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WHERE WE ARE NOW

A MESSAGE TO OUR STAKEHOLDERS

2016 marked a year of tremendous growth for the PCC, made possible by the support and commitment of our incredible sponsors, board members, scientists, and anti-doping allies around the world.

Not only did the PCC award global scientists nearly $3M USD to enhance and evolve anti-doping technology (a 36% increase from 2015), but for the first time the PCC funded more projects outside the US than within it, with 57% of projects being led by international investigators. This shift securely positions the PCC as the premier funder of anti-doping research on a global scale.

Moreover, the first HgH Biomarkers test was implemented into labs in late 2016, thanks to the dedication of the PCC's IGF-1 Working Group. The Working Group consolidated the acumen of scientists from six distinct labs, a dynamic which facilitated not only the most sophisticated HgH testing protocol to date, but also the interlaboratory precision key to consistent results between laboratories.

The PCC also grew in terms of both contributor staff and support resources. The hiring of Stakeholder Engagement Manager Jenna Celmer doubled the PCC’s operational staff member count, and allowed for the creation of more robust and consistent outreach efforts designed to keep stakeholders informed of PCC activities and successes.

Finally, the PCC is pleased to announce the renewed sponsorship commitments of both the PGA TOUR and the National Hockey League, which highlights the dedication of both leagues to protecting the health and integrity of their athletes.

As we look towards 2017 and beyond, the PCC remains committed to actively fostering and supporting the scientific talent that so powerfully impacts PED detection and deterrence for all sports, at all levels of play.

Sincerely,
Michael Pearlmutter

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Ms Kemppel has served as a member of the USOC’s Board of Directors since 2010. A four-time Olympian in the sport of cross country skiing, she has been a long time advocate against doping in sport. She recently served three years on the World Anti-Doping Agency’s Athlete Committee, representing the views and rights of athletes worldwide. From 2005 to 2008, she worked directly with the U.S. Anti-Doping Agency and championed the USOC’s initial Safe Sport initiative while serving as the USOC Athlete Advisory Committee Vice-Chair of the Anti-Doping Committee. She is currently the President and CEO of the Alaska Community Foundation in Anchorage, Alaska.

Serving as USADA’s Chief Executive Officer since September 2007, Travis T. Tygart leads the organization’s efforts to preserve the integrity of competition, inspire true sport, and protect the rights of clean athletes. Under Tygart’s leadership, some of USADA’s most significant efforts to protect athletes’ rights have come in the form of international advocacy of clean sport, most recently in relation to the Russian doping scandal, and in the form of major investigations. Working alongside federal authorities, USADA investigated the international steroid bust, Operation Raw Deal, and the international doping conspiracy involving the BALCO laboratory in San Francisco. Tygart also led the investigation into the U.S. Postal Service pro-cycling team doping conspiracy and spearheaded the publication of the Reasoned Decision in the Lance Armstrong case.

Senior Vice President of Labor Policy & League Affairs 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. Mr. Birch also has advanced the League’s legislative and political interests, working with federal, state and local officials on key league issues such as youth concussion laws, the league’s tax status and the FCC’s blackout rule. Prior to joining the NFL, Mr. Birch was in private practice in Houston, Texas. Mr. Birch attended Vanderbilt University Law School as a Patricia Roberts Harris Scholar.

*current as of September 2017
Michael Pearlmutter was named Executive Director for the Partnership for Clean Competition Research Collaborative in January 2014. In this role, Pearlmutter is responsible for developing, directing, and driving organizational strategy and overseeing daily operations, including managing the organization's $3M budget, fundraising, business development, grant administration, scientific outreach, and communication with the PCC Board of Governors and Scientific Advisory Board.

Ms. Celmer joined the PCC as Stakeholder Engagement Manager in March of 2016 to provide dedicated outreach and communications services to the PCC's numerous sponsors, researchers, and collaborators. In this role Celmer supports the promotion, growth and advancement of PCC programming and partnerships through implementing strategic engagement initiatives, creative marketing efforts, and mission-driven support mechanisms for the anti-doping community.

In his current role as the general counsel for the United States Olympic Committee, Mr. McCleary is responsible for all legal issues faced by the organization and all necessary functions as corporate secretary for the USOC Board of Directors. Additionally, he serves as the organization's ethics officer, coordinating with the USOC Ethics Committee, and oversees the USOC’s partnerships with the World Anti-Doping Agency, U.S. Anti-Doping Agency, and Partnership for Clean Competition. McCleary joined the USOC from Visa Inc., where he served eight years as the senior vice president and senior associate general counsel of global brand and client management, in which he led the company's worldwide legal operations in marketing, sponsorships, intellectual property, and client licensing.

Kevin Manara serves as Senior Labor Relations Counsel for the NFL. His responsibilities include the administration of the League's collective bargaining agreement with its players, as well as enforcement of the League's policies on performance-enhancing substances, personal conduct and substances of abuse. Kevin represents NFL clubs in grievances filed by players under the CBA, prosecutes appeals of discipline imposed under League policies and advises clubs on a variety of contractual, disciplinary and other labor-related matters. Kevin was a member of the NFL Management Council’s bargaining team during negotiations that resulted in the 2011 CBA and the 2014 drug and steroid policies. Prior to joining the NFL, Kevin was an associate in the Labor & Employment department at Proskauer Rose. Kevin graduated from Johns Hopkins University, where he played varsity football, and earned his law degree with honors from New York Law School.
LARRY BOWERS, PH.D.
As USADA’S Chief Science Officer from 2000 to 2016, Dr. Bowers provided leadership and scientific support for USADA’s research sample collection planning, results management, arbitration, 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.

BRYAN S. FINKLE, PH.D.
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.

GARY GREEN, M.D.
Gary Green, MD, was appointed Medical Director for Major League Baseball in 2010 and has served as MLB’s consultant on anabolic steroids and performance-enhancing substances since 2003. He also serves as research director for MLB. He is 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 is the head team physician for Pepperdine University and serves on the California Interscholastic Federation Medical Advisory Committee. He is also on review boards for USADA for adverse analytical findings and therapeutic use exemptions.

GERHARD BAUMANN, M.D.
Past Chief of Endocrinology and Metabolism at the Veterans Administration Lakeside Medical Center and the 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.

ALVIN M. MATSUMOTO, M.D.
Dr. Matsumoto is a Professor of Medicine 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, Acting Chief of the Gerontology Section 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 Laureate Awards Committee of The Endocrine Society, Co-Chair of the Partnership for the Accurate Testing of Hormones (PATH), serves as an Editor for the Journal of Clinical Endocrinology & Metabolism and has served on USADA’s Research Policy Advisory Committee.
MICHAEL M. SAWKA, PH.D.
Chief Scientific Officer of Environmental Physiology and Hydration Associates, Adjunct Professor of Biological Sciences 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), blood volume control, fluid/electrolyte balance, temperature regulation, and exercise physiology.

LAWRENCE SILVERMAN, PH.D.
Emeritus Professor of Pathology at the University of Virginia, Dr. Silverman also served as Director of the Molecular Diagnostics, Clinical Genomics, and Immunology Laboratories at the University of Virginia, as well as Director of the Division of Molecular Pathology, and 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.

JOHN YATES III, PH.D.
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 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. Dr. Yates is the Editor in Chief at the Journal of Proteome Research.

STEVE ELLIOT, PH.D.
Recently retired from his Scientific Executive Director Position at Amgen, where he had worked since 1983, he continues to work in conjunction with the antidoping movement. During his early years at the company, he performed structure-function studies on erythropoietin and the erythropoietin receptor and is the inventor of Aranesp, a re-engineered analog of rHuEpo with a longer serum half-life. His discoveries played a key role in three crosscountry skiers being stripped of their gold medals and suspended from competition for two years following the 2002 Olympic Winter Games.

ANNETTE SALMEEN, PH.D.
Dr. Salmeen, D.Phil., was a 1996 Olympian and gold medalist. She served as an athlete's representative for the USA Swimming national governing body from 1996 to 2005. In 2005, she was elected as an athlete member of the U.S. Anti-Doping Agency Board of Directors and served until 2012. She was a member of the USADA board research committee and was also involved with efforts to support athlete education and the USADA True Sport initiative. She earned her doctoral degree in Biochemistry as a Rhodes Scholar at Oxford in 2001 and studied growth factor signalling pathways as a post-doctoral fellow in the Chemical and Systems Biology department at Stanford. She is currently a lecturer in the Human Biology Program at Stanford.
2016: A YEAR IN REVIEW
2016
AT A GLANCE

$2.7 M USD
AWARDED WORLDWIDE

Representing a 40% increase in USD over funding in 2015. Total number of awards was increased by 75%.

21
SCIENTISTS (& THEIR TEAMS) SUPPORTED

Through PCC Grants, Micro-Grants, Working Groups, Center of Excellence Grants, and/or Fellowships.

57%
INTERNATIONAL AWARDS

The PCC provided 16 of 28 awards to investigators conducting research outside of the US.

43
RESEARCH OUTPUTS

Publications and presentations directly resulting from PCC funded research.
FUNDING FACTS AND FIGURES

2016 FUNDING BY PROJECT CATEGORY

As a percentage of total awards, not including Working Groups.

- Steroids: 36%
- Hematology: 5%
- Equipment: 9%
- EPO/Blood: 14%
- Alt. Specimens: 14%
- Miscellaneous: 18%
- Ref. Materials: 5%

2016 AWARDS BY FUNDING MECHANISM

As a percentage of total awards.

- Grants: 43%
- Micro-Grants: 32%
- Working Groups: 21%
- Fellowships: 4%

GLOBAL REACH

The PCC funded 21 unique investigators representing eight different countries. The accompanying numbers represent total awards per country.

- America: 12
- Europe: 5
- Australia: 3

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GRANTS
APPROVED

Grants
63% of total USD awarded

Application of Dried Blood Spots in the Detection of Insulin and Testosterone Ester. Dr. Nikolai Nordsborg, University of Copenhagen. (DE)

Exhaled Breath in Doping Controls: Method Expansion, Optimization, Detection Window Determination. Dr. Mario Thevis, German Sport University. (DE)

Characterization of Low Temperature Catalytic Combustion Reactors for Steroids in Fast GC-C-IRMS. Dr Herbert Tobias, Dell Pediatric Institute. (US)

Sensitive and Quick Detection of PEDs Using Microtornoid Optical Resonators. Dr. Judith Su, University of Arizona. (US)

Androgen Monitoring of Amateur and Young Athletes. Dr. Fred Schaufele, X-Cell Assay. (US)

Development of a Capillary-Electrophoresis Method for Detection of Recombinant Erythropoietins. Dr. Phillipe Desharnais, IRNS Sante. (CA)

Evaluating Erthroferrone as a New Marker of Erthropoesis Stimulators Abuse. Dr. Gaetano Cairo, University of Milan. (IT)

Rapid Detection of Performance Enhancing Drugs Using Nanotechnology. Dr. Nico Voelcker, Monash University. (AU)

Real Time Screening for Novel Designer Drugs and Other Controlled Substances in Doping Control. Dr. James Harynuk, University of Alberta. (CA)

Rapid Detection of EPO Isoforms in Blood by Handheld Raman and Electrochemical Devices. Dr. Emad Kiriakous, Queensland University of Technology. (AU)

Purchase of Dried Blood Spot Automated Sampling Handler. SMRTL/UCLA (US)

Working Groups
14% of total USD awarded

IGF-1 Working Group:
Dr. Anthony Butch, UCLA Olympic Lab. (US)
Dr. Mario Thevis, German Sport University. (DE)
Dr. Daniel Eichner, SMRTL. (US)
Dr. David Cowan, King’s College London. (UK)
Dr. Andy Hoofnagle, University of Washington. (US)
Dr. Richard Holt, University of Southampton. (UK)
Dr. Larry Bowers, USADA (ret.). (US)

Hematology Working Group:
Dr. John Higgins, Massachusetts General Hospital. (US)
Dr. Daniel Eichner, SMRTL. (US)
Dr. James McClung, USARIEM. (US)
Dr. Larry Bowers, USADA (ret.). (US)
Dr. Mike Sawka, Georgia Institute of Technology. (US)

Micro-Grants
18% of total USD awarded

Exhaled Breath as a Potential Alternative Matrix in Doping Controls: A Pilot Study. Dr. Mario Thevis, German Sport University. (DE)

Testosterone Codeine Interaction Study. Dr. Lena Ekstrom, Karolinska Institutet. (SE)

Mildronate Pilot Excretion Study. Dr. Mario Thevis, German Sport University Cologne. (DE)


Conversion of the Hematologic Passport Testing for Use with Dried Blood Spots. Dr. Daniel Eichner, SMRTL. (US)

Urine Steroid Profile in Testosterone-Treated Female-to-Male (F2M) Transgender Men. Dr. David Handelmann, Anzac Institute. (AU)

Novel Low Temperature Catalytic Combustion Reactors for Fast GCC/IRMS. Dr Herbert Tobias, Dell Pediatric Institute (Research performed at Cornell University). (US)

DPS Card Manufacturing. Dr. Jack Henion, Q2 Solutions. (US)

Administration of Clomiphene: Short and Long Term Metabolism in an Anti-Doping Setting. Dr. Daniel Eichner, SMRTL. (US)

Fellowship
5% of total USD awarded

A PCC Fellowship was granted to one applicant, Dr. Liying Jiang, who is currently working under Dr. David Cowan at the Drug Control Center at King’s College London.

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PUBLICATIONS

Authors M-Z


Miller G.D., Nair, V., Morrison M., Summers M., Willick S.E., Eichner D. Intranasal Delivery of Natesto® Testosterone Gel and its Effects on Doping Markers. Drug Testing And Analysis. 8 (11-12), 1197-1203. DOI: 0.1002/dta.2106, 2016.


PRESENTATIONS

Colby, J.M. New Library Search Algorithm Improves Identification of Drugs by LC-QqTOF. Mass Spectrometry: Applications to the Clinical Laboratory Conference. 2016. Palm Springs, USA.


Cowan, D. Towards Quantifying PIINP in Human Serum by LC-MS: Separating PIINP from Human Serum Albumin. Analytical and Environmental Sciences Division Symposium, King’s College London. 2016. London, United Kingdom.


Lynch, K.L. Analytical Advances in Clinical Toxicology Using High Resolution Mass Spectrometry. Yale University, Department of Laboratory Medicine Research Conference Series. 2016. New Haven, USA.


Polet, M., Van Gansbeke, W., and Van Eenoo, P. Chemical Ionization GC-MS/MS Analysis of Anabolic Androgenic Steroids. 34th Cologne Workshop on Doping Analysis. 2016. Cologne, Germany.


FINANCIAL OVERVIEW
Financial Statements and Report of Independent Certified Public Accountants

Partnership for Clean Competition
Research Collaborative

December 31, 2016 and 2015
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Report of Independent Certified Public Accountants

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, 2016 and 2015, 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, 2016 and 2015, 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.

/s/ Grant Thornton LLP

Denver, Colorado
May 8, 2017
# Statements of financial position

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$4,730,945</td>
<td>$5,347,096</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>$1,759,978</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Pledges receivable, net</td>
<td>$742,034</td>
<td>$100,000</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$15,616</td>
<td>$3,867</td>
</tr>
<tr>
<td>Prepaid fellowship</td>
<td>$71,875</td>
<td>$21,875</td>
</tr>
<tr>
<td>Software, net</td>
<td>$138,086</td>
<td>$139,825</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$7,458,534</strong></td>
<td><strong>$7,612,663</strong></td>
</tr>
<tr>
<td><strong>Liabilities and net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$117,269</td>
<td>$43,550</td>
</tr>
<tr>
<td>Grants payable</td>
<td>$104,131</td>
<td>$809,450</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>221,400</strong></td>
<td><strong>853,000</strong></td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$5,995,100</td>
<td>$6,159,663</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>$1,242,034</td>
<td>$600,000</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>7,237,134</strong></td>
<td><strong>6,759,663</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$7,458,534</strong></td>
<td><strong>$7,612,663</strong></td>
</tr>
</tbody>
</table>
## Statements of activities

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<th>Year ended December 31, 2016</th>
<th>Year ended December 31, 2015</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Temporarily restricted</td>
</tr>
<tr>
<td><strong>Support and revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$2,500,000</td>
<td>$992,034</td>
</tr>
<tr>
<td>Other</td>
<td>291</td>
<td>291</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>350,000</td>
<td>(350,000)</td>
</tr>
<tr>
<td>Total support and revenue</td>
<td>2,850,291</td>
<td>642,034</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anti-doping research</td>
<td>2,688,923</td>
<td>-</td>
</tr>
<tr>
<td>Total program services</td>
<td>2,688,923</td>
<td>-</td>
</tr>
<tr>
<td>Supporting services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>25,142</td>
<td>-</td>
</tr>
<tr>
<td>General and administrative</td>
<td>300,789</td>
<td>-</td>
</tr>
<tr>
<td>Total supporting services</td>
<td>325,931</td>
<td>-</td>
</tr>
<tr>
<td>Total expenses</td>
<td>3,014,854</td>
<td>-</td>
</tr>
<tr>
<td>Changes in net assets</td>
<td>(164,563)</td>
<td>642,034</td>
</tr>
<tr>
<td>Net assets, beginning of period</td>
<td>6,159,663</td>
<td>600,000</td>
</tr>
<tr>
<td>Net assets, end of period</td>
<td>$ 5,995,100</td>
<td>$1,242,034</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
## Statements of cash flows

<table>
<thead>
<tr>
<th></th>
<th>Years ended December 31,</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2015</td>
<td></td>
</tr>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$ 477,471</td>
<td>$ 417,601</td>
<td></td>
</tr>
<tr>
<td>Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization</td>
<td>37,008</td>
<td>29,660</td>
<td></td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) decrease in pledges receivable</td>
<td>(642,034)</td>
<td>96,852</td>
<td></td>
</tr>
<tr>
<td>Increase in prepaid expenses and prepaid fellowship</td>
<td>(61,749)</td>
<td>(11,823)</td>
<td></td>
</tr>
<tr>
<td>Increase (decrease) in accounts payable and accrued liabilities</td>
<td>73,719</td>
<td>(16,577)</td>
<td></td>
</tr>
<tr>
<td>(Decrease) increase in grants payable</td>
<td>(705,319)</td>
<td>671,782</td>
<td></td>
</tr>
<tr>
<td>Net cash (used in) provided by operating activities</td>
<td>(820,904)</td>
<td>1,187,495</td>
<td></td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in restricted cash</td>
<td>240,022</td>
<td>(2,000,000)</td>
<td></td>
</tr>
<tr>
<td>Purchase of software</td>
<td>(35,269)</td>
<td>(78,000)</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by (used in) investing activities</td>
<td>204,753</td>
<td>(2,078,000)</td>
<td></td>
</tr>
<tr>
<td>Net decrease in cash and cash equivalents</td>
<td>(616,151)</td>
<td>(890,505)</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>5,347,096</td>
<td>6,237,601</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$4,730,945</td>
<td>$5,347,096</td>
<td></td>
</tr>
</tbody>
</table>

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 also facilitates adoption of these methods into the World Anti-Doping Agency accredited laboratories.

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 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.

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, 2016 and 2015, all cash and cash equivalents represent demand deposits.

Restricted cash
Restricted cash of $1,759,978 and $2,000,000 as of December 31, 2016 and 2015, respectively, consists of cash held in custody of the World Anti-Doping Agency (WADA) that is restricted for funding PCC anti-doping research grants in partnership with WADA.

Pledges receivable
Pledges receivable, net of an annual discount of 1.41%, are deemed fully collectible as of December 31, 2016 and 2015. Pledges are due to be collected over the coming years in the following amounts:

<table>
<thead>
<tr>
<th>Year ending December 31</th>
<th>As of December 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$ 370,683</td>
</tr>
<tr>
<td>2018</td>
<td>122,377</td>
</tr>
<tr>
<td>2019</td>
<td>124,095</td>
</tr>
<tr>
<td>2020</td>
<td>124,879</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 742,034</strong></td>
</tr>
</tbody>
</table>

For the years ended December 31, 2016 and 2015, $0 and $3,148, respectively, of the pledge discount was amortized into contribution revenue. As of December, 31, 2016 and 2015, the unamortized pledge discount was $7,966 and $0, respectively.
Note A – Summary of significant accounting policies (continued)

Software
Costs of computer software developed or obtained for internal use are recorded in accordance with Accounting Standards Codification (ASC) Topic 350. Under Topic 350, costs incurred during the preliminary project stage are expensed as incurred, costs incurred during the application development stage are capitalized and training and maintenance costs incurred during the post-implementation / operation stage are expensed as incurred. Amortization of software is provided on the straight-line method over an estimate useful life of 5 years.

Software is reported net of accumulated amortization of $71,483 and $34,475 as of December 31, 2016 and 2015, 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, 2016 and 2015.

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.
Note A – Summary of significant accounting policies (continued)

Net assets (continued)
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, 2016 and 2015, 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.

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. The Executive Director’s services are billed to the PCC for actual labor, benefits and payroll tax costs incurred. Legal and accounting services are billed to the PCC at a fixed monthly rate. Information technology, human resources and communication services are reimbursed to the USOC based on an hourly rate for services performed. For the years ended December 31, 2016 and 2015, the amount PCC incurred from the USOC for these services was $278,418 and $186,179, respectively.
Note C – Subsequent events

The PCC has evaluated subsequent events through the date that the financial statements were available to be issued on May 8, 2017. Management was not aware of any subsequent events which would require recognition or disclosure in the financial statements.