



INTERNATIONAL TESTING AGENCY
Financial Statements
As of December 31, 2023

BALANCE SHEET AS OF 31 DECEMBER 2023

	31.12.2023	31.12.2022
	CHF	CHF
ASSETS		
1.0) Cash and cash equivalents	15 215 136	12 333 158
1.1) Account receivables	1 663 983	1 645 833
1.1) Provision for doubtful debts	-73 930	-260 287
1.2) Other current receivables	44 775	956 643
1.3) Accrued income and prepaid expenses	747 774	956 589
Total current assets	17 597 738	15 631 937
<i>AS % OF TOTAL ASSETS</i>	<i>92%</i>	<i>90%</i>
Deposits guarantees	324 221	380 773
Other tangible fixed assets	414 688	541 027
Intangible fixed assets	738 887	771 687
1.4) Total non-current assets	1 477 796	1 693 486
<i>AS % OF TOTAL ASSETS</i>	<i>8%</i>	<i>10%</i>
TOTAL ASSETS	19 075 534	17 325 423
	31.12.2023	31.12.2022
	CHF	CHF
EQUITY AND LIABILITIES		
1.5) Account payables	3 127 439	3 487 929
1.6) Other current liabilities	265 727	248 718
1.7) Deferred income and accrued expenses	1 927 493	2 689 034
Provision for untaken holidays	415 000	418 000
Other short term provisions	86 332	81 010
2.4) Provision for upcoming costs	12 753 543	9 900 733
Total current liabilities	18 575 534	16 825 423
<i>AS % OF TOTAL LIABILITIES</i>	<i>97%</i>	<i>97%</i>
Total liabilities	18 575 534	16 825 423
<i>AS % OF TOTAL LIABILITIES</i>	<i>97%</i>	<i>97%</i>
Undesignated Reserve	500 000	500 000
Net income/loss for the year	-	-
Total equity	500 000	500 000
<i>AS % OF TOTAL LIABILITIES</i>	<i>3%</i>	<i>3%</i>
TOTAL EQUITY AND LIABILITIES	19 075 534	17 325 423

INCOME STATEMENT 2023

INCOME STATEMENT	2023	2022
	CHF	CHF
2.0) Sales Service Fees & Third party fees recharged	26 292 554	23 483 928
2.0) Cost of services recharged	-13 888 670	-14 378 520
Gross Margin	12 403 884	9 105 408
<i>GROSS MARGIN AS % OF REVENUE</i>	<i>47%</i>	<i>39%</i>
2.1) Personnel expenses	-9 629 712	-8 684 561
2.2) Other operating expenses	-3 863 457	-3 048 650
Communication	-94 187	-125 197
Office Rent + Cleaning	-496 876	-461 829
General & Administrative Costs	-924 276	-642 886
Professional Services Fee	-2 098 912	-1 366 276
Travel & Accommodation Costs	-347 574	-241 263
Bad debts	186 357	-174 985
Other expenses	-87 989	-36 215
Earnings before interest & depreciation (EBITDA)	-1 089 285	-2 627 803
<i>EBITDA AS % OF REVENUE</i>	<i>-4%</i>	<i>-11%</i>
1.4) Depreciation of non-current assets	-796 264	-712 608
Earnings before interest and tax (EBIT)	-1 885 549	-3 340 411
<i>EBIT AS % OF REVENUE</i>	<i>-7%</i>	<i>-14%</i>
2.3) Financial cost	-256 363	-282 831
2.3) Financial income	380 815	385 823
Operating Results before taxes	-1 761 097	-3 237 420
<i>OPERATING RESULTS AS % OF REVENUE</i>	<i>-7%</i>	<i>-14%</i>
2.3) Non-operating income	4 613 907	5 564 397
Other Loss	-	-1 399
2.4) Attribution/Dissolution of Provision for upcoming costs	-2 852 810	-2 325 579
Net Income before attribution to Undesignated Reserve	-	-
<i>NET INCOME/LOSS IN % OF REVENUE</i>	<i>0%</i>	<i>0%</i>
2.4) Attribution to Undesignated Reserve	-	-
Net Income	-	-
<i>NET INCOME/LOSS IN % OF REVENUE</i>	<i>0%</i>	<i>0%</i>

CAFH FLOW STATEMENT 2023

CASH FLOW STATEMENT	2023	2022
	CHF	CHF
Net Income before Olympic Movement Contribution and after allocation to undesignated reserves	-4 000 000	-5 000 000
Depreciation of non-current assets	796 264	712 608
Change in Net Working Capital		
Change in Trade receivables	-18 150	1 365 892
Change in Provision for doubtful debts	-186 357	109 700
Change in Other receivables	911 869	-75 992
Change in Accrued income and Prepaid expenses	208 815	-454 193
Change in Trade payables	-360 490	798 480
Change in Other payables	17 009	-206 240
Change in Provision for untaken holidays	-3 000	114 394
Change in Other short term provisions	5 322	-135 727
Change in Deferred income and Accrued expenses	-761 541	50 983
Change in Provision for upcoming costs	2 852 810	2 325 579
Cash flow from Operating activities	-537 449	-394 516
Investments in tangible fixed assets	-637 125	-1 009 055
Investments in financial assets	56 552	-219 628
Cash flow from Investing activities	-580 573	-1 228 683
Cash flow from Financing activities	-	-
Change in net cash and Cash equivalents excl. Contribution	-1 118 022	-1 623 200
Olympic Movement Contribution	4 000 000	5 000 000
Change in net cash and Cash equivalents	2 881 978	3 376 800
CHANGE IN NET CASH AND CASH EQUIVALENTS		
As of 1 January	12 333 158	8 956 358
As of 31 December	15 215 136	12 333 158
Change in net cash and Cash equivalents	2 881 978	3 376 800

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023

ORGANIZATION

The International Testing Agency (ITA) is an international organization constituted as an independent not-for-profit Swiss foundation, located in Lausanne (Switzerland). It manages anti-doping programs for International sports Federations (IFs), Major Event Organizers (MEOs) and Anti-Doping Organizations (ADOs) that wish to delegate their anti-doping activities to a body that implements high quality anti-doping programs with increased transparency and independence.

ITA's mission is to reinforce the fight against doping by bringing together expertise and helping IFs and MEOs fulfil their duties under the World Anti-Doping Code.

Foundation Number: 7349

Last Status: 05.12.2019

FOUNDATION BOARD

NAME	POSITION	ROLE
Fourneyron Valérie	Board President	Independent Chair
Brunner Chantal	Board Member	Independent Member
Chen Peijie	Board Member	Independent Member
Emma Terho	Board Member	Athlete representative
Erdener Ugur	Board Member	IOC representative
Jackson Roger	Board Member	Independent Member
Ricci Bitti Francesco	Board Member	International Federation representative
Cohen Benjamin	Board Secretary	Director General

STATUTORY AUDITOR

The Foundation Board reelected Ernst & Young as auditing body of the Foundation on November 29th 2023.

SUMMARY OF ACCOUNTING POLICIES

The financial statements of the ITA were prepared according to the provisions of the Swiss Code of Obligations (CO 957-964).

FOREIGN CURRENCIES

In the Income Statement, the transactions in foreign currencies were posted at the average exchange rate of the month published by the Swiss Tax Authorities (AFC).

In the Balance Sheet, the balances were calculated using the exchange rates from the AFC as of December 31, 2023.

The foreign currencies exchange rates against CHF on December 31, 2023:

	<u>31.12.2023</u>	<u>31.12.2022</u>
USD/CHF	0.841624	0.925228
EUR/CHF	0.9297	0.987450
GBP/CHF	1.072875	1.112933

1.0) CASH

Cash consists of cash held in bank accounts in CHF, USD and EUR.

1.1) ACCOUNT RECEIVABLES

The account receivables consist of invoiced third party costs, which are expenses paid by ITA on behalf of its partners to cover testing activities including but not limited to laboratory analysis, sample collection and shipment, and contractual ITA Management fees. The management assessed to post a provision on doubtful debtors of 5% at year end.

Aging Analysis (in days)	2023	2022
0-30	CHF 960'329	CHF 884'387
31-60	CHF 10'360	CHF 85'768
61-90	CHF 34'960	CHF 220'352
>90	CHF 477'115	CHF 455'325

1.2) OTHER CURRENT RECEIVABLES

Other current receivables are made of advance payments regarding social charges for employees' pension (LPP).

1.3) ACCRUED INCOME AND PREPAID EXPENSES

The account is composed of Accrued income for third-party costs and ITA Management fees (CHF 453K) and Prepaid expenses mainly related to insurance and rent expenses (CHF 255K).

1.4) NON-CURRENT ASSETS

Non-current assets are composed of a deposit guarantee for the rental of ITA's office and other tangible fixed assets including the office furniture, IT equipment and Software as shown in the tables below.

Furniture, IT equipment, software and leasehold improvements owned by ITA are recorded at cost.

Depreciation is charged using the straight-line method based on estimated useful lives of the assets generally estimated at 3 years for IT Equipment and software and 5 years for leasehold improvements and furniture.

	Leasehold improvements	Office Equipment	IT Equipment	Software	Total
Costs					
Balance on 31 December 2021	80 124	359 917	283 092	1 118 184	1 841 317
Acquisitions	194 901	168 482	148 144	497 528	1 009 055
Disposals / write-off	-	-	-	-	-
Balance on 31 December 2022	275 024	528 400	431 236	1 615 712	2 850 372
Acquisitions	-	-	89 641	547 485	637 126
Disposals / write-off	-	-	-	-	-
Balance on 31 December 2023	275 024	528 400	520 877	2 163 197	3 487 498
Accumulated Depreciation					
Balance on 31 December 2021	-53 585	-227 785	-180 032	-363 649	-825 051
Depreciation for the year	-47 557	-97 720	-86 955	-480 376	-712 608
Disposals / write-off	-	-	-	-	-
Balance on 31 December 2022	-101 142	-325 505	-266 987	-844 025	-1 537 659
Depreciation for the year	-44 979	-64 696	-106 304	-580 285	-796 264
Disposals / write-off	-	-	-	-	-
Balance on 31 December 2023	-146 121	-390 201	-373 291	-1 424 310	-2 333 923
Net Book Value					
On 31 December 2021	26 538	132 133	103 060	754 535	1 016 266
On 31 December 2022	173 882	202 895	164 249	771 687	1 312 713
On 31 December 2023	128 903	138 199	147 586	738 887	1 153 575

1.5) ACCOUNT PAYABLES

Account Payables mainly consist of payable testing costs such as sample collection fees and laboratory analysis fees.

1.6) OTHER CURRENT LIABILITIES

Other current liabilities include personnel costs.

1.7) DEFERRED INCOME AND ACCRUED EXPENSES

Deferred income and accrued expenses consist of deferred 2024 revenues perceived in 2023 related to Third-party variable costs.

2.0) INCOME STATEMENT ANALYSIS

	2023	2022	Var vs PY
2.01) Sales Service Fees & Third party fees recharged	CHF 26 292 554	CHF 23 483 928	CHF 2 808 626
2.02) Cost of services recharged	-13 888 670	-14 378 520	489 850
Gross margin	CHF 12 403 884	CHF 9 105 408	CHF 3 298 476

2.01) Sales Service Fees & Third party fees recharged represent ITA's revenue which consist of Management Fees for services performed by ITA employees and Third party fees recharged such as sample collection costs and laboratory analysis fees. Sales Service Fees in 2023 are composed of CHF 10.9mio IF Contracts and CHF 1.4mio MEOs versus CHF 7.6mio IF Contracts and CHF 1.5mio MEOs in 2022.

2.02) The Cost of services recharged are mainly composed of sample collection costs and laboratory analysis costs.

2.1) PERSONNEL EXPENSES

	2023	2022	Var vs PY
Salaries	-7 897 647	-7 105 607	-792 040
Social security costs	-728 000	-646 047	-81 953
Pension costs - defined benefit plans	-536 418	-473 522	-62 896
Other personnel costs	-467 647	-459 384	-8 261
Total Personnel Expenses	CHF -9 629 712	CHF -8 684 561	CHF -945 151

Personnel expenses reflect the cost of salaries and social charges for ITA employees which have significantly increased due to the expansion of the organisation and the creation of new positions. On December 31, 2023 the ITA employed 72.1 Full Time Employees versus 65.7 last year. The average FTE by month is shown in the table below and represents an average FTE of 69.9 for 2023 versus 60.2 for 2022.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	AVG
68.0	67.5	68.5	67.1	67.6	68.1	70.1	71.1	73.3	72.9	71.9	72.1	69.9

2.2) OTHER OPERATING EXPENSES

	2023	2022	Var vs PY
Communication	-94 187	-125 197	31 011
Office Rent + Cleaning	-496 876	-461 829	-35 048
General & Administrative Costs	-924 276	-642 886	-281 391
2.21) Professional Services Fee	-2 098 912	-1 366 276	-732 636
Travel & Accommodation Costs	-347 574	-241 263	-106 311
Bad debts	186 357	-174 985	361 342
Other expenses	-87 989	-36 215	-51 775
Total Other Operating Expenses	CHF -3 863 457	CHF -3 048 650	CHF -814 807

Due to the continuous expansion of its activities and mainly due to the higher number of employees at the Budapest branch office, the ITA incurred higher operating expenses.

2.21) The Professional Services Fee are mainly composed of:

- CHF 1 494K – ITA Budapest Branch Office & Global Workforce
- CHF 425K – ITA Experts
- CHF 181K – IT & Cybersecurity Consultant

2.3) NON-OPERATING INCOME & EXPENSES

	2023	2022	Var vs PY
Olympic Movement Contribution	4 000 000	5 000 000	-1 000 000
Other Income - Re invoicing	54 381	16 087	38 294
Sponsorship	355 000	335 000	20 000
Prior Period Income	86 580	175 927	-89 347
Various other income	117 946	37 383	80 563
Non-operating income	CHF 4 613 907	CHF 5 564 397	CHF -950 490
Foreign exchange gains	380 815	385 823	-5 008
Foreign exchange losses	-256 363	-282 831	26 468
Other Income/Expenses	CHF 124 452	CHF 102 992	CHF 21 460

ITA benefited from a contribution from the Olympic Movement that covers the running costs for 2023 and stable sponsoring income. Prior Period Income relate to credit notes on testing activities from previous years. Overall, the ITA endured a foreign exchange gain which is mainly due to weaker EUR/CHF and USD/CHF exchange rates throughout the year.

2.4) PROVISION FOR UPCOMING COSTS

	2023	2022
Net Income/Loss before attribution to Provision	CHF 2 852 810	CHF 2 325 579
Dissolution/Attribution to Provision for upcoming costs	- 2 852 810	- 2 325 579
Net Income after attribution to Provision	-	-

The Foundation Board decided to allocate CHF 2'852 810 to Provision for upcoming costs as a measure to ensure the long-term prosperity of the Foundation.

USE AND ALLOCATION OF PROVISION

Provision	Opening balance 01.01.2022	Constitution	Ending Balance 31.12.2023
Undesignated Provision	9 900 733	2 852 810	12 753 543
TOTAL PROVISION FOR UPCOMING COSTS	CHF 9 900 733	CHF 2 852 810	CHF 12 753 543

The ITA started 2023 with an undesignated provision of CHF 9 900 733 and attributed an additional CHF 2 852 810 for upcoming costs.

RISK MANAGEMENT

The ITA operates across multiple countries and conducts business transactions denominated in various foreign currencies, mainly in Euro (EUR), in United States Dollar (USD), and Hungarian Forint (HUF). Consequently, the ITA faces foreign exchange risk due to fluctuations in exchange rates.

To manage its foreign currency exposures, the ITA utilizes derivative financial instruments, specifically forward contracts. These instruments are employed as hedging mechanisms to mitigate the potential impact of adverse movements in exchange rates. The forward contracts allow the ITA to lock in predetermined exchange rates for future transactions, reducing the uncertainty associated with currency fluctuations.

NON-CANCELLABLE DEBTS

The non-cancellable debts following 31.12.2023 are composed of the office rental lease for a total amount of CHF 2 460 590.

Due dates for future payments	<u>Value in CHF</u>
2024	580 574
2025	638 234
2026	638 234
2027	337 802
2028	187 586
2029	78 161
Total Commitment	<u>2 460 590</u>

TAX-EXEMPT STATUS

The tax authorities have granted the ITA a tax exemption from income and capital taxes on a communal, cantonal, and federal level.

SUBSEQUENT EVENTS

The ITA evaluated subsequent events from December 31, 2023 through June 11th, 2024 the date on which the financial statements were available to be issued. The ITA is expecting a higher sample collection costs and analyses fees due to the continuous high inflation rate.

The Foundation Board certifies that the accounts' annexes are compliant and complete.

Location & Date: Lausanne, 11.06.2024

Authorized Signatory: _____



Location & Date: Lausanne, 11.06.2024

Authorized Signatory: _____

