b>As at December 31, 2023</b>						
Cost	31,363	32,822	2,206	1,983	33,569	34,804
Accumulated amortization	(27,060)	(28,643)	-	-	(27,060)	(28,643)
Currency exchange impact	-	(568)	-	(132)	-	(699)
<b>Closing net book amount</b>	<b>4,303</b>	<b>3,611</b>	<b>2,206</b>	<b>1,851</b>	<b>6,509</b>	<b>5,462</b>

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

As at December 31, 2023, the amount of intangible assets included in accounts payable was 60USD (50CHF) (2022 – USD243 (CHF222)).

## 10 Right-of-use assets and lease liabilities

<b>Right-of-use assets</b>	<b>2023 USD</b>	<b>2022 USD</b>	<b>2023 CHF</b>	<b>2022 CHF</b>
Net cost as at January 1	13,355	6,144	12,331	5,865
Acquisitions	-	469	-	448
Disposal	-	(634)	-	(605)
Lease remeasurement	-	7,992	-	7,630
Depreciation	(659)	(616)	(592)	(588)
Currency exchange impact	-	-	(1'084)	(419)
	<hr/>	<hr/>	<hr/>	<hr/>
Net carrying amount as at December 31	12,695	13,355	10'655	12,331

<b>Lease liabilities</b>	<b>2023 USD</b>	<b>2022 USD</b>	<b>2023 CHF</b>	<b>2022 CHF</b>
Lease liabilities as at January 1	13,304	5,087	12,285	4,697
Acquisitions	-	469	-	433
Disposal	-	(726)	-	(670)
Lease remeasurement	-	9,641	-	8,902
Principal lease payments	(566)	(378)	(508)	(349)
Currency exchange rate impact	530	(789)	(642)	(728)
	<hr/>	<hr/>	<hr/>	<hr/>
Lease liabilities as at December 31	13,268	13,304	11,135	12,285
Less: Current lease liabilities	(418)	(398)	(351)	(368)
	<hr/>	<hr/>	<hr/>	<hr/>
	12,851	12,906	10,785	11,917

## 11 Accrued expenses

	<b>2023 USD</b>	<b>2022 USD</b>	<b>2023 CHF</b>	<b>2022 CHF</b>
Accruals*	966	1,080	810	999
Accrued scientific research grants	521	511	437	472
Accrued social science grants	95	120	80	109
	<hr/>	<hr/>	<hr/>	<hr/>
	1,582	1,711	1,327	1,580

\*Accrual expenses represents accruals of employees travel vouchers, consulting fees and insurance.

## 12 Foundation capital

Foundation capital is defined in the statutes as a fixed amount of CHF5,000 (USD4,006).

### 13 Reserves

#### Litigation

In 2007, the Foundation Board agreed to a reserve of USD2,000 (CHF1,917) dedicated to litigation. This will allow the Agency to engage in any case where it is required.

#### Operations

In 2015, the Executive Committee of WADA agreed to increase the operation reserve to hold six months of operations or USD 9,600. The operation reserve has been increased via the allocation unused funds as a regularly budgetary item, along with any surplus from operations. In 2023, the operation reserve was increased to USD9,600 (CHF8, 731) funded through surplus from operations.

### 14 Annual contributions

	<b>2023 USD</b>	<b>2022 USD</b>	<b>2023 CHF</b>	<b>2022 CHF</b>
International Olympic Committee – Current year	22,168	21,412	19,923	20,441
International Olympic Committee – Previous years	457	1,738	411	1,661
Public Authorities and governments – Current year	22,015	21,425	19,786	20,454
Public Authorities and governments – Previous years	753	176	677	166
	<b>45,393</b>	<b>44,751</b>	<b>40,797</b>	<b>42,722</b>

## 15 Grants/Partnerships

	2023 USD	2022 USD	2023 CHF	2022 CHF
Montréal International Partnership	1,842	2,374	1,656	2,266
Government of Australia	375	0	336	
Government of Egypt	52	55	46	53
Government of Japan	30	0	27	
Government of Nigeria	59	54	53	51
Canton de Vaud / City of Lausanne	4		4	
Government of India	45	40	41	38
	0	63	0	60
	<u>2,407</u>	<u>2,586</u>	<u>2,163</u>	<u>2,468</u>

WADA benefits from contributions issued by the two major government supports, represented by the Government of Canada and The Government of Quebec. These contributions have been extended until 2031 and are subject to certain conditions, as follows:

- WADA must maintain its permanent operational headquarters in Montréal;
- maintain a minimum staff of 17 to 25 employees;
- provide quarterly unaudited and annual audited accounts, budgets and activity reports;
- and continue its original mission.

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

## 16 Salaries and other personnel costs

	2023 USD	2022 USD	2023 CHF	2022 CHF
Salaries	17,920	16,950	16,106	16,181
Social charges and other benefits	6,250	6,231	5,617	5,948
Defined benefit pension plan contributions	514	403	462	385
	<u>24,684</u>	<u>23,584</u>	<u>22,185</u>	<u>22,514</u>

The number of people employed was 178 as at December 31, 2023 (2022 – 172).



## Retirement benefit obligation

Most of WADA's employees are located at its Montréal headquarters. WADA grants all of its employees a predefined proportion of their 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 to a financially independent trust.

As at December 31, 2023, the pension benefit obligation and the fair value of the plan assets amount to CHF2,810 (USD3,342) and CHF2,355 (USD2,800), respectively. As at December 31, 2022, the pension benefit obligation and the fair value of the plan assets amounted to CHF2,350 (USD2,545) and CHF2,092 (USD2,266) respectively.

## 17 Research grants

	2023 USD	2022 USD	2023 CHF	2022 CHF
<b>Research grants expensed</b>				
Scientific research grants expensed	1,700	1,196	1,528	1,141
Social science research grants expensed	452	406	406	388
Refunds received on cancellation of project	-	-	-	-
<b>Total research grants expensed</b>	<b>2,152</b>	<b>1,602</b>	<b>1,934</b>	<b>1,529</b>
<b>Research grants paid out</b>				
Research grants expensed	2,152	1,602	1,934	1,529
Prepaid expenses (movement)	525	140	472	134
Accruals (movement)	(15)	60	(13)	57
<b>Total research grants paid out</b>	<b>2,662</b>	<b>1,802</b>	<b>2,393</b>	<b>1,720</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 and the President and the Executive Committee of WADA are not remunerated by the Agency. However, in accordance with WADA statute, the President and Vice-President receive a fixed annual indemnity amount of CHF100 (USD111) and CHF50 (USD56), respectively. WADA covers all expenses related to the execution of their functions, in particular, travel, hotel and meal expenses and a daily allowance for out-of-pocket expenses. These costs are included in travel and accommodation in the statement of activities.

	<b>2023 USD</b>	<b>2022 USD</b>	<b>2023 CHF</b>	<b>2022 CHF</b>
<b>Compensation of key management</b>				
Salaries	4,291	3,885	3,857	3,709
Benefits and social charge	1,636	1,657	1,470	1,582
	<u>5,927</u>	<u>5,542</u>	<u>5,327</u>	<u>5,291</u>

Key management of WADA is defined as all the directors of the Agency. Compensation is for 21 directors as at December 31, 2023 (2022 – 19 directors).

## 19 Commitments

### Commitments for service contracts

	2023 USD	2022 USD	2023 CHF	2022 CHF
Less than one year	6,574	722	5,517	667
More than one year and less than five years	23,910	1,210	20,066	1,118
	<u>30,484</u>	<u>1,932</u>	<u>25,583</u>	<u>1,785</u>

The commitments for non-lease elements are related mainly to the external expert services in government support.

### Scientific and social science research commitments

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

	2023 USD	2022 USD	2023 CHF	2022 CHF
Less than one year	3,961	2,908	3,324	2,685
More than one year and less than five years	659	354	553	327
	<u>4,620</u>	<u>3,262</u>	<u>3,877</u>	<u>3,012</u>

## 20 Contingent liabilities

As at December 31, 2023, WADA has contingent liabilities in the amount of 3,741CHF (4,327USD) (2022 – CHF3,626 (USD3,927)). 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 the signing of the research contract by the laboratory. Eighty percent of the amount would be due upon these approvals and would probably be disbursed in 2024.

## 21 Military conflict between Russia and Ukraine

The management has evaluated the effects, or possible effects, arising from the military conflict between Russia and Ukraine that commenced in February 2022. Management's assessment considered the implications of the conflict and related global sanctions on accounting, disclosure and internal control over financial reporting. As the situation continues to evolve, based on the management's evaluation, there is no impact that requires additional disclosures in the financial statements.