CCES Canadian Centre for Ethics in Sport
Centre canadien pour l'éthique dans le sport

Be true to yourself. Be true to your sport.



GLOBAL VISION | CANADIAN VALUES

Your You You You You

Message to Stakeholders

As we look back on the past year we are struck by the extent to which ethical issues have dominated our public consciousness in Canada and around the world. From business to politics and from religion to sports, unethical behaviours have been called into question. It would seem that the need for an ethical sport system in Canada has perhaps never been more pressing; the desire among Canadians for values-driven sport never greater.

It is against this backdrop that the Canadian Centre for Ethics in Sport is privileged to serve our partners in the sport community through our efforts to ensure that sport is a powerful, positive social force in our society. We are pleased in this annual report to describe for our partners our activities and accomplishments for 2003-04.

In last year's annual report we made reference to four landmark documents which had important impacts on ethical sport, both globally and domestically. In 2003-04 we began to translate these policy documents into concrete action.

The Canadian Sport Policy and the new Physical Activity and Sport Act serve as the backbone for CCES' national mandate to promote ethical conduct in all aspects of sport in Canada. A cornerstone of the Canadian Sport Policy is the Canadian Strategy for Ethical Conduct in Sport. The Strategy has guided the CCES' thinking for a number of years now, but this past year it took on a life of its own as the True Sport Strategy. A Secretariat for the Strategy, housed within CCES, was created and important core activities were carried out under the Strategy's action plan. Significantly, the CCES hosted The Sport We Want **Symposium** in September 2003, involving a group of 100 Canadians with diverse perspectives and expertise on youth and sport. The energy and ideas generated by the two days of discussions have set us on a course from which the true values in sport will emerge and the true value of sport can be realized.

Bringing the **World Anti-Doping Code** home, and applying it to Canada's doping control program, required a complete overhaul of the existing policy and regulations. Involving the sport community in the drafting process was crucial to ensuring we had a collective agreement on the new **Canadian Anti-Doping Program.** The new Program will

come into effect on June 1, 2004, and we will have the satisfaction of knowing that its evolution was shaped by its owners and constituents.

Sport can and should play an important role in shaping the character of our youth, building better communities and reflecting the values of our society. Sport is a vital and important public good in Canada; highly valued by its citizens and with far-reaching benefits to individuals and communities. The CCES is committed to ensuring the ethical stewardship of the Canadian sport system with and on behalf of the sport community and the broader Canadian society.

We are indebted therefore to our talented and accomplished Board of Directors for their vision, leadership and unselfish commitment to making sport better. And we are equally grateful to the staff of CCES whose commitment to ethical sport is matched only by their desire and hard work to achieve it. The accomplishments documented in this report are a testament to their excellence.

Finally, this past year brought to a close an important chapter in the history of the CCES. Its founding Chairperson, Dr. Andrew Pipe, and its first President and CEO, Victor Lachance, both stepped down from their respective positions with the CCES. These original architects of the organization have left an indelible impression on the shape, values and reputation of the CCES. We will strive to maintain their high standards of professionalism and excellence as we continue the work of the organization in the years ahead.

Dr. Roger Jackson Chairperson

Royer Juckson

Paul Melia

President and CEO

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Highlights

The past year was marked by a spirit of cooperation, as our successes both nationally and internationally were shaped and shared by our partners.



The Sport We Want Symposium was convened in September 2003 to begin discussion among Canadians about the values we want our community sport system to promote and model. One hundred and ten participants composed of youth, parents, coaches, athletes, media, community developers, officials, administrators and researchers took part in this two-day event (see page 4).

Canada's domestic doping control program became one of the first in the world to achieve certification to the **ISO 9001:2000 Quality Management Standard** with a scope of registration to the ISO PAS 18873: International Standard for Doping Control (see page 6).

During 2003, the CCES conducted a **record number of tests on Canadian athletes** (2,375), sending a strong message that athletes can be tested any time, anywhere. The organization also set records for the number of domestic tests (2,105) and the number of unannounced tests (1,556). In total, 2,949 tests of all types were conducted during the calendar year (see page 6).

Dr. Roger Jackson became the **new Chairperson of the CCES Board of Directors** in November, succeeding Dr. Andrew Pipe. **Dr. Louise Walker** was appointed **Vice-Chairperson** for a three-year term, and the Honourable Lawrence A. Poitras, Q.C., began a three-year term as a Board member (see page 2).

A workshop on World Anti-Doping Code compliance was delivered to representatives from African countries in the Ivory Coast in November. The workshop identified the foundation and the administrative processes of running a Code-compliant anti-doping program (see page 13).

In September 2003, the **True Sport Secretariat** was established within the CCES to coordinate the work of the True Sport Strategy (see page 5).

The new Canadian Anti-Doping Program came into being through a careful and exhaustive process of consultation with the Canadian sport community. From an April 2003 outline to a final comprehensive draft in January 2004, the program was presented publicly for review four times.

Paul Melia became President and Chief Executive Officer of CCES, in both roles succeeding Victor Lachance, who transitioned to leader of the Sport Matters Group. Mr. Melia had previously been responsible for the CCES' day-to-day operations as Chief Operating Officer since 2000.

On April 28, 2003, the **Association of National Anti-Doping Organizations** was established to support the development of national anti-doping programs. CCES' CEO was appointed President of the new Association, which now boasts 26 members (see page 13).

There were 165 **media inquiries** during the fiscal year. Topics included THG, altitude tents, doping infractions, and testing in junior hockey.

A **Doping Control Officer Workshop** was held in October 2003 to recertify our team of 65 sample collection personnel. Attendees gained hands-on experience with Berlinger collection vessels and blood sampling (see page 9).

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Board of Directors



Dr. Roger Jackson, Chairperson

Professor in the Faculty of Kinesiology at the University of Calgary

Represented Canada in

three successive Summer Olympics, beginning with Tokyo (1964) where he won a gold medal in rowing (pair oars)

Former Director of the University of Calgary's Sport Medicine Centre, 1988-2003

Former Director of Sport Canada Former Dean of Physical Education at the University of Calgary

Former President of the Canadian Olympic Association

Officer of the Order of Canada Member of the Canadian Sports Hall of Fame



The
Honourable
Charles L.
Dubin,
Honorary
Member

Counsel to Torys LLP

Appointed Queen's Counsel in 1950 – then the youngest person in the Commonwealth to be so honoured

Appointed to the Court of Appeal, 1973 Chief Justice of Ontario, 1990-1996

Commissioner of 1988's Commission of Inquiry into the Use of Drugs and Banned Practices Intended to Increase Athletic Performance

Officer of the Order of Canada Member of the Order of Ontario Awarded the Ramon John Hnatyshyn Award

for Law, 1998

Ethics Commissioner for the Toronto 2008 Olympic Bid Committee

Ethics Counsel to The Toronto Waterfront Revitalization Corporation



Dr. Louise Walker, Vice-Chairperson

Co-Director of the Ottawa Sport Medicine Centre

Clinical Lecturer at the University of Ottawa's

Faculty of Medicine

Graduated Doctor of Medicine from the University of Toronto, 1977 (outstanding female medical graduate for the year)

Inducted into the University of Toronto Sports Hall of Fame in 1993

Former team physician of the Canadian Women's Hockey Team

Specialist in sport medicine since 1981 Canadian high jump champion in 1973 Participated in the 1972 and 1976 Olympics Silver medallist at the 1974 Commonwealth Games

Member (and past president) of the Canadian Academy of Sport Medicine

Former board member of the Sport Medicine Council of Canada



Pierre Harvey

Mechanical engineer and consultant to the sport equipment industry

Cross-country ski analyst for Radio Canada for all three winter Olympics of the

1990s

First Canadian male to take part in both winter and summer Olympic Games in the same year (1984)

National team cyclist in the 1976 Montreal Olympics

Scored some of the best ever Canadian results in Olympic and World Cup crosscountry skiing during the 1980s, winner of three World Cup races

Founder of the RAID Pierre Harvey, a mountain bike race

Member of the Order of Canada

Member of the Panthéon des sports du Québec, the Canadian Skiing Hall of Fame, and the Quebec Cycling Hall of Fame



Dr. Andrew Pipe, Chair Emeritus

Director of the Prevention and Rehabilitation Centre at the University of Ottawa Heart Institute

Associate Professor of Medicine at the University of Ottawa

Founding member of the Commission for Fair Play

Participated in the design of Canada's national anti-doping organization following the release of the Dubin Commission report, 1989

Chief Medical Officer to the Canadian Olympic Team at the 1992 Summer Olympics

Past President of the Canadian Academy of Sport Medicine

First Canadian to receive the International Olympic Committee's Award for service in the field of sport medicine

Member of the Order of Canada and the Canadian Olympic Hall of Fame

Senior Associate Editor of the *Clinical Journal of Sport Medicine*



Dr. Marjorie Blackhurst

President of CEO Directions Vice-Chair of the Board at the Scarborough Hospital in Toronto

Former executive with Shell Canada in human resources, public affairs and corporate strategy

Board member, Fair Play Canada, 1993-1996 Former member of the Minister's Task Force on Federal Sport Policy responsible for the landmark document *Sport: The Way Ahead*, a blueprint for the future of sport in Canada

Served on Canada's Commission for Fair

Former Vice-President of the Canadian Sport Council



The Honourable Lawrence A. Poitras, C.M., Q.C.

Senior partner at the Montreal office of

Borden Ladner Gervais, where he is Regional Coordinator of its Alternative Dispute Resolution (ADR) Group

Former Associate Chief Justice and Chief Justice of the Superior Court of Quebec, 1983-1996

Member of the Montreal Bar, the Canadian Bar Association and the International Bar Association and its Arbitration and ADR Section

Founding member, former Vice-President and President of the Canadian Superior Court Judges Association, 1979-1983

Member of ADR Chambers and the Canadian Commercial Arbitration Centre

Certified mediator of the Québec Superior Court and a fellow of the International Academy of Mediators

Commissioner of the Royal Commission on the Donald Marshall Jr. prosecution, at Halifax and Sydney, N.S., 1987-1990

Chairman of a Public Inquiry Commission into the Sûreté du Québec, 1996-1998

Doctorate "honoris causa" in Civil Law from Bishop's University, 1995

Canadian Institute for Conflict Resolution's Award of Merit, 1998



Gordon I. Kirke, Q.C.

Lawyer specializing in the sport and entertainment industries Professor of Sport and Entertainment Law at York University and

the University of Toronto

First Canadian Director of the U.S.-based Sports Lawyers Association

Completed the *Players First* report which addressed the issue of sexual abuse and harassment in hockey

Director of the Sheldon Kennedy Foundation, the Children's Aid Foundation of Metropolitan Toronto, Ontario Special Olympics Foundation, and other children's charities



Paul Melia

President, Chief Executive Officer and Secretary-Treasurer of the CCES Leads the management of CCES' operations, including the administration of

Canada's doping control program and working with the governments and sport organizations to build a national ethics strategy for amateur sport

Former Director of Education and Communications, Chief Operations Officer of the CCES

Former Regional Vice-President of In-Touch Survey Systems Inc.

Graduate of the University of Ottawa with a Masters degree in Health Administration

Former Chief of the Tobacco Programs Unit at Health Canada, responsible for the direction and management of the Department's tobacco use reduction strategies

Extensive knowledge and expertise in the development and implementation of public awareness and social change campaigns



Victor Lachance

Senior Advisor to the CCES and President of the Spirit of Sport Foundation Senior Leader of the Sport Matters Group

Former President and Chief Executive
Officer of the CCES – under his
leadership, the Centre received the 1995
Canadian Sport Council's national award
for Business Excellence

Served on Canada's Commission for Fair Play, 1992-1994

Served on Health Canada's National Review Committee for Grants to National Voluntary Health Organizations, 1992-1996

Former Executive Director of the Canadian Council on Smoking and Health

Awarded the Canadian Public Health
Association's Certificate of Merit for his
contribution to the reduction of tobacco
use in Canada

Arbitrator and Mediator for the Alternative Dispute Resolution Program of the Centre for Sport and Law



Dr. Bartha Maria Knoppers

Canada Research Chair in Law and Medicine Professor at the Faculté de droit, Université de Montréal

Senior Researcher, Centre for Public Law Research

Counsel to the firm of Borden Ladner Gervais

Graduate of McMaster University, (B.A.), University of Alberta (M.A.), McGill University (LL.B., B.C.L.), Cambridge University, U.K., (D.L.S.), Sorbonne (Paris I) (Ph.D.)

Chair of the International Ethics Committee of the Human Genome Organisation

Co-Founder, International Institute of Research in Ethics and Biomedicine

Co-Director, Quebec Network of Applied Genetic Medicine

Member, Professional Ethics Committee, American Society of Human Genetics

Member of the Board of Genome Canada Member of the President's International Advisory Council of the Canadian Institutes of Health Research

Officer of the Order of Canada

CCES Committees

The CCES benefits from the expertise and experience of many individuals who serve on its committees, including the members of the Ethical Issues Review Panel, the National Sport Ethics Forum and the Doping Control Review Board.

Board Nominations

The CCES welcomes expressions of interest or the identification of individuals who may wish to serve the organization in a volunteer capacity. Our Board is comprised of recognized Canadians with expertise in the various fields of knowledge required to ensure the proper stewardship of the CCES. If you are aware of an individual whom you believe could contribute to the CCES, please email nominations@cces.ca.

Ethics in Sport Initiatives

The CCES' efforts to build a more values-driven community sport experience in Canada have been supported by many partners.

The Sport We Want Symposium

Canadians have high expectations about the positive effect that community sport can have on the moral, mental, physical and social development of children and youth. A recent survey, however, revealed that community-level sport in Canada is not presently delivering on these high expectations.

In response to these concerns, the Sport We Want Symposium was convened in September 2003. One hundred and ten participants from across Canada composed of youth, parents, coaches, athletes, media, community developers, officials, administrators, researchers and government officials took part in this two-day event.

The Symposium was held to begin discussion about the values we want our community sport system to promote and model. Four key areas were addressed:

The sport we want identified the most important 'individual' values such as fun, respect, access, fair play, and inclusion, as well as the most important 'community' values such as equality of access, tolerance and mutual respect, a safe and welcoming environment, and healthy citizens.

The sport we have explored the current strengths and limitations of the domestic sport system to effectively deliver on these values.

The change we need included a review of other nations' sport systems (Ireland and Norway). It was recommended that a universal, inclusive, and comprehensive approach be used to engage Canadians in the big changes and big actions required to create a new public mindset for community sport.

A dialogue for change looked at the future of a national dialogue that must be strategically targeted around influencers and involve all communities.

The results of the Symposium will be used by the CCES, Sport Canada and the True Sport Strategy to develop an action plan to initiate and progress a national dialogue.

Download The Sport We Want Symposium Final Report at www.cces.ca/pdfs/CCES-RPT-SymposiumFinalReport-E.pdf.

True Sport Movement

CCES is playing an important role in nurturing the True Sport Movement. The Movement is founded on the core values of excellence, fairness. inclusion, fun and respect for all engaged in sport at any level. This Movement is spreading rapidly as individuals, organizations and communities all connect to, and readily identify with, the potential of True Sport to positively impact young and old. The goal of True Sport is for all levels of the sport system to embrace and manifest these values through the behaviour of athletes, coaches, officials, administrators, parents and spectators.

True Sport Strategy

CCES is a key contributor to Canada's national ethics strategy for sport: the True Sport Strategy. The Strategy is based on the The London Declaration, which was adopted by the Federal and Provincial/Territorial Ministers for Sport during the 2001 Canada Games. The True Sport Strategy sets out guidelines for collective and voluntary actions designed to change attitudes, values and behaviours at various levels of sport, and is a major contributor to the True Sport Movement.

Over a ten-year period, the Strategy will assist the sport community and governments to understand and address the wide array of ethical issues that are reflected in sport. These issues include the use of prohibited substances, harassment, violence, disputes, inclusion, organizational transparency and accountability, and the influence of professional sport on community sport and Canadian society.

The Strategy's Action Plan is directed by a Steering Committee that includes representation from Athletes CAN, the Canadian Olympic Committee, the Canadian Professional Coaches Association, sport officials, two national sport organizations, three provincial/territorial governments, the Canadian Council of Provincial/Territorial Sport Federations, Sport Canada (co-chair) and the CCES (co-chair). In September 2003, a Secretariat was established within the CCES to coordinate the work of the Strategy.

Visit www.truesport.ca for more information.

True Sport Online Community

The True Sport Online Community was launched this year as a place where Canadians can discuss issues and exchange information regarding ethics in sport, and mobilize to act as change agents towards a values-driven community sport system. The True Sport Movement will fuel interest in the Online Community, as will the profiling of True Sport Champions: individuals and organizations that support the movement.

Visit the True Sport Online Community at www.truesport.ca.

Ethicalsport.ca Resource Centre

The True Sport Secretariat launched a new online resource centre to help further the Canadian sport community's understanding of ethical issues in sport. Ethicalsport.ca is a central repository of research created primarily for sport organizations but will also benefit parents, coaches, athletes, and researchers.

Supported by the internationally-acclaimed Sport Information Resource Centre (SIRC), ethicalsport.ca includes information on key ethical topics such as fair play, parental conduct, doping, harassment and violence. Over time, the repository will grow to include references to thousands of articles, books, programs, tools, references and links to build our collective understanding of ethical sport issues. The ethical sport resource centre will be integrated into the True Sport Online Community during 2004.

True Sport Community Recognition Program

The first-ever True Sport Communities were recognized at the 31st annual Canadian Sport Awards in March 2004. The True Sport Community Recognition Program honours the role of sport in building character and strengthening communities. Huntsville, Kitchener and the Québec en Forme program (involving 21 Quebec communities) were selected as examples of healthy, vibrant, sportfriendly communities. Their stories reflected the strong values of excellence (such as Huntsville's Sport Council highlighting the accomplishments of Canadian national team members), inclusion (such as Québec en Forme's physical activity and sport programs for underprivileged children), and fairness (such as Kitchener's Sport Mediation and Reconciliation team) in sport at the community level.

By sharing their success stories, communities display how sport can be used as a development tool to bring communities together, and thus inspire and challenge other communities to strive to become True Sport Communities.

Fair Play In Our Community

In partnership with the Nova Scotia Office of Health Promotion - Sport & Recreation, the CCES created a community-based initiative that builds on the Fair Play program. This bilingual, CD-based tool is targeted to community leaders and volunteers across the country. It includes information on the concept and principles of Fair Play as well as instructions for planning and implementing Fair Play programs in communities and schools. Pilot testing will soon commence in Canadian communities, with plans to release the package later in 2004.

Ombudsperson Office

The University of Western Ontario researched and prepared a feasibility study on an Ombudsperson Office for sport in Canada. CCES and the True Sport Secretariat are now considering its recommendations. Next steps include a pilot project of the mechanism for the Canadian sport community, parents and the public. The result of this project will include recommendations for alternative models, options for its location, review of independence and accountability issues, and review of how this initiative relates to existing dispute services such as the Sport Dispute Resolution Centre of Canada and the Centre for Sport and Law.

Ethical Issues Review Panel

CCES periodically convenes a review panel to consider ethical dilemmas that it identifies or that are brought forward by national sport organizations. The panel reviews the context and specific issues of a given situation and prepares an analysis of ethical issues that should be considered. Topics that were posed to the panel in 2003-04 included altitude training, gender-based participation issues, and retroactive legitimacy of competition records.

Sport Officials Ethics Code

CCES was invited to assist the newly created Sport Officials of Canada (SOC) organization to develop a national Code of Ethics for Sport Officials. CCES conducted a workshop at SOC's national conference in February and assisted in the review of relevant issues leading to the development of the draft code. This draft will be presented to SOC members for further review and discussion at their second annual conference in Regina in the fall of 2004.

Canada's Doping Control Program

The CCES provides education, testing and results management to Canadian athletes to protect their right to doping-free sport.

Doping Control Tests

CCES conducted 2,949 doping control tests in the 2003 calendar year. This is the third highest annual test total in the history of the CCES and marks the largest number of Canadian athletes ever tested in a year.

	Canadian	Foreign	Total
Domestic Program (testing under the Canadian Policy)	2,105	0	2,105
Major/International Games (over 20 events held in Canada)	68	461	529
On behalf of the World Anti-Doping Agency	162	75	237
On behalf of International Federations	5	32	37
Contract Service (fee-for-service testing outside the domestic program)	35	6	41
Total	2,375	574	2,949

Domestic Program

In 2003, 2,105 tests were conducted on Canadian athletes under the domestic testing program, the largest ever in CCES' history. Sixty-six percent of these tests were unannounced.

Quality System

Canada's doping control program achieved registration to the ISO 9001:2000 Quality Management Standard in fall 2003. The program continues to be in compliance with the International Anti-Doping Arrangement's (IADA) International Standard for Doping Control (ISDC).

The external, independent assessment was carried out by the Canadian General Standards Board. The on-site assessor commented on the high quality indicators seen throughout the program.

The ISO 9001:2000 Standard requires commitment to examine and improve processes, deliver consistent, high quality services that meet stakeholder requirements, and collect and analyze stakeholder satisfaction.

The program had been registered to the ISO 9002:1994 standard since 1999. The CCES was one of the first national anti-doping organizations in the world to comply with the ISDC.

During 2003, the CCES achieved 91.1% of the Doping Control Program's 56 performance indicators.



New Canadian Anti-Doping Program

This year began with the CCES' acceptance of the World Anti-Doping Code and ended with the completion of the new Canadian Anti-Doping Program, the CCES' implementation of the Code and its mandatory International Standards. Through a careful and exhaustive process of consultation with the Canadian sport community, the new Program progressed from an April 2003 outline to a final comprehensive draft in January 2004.

The result is a state-of-the-art set of principles, rules and standards covering all aspects of anti-doping work, from education and information sharing to sample collection and appeal mechanisms. New features include the authority to take blood samples for doping control, hearings to determine violations, sanctions harmonized to world norms and enhanced rights of appeal. The Program comes into force on June 1, 2004.

The development of the new Program also had a profound influence on Canada's new domestic governmental policy for doping-free sport, which will be approved by the Federal-Provincial/Territorial Ministers responsible for sport in 2004. The Canadian Policy Against Doping in Sport (CPADS) was derived from the August 2003 draft of the new Canadian Anti-Doping Program.

Domestic Doping Control on Canadian Athletes

Sport	U	Α	Total	Sport	U	Α	Total
Alpine Ski	3	8	11	Junior Football	64	16	80
Archery	6	10	16	Karate	6	8	14
Athletics	73	71	144	Racquetball	3	0	3
Badminton	23	0	23	Rhythmic Gymnastic	s 5	5	10
Baseball	12	6	18	Ringette	0	10	10
Basketball	20	3	23	Roller Sports: Hocke	y 10	0	10
Biathlon	4	10	14	Rowing	50	26	76
Bobsleigh	15	16	31	Rugby	11	0	11
Bodybuilding	2	26	28	Shooting	9	13	22
Boxing	20	6	26	Skeleton	5	10	15
Canoeing	34	29	63	Snowboarding	12	0	12
CIS: Basketball	32	10	42	Soccer	25	0	25
CIS: Field Hockey	6	0	6	Softball	25	11	36
CIS: Football	140	6	146	Speed Skating	15	37	52
CIS: Ice Hockey	57	6	63	Squash	6	12	18
CIS: Soccer	21	0	21	Swimming	62	61	123
CIS: Swimming	12	0	12	Synchro Swim	20	6	26
CIS: Track & Field	21	4	25	Table Tennis	10	9	19
CIS: Volleyball	27	0	27	Taekwondo	4	30	34
CIS: Wrestling	8	4	12	Team Handball	11	0	11
Colleges: Basketball	26	4	30	Ten Pin Bowling	1	0	1
Colleges: Football	54	8	62	Tennis	9	0	9
Colleges: Soccer	0	8	8	Triathlon	17	11	28
Colleges: Volleyball	28	12	40	Volleyball	48	0	48
Cross Country Ski	8	10	18	Water Polo	20	0	20
Curling	0	13	13	Water Ski	5	10	15
Cycling	50	49	99	Weightlifting	24	12	36
Diving	8	8	16	Wheelchair: Basketb	all 6	4	10
Equestrian	0	5	5	Wheelchair: Rugby	0	4	4
Fencing	5	0	5	Wrestling	34	20	54
Field Hockey	45	10	55	Yachting	5	0	5
Figure Skating	4	8	12	Total 1	,382	723	2,105
Gymnastics	19	17	36				
Hockey	22	12	34	U: Unannounced tes	ts		

Judo

Out-Of-Competition Doping Control on behalf of WADA

Sport	С	F	Total
Alpine Ski	1	0	1
Athletics	0	5	5
Badminton	1	0	1
Basketball	10	0	10
Bobsleigh	5	24	29
Boxing	6	0	6
Canoeing	3	0	3
Curling	3	0	3
Cycling	6	13	19
Diving	2	0	2
Equestrian	5	2	7
Fencing	1	0	1
Figure Skating	10	1	11
Gymnastics	4	0	4
Judo	7	0	7
Luge	2	0	2
Rowing	11	0	11
Rugby	10	0	10
Skeleton	6	9	15
Snowboarding	5	0	5
Softball	1	0	1
Speed Skating	18	8	26
Swimming	11	4	15
Synchro Swim	5	0	5
Taekwondo	3	0	3
Triathlon	4	0	4
Water Polo	10	0	10
Weightlifting	2	9	11
Wrestling	10	0	10
Total	162	75	237

U: Unannounced tests A: Announced tests

C: Canadian athletes F: Foreign athletes





Infractions

Eight infractions were determined during 2003 in five sports: Bobsleigh, Bodybuilding, Boxing, CIS Football and Wrestling.

Name	Gender	Sport	Substance	Infraction Date	Reinstatement Date
Befas, Nicholas	М	Bodybuilding	Boldenone, Stanozolol	August 9, 2003	August 9, 2007
Berlingeri, Dante	M	Wrestling	Stanozolol	May 3, 2003	May 3, 2007
Gottfried, Derrick	M	Bodybuilding	Nandrolone	October 3, 2003	October 3, 2007
Grano, Robert	M	Bodybuilding	Hydrochlorothiazide	August 9, 2003	August 9, 2007
Herbert, Kendra	F	Bobsleigh	Ephedrine	November 8, 2003	February 8, 2004
Medler, Derek	M	CIS: Football	Cocaine	November 8, 2003	November 8, 2007
Walchuk, Michael	M	Boxing	Cocaine	May 10, 2003	May 10, 2007
Walchuk, Michael	M	Boxing	Refusal	July 22, 2003	life

THG / Modafinil Analysis

In the wake of numerous positive test results in the United States and elsewhere for either THG or modafinil, in November 2003 it became apparent to the CCES that a number of athletes had been using these substances for performance-enhancing reasons in the belief they were undetectable by laboratories. To protect athletes' rights to doping-free sport, the CCES conducted further analysis on approximately 200 urine samples it had in its possession. Results from these further analyses were negative.

Protests, Appeals and Reinstatements

During 2003, the CCES was involved in five applications for reinstatement. Three Category II Reinstatement Applications were dismissed, one from each of the following sports: Triathlon, Canadian Colleges Athletic Association (CCAA) Football, and Bodybuilding. Of the two Category III Reinstatement Applications filed, one was dismissed in the sport of Weightlifting and one was upheld in the sport of Cycling.

Also in 2003, the CCES received and subsequently dismissed an athlete protest in the sport of Bodybuilding.

Education

During the fiscal year, CCES responded to approximately 2,000 **substance inquiries** from athletes, coaches, medical personnel, and the public, related to the use of medications, supplements, and other substances in amateur sport.

Over the past twelve months, the CCES published six **advisory notes** to inform the sport community of important changes. Specifically, the CCES announced a change in its sample collection equipment, reiterated its position concerning nutritional supplements, reported the publication of the 2004 World Anti-Doping Agency (WADA) Prohibited List, highlighted the inclusion of glucocorticosteroids and cannabinoids on the 2004 Prohibited List and outlined the results management procedures for cannabinoids positive tests.

Several CCES doping control publications and resources were updated to reflect the new Canadian Anti-Doping Program, the 2004 WADA Prohibited List, and sample equipment changes. Doping Control Procedures: The Athlete's Guide was released in the fall and the new 2004 CCES Substance Classification Booklet was ready in April. Both were distributed to sport stakeholders.

The CCES also produced a 15-minute doping control procedures video to facilitate education of Canadian athletes

Download or order CCES resources from our website at www.cces.ca.

CCES continues to coordinate and deliver **education seminars** to stakeholders in the sport community, ranging from national athletes and coaches to high school students, when resources are sufficient. Over 125 athletes, coaches and support staff received pre-games education prior to their participation at the 2003 Santo Domingo Pan American Games.

Medication Declarations and Medical Approvals

The CCES processed 803 medication declarations and 77 medical approvals between April and December 2003. On January 1, 2004 the CCES implemented its new World Anti-Doping Code-compliant Therapeutic Use Exemption (TUE) Process; in the first quarter of 2004, 350 Abbreviated Therapeutic Use Exemptions were processed, as well as 17 Standard Therapeutic Use Exemptions.



Quebec Doping Control Officers at the 2003 certification workshop

Doping Control Officer Workshops

In October 2003, 65 Doping Control Officers (DCOs) from across the country gathered in Ottawa for a three-day CCES DCO Certification Workshop.

All DCOs attained certification in the use of the new Berlinger sample collection system, which was implemented following the workshop in November 2003.

A smaller group of 12 DCOs were certified in blood sample collection procedures in preparation for the new World Anti-Doping Code-compliant Canadian Anti-Doping Program. A representative from the Victorian Order of Nurses demonstrated the blood sample collection procedures. All DCOs will eventually be trained and certified in this procedure.

Special invited guests from Sport Canada, the World Anti-Doping Agency (WADA), the United States Anti-Doping Agency (USADA) and Caribbean anti-doping organizations also attended.

The CCES will in turn send a representative to USADA's Lead DCO Event Testing Workshop in Colorado Springs in April 2004. These exchanges provide opportunities to meet with counterparts and discuss shared challenges.

AthletesCAN Forum

Two CCES representatives attended the 11th annual Athletes CAN Forum held in Winnipeg this past September. The three-day event was attended by 100 delegates, half of whom were high-performance athletes, to explore the issue of athlete advocacy: how athletes can make their voices heard in the Canadian sport system. The CCES provided a presentation on the topic of supplements and circulated a questionnaire to gather information concerning athletes' views on various issues related to anti-doping.

INRS Laboratory

The CCES wishes to acknowledge the contribution of the INRS-Institut Armand-Frappier Laboratory to Canada's Doping Control Program. The INRS provides a full range of research and analysis services, including help with substance inquiries and results interpretation.

Pre-Games Testing

In accordance with the Pre-Games Testing Policy, the CCES conducted a pre-games testing program for Canadian athletes leading up to the Santo Domingo Pan American Games in August 2003. During the six-month period prior to the games, 74% of the 421 participating Canadian athletes were tested. This increased deterrence was reinforced with educational presentations to athletes, managers and staff, which included both general and games-specific anti-doping information.

Reciprocal Testing

The CCES maintains reciprocal testing agreements with the United States Anti-Doping Agency (USADA) and the Australian Sports Drug Agency (ASDA). These agreements facilitate the testing of athletes who are training or competing abroad. During 2003, the CCES conducted 26 tests on American athletes training in Canada on behalf of USADA, while USADA tested 36 Canadian athletes training in the U.S. for the CCES. The CCES also tested two Australian athletes training in Canada on behalf of ASDA.

Supplements

The CCES published a discussion paper in September 2003 to help clarify the complex issue of supplement use in sport and to examine possible solutions. While the unregulated manufacture and sale of sport supplements pose a serious risk of inadvertent doping to athletes, the bottom line remains that athletes use supplements at their own risk of testing positive for a prohibited substance and committing an anti-doping rule violation.

Read the discussion paper at www.cces.ca/pdfs/CCES-PAPER-SupplementsAndSport-E.pdf.

The CCES, the World Anti-Doping Agency, the Canadian Olympic Committee and Sport Canada, will hold an International Symposium on Supplements in Montreal in May 2004.

Fee-For-Service Program

The CCES conducted fee-for-service testing at over 20 international events during the 2003-2004 fiscal year. Events included the International Blind Sport Federation (IBSA) World Championships, the World Weightlifting Championships and the World Youth Athletics Championships. To ensure the delivery of quality services, the CCES arranged for on-site doping control management at all three events.

Doping Control at Major / International Competitions

Sport	Event	С	F	Total
Athletics	2003 World Youth Athletics Championships	0	36	36
Athletics	IBSA World Championships	0	44	44
Athletics	Knights of Columbus Indoor Games	1	4	5
Athletics	Victoria International Track Classic	2	1	3
Bobsleigh	Men's World Cup	1	14	15
Bobsleigh	Women's World Cup	0	4	4
Bobsleigh	Men's World Cup Skeleton	1	3	4
Bobsleigh	Women's World Cup Skeleton	3	5	8
Cycling	IBSA World Championships	3	17	20
Diving	Canada Cup	3	4	7
Equestrian	Dressage International	3	0	3
Equestrian	Spruce Meadows Canada One	0	5	5
Equestrian	Spruce Meadows Continental Championships	2	2	4
Equestrian	Spruce Meadows National Championships	0	3	3
Equestrian	Spruce Meadows N.American Championships	0	4	4
Fencing	épée International de Montréal	0	6	6
Fencing	Junior World Cup	8	4	12
Figure Skating	Mastercard Skate Canada International	0	8	8
Freestyle Ski	FIS Freestyle Junior World Championships	1	19	20
Freestyle Ski	FIS Freestyle World Cup	6	14	20
Goal Ball	IBSA World Championships	2	10	12
Hockey	IIHF World U20 Championships	2	12	14
Judo	IBSA World Championships	1	26	27
Lacrosse	World Indoor Championships	2	4	6
Luge	World Cup	2	10	12
Powerlifting	IBSA World Championships	3	5	8
Rugby	Churchill Cup	6	18	24
Speed Skating	Essent ISU World Cup	5	19	24
Speed Skating	World Cup Short Track Championships	4	0	4
Swimming	IBSA World Championships	4	26	30
Swimming	49th Traversée Internationale du Lac St-Jean	1	5	6
Water Polo	FINA Jr Women's World Championships	1	7	8
Weightlifting	World Weightlifting Championships	1	116	117
Ten-Dance	World Ten-Dance Championships	0	6	6
Total		68	461	529

Doping Control on behalf of International Federations

Sport	С	F	Total
Bobsleigh	0	3	3
Cycling	0	3	3
Field Hockey	0	2	2
Hockey	0	2	2
_uge	0	1	1
Skeleton	0	2	2
Speed Skating	5	17	22
Triathlon	0	2	2
Total	5	32	37

Doping Control Contract Services

Sport	С	F	Total
Bodybuilding	29	0	29
Equestrian	6	6	12
Total	35	6	41

C: Canadian athletes

F: Foreign athletes

The CCES conducted twelve doping control tests during the playoff series of the **Quebec Midget AAA Development Hockey League**. No positive results were reported during this first season of a doping control agreement between the CCES, the league and Hockey Quebec.

A Quebec Midget AAA team stands for the national anthem



Canadian Partnerships

The CCES wishes to commend Sport Canada and the Department of Canadian Heritage for their international leadership on ethics in sport, as well as their support and financial contribution to the work of the Centre.



Sport Matters Group

The CCES was an active member of the Sport Matters Group (SMG), a voluntary group of national and provincial sport leaders who share an interest in the future of sport in Canada. In the past, SMG worked on the sport sector's contribution to the Canadian Sport Policy, the new Physical Activity and Sport Act, and Canada's Healthy Living Strategy. More recently, SMG has worked to develop the policy capacity of the sport sector and in this context SMG members have participated actively in the Federal-Provincial/Territorial Sport Committee's Work Groups established to implement the Canadian Sport Policy.

The CCES' former President, Victor Lachance, continued in the role of Senior Leader for the SMG, and oversaw the evaluation of the Sport Policy Collective Project (a policy capacity development project). The CCES continued to participate actively in the on-line community for the sport sector, which provides a mechanism for policy practitioners, sport leaders and other sectors to collaborate on various sport issues and programs.

The SMG's Volunteerism in Sport Colloquium led to a broader initiative on the contribution that sport makes to citizen participation and community building. In this context, work was undertaken jointly with the Public Policy Forum to develop Investing in Canada, a paper that describes citizen engagement and the significant role that sport plays in that regard. The CCES will be able to contribute to this initiative through the promotion of a fair and ethical sport environment in the context of the True Sport Movement, which fosters values-based leadership among our sport volunteers at the community level.

Spirit of Sport Foundation

A partnership-based organization for the promotion of fair and ethical sport for all, the Spirit of Sport Foundation (SSF) works on behalf of the CCES and Athletes CAN to ensure that sport makes a positive contribution to Canadian society, athletes and the physical and moral development of the country's youth. The SSF benefits from the active engagement of Commonwealth Games Canada and the Canada Games Council, which, along with Athletes CAN and the CCES, are members of the SSF's Board of Directors and founding partners of the modern-day Canadian Sport Awards. This year's 31st Annual Awards were held on March 23, 2004 in Toronto to honour the spirit and drive that is the hallmark of Canada's amateur athletes. The high-profile event was broadcast by CBC from coast to coast.

Interim Alternative Dispute Resolution Program

The CCES has for some years promoted improved mechanisms for alternative dispute resolution for Canadian sport. This year saw the legislative culmination of that effort with passage and proclamation of the federal *Physical Activity and Sport Act*. Among its provisions was creation of the Sport Dispute Resolution Centre of Canada (SDRCC).

As of April 1, 2004, the SDRCC opens its doors to the Canadian sport community to deal with sport eligibility, team selection, carding and other non-doping sport disputes. At that time, it assumes management of ADRsportRED, the interim alternative dispute resolution program hosted by the CCES since January 2002.

Throughout this period, the CCES also worked with the SDRCC to prepare it to administer doping disputes starting June 1, 2004, when the new Canadian Anti-Doping Program comes into force. This preparation included training sessions for the SDRCC's arbitrators on the World Anti-Doping Code and on the new Canadian Anti-Doping Program.

International Partnerships

Canada's world-class doping control program supports the CCES' larger role of protecting our athletes' right to compete in a global doping-free sport environment.



World Anti-Doping Agency

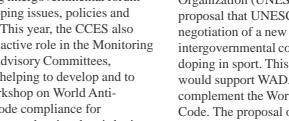
The work of the World Anti-Doping Agency (WADA) in setting standards, establishing rules and co-ordinating anti-doping efforts world-wide is fundamental. The CCES played an important role in many aspects of WADA's work this year. CCES staff served as volunteers in WADA Independent Observer and Athlete Outreach programs (see below). The CCES made major contributions to the development of the International Standards for the Prohibited List and for Therapeutic Use Exemptions, as well as to various WADA models of best practice. WADA staff attended the **CCES Doping Control Officer** Workshop in the fall of 2003. CCES staff attended all WADA Executive Committee and Foundation Board meetings this year and supported the role of the Minister of State (Sport) as a member of these WADA governing bodies.

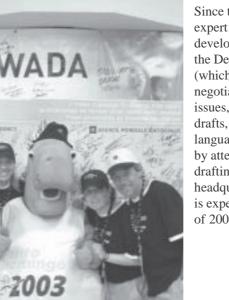
WADA Outreach at Pan Am Games

In August 2003, a CCES staff member joined WADA's Athlete Outreach team at the Pan American Games in Santo Domingo, Dominican Republic. The WADA team, including retired athletes and individuals with anti-doping expertise, interacted with athletes and their support personnel, answered questions and distributed information.

Council of Europe

The CCES continues to represent Canada by attending meetings of the Monitoring Group of the (Council of Europe's) Anti-Doping Convention, the leading intergovernmental forum on anti-doping issues, policies and practices. This year, the CCES also played an active role in the Monitoring Group's Advisory Committees, including helping to develop and to lead a workshop on World Anti-Doping Code compliance for governments and national anti-doping organizations in February 2004.





Proposed UNESCO Anti-**Doping Convention**

In January 2003, the Round Table of Ministers at the United Nations Educational, Scientific and Cultural Organization (UNESCO) approved a proposal that UNESCO host the negotiation of a new global intergovernmental convention against doping in sport. This convention would support WADA and complement the World Anti-Doping Code. The proposal originated from work in the Council of Europe and the International Intergovernmental Consultative Group on Anti-Doping in Sport, and was endorsed at the spring 2003 meeting of the UNESCO Executive Board.

Since then, there has been a series of expert and drafting meetings to develop a text. CCES staff has assisted the Department of Canadian Heritage (which represents Canada in the negotiation) by briefing staff on key issues, by commenting on successive drafts, by proposing principles or language that ought to be included and by attending one set of the expert and drafting meetings at UNESCO's headquarters in Paris. The convention is expected to be completed by the fall of 2005.

WADA Athlete Outreach Team with Tito at the 2003 Pam Am Games

International Anti-Doping Arrangement

The International Anti-Doping Arrangement (IADA) alliance between the governments of Canada, Australia, Denmark, Finland, the Netherlands, New Zealand, Norway, Sweden, the United Kingdom and South Africa continues to play a fundamental role in the international sport community. A main focus of IADA during 2003 was its continued collaboration with the World Anti-Doping Agency (WADA). IADA and WADA have extended their partnership agreement through to 2005 whereby IADA will work with WADA on the various initiatives aimed at improving and harmonizing antidoping programs.

Specific initiatives include the development of the following Models of Best Practice to be included at level 3 of the World Anti-Doping Program: Model Rules for National Anti-Doping Organizations, various Models of Best Practice for Doping Control and Certification Guidelines for Certification Agencies. In addition, through the IADA/WADA partnership, IADA will also continue to support WADA in its delivery of information and training sessions on best practice for doping control programs and procedures, and compliance with the World Anti-Doping Code and mandatory standards.

Association of National Anti-Doping Organizations

On April 28, 2003, the Association of National Anti-Doping Organizations (ANADO) was established at an inaugural meeting attended by 17 national anti-doping organizations (NADOs).

The ANADO is a not-for-profit organization created for the benefit of NADOs worldwide. Its main objectives are to support the development of comprehensive national anti-doping programs and to serve as a resource for anti-doping professionals and staff.

The ANADO functions like most professional associations, where members benefit from the opportunity to meet, share information and, where appropriate, take cooperative action or positions in the interest of improving the anti-doping profession. Through these benefits, the ANADO will help strengthen and harmonize the fight against doping in sport in all regions of the world.

Mr. Paul Melia, CCES President and CEO, was elected as the first ANADO President. To date, the ANADO has 26 members with voting rights and one observer.

The first Annual General Assembly and Workshop took place in November 2003 in Strasbourg, France. Participants included representatives of the 26 member institutions, as well as WADA.

CONFEJES Workshop

The CCES prepared and delivered a workshop on World Code compliance to members of the Conference of the Youth and Sports Ministers of French-Speaking Countries (CONFEJES) in the Ivory Coast in November. Representatives from over ten countries (mainly African) attended the three-day workshop, which identified the foundation and the administrative processes of running a Codecompliant anti-doping program.

Drug Free-Sport Consortium / Anti-Doping International

The Drug-Free Sport Consortium (DFSC) continued to operate as a joint venture between the CCES, the Australian Sports Drug Agency and Anti-Doping Norway, successfully implementing WADA's 2003 worldwide out-of-competition testing program.

The DFSC planned and collected 3,249 urine samples and 759 blood and urine samples for WADA's 2003 program, and coordinated a further 222 urine tests for WADA under separate agreements. The CCES supported the DFSC's operations by providing secretariat and financial services and collecting 237 samples (see page 7).

In 2004, WADA brought all operations for its out-of-competition testing program in-house. To coincide with this change in operation, the DFSC revised its mandate and changed its name to Anti-Doping International (ADI).

ADI is a not-for-profit arrangement that dedicates its resources to the shared goal of providing quality antidoping services to the international sport community, building worldwide anti-doping capacity, and achieving doping-free sport. ADI operates through a network of national antidoping organizations (NADOs) whose combined experience provides a comprehensive and independent worldwide anti-doping service.

On February 5, 2004, the ANADO (see left) adopted a resolution to investigate the possibility of transitioning the operations of ADI into its structure. This would result in a more inclusive governance structure for ADI, and strengthen the expertise and capacity available through the NADO network.

The CCES Team

(as of April 1, 2004)

Sport Services



Services / General Counsel loseph de Penc Director Sport



Corporate Operations



Director

President and CEO

Paul Melia



Senior Advisor



Doug MacQuarrie Director





Senior Manager



Quality System Manager

ames Sclater Development

Program Manager



and Technology Manager Communications Cori McPhail

Finance/Office Manager Gary Laverdure

Executive Assistant



Natasha Johnston Senior Manager



Claire Buffone-Blair Regional Manager





Operations Manager Operations Coordinator Stuart Kemp













Christina Parsons Receptionist

Anti-Doping International



Project Manager





Program Services Coordinator



Program Clerk



Tracey Accounting Services





Dina Bell-Laroche Director



ohanne Lacas Executive Assistant

Business Development



Domestic Business Development Manager



Client Services Assistant



Auditors' Report



To the Members of

Canadian Centre for Ethics in Sport

We have audited the statement of financial position of the Canadian Centre for Ethics in Sport as at March 31, 2004 and the statements of revenue and expenditure and members' equity for the year then ended. These financial statements are the responsibility of the Centre's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2004 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Canada Corporations Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

McCay, Duff & Co. LLP Chartered Accountants Ottawa, Ontario, May 19, 2004

Statement Of Financial Position as at March 31, 2004

ASSETS	
Current	
Cash in bank (note 4)	\$ 195,161
Short-term investments (notes 4 and 5)	1,429,963
Accounts receivable	616,936
Prepaid expenses	11,897
	2,253,957
Capital (note 6)	59,256
CCES Partnership Projects Investments (note 7)	145,677
	\$ 2,458,890
LIABILITIES	
Current	
Accounts payable and accrued liabilities	\$ 1,019,376
Deferred revenue	
IADA Quality Project (note 4)	91,344
	\$ 1,110,720
MEMBERS' EQUITY	
Surplus	176,237
Equity Invested In Capital Assets	59,256
Equity Invested In CCES Partnership Projects Investments	145,677
Contingency Reserve Fund (note 8)	350,000
Ethics in Sport Reserve Fund (note 9)	617,000
	1,348,170
	\$ 2,458,890

Statement Of Members' Equity for the year ended March 31, 2004	Surplus	Equity Invested in Capital Assets	Equity Invested in CCES Partnership Projects Investments	Contingency Reserve Fund (note 8)	Ethics in Sport Reserve Fund (note 9)	Total
Balance - Beginning of Year	\$ 179,946	\$ 86,757	\$ 466,353	\$ 350,000	\$ 250,000	\$ 1,333,056
Net revenue (expenditure) for the year	(32,973)	(46,875)	94,962	-	-	15,114
Distribution of equity (note 10)	415,638	-	(415,638)	-	-	-
Interfund appropriation (note 9)	(400,000)	-	-	-	400,000	-
Interfund appropriation (note 9)	33,000	-	-	-	(33,000)	-
Purchase of capital assets	(19,374)	19,374	-	-	-	-
Balance - End of Year	\$ 176,237	\$ 59,256	\$ 145,677	\$ 350,000	\$617,000	\$ 1,348,170

REVENUE	
Canadian Heritage (Sport Canada)	
Program Funding	\$ 3,129,161
Supplements Symposium	30,000
National Ethics Strategy Contribution	500,000
Interchange Canada Program	32,515
Interim ADR Project (note 12)	609,296
Sport Dispute Resolution Centre of Canada Funding	97,437
CCES Sales and Services	498,406
Secretariat Services	
Anti-Doping International Secretariat	88,997
Interest & Investment Income	28,218
Miscellaneous	7,153
Sport Matters Reimbursement	50,348
Travel Subsidies	6,501
International Projects	
IADA Quality Concept Project	102,703
	5,180,735
EXPENDITURE	
Sport Services	3,247,118
National Ethics Strategy	824,566
Business Development	287,603
Interchange Canada Program	32,515
Interim ADR Project (note 12)	609,296
Sport Dispute Resolution Centre of Canada	97,437
Sport Matters Reimbursement	50,348
Secretariat Services	
Anti-Doping International Secretariat	88,997
IADA Quality Concept Project	102,703
	5,340,583
REVENUE (EXPENDITURE) FROM OPERATIONS	(159,848)
Earnings from CCES Partnership Projects Investments	
ITI (note 2(e)(i))	80,000
ADI (note 2(e)(ii))	94,962
	174,962
NET REVENUE FOR THE YEAR	\$ 15,114

Statement Of Revenue and Expenditure for the year ended March 31, 2004

Notes to Financial Statements as at March 31, 2004

1. PURPOSE OF ORGANIZATION

The Canadian Centre for Ethics in Sport was formed in 1996 as a result of a merger between the Canadian Centre for Drugfree Sport and Fair Play Canada. In combining the previous mandates of these two organizations, the Centre is an internationally recognized leader in the field of ethics in sport, particularly with respect to the development of effective interventions for the promotion of fair and doping-free sport. The organization uses a comprehensive approach involving research, education, prevention, detection and deterrence for the promotion of ethical conduct in all aspects of sport in Canada.

The Centre was incorporated without share capital by way of Letters Patent on April 29, 1991. The Centre is exempt from income tax as a not-for-profit organization under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expenditure are recognized on the accrual basis of accounting, whereby they are reflected in the accounts in the period in which they have been earned and incurred respectively, whether or not such transactions have been finally settled by the receipt or payment of money.

(b) Canadian Heritage (Sport Canada) Contributions

Contributions received from Canadian Heritage (Sport Canada) are subject to specific terms and conditions regarding the expenditure of the funds. The Centre's accounting records are subject to audit by Canadian Heritage (Sport Canada) to identify instances, if any, in which amounts charged against contributions have not complied with the agreed terms and conditions and which therefore would be refundable to Canadian Heritage (Sport Canada). Adjustments to prior years' contributions are recorded in the year in which Canadian Heritage (Sport Canada) requests the adjustment.

(c) Capital Assets and Amortization

Capital assets are stated at cost, net of accumulated amortization. Amortization is provided on the straight line basis as follows:

Office equipment 5 Years Computer equipment 3 Years Leasehold improvements 5 Years

(d) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies have been translated into Canadian dollars at the rate of exchange prevailing at year end. Revenue and expenditure items are translated at the rate of exchange prevailing at the time of each transaction.

(e) CCES Partnership Projects Investments

- (i) The Centre's investment in International Testing Inc. (ITI), a wholly-owned subsidiary, is accounted for by the cost method, whereby the investment is carried at cost and earnings of the investee are reflected as earnings of the Centre only to the extent of a distribution being made. The wholly-owned subsidiary has not been consolidated given that it is not material to the Centre. Note 7 describes the financial impact of ITI had the financial statements been consolidated.
- (ii) The Centre's investment in Anti-Doping International, a joint venture, is accounted for by the equity method, whereby the investment is initially recorded at cost, and the carrying value is adjusted thereafter to include the Centre's pro rata share of the joint venture's earnings for the period ending within the Centre's fiscal year. The amount of the adjustment is included in the determination of the Centre's net revenue for the year.

(f) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenditures and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

3. FINANCIAL INSTRUMENTS

The Centre's financial instruments consist of cash in bank, short-term investments, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Centre is not exposed to significant interest rate risk, exchange risk or credit risk arising from these financial instruments. The carrying amounts reported on the statement of financial position for these financial instruments approximate fair values due to their immediate or short-term maturities.

4. RESTRICTED FUNDS

The Canadian Centre for Ethics in Sport administers funds on behalf of the International Anti-Doping Arrangement (IADA). Cash in bank and short-term investments include amounts of \$91,344 (2003 - \$41,681) and Nil (2003 - \$208,500) respectively which are restricted for activities related to IADA. Deferred revenue includes \$91,344 (2003 - \$242,174) related to IADA (\$19,359 for IADA projects, and \$71,985 for WADA-IADA partnership projects).

5. SHORT-TERM INVESTMENTS

Canadian T-Bill fund

\$ 1,429,963

Short-term investments are recorded at cost which approximates market value.

6. CAPITAL ASSETS		Cost		cumulated		Net	
Office equipment	\$	86,338	\$	55,376	\$	30,962	
Computer equipment	Ψ	125,363	Ψ	108,454	Ψ	16,909	
Leasehold improvements		22,866		11,481		11,385	
	\$	234,567	\$	175,311	\$	59,256	
7. CCES PARTNERSHIP PROJECTS II	NVESTMENTS						

Anti-Doping International (Joint Venture)	\$ 145,674	
International Testing Inc. (wholly-owned subsidiary)	3	

\$ 145,677

Had the financial statements of International Testing Inc. been consolidated, total revenue would have increased by \$9,037, total expenditure would have increased by \$15,875, earnings from CCES Partnership Projects Investments would have decreased by \$80,000 and net revenue (expenditure) for the year would have decreased by \$86,838. The total assets and surplus would have both increased by \$9,398.

8. CONTINGENCY RESERVE FUND

On March 25, 1997, the Canadian Centre for Ethics in Sport Board of Directors approved the creation of a Contingency Reserve Fund in the amount of \$250,000 to provide a source of funds and/or financial relief for unanticipated interruptions in the Centre's revenue. The Board of Directors had approved an appropriation of \$50,000 from the Contingency Reserve Fund to the Surplus (Deficit) to cover a portion of the deficit as at March 31, 2000. During the fiscal period ended March 31, 2001, the Board of Directors approved an appropriation from the Surplus to the Contingency Reserve Fund of \$50,000 to replenish the fund to its original amount of \$250,000. An additional appropriation of \$50,000 was approved during each fiscal period ended in 2001 and 2002 to increase the Contingency Reserve Fund to \$350,000 as at March 31, 2002. No appropriation was approved during the fiscal period ended in 2003 nor 2004.

9. ETHICS IN SPORT RESERVE FUND

On March 26, 2002, the Canadian Centre for Ethics in Sport Board of Directors approved the creation of an Ethics Strategy Reserve Fund in the amount of \$250,000 to provide a source of funds for projects undertaken related to the development of an Ethics Strategy at the discretion of the Board of Directors. In 2004, the Board approved the name change of the Ethics Strategy Reserve Fund to Ethics in Sport Reserve Fund. During 2004, the Board of Directors approved an appropriation of \$400,000 from surplus to the Ethics in Sport Reserve Fund as a result of the distribution of venturers' equity in Anti-Doping International. The Board also approved a \$33,000 appropriation from the Ethics in Sport Reserve Fund to the surplus to cover the operating deficit.

10. RELATED PARTY TRANSACTIONS

Two members of management of the Centre are directors of the Spirit of Sport Foundation, a registered charitable organization. The Centre has provided administrative support at a cost of Nil (2003 - \$18,000) to the Foundation.

International Testing Inc. (ITI) is a related party by virtue of it being a wholly-owned subsidiary of the Centre. Accounts receivable includes an amount owing from ITI of \$5,750 (2003 - Nil). The purpose of ITI is to provide drug-testing and sample collection services. The Centre has provided administrative support at a cost of \$5,000 (2003 - \$5,000) to ITI.

Anti-Doping International is a joint venture comprised of three partners; namely the Canadian Centre for Ethics in Sport, the Australian Sports Drug Agency and Anti-Doping Norway. The Centre has accepted the role of Secretariat for administration, accounting and finance. The total of funds held in trust by the Centre on behalf of ADI amounts to \$683,346 U.S. as at December 31, 2003 (2002 - \$1,861,248 U.S.). The funds held in trust are not reflected in these financial statements. During the year ended December 31, 2003, the Centre received operational fees of \$120,974 U.S. (2002 - \$130,552 U.S.) and office costs of \$21,828 U.S. (2002 - \$0 U.S.). During 2003, the Centre received a distribution of equity from ADI of \$415,638 Cdn. which was transferred to surplus.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. COMMITMENTS

- (a) The Centre is currently negotiating a new three-year contractual agreement with the INRS Laboratory for its services. Until this contractual agreement is finalized, the Centre continues to provide payment in the order of \$800,000 per year, however, the new three-year agreement being negotiated will see the Centre paying INRS Laboratory \$1,069,000 in 2004-2005 with the fee to be negotiated for the second and third years.
- (b) The Centre has leased premises at an annual base rent of \$80,540 to 2007 plus operating costs and related taxes of approximately \$105,000 per year.

The Centre has sub-leased a portion of the space not being occupied to a third party at an annual base rent of \$23,046 to 2007 plus operating costs and related taxes of approximately \$31,000 per year.

12. INTERIM ADR PROJECT

An amount totalling \$30,050 of 2003 unspent funding was returned to Sport Canada representing deferred revenue of \$14,907 and an adjustment of 2003 revenue of \$15,143. Accordingly, both the revenue and expenditure of Interim ADR Project for 2004 reflects \$624,439 related to current year activity, reduced by the adjustment of \$15,143 related to 2003.

13. STATEMENT OF CASH FLOWS

This statement has not been prepared as all of the relevant information is apparent from the other financial statements.