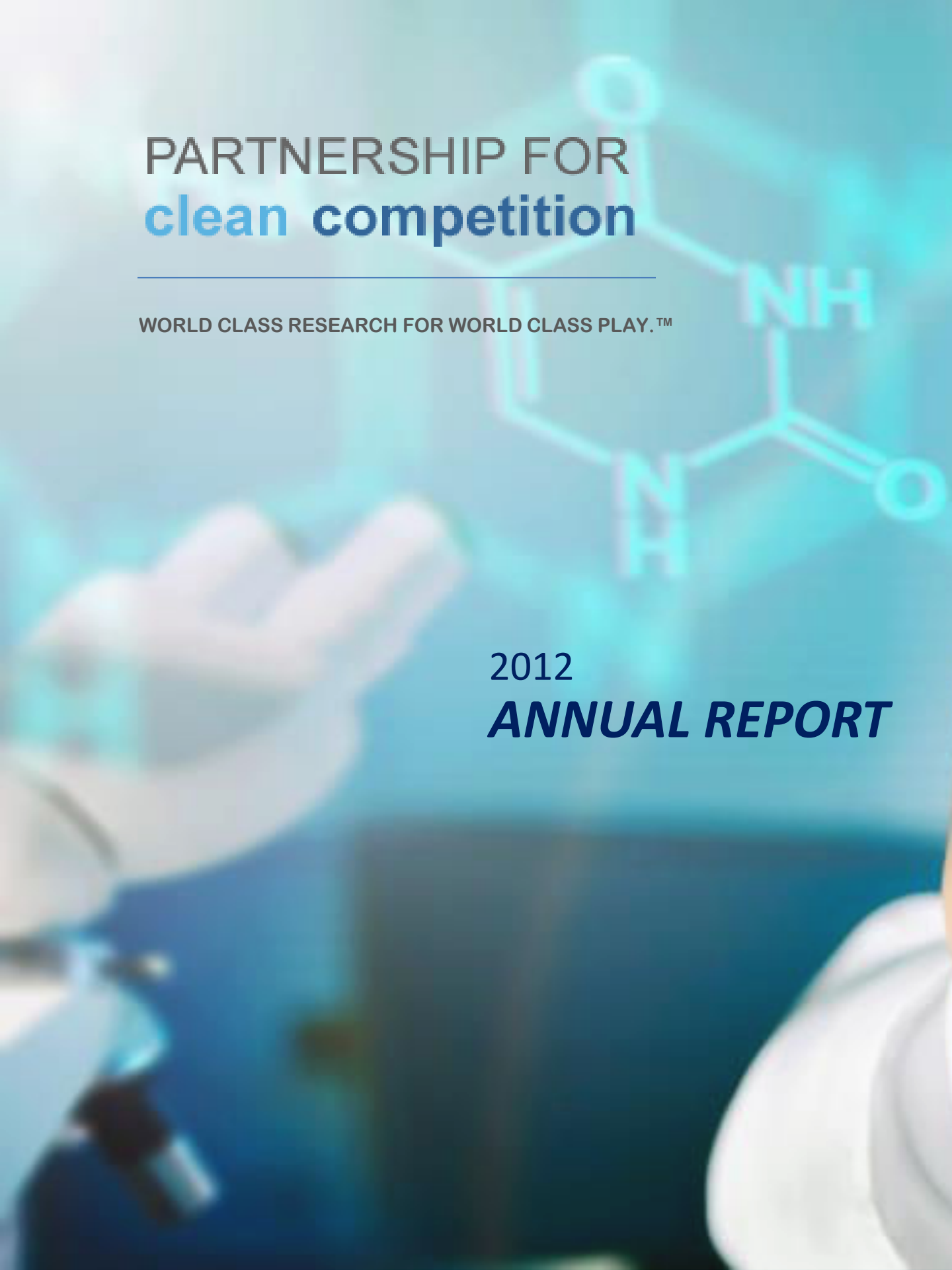


PARTNERSHIP FOR clean competition

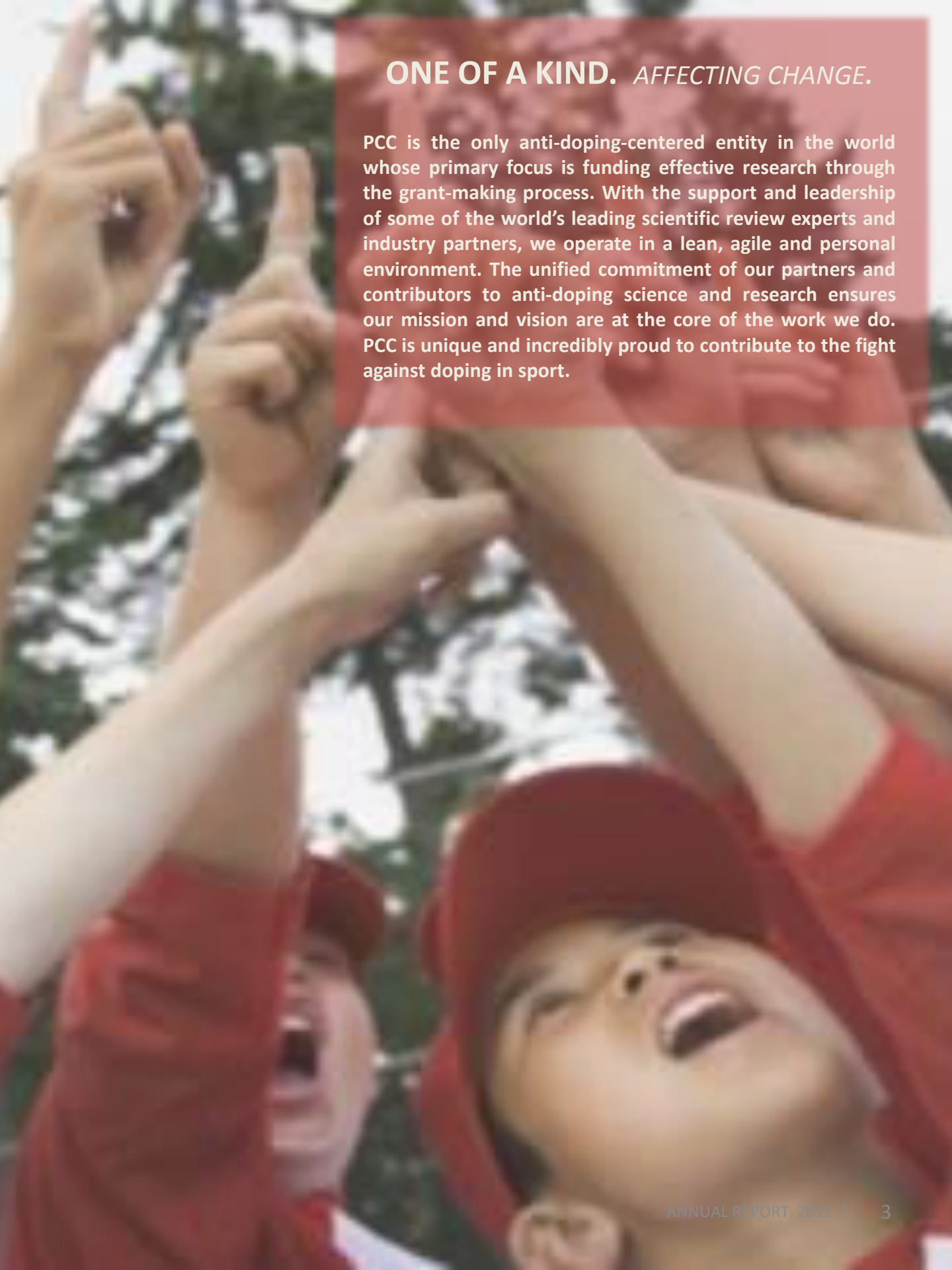
WORLD CLASS RESEARCH FOR WORLD CLASS PLAY.™

2012

ANNUAL REPORT

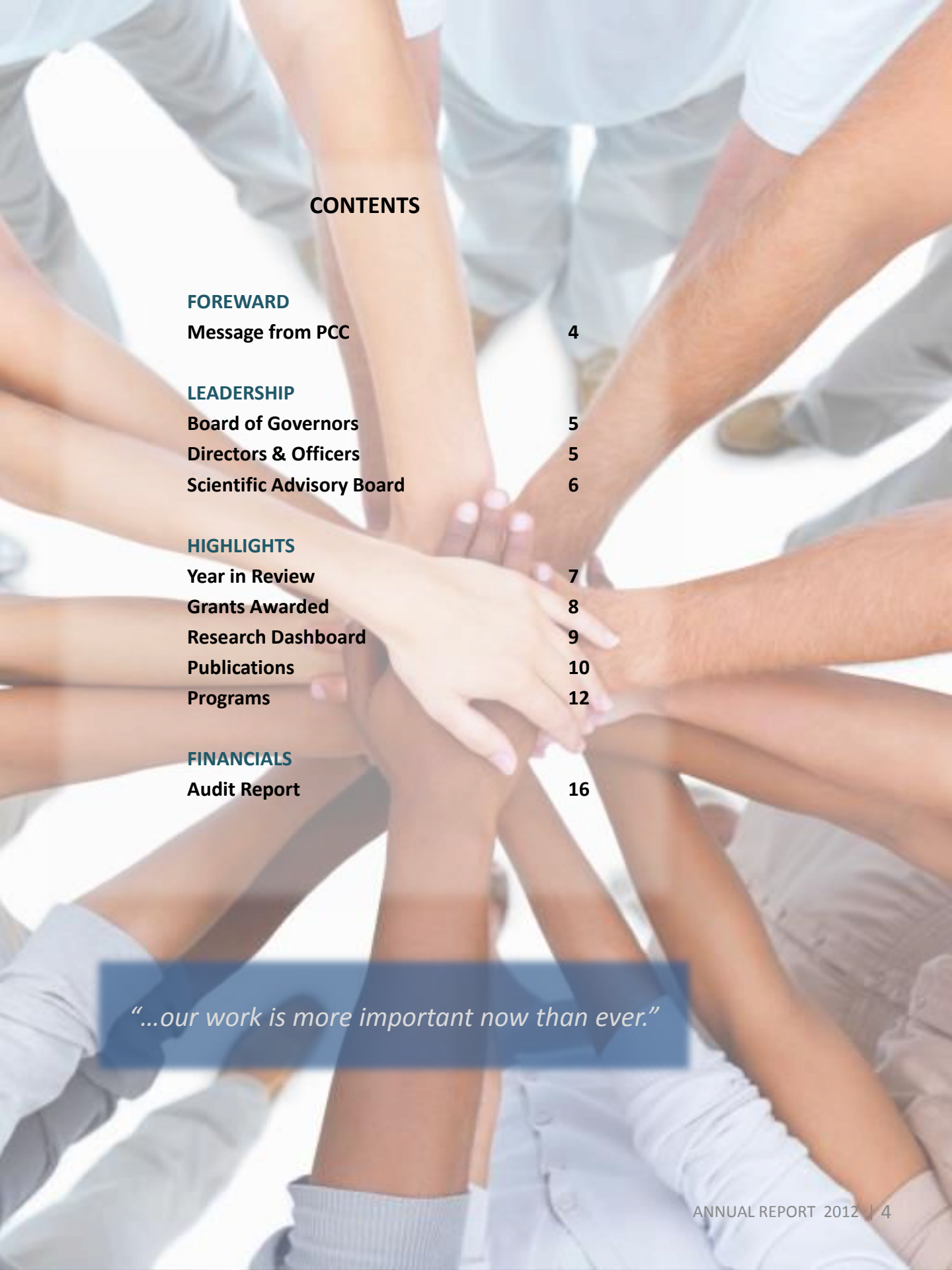
PARTNERSHIP FOR
clean competition

Everyday, we work to protect the integrity of sport and public health by engaging and supporting the world's top scientists and innovators in high-quality anti-doping research and development. We aspire to generate the world's most influential, effective and coveted methods and resources for detecting and deterring the use of performance-enhancing substances by all athletes in all sports at all levels, thereby demonstrating the value of science, collaboration and innovation related to doping control in sport and ensuring the benefits of sport participation worldwide.



ONE OF A KIND. *AFFECTING CHANGE.*

PCC is the only anti-doping-centered entity in the world whose primary focus is funding effective research through the grant-making process. With the support and leadership of some of the world's leading scientific review experts and industry partners, we operate in a lean, agile and personal environment. The unified commitment of our partners and contributors to anti-doping science and research ensures our mission and vision are at the core of the work we do. PCC is unique and incredibly proud to contribute to the fight against doping in sport.



CONTENTS

"…our work is more important now than ever."









Dear Friends of Sport,

It is with great pleasure and excitement that we present to you PCC's first Annual Report. We have come a long way since our first grant award in 2008. With more than 30 high-level research projects now in progress around the world, we are delighted to share and celebrate with you PCC's successful entrance into the anti-doping science community. 2012 was a year of landmark stories featuring sport and anti-doping. Today, these stories and related developments continue to emphasize the role of science in drug testing and ultimately in fairness in sport. Without a doubt, the landscape of anti-doping science is changing.

For PCC, 2012 was a year of transition. Following a mid-year shift in internal leadership and operations, we adopted a new strategic plan in late-summer. With a revived focused on raising awareness and cultivating pipelines for engagement in anti-doping research, significant energy was devoted to exploring new tactical considerations and affiliate interactions. During September, October and November, PCC was represented at five major conferences, continuing the development of our networks and markets. During the month of December, much time was devoted to refining our approach, collating new and existing business activities into formal programs and services, and positioning PCC and its affiliates to PARTNER, PARTICIPATE and GIVE.

As we look ahead, our mission and vision remain clear. Not only will we continue to pursue and support novel research, we intend to allocate new resources to research transference, technological upgrades, and the promotion of active collaborations among sponsored research and the biotechnology industry. As a result, we hope to facilitate more cross-industry collaboration and to attract new supporters who are in a position to affect change and champion this movement in anti-doping science. We are excited about these initiatives and their role in positioning PCC as the world's leading research collaborative for anti-doping. Each of our community and industry sectors plays a unique and important role in sport and promoting its benefits. Today, different segments of sport are taking deliberate steps to protect sport's integrity, and we are so genuinely pleased that all four of our original Founding Partners have renewed their annual pledge commitments for another four years.

On behalf of PCC, we'd like to personally and sincerely thank you for your belief in the PCC mission of protecting the integrity of sport and public health by engaging and supporting the world's top scientists and innovators in high-quality anti-doping research and development. We look forward to building our relationship with you throughout the coming year.

Sincerely and with best regards,

Rana Dershowitz
Board of Governors Chair

Charlene Boudreau
Executive Director

Rana Dershowitz
United States Olympic Committee

General Counsel of the United States Olympic Committee, Dershowitz is a highly respected sports and entertainment industry attorney with more than a decade of experience in sports and almost twenty years of legal practice. At the USOC, Dershowitz oversees all legal affairs for the organization, acts as its Ethics Officer and its Corporate Secretary to the Board. Prior to joining the USOC in 2007, Dershowitz served as Vice President, and before that Director, of Legal and Business Affairs at Madison Square Garden, L.P. Dershowitz has also served as an Adjunct Professor of Sports Law at New York Law School.

Senior Vice President of Law & Labor Policy for the National Football League, Birch oversees the development, administration and enforcement of the League's critical policies respecting the integrity of the game, including those on substances of abuse, performance-enhancing drugs, gambling and criminal misconduct, as well as the League's government affairs efforts, directing the League's strategy to advance its legislative, regulatory and political interests on the federal, state and local levels.

Adolpho A. Birch III
National Football League

Robert D. Manfred, Jr.
Major League Baseball

As an Executive Vice President at Major League Baseball, Manfred is responsible for Baseball's collective bargaining relationship with the Major League Baseball Players Association, the collective bargaining relationship with the World Umpires Association, and the human resources function in the Commissioner's Office in New York. Manfred is a member of the Labor Section of the American Bar Association, the Massachusetts and District of Columbia Bar Associations and the College of Labor and Employment Lawyers. He is also a member of the Board of Directors of the Sports Lawyers Association

CEO of the U.S. Anti-Doping Agency, Tygart oversees all operations related to the education, testing and results management process for the U.S. Olympic, Paralympic and Pan American movements. Tygart has served as an advocate for the integrity of sport and clean athletes, testifying in front of the U.S. Congress, German Parliament and the French Senate on policy and issues surrounding doping in sport. Under Tygart's leadership, USADA's efforts to protect clean athletes have included cooperating with Federal authorities on numerous investigations, including the international steroid bust, Operation Raw deal, the international doping conspiracy involving the BALCO laboratory in San Francisco. Tygart also lead the investigation into the US Postal Service Pro-Cycling Team Doping Conspiracy and the Lance Armstrong case.

Travis T. Tygart
U.S. Anti-Doping Agency

DIRECTORS & OFFICERS

Charlene Boudreau
Executive Director

Named Executive Director of PCC in July 2012, Boudreau is responsible for developing and driving organizational strategy and overseeing daily operations, including managing the organization's $3M budget, fundraising, business development, grant administration, and scientific outreach. Boudreau holds an MBA from the University of Colorado.

Kevin Manara
Secretary

Labor Relations Counsel for the NFL, Manara is responsible for the administration and enforcement of the League's policies on performance-enhancing substances, personal conduct and substances of abuse, representing NFL clubs in grievances filed by players under the NFL Collective Bargaining Agreement and advising clubs on a variety of contractual, disciplinary and other labor-related matters.

As USADA's Chief Science Officer, Dr. Bowers provides leadership and scientific support for USADA's research, sample collection planning, results management, arbitration, and education programs and the prestigious USADA Annual Symposium. Past Associate Editor (Drug Testing and Toxicology) for the journal, Clinical Chemistry, Dr. Bowers was the deputy director of the Athletic Drug Testing Laboratory for the 1996 Olympic Games, and has served on several scientific organizations Board of Directors. Dr. Bowers is currently a member of the World Anti-Doping Agency (WADA) Laboratory Accreditation Working Group.

Larry Bowers, PhD

Former Director of the Center for Human Toxicology at the University of Utah, and the Department of Pharmacology Sciences at Genentech, Inc. South San Francisco, Dr. Finkle is Chief Consulting Toxicologist to the National Football League, consultant to the World and U.S. Anti-Doping Agencies, President and Chairman of the Board for the Sports Medicine Research and Testing Laboratory, and serves on the Board of the NFL Health Foundation.

Bryan S. Finkle, PhD

Past Chief of Endocrinology and Metabolism at the Veterans Administration Lakeside Medical Center and Associate Director of the Northwestern University General Clinical Research Center, Dr. Baumann is a Professor of Medicine Emeritus at Northwestern University. Dr. Baumann discovered the growth hormone binding protein, the circulating ectodomain of the growth hormone receptor.

Gerhard Baumann, MD

A fellow in the American College of Physicians and American College of Sports Medicine and a Clinical professor in the UCLA School of Medicine in the Division of Sports Medicine, Dr. Green serves as a team physician for Pepperdine University and the US National Soccer Team. He is on review boards for USADA for adverse analytical findings and therapeutic use exemptions and serves as Major League Baseball's Consultant on Anabolic Steroids.

Gary Green, MD

Dr. Matsumoto is a Professor in the Division of Gerontology & Geriatric Medicine at the University of Washington, School of Medicine in Seattle. He is Director of the Clinical Research Unit, Associate Director of the Geriatric Research, Education& Clinical Center and an Attending Physician in Internal Medicine, Geriatric Medicine and Endocrinology & Metabolism at the Department of Veterans Affairs Puget Sound Health Care System. He is Chair of the Hormone Foundation Committee of The Endocrine Society and has served on USADA's Research Policy Advisory Committee.

Alvin M. Matsumoto, MD

Chief Scientific Officer of Environmental Physiology and Hydration Consulting, Professor of Applied Physiology at Georgia Institute of Technology and past Chief of Thermal and Mountain Medicine at the US Army Research Institute of Environmental Medicine, Dr. Sawka is an expert in environmental physiology (heat, cold, high-altitude), fluid / electrolyte balance, exercise physiology, and rehabilitation medicine.

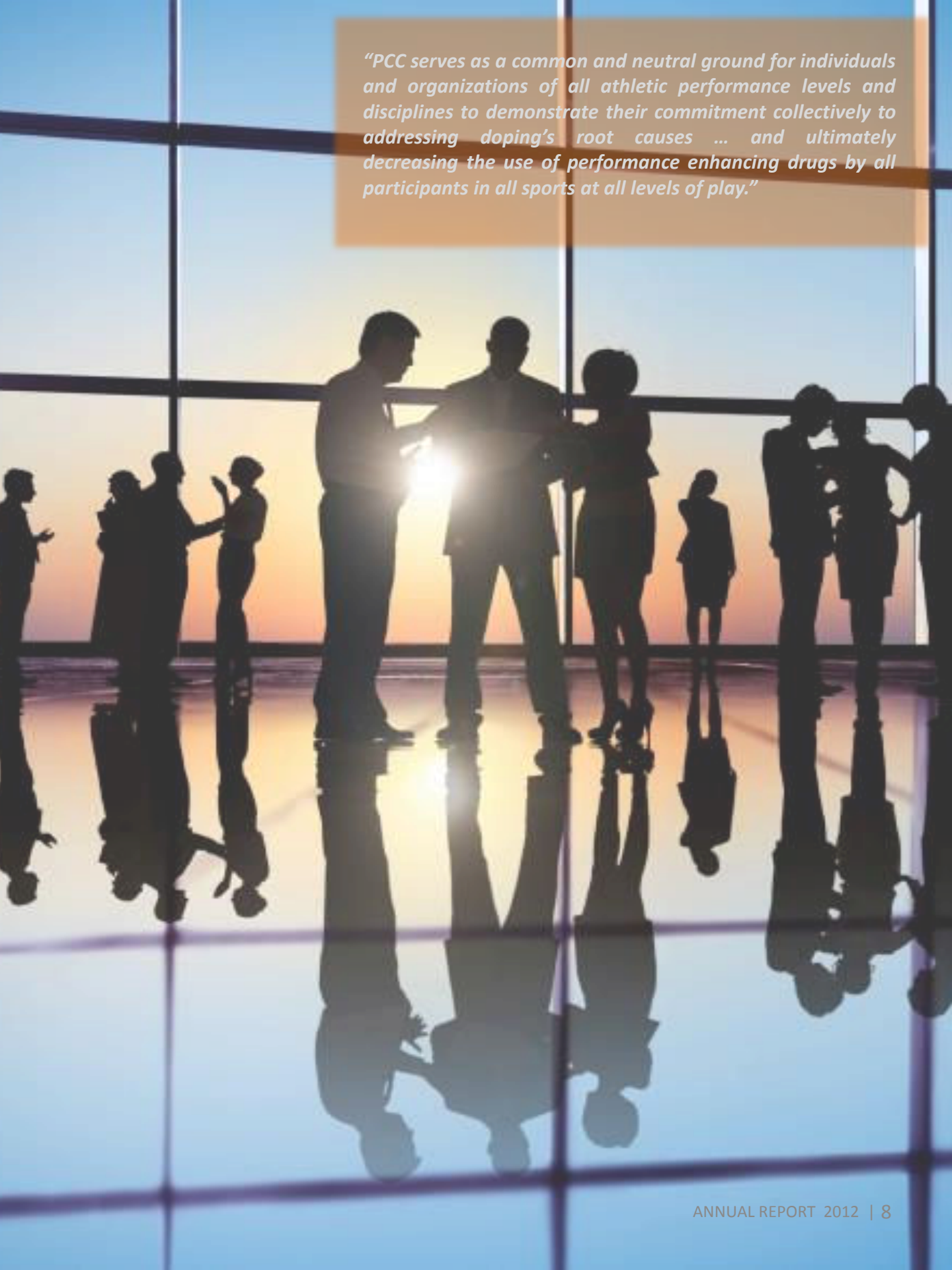
Michael M. Sawka, PhD

Professor of Pathology and Public Health Genomics and Director of the Molecular Diagnostics, Clinical Genomics and Immunology Laboratories at the University of Virginia, Dr. Silverman is also past Director of the Division of Molecular Pathology and past Director of the Immunochemistry/Molecular Genetics Laboratory at the University of North Carolina Hospitals. Dr. Silverman is a diplomate of the American Board of Clinical Chemistry and a Fellow of the American College of Medical Genetics.

Lawrence Silverman, PhD

The Ernest W. Hahn Professor in the Department of Chemical Physiology and Molecular & Cellular Neurobiology at The Scripps Research Institute, Dr. Yates is the lead inventor of the SEQUEST software for correlating tandem mass spectrometry data to sequences in the database and developer of the shotgun proteomics technique for the analysis of protein mixtures. Dr. Yates was ranked by Citation Impact, Science Watch as one of the Top 100 Chemists for the decade, 2000-2010.

John Yates III, MD, PhD



"PCC serves as a common and neutral ground for individuals and organizations of all athletic performance levels and disciplines to demonstrate their commitment collectively to addressing doping's root causes … and ultimately decreasing the use of performance enhancing drugs by all participants in all sports at all levels of play."

2012
YEAR IN REVIEW…

JANUARY

PCC begins search for new Executive Director

APRIL

PCC Board of Governors Meeting, Teleconference

MAY

PCC Board of Governors Approves New Working Groups

JULY

PCC Hires New Executive Director

AUGUST

PCC Announces First Fellow

NCAA Joins PCC as Contributing Organization

PCC Financial Audit Complete

PCC Board of Governors Meeting, New York City

PCC Adopts New Strategic Plan

SEPTEMBER

Founding Partners Renew Commitments to PCC

PCC Attends Arne Ljungqvist Conference, Stockholm

PCC Attends BIO Technology Transfer Symposium & Investor Forum, San Francisco

OCTOBER

PCC Attends USADA Annual Symposium on Anti-Doping Science, Atlanta

PCC Scientific Advisory Board Meeting, Atlanta

PCC Attends GTC Biotech Transfer & Commercialization Conference, Philadelphia

NOVEMBER

PCC Attends IUPUI Fundraising School, Indianapolis

PCC Hosts EPO Working Group, Chicago

PCC Board of Governors Meeting, New York City

DECEMBER

PGA TOUR Renews Commitment to PCC

PCC Publishes Research Dashboard

PCC Launches *Call to ACTION 2013*

Grants Awarded in 2012

Ryanodine reception 1 regulation by acute strenuous exercise and implications of the market-available drug S107
$79,214 to the German Sport University Cologne — **GERMANY**

Counter-measures against EPO masking schemes
$288,877 to SIAB — **AUSTRALIA**

Conversion of hemataologic passport testing for use with dried Blood spots
$404,284 to Sports Medicine Research & Testing Laboratory — **UNITED STATES**

Implementation of a method based on high resolution time-of-flight mass spectrometry coupled to ultra high pressure liquid chromatography and gas chromatography as universal multi-target
$107,000 to the Doping Control Laboratory of Madrid — **SPAIN**

GH-2004: Novel biomarkers for the detection of IGF-1 abuse
$97,842 to University of Southampton — **ENGLAND**

Detecting Blood Doping By Measuring RBC Population Dynamics
$111,806 to Partners Healthcare/Massachusetts General — **UNITED STATES**

From 2008-2012, PCC reviewed 109 research grant applications, received from 21 different countries. A total of $6.7M of funding was committed to support 34 original research studies, representing a proposal acceptance rate of 31% and an overall average funding rate of $198K per study.

RESEARCH CATEGORIES:	Applications (rec/rev, % of total above)	Funding Committed (including % of total above)	Annual Commitment History
ANABOLIC AGENTS	31 | 28%	$1.8M | 27% Grant Award Average = $183K	2009 $993K 2010 $666K 2011 $65K 2012 $106K
GC-IRMS	3 | 3%	$1.1M | 16% Grant Award Average = $365K	2008 $495K 2009 $600K 2010 $0 2011 $0 2012 $0
BLOOD DOPING, EPO	22 | 20%	$1.7M | 26% Grant Award Average = $177K	2009 $120K 2010 $226K 2011 $617K 2012 $805K
PROT/ PEPTIDE HORMONES	14 | 13%	$.7M | 11% Grant Award Average = $190K	2009 $115K 2010 $125K 2011 $520K 2012 $0
hGH, IGF-1	5 | 5%	$.7M | 11% Grant Award Average = $383K	2009 $767K 2010 $0 2011 $0 2012 $0
GENE DOPING	8 | 7%	$.2M | 3% Grant Award Average = $102K	2009 $0 2010 $101K 2011 $104K 2012 $0
STIMULANTS, β-BLOCKERS	3 | 3%	$0 | 0% Grant Award Average = na	2009 $0 2010 $0 2011 $0 2012 $0
OTHER	23 | 21%	$.3M | 4% Grant Award Average = $97K	2009 $0 2010 $212K 2011 $0 2012 $79K

PCC is proud to recognize the success of its grant recipients and their 20+ resulting contributions to the field of anti-doping science.

Piper T, Degenhardt K, Federherr E, Thomas A, Thevis M and M Saugy. *Effect of changes in the deuterium content of drinking water on the hydrogen isotope ratio of urinary steroids in the context of sports drug testing.* **Anal Bioanal Chem** Mar;405(9):2911-21 DOI 10.1007/s00216-012-6504-7, 2013

Leuenberger N, Schumacher YO, Pradervand S, Sander T, Saugy M and T Pottgiesser *Circulating microRNAs as biomarkers for detection of autologous blood transfusion.* **PLoS ONE** 8(6): e66309 DOI 10.1371/journal.pone.0066309, 2013

Manokhina I and JL Rupert. *A DNA-based method for detecting homologous blood doping.* **Anal Bioanal Chem** Jul 11 [Epub ahead of print] PMID: 23842898, 2013

Wasterlain AS, Braun HJ, Harris AHS, Kim HJ and JL Dragoo. *The Systemic Effects of Platelet-Rich Plasma Injection.* **AJSM PreView**, December 4, DOI 10.1177/0363546512466383, 2012

Ni W, LeGuiner C, Moullier P, and RO Snyder. *Development and Utility of an Internal Threshold Control (ITC) Real-Time PCR Assay for Exogenous DNA Detection* **PLoS ONE** 7(5): e36461, 2012

Piper T, Thomas A, Thevisb M and M Saugya. *Investigations on hydrogen isotope ratios of endogenous urinary steroids: referencepopulation-based thresholds and proof-of-concept.* **Drug Testing and Analysis**, Published online in Wiley Online Library: 19 September 2012

Kelly BN, Haverstick DM, Vance ML, Thorner MO and DE Bruns. *Quantification of growth hormone mRNA in blood.* **Clinica Chimica Acta** 414:206–210, 2012

Ni W, LeGuiner C, Gernoux G, Penaud-Budloo M, Moullier P, and RO Snyder. *Longevity of rAAV Vector and Plasmid DNA in Blood after Intramuscular Injection in Non-Human Primates: Implications for Gene Doping.* **Gene Therapy** 18:709-718, 2011

Lootens L, De Spaey A, Deventer K, Meuleman P, Leroux-Roels G and P Van Eenoo. *Mibolerone metabolism in the uPA/SCID chimeric mice*. **Recent Advances in Doping Analysis** 19:50-59. Proceedings from the Manfred Donike Workshop on Dope Analysis, 2011

The publications listed here are the result of PCC-sponsored research.

CONFERENCE PRESENTATIONS

A DNA-based method for detecting homologous blood doping. Presented by: Irina Manokhina and James L Rupert, Abstract #1760. American Society of Human Genetics Annual Meeting, November 2012, **SAN FRANCISCO**

Comparing PCR Conditions That Detect rAAV Harboring the Human Erythropoietin cDNA: Applications for Gene Doping. Presented by: IC Perez, C Le Guiner, D Moser, P Simon, P Moullier, and RO Snyder. Florida Genetics Symposium, November 2012, **GAINESVILLE**

Circulating RNAs as markers of growth hormone doping. Presented by: BN Kelly, DM Haverstick, ML Vance, MD Thorner and DE Bruns. Growth Hormone and IGF-1 Research Society Meeting, October 2012, **MUNICH**

Circulating microRNAs to detect autologous blood transfusion. Presented by: N Leuenberger, YO Schumacher, T Pottgieser, M Saugy and S Pradervand. The Manfred Donike Workshop on Doping Analysis, February 2012, **COLOGNE**

Effect of long-term blood storage on red blood cell stability and the activation of red blood cell-nitric oxide synthase. Presented by: Marijke Grau. 43rd Conference of the German Society of Sports Medicine, 2012, **BERLIN**

Longevity of rAAV Vector and Plasmid DNA in Blood after Intramuscular Injection in Non-Human Primates. Presented by: Y Ni, C Le Guiner, M Penaud-Budloo, P Moullier, and RO Snyder. 18th Molecular Virology Workshop, May 2011, **DAYTONA BEACH**

The uPA+/+-SCID Chimeric Mouse: a model for in vivo study of steroid metabolism. Presented by: L Lootens, P Meuleman, G Leroux-Roels and P Van Eenoo. SOFT-TIAFT Forensic Toxicology Conference, September 2011, **SAN FRANCISCO**

Metabolism of Steroids via the Chimeric Mouse with Humanized Liver. Presented by: L Lootens, P Meuleman, G Leroux-Roels and P Van Eenoo. PCC International Conference, December 2011, **NEW YORK CITY**

Mibolerone metabolism in the uPA/SCID chimeric mice. Presented by: L Lootens, A De Spaey, K Deventer, P Meuleman, G Leroux-Roels and P Van Eenoo. The Manfred Donike Workshop on Doping Analysis, February 2011, **COLOGNE**

The uPA+/+SCID chimeric mouse: a model for in vivo study of mibolerone metabolism. Presented by: L Lootens, A De Spaey, K Deventer, P Meuleman, G Leroux-Roels, and P Van Eenoo. SOFT-TIAFT Forensic Toxicology Conference, September 2011, **SAN FRANCISCO**

Molecular Detection of rAAV Genomes in Blood of Non-Human Primates: Development of a Reliable Blood Test for the Detection of Gene Doping. Presented by: Y Ni, C Le Guiner, M Penaud-Budloo, P Moullier, and RO Snyder. European Society of Gene and Cell Therapy Annual Meeting, October 2010, **MILAN**

Molecular Detection of rAAV Vector Sequences in Blood. Presented by: Y Ni, C Le Guiner, M Penaud-Budloo, P Moullier and RO Snyder. 17th Molecular Virology Workshop, April 2010, **DAYTONA BEACH**

The **SCIENTIFIC RESEARCH PROGRAM** represents PCC's primary core business activity, promoting original work that focuses on improving existing analytical methods for detecting particular drugs, developing analytical methods to test for substances not currently detectable, and discovering cost effective approaches for testing widely abused substances across all levels of sport. The **SCIENTIFIC RESEARCH PROGRAM** is open to scientists and researchers worldwide and runs three times per year, with each round of proposals reviewed by a panel of established and highly respected experts. In 2012, PCC allocated US$2.1M to the program. Individual grant awards have ranged from US$60,000 to US$400,000+ with a turnaround time on awards averaging less than four months.

In 2012, PCC began to explore and design its **TECH & TRANSFERENCE PROGRAM**, to expose PCC's scientific and technological developments to a public network of innovators who can develop proven principles and concepts into new products, processes and applications that serve the anti-doping community.

With a focus on the biotech industry, the **TECH & TRANSFERENCE PROGRAM** will make additional resources available to encourage additional R&D, identification of commercialization viability and interest, and the professional management of translational assets through licensing agreements, joint ventures and other creative partnerships designed to move proven concepts produced by PCC funded research to market. Through its **TECH & TRANSFERENCE PROGRAM**, PCC may serve as a venture catalyst, collaboration leader, and deal structure participant, lowering the barriers to critical collaborations, and ensuring consistency with PCC's organizational mission.

PCC values its supporters and customers, and all those affiliated with the promotion of PCC and its mission. The **AFFILIATE ENGAGEMENT PROGRAM** is our way of staying connected, dedicating resources to engagement activities, such as the PCC Online Concourse and the PCC International Conference.

At PCC, we encourage our affiliates to contribute to the social return of our mission, locally and globally, by supporting our core objectives:

PARTNER, PARTICIPATE and GIVE.

Second only to funding, researchers identify sample availability and timely access as the most significant challenge to the progression of anti-doping research.

In 2012, PCC identified **SAMPLE SHARE** as a distinguishing opportunity to support scientists and the longevity of anti-doping research. Through **SAMPLE SHARE**, PCC will work to secure, log and store a variety of collected specimens for dedicated use in directed analysis by PCC grant award recipients and collaborative working groups. At PCC, we serve as a common and neutral ground for scientists and organizations around the world to demonstrate their commitment *collectively* to addressing doping's root causes, and we offer the only unifying and collaborative environment of its kind. Our work is undeniably more important now than ever, and we believe that **SAMPLE SHARE** is a critical step to ensuring the continuation of anti-doping research worldwide.

PCC recognizes the impact of creative collaboration. In 2012, PCC allocated approximately US$.8M to drive and support critical developments requiring strong, and often multi-disciplinary collaborative effort and commitment.

The **WORKING GROUPS & COLLABORATIONS PROGRAM** supplements PCC's original research and tech & transference grants, and in 2012 addressed specific needs and requirements for new developments involving:

- growth hormone biomarker validation
- oral fluid and dried blood spot sampling
- detection of erythropoietin (EPO)

Moving forward, the **WORKING GROUPS & COLLABORATIONS PROGRAM** will also capture PCC's new Accredited-Lab Equipment Project, which provides labs holding accreditation by the World Anti-Doping Agency and/or engaged in a PCC collaboration opportunities to assess their current technology. Without the directed and dedicated resources of the **WORKING GROUPS & COLLABORATIONS PROGRAM**, collaborations of this nature, and their subsequent contributions to anti-doping science, are likely to remain unrealized.

PCC's 2012 Fellow

Brian N Kelly, PhD

Completing his fellowship work at:

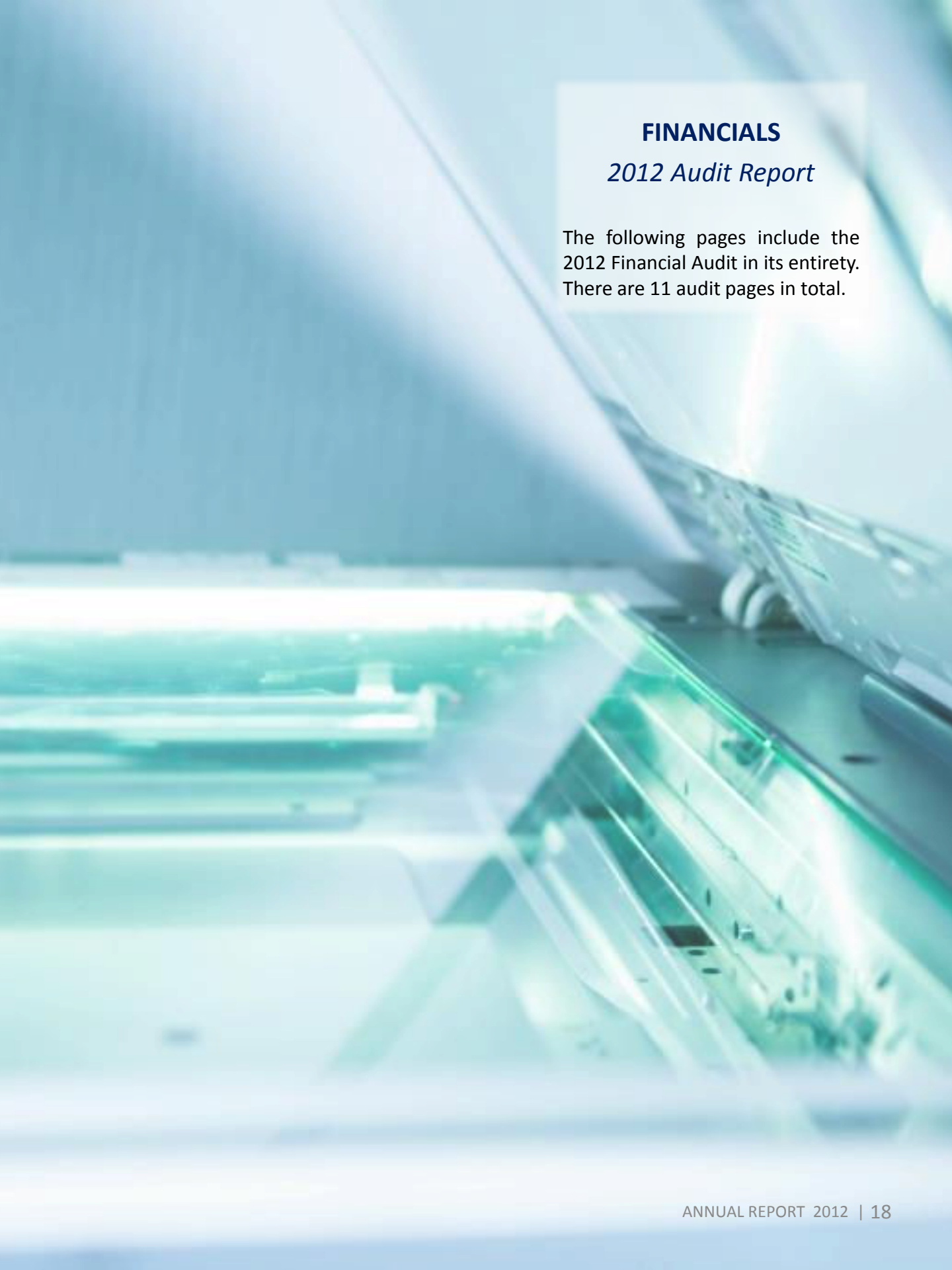
Sports Medicine Research
& Testing Laboratory
(SMRTL)
Salt Lake City, Utah

PARTNERSHIP FOR
clean competition

As we aspire to help generate the world's most influential, effective and coveted methods and resources for detecting and deterring the use of performance enhancing substances, PCC recognizes the need for longevity *and* the significance of the personal and financial investments made by each and every one of our affiliates and supporters.

The **FELLOWSHIP PROGRAM** represents PCC's investment in the future of the anti-doping science community. The program supports qualified scientists and business professionals at leading universities and nonprofit scientific institutions who demonstrate strong interest and potential for long-term contribution to the fields of ethics and anti-doping science.

By cultivating ethical leadership and ongoing commitment to research, the **FELLOWSHIP PROGRAM** helps ensure the continuation of standards established by today's anti-doping experts, thereby contributing to the fate of anti-doping science in the future.



FINANCIALS

2012 Audit Report

The following pages include the 2012 Financial Audit in its entirety. There are 11 audit pages in total.

Grant Thornton

Financial Statements and Report of Independent Certified Public Accountants

Partnership for Clean Competition Research Collaborative

December 31, 2012 and 2011

Contents

Report of Independent Certified Public Accountants

Audit • Tax • Advisory

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707 17th Street, Suite 3200
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The Board of Governors of the
Partnership for Clean Competition Research Collaborative:

We have audited the accompanying financial statements of the Partnership for Clean Competition Research Collaborative ("PCC") , which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Partnership for Clean Competition Research Collaborative as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

GRANT THORNTON LLP

Denver, Colorado
August 23, 2013

Statements of financial position

	As of December 31, 2012	As of December 31, 2011
Assets		
Cash and cash equivalents	$ 7,284,930	$ 5,787,024
Pledges receivable, net	298,427	495,143
Prepaid expenses	40,235	6,566
Total assets	$ 7,623,592	$ 6,288,733
Liabilities and net assets		
Liabilities		
Accounts payable and accrued liabilities	$ 148,480	$ 102,656
Grants payable	248,124	809,514
Total liabilities	396,604	912,170
Net assets		
Unrestricted	6,928,561	4,881,420
Temporarily restricted	298,427	495,143
Total net assets	7,226,988	5,376,563
Total liabilities and net assets	$ 7,623,592	$ 6,288,733

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

Statements of activities

	Year ended December 31, 2012			Year ended December 31, 2011		
	Unrestricted	Temporarily restricted	Total	Unrestricted	Temporarily restricted	Total
Support and revenue						
Contributions	$ 2,509,579	$ 393,705	$ 2,903,284	$ 154,789	$ -	$ 154,789
Net assets released from restrictions	590,421	(590,421)	-	2,545,210	(2,545,210)	-
Total support and revenue	3,100,000	(196,716)	2,903,284	2,699,999	(2,545,210)	154,789
Expenses						
Program services						
Drug research	881,902	-	881,902	2,075,421	-	2,075,421
Total program services	881,902	-	881,902	2,075,421	-	2,075,421
Supporting services						
Fundraising	7,735	-	7,735	7,264	-	7,264
General and administrative	163,222	-	163,222	172,441	-	172,441
Total supporting services	170,957	-	170,957	179,705	-	179,705
Total expenses	1,052,859	-	1,052,859	2,255,126	-	2,255,126
Changes in net assets	2,047,141	(196,716)	1,850,425	444,873	(2,545,210)	(2,100,337)
Net assets, beginning of period	4,881,420	495,143	5,376,563	4,436,547	3,040,353	7,476,900
Net assets, end of period	$ 6,928,561	$ 298,427	$ 7,226,988	$ 4,881,420	$ 495,143	$ 5,376,563

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

Statements of cash flows

	Years ended December 31,	
	2012	2011
Operating activities		
Changes in net assets	$ 1,850,425	$ (2,100,337)
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Changes in assets and liabilities		
Decrease in pledges receivable	196,716	2,545,210
Increase in prepaid expenses	(33,669)	(6,566)
Increase in accounts payable and accrued liabilities	45,824	43,449
(Decrease) increase in grants payable	(561,390)	25,800
Net cash provided by operating activities	1,497,906	507,556
Net increase in cash and cash equivalents	1,497,906	507,556
Cash and cash equivalents, beginning of year	5,787,024	5,279,468
Cash and cash equivalents, end of year	$ 7,284,930	$ 5,787,024

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

Notes to financial statements

Note A – Summary of significant accounting policies

Organization

The Partnership for Clean Competition Research Collaborative ("PCC") was established on February 21, 2008 as a not-for-profit organization established under IRC Section 501(c)(3) with the United States Olympic Committee ("USOC") as the sole IRC Section 501(c)(3) member. PCC's mission is to protect the integrity of sport and public health by engaging and supporting the world's top scientists and innovators in high-quality anti-doping research and development. By combining the resources and expertise of America's leading sports entities, the PCC supports non-partisan and independent scientific research by fundraising and making targeted grants to various universities and other world-class research institutions. This independent research primarily focuses on developing more effective tests for performance-enhancing substances, the societal causes of doping, and non-test based methods to decrease doping and performance-enhancing drug use across all levels of athletic participation and competition, from the casual youth sports participant to the elite amateur and professional athlete.

The PCC is governed under the direction of a Board of Governors consisting of three constituent classes of members: one class of members is comprised of USOC representatives; one class of members is comprised of representatives from professional sports leagues, unions of professional athletes and/or other individuals that make demonstrated, long-term economic commitments in support of the PCC; the final class of members is comprised of a representative from the United States Anti-Doping Agency.

The PCC board is supported by a Scientific Research Advisory Board, who independently develops and reviews the relative merits of particular research projects and makes recommendations to the Board of Governors as to appropriate areas and subjects for making scientific research grants. This advisory body is comprised of members who are universally-recognized experts in their field or scientific expertise, individuals from academia, individuals from the public health sector and/or individuals who otherwise represent the public interest.

The Executive Director of the PCC oversees the day-to-day administration of the organization and reports directly to the Board of Governors.

Contributions

Contributions represent unconditional cash donations and future pledges of cash donations from the organizations represented on the Board of Governors, as well as donations from the general public. The PCC reports contributions of cash and other assets as temporarily or permanently restricted contributions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the donor stipulations have been met, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions in the statement of activities. Contributions of cash and other assets that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as unrestricted.

Note A – Summary of significant accounting policies (continued)

Unconditional promises to give the PCC cash in the future or over a period spanning multiple years are recorded as temporarily restricted net assets at the estimated fair value when the pledge is made. Fair value is determined by computing the present value of future cash flows discounted at the risk-free interest rate as of the period in which the agreement was received, adjusted for any associated credit risks. As cash donations are received under the pledge, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions in the statement of activities.

Cash and cash equivalents

Cash and short term investments with original maturities of three months or less from the date of acquisition are considered cash and cash equivalents. As of December 31, 2012 and 2011, all cash and cash equivalents represent demand deposits.

Pledges receivable

Pledges receivable, net of an annual discount ranging from 3.25% to 3.34%, are deemed fully collectible as of December 31, 2012 and 2011. Pledges are due to be collected over the next year in the following amount:

	As of December 31, 2012
Year ending December 31, 2013	$ 298,427
	$ 298,427

For the years ended December 31, 2012 and 2011, $9,579 and $54,789, respectively, of the pledge discount was amortized into contribution revenue. As of December, 31, 2012 and 2011, the unamortized pledge discount was $1,573 and $4,858, respectively.

Grants payable

The PCC awards targeted grants to research institutions each year in order to fund independent scientific research projects aimed at increasing detection and prevention of performance-enhancing substance use in professional and amateur sports. The research projects generally extend over a period of one to three years. The liability is recorded as grants payable in the statement of financial position and the associated expense is recorded as drug research expense in the statement of activities when the grant agreements are executed by the PCC.

Federal income taxes

The PCC is exempt from federal and state income taxes on income from activities related to its exempt purposes under IRC Section 501(a) of the Internal Revenue Code as an organization described in IRC Section 501(c)(3). The PCC had no unrelated business income for the periods ended December 31, 2012 and 2011.

Note A – Summary of significant accounting policies (continued)

Net assets

For financial reporting purposes, resources are classified into net asset categories according to the existence or absence of donor imposed restrictions. Accordingly, net assets of the PCC and changes therein are classified and reported as follows:

- Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

- Temporarily restricted net assets – Net assets that are subject to donor-imposed stipulations that may or will be met either with actions of the PCC and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The PCC has adopted the *Uniform Prudent Management of Institutional Funds Act* ("UPMIFA") passed by the state of Colorado. In accordance with UPMIFA, the PCC appropriates for expenditure or accumulates as much of an endowment fund as the PCC determines is prudent for the uses, benefits, purposes or duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. As of December 31, 2012 and 2011, the PCC has no board-designated or donor restricted endowment funds.

Functional expenses

The cost of providing supporting services has been summarized on a functional basis in the statement of activities. Certain costs have been allocated among the supporting services benefited based on labor dollars or costs incurred.

Management estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ significantly from those estimates.

Uncertain tax positions

As required by the uncertain tax position guidance, the PCC recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The adoption of this guidance did not have a material effect on the Company's financial statements.

Recently adopted standards

PCC management has evaluated the most recent framework for measuring fair value and concluded that the PCC does not have assets or liabilities recognized in the financial statements measured at fair value on a recurring basis. Accordingly, management concluded the adoption of related guidance did not have a significant impact on its results of operations, financial position, or note disclosures.

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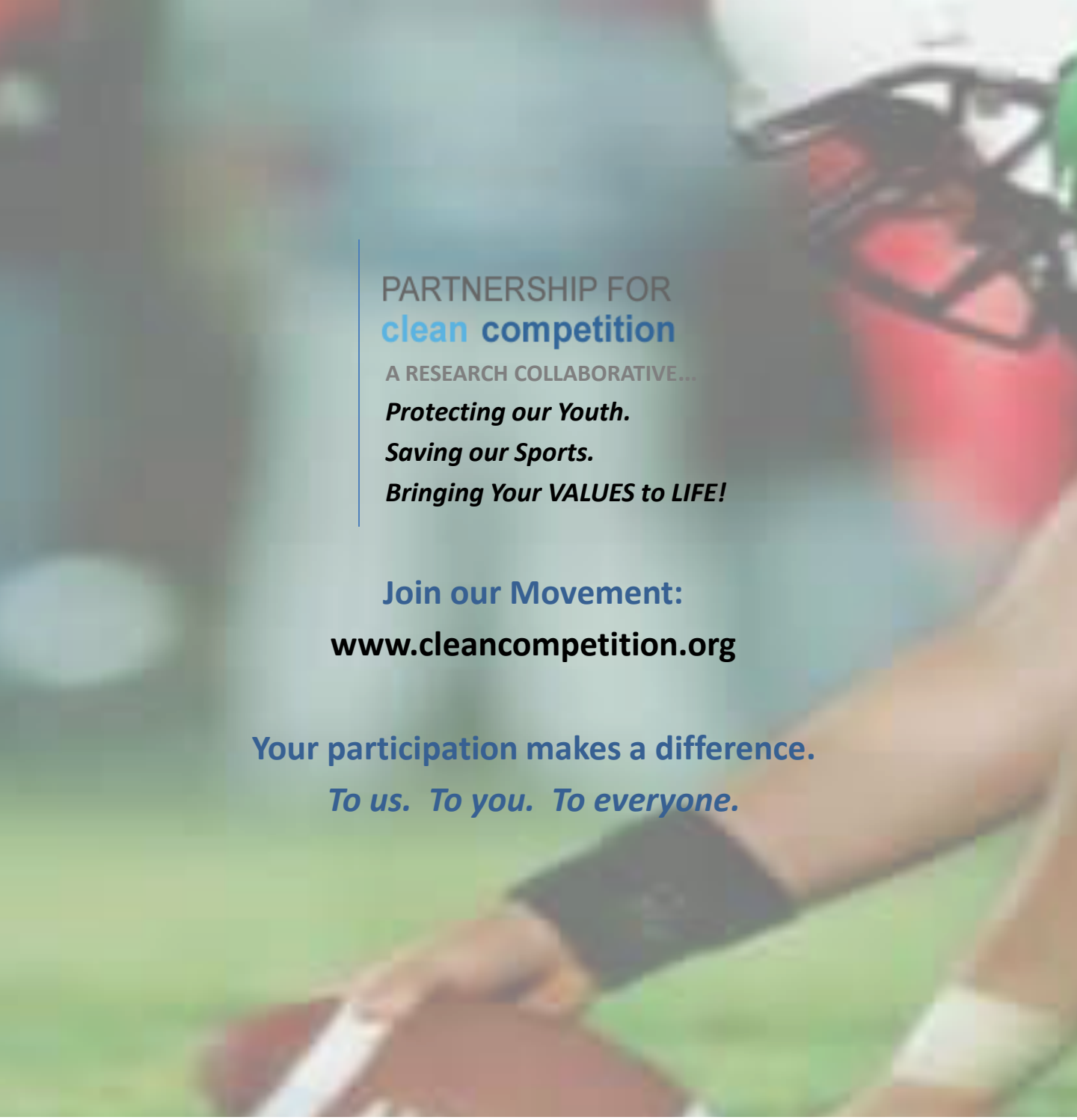
Note B – Service agreement

The PCC has a service agreement with the USOC where the USOC has agreed to make available to the PCC various services including the Executive Director, legal services, accounting services, communications and public relations, information technology and human resources. The PCC is obligated to reimburse the USOC for these services, which have been calculated at the USOC's cost. Legal, accounting, communication and the Executive Director's services are billed to the PCC at a fixed monthly rate. Information technology and human resources services are reimbursed to the USOC based on an hourly rate for services performed. For the years ended December 31, 2012 and 2011, the amount PCC incurred from the USOC for these services was $114,350 and $109,644, respectively.

Note C – Subsequent events

The PCC has evaluated subsequent events through the date that the financial statements were available to be issued on August 23, 2013. Management was not aware of any subsequent events which would require recognition or disclosure in the financial statements.



PARTNERSHIP FOR
clean competition

A RESEARCH COLLABORATIVE...

Protecting our Youth.

Saving our Sports.

Bringing Your VALUES to LIFE!

Join our Movement:

www.cleancompetition.org

Your participation makes a difference.

To us. To you. To everyone.

The support of our Founding Partners and Contributors is instrumental to enabling PCC to carry out its mission.
We extend our most sincere appreciation for their ongoing commitment to this important movement in anti-doping.