

World Archery Federation

Lausanne

Report of the auditor
to the Congress and to the Executive Board

on the financial statements 2020



Report of the statutory auditor

to the Congress and to the Executive Board of the

World Archery Federation

Lausanne

Report of the statutory auditor on the financial statements

On your instructions, we have audited the financial statements of World Archery Federation, which comprise the balance sheet, statement of income and expenditure and notes, for the year ended 31 December 2020.

Executive Committee's responsibility

The Executive Committee is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Executive Committee is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance 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 the internal control system relevant to the entity's preparation 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 system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, 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 for the year ended 31 December 2020 comply with Swiss law.

PricewaterhouseCoopers SA

Philippe Tzaud
Audit expert
Auditor in charge

Nicolas Daehler
Audit expert

Lausanne, 26 March 2021

Enclosure:

- Financial statements (balance sheet, statement of income and expenditure and notes)

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Balance sheet at December 31

	Notes	CHF 2020	CHF 2019
Assets			
Current assets			
Cash and cash equivalents	2	3'109'547	1'287'244
Marketable securities		0	0
Accounts receivable	3	127'518	218'807
Other receivables		37'702	79'445
Inventory		74'289	67'374
Prepayments		296'889	287'460
Total current assets		<u>3'645'945</u>	<u>1'940'330</u>
Fixed assets			
Tangible fixed assets, net:			
Administrative building		1'615'473	1'615'473
Office furniture and equipment		5'986	8'551
Computer equipment		6'523	6'197
Event Tool Box equipment		0	853
		<u>1'627'983</u>	<u>1'631'075</u>
Financial fixed assets:			
Guarantee deposit			
Loan Long Term - FIDTA	4	722'000	722'000
Loss on loan - FIDTA		-722'000	-722'000
		<u>0</u>	<u>0</u>
Total fixed assets		<u>1'627'983</u>	<u>1'631'075</u>
TOTAL ASSETS		<u><u>5'273'928</u></u>	<u><u>3'571'404</u></u>
Liabilities and funds			
Current liabilities			
Accounts payable		101'931	38'696
Other payables		0	0
Accruals	5	363'840	313'944
Membership fees 2021 / 2020		74'680	74'640
Deferred income		473'291	552'303
Short term loan		600'000	0
Total current liabilities		<u>1'613'742</u>	<u>979'583</u>
Long-term liabilities			
Long-term loan		<u>2'575'860</u>	<u>0</u>
Funds			
Unrestricted funds		<u>1'084'326</u>	<u>2'591'821</u>
TOTAL LIABILITES AND FUNDS		<u><u>5'273'928</u></u>	<u><u>3'571'404</u></u>



Statement of income and expenditure for the year ended December 31

	Notes	CHF 2020	CHF 2019
Income			
Operating Revenue	6	536'430	760'945
		536'430	760'945
Olympics Revenue	7	101'711	168'991
Commercial Revenue	8	652'376	2'732'599
Total Income		<u>1'290'517</u>	<u>3'662'535</u>
Expenses			
Administration Expenses:			
Salaries & Social Charges		-1'493'222	-1'515'425
RHT - unemployment reimbursement		319'966	0
Staff Expenses		-16'406	-21'752
Office Administration	9	-192'081	-206'541
Office Projects & Activities	10	-138'652	-145'755
Accounting & Legal fees	11	-72'775	-30'140
		<u>-1'593'170</u>	<u>-1'919'613</u>
Operating Expenses:			
Communications/Marketing/Sponsorship	12	-122'598	-307'261
Consulting (Fees, Think-Tank/Event Bidding)		-9'120	-18'000
Audiovisual Production	13	-151'592	-608'612
Congress Expenses		0	-58'976
Executive Board & Executive Expenses	14	-41'777	-75'775
Committee Expenses	15	-47'269	-105'116
Continental Confederations	16	-112'257	-145'924
Development Programs	17	-39'425	-68'206
Global Sport Development		-126'614	-92'480
Olympic Solidarity		-7'554	-69'314
Olympic Games		-28'414	0
Test Event		0	-73'104
Paralympic Games		-9'023	-278'083
World Championships Costs	18	-9'067	-828'726
Other Games, Bids & Future Events		-32'051	-16'842
Event Tool Box & Target Mat Project		-48'598	-15'659
Event Services		-24'603	-53'402
World Cups	19	-288'900	-1'479'549
Loss on Debtors		-12'855	-320
FIDTA/WAEC	20	-67'179	-570'343
		<u>-1'178'895</u>	<u>-4'865'692</u>
Depreciation:			
Depreciation	21	-9'124	-9'865
		<u>-9'124</u>	<u>-9'865</u>
Financial Income and Expenses:			
Financial Income	22	1'570	19'046
Bank/Credit Card Charges		-5'801	-6'785
Mortgage Interest		-4'813	0
Financial Expenses	23	-769	-807
Exchange Rate Differences		-7'009	-41'640
		<u>-16'822</u>	<u>-30'186</u>
Total Expenses		<u>-2'798'012</u>	<u>-6'825'356</u>
Extraordinary Income & Expenditures:			
Extraordinary Income	24	1'122	1'273
Extraordinary Expenditures	25	-1'123	-837
		<u>-1</u>	<u>436</u>
Excess of income (+) / expenses (-) over income for the year		-1'507'494	-3'162'385
Unrestricted funds at beginning of the year		2'591'820	5'754'205
Unrestricted funds at end of the year		<u>1'084'326</u>	<u>2'591'820</u>



Notes to the financial statements

1. Summary of significant accounting policies

1.1 Basis of accounting

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b CO). World Archery Federation uses the accruals basis of accounting in preparing the financial statements.

For comparability purposes several accounts of prior year have been reclassified according to the current year presentation.

1.2 Accounting for foreign currencies

The accounting records of World Archery Federation are kept in Swiss Francs.

Assets and liabilities denominated in currencies other than Swiss Francs are based on exchange rates ruling at the year-end. Transactions denominated in other than Swiss Francs are recorded at monthly average rates or at the date of transaction; all exchange losses and realised exchange gains are recognised as financial income or expense.

1.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash balances and call deposits with maturities of three months or less.

1.4 Marketable securities

World Archery Federation values its marketable securities at year-end market value. Gains or losses arising from the revaluation of marketable securities are taken to the statement of income and expenditure.

1.5 Receivables

Receivables and other short-term receivables are carried at their nominal value less necessary valuation adjustment.



Notes to the financial statements

1.6 Inventory

Inventories are valued at the lower of cost (acquisition or manufacturing cost) and net realisable value.

1.7 Administrative building

World Archery Federation bought its administrative building in 2006 for a gross amount of CHF 1.8mio and its mortgage of CHF 1.118mio was reimbursed to Credit Suisse on 31 December 2013. Depreciation was calculated at the rate of 3% per annum on the net book value until December 31, 2009. As from January 1, 2010 the accounting policy has been changed; depreciation is no longer calculated on the World Archery Federation administrative building. An annual assessment is made as to whether the current estimated value of the administrative building is less than the net book value; should this estimated value be lower than the net book value, an impairment charge against the carrying value will be recorded.

1.8 Recognition of income

Income is recognised based on contracts and during the year of events.

1.9 Pension liabilities

On 31 December 2020, the liability to the pension scheme amounted to CHF 0.

On 31 December 2019, the liability to the pension scheme amounted to CHF 0.

1.10 Lease commitments

The World Archery Federation has four lease commitments as of 31 December 2020, three in respect of cars and the fourth in respect of one multifunction photocopier. As of 31 December 2020, the remaining contractual lease payments amounted to CHF 26,463.80 and CHF 15,236.32 respectively.

The World Archery Federation has four lease commitments as of 31 December 2019, three in respect of cars and the fourth in respect of one multifunction photocopier. As of 31 December 2019, the remaining contractual lease payments amounted to CHF 32,218.75 and CHF 19,488.32 respectively.

1.11 Staff

The number of full-time equivalents did not exceed 50 on an annual average basis.

1.12 Accounts approval

According our Constitution and Rules, Book 1, article 1.10.5.: "The Secretary General shall present a report and audited accounts to the Executive Board annually and to the Congress every two years." Hence, the accounts 2020 will be approved during our Congress 2021.



Notes to the financial statements

	CHF	CHF
	December 31, 2020	December 31, 2019
2. Cash and cash equivalents		
Cash	1'287	1'594
Credit Cards	166	0
BCV Current accounts	2'329'800	524'107
UBS Current account	0	0
BCV Mandat accounts	750'574	575'928
Garanti Bank Turkish account	422	53'688
BCV GSD/USD account	27'299	131'927
	<u>3'109'547</u>	<u>1'287'244</u>
3. Accounts receivable		
Associate Members	20'530	14'500
Members Associations	71'491	106'557
Other Debtors	48'352	98'070
Bad Debts	-12'855	-320
	<u>127'518</u>	<u>218'807</u>
4. Loan Long Term		
Loan Long Term - FIDTA	722'000	722'000
	<u>722'000</u>	<u>722'000</u>

The Sport-Toto sponsorship received in 2018 for CHF 722,000 is included in the WA revenue and then passed on to the FIDTA as a loan for final construction mortgage payment. WA do not expect FIDTA to reimburse that loan in the near future and for sure not before any other mortgage of FIDTA has been fully reimbursed and as such a provision for the full amount has been recorded.



Notes to the financial statements

	CHF	CHF
	December 31,	December 31,
	2020	2019
5. Accruals		
Accruals	363'840	313'944
	<u>363'840</u>	<u>313'944</u>
<p>In 2020, a provision for untaken holiday as of 31 December 2020 for a total amount of CHF 208,040.- was accrued for.</p> <p>In 2019, a provision for untaken holiday as of 31 December 2019 for a total amount of CHF 238,956.- was accrued for.</p>		
6. Operating Revenue		
WA Registered Tournaments	17'580	38'990
Interpretation Fee	300	600
Merchandising	26'467	42'863
Accreditations & Upgrade cards	0	5'442
Members Associations Fees	74'400	74'400
Associate Members Fees	260'500	384'585
Income Video/DVD	0	100
Seminar/Conference (ITO/CC)	5'237	0
e-learning Coaching course	510	1'215
Global Sport Development	133'215	100'320
Income Event Tool Box	0	0
Income Event Services	18'221	112'430
	<u>536'430</u>	<u>760'945</u>
7. Olympics revenue		
Various Incomes (IPC, etc)	27'655	28'255
Olympic Solidarity	5'547	69'028
Grant IOC/Olympic Solidarity IF	68'509	71'708
	<u>101'711</u>	<u>168'991</u>
8. Commercial Revenue		
Sponsors (incl. VIK)	558'349	1'315'988
Internet Revenue	33'523	38'796
TV Revenue	0	225'256
Bid Cities	60'504	1'152'559
	<u>652'376</u>	<u>2'732'599</u>



Notes to the financial statements

	CHF December 31, 2020	CHF December 31, 2019
9. Office Administration		
Building Service costs	-56'564	-58'814
Office Supply, Maintenance & Cleaning	-16'068	-18'315
Phone & Fax	-10'166	-16'680
Electricity	-2'175	-2'862
Postage	467	-402
Lease Payments	-18'867	-18'607
Computing Costs & Internet costs	-63'254	-61'153
Insurances	-23'098	-27'964
Meeting Expenses	-1'070	-1'175
Freight & Customs	-1'286	-569
	<u>-192'081</u>	<u>-206'541</u>
10. Office Projects & Activities		
Clean Sport Management	-138'652	-145'755
	<u>-138'652</u>	<u>-145'755</u>
11. Accounting & Legal Fees		
Accounting & Audit Fees	-31'887	-30'636
Legal Fees	-40'888	496
	<u>-72'775</u>	<u>-30'140</u>
12. Communications/Marketing/Sponsorship		
Subscription to associations	-6'805	-7'149
Publications, Target, Arrow, Advertising	15'000	-15'000
Merchandising/Flags, Pin's, Ties & Others	-16'678	-23'087
Sponsorship costs	-74'548	-187'467
Public Relations	-28'459	-32'945
Postage - Merchandising	-4'105	-4'512
Renewing event equipment	-4'103	-34'201
Rental storage event equipment	-2'900	-2'900
	<u>-122'598</u>	<u>-307'261</u>



Notes to the financial statements

	CHF December 31, 2020	CHF December 31, 2019
13. Audiovisual Production		
TV Distribution	-23'500	-447'805
Video Production	-25'766	-14'328
Internet - Development/Digital Media	-102'327	-98'098
TV Consulting	0	-43'635
Brand Development	0	-4'746
	<u>-151'592</u>	<u>-608'612</u>
14. Executive Board & Executive Expenses		
Executive Board	-3'126	-10'990
Executive	-38'651	-64'785
	<u>-41'777</u>	<u>-75'775</u>
15. Committee Expenses		
<u>Boards</u>		
Finance & Audit	-4'133	-6'303
	<u>-4'133</u>	<u>-6'303</u>
<u>Committee</u>		
Target Archery Committee	0	-111
Judges Committee & Conference & Uniforms	-8'349	-48'271
Medical Committee	-214	26
Coaches Committee	-4'012	0
Athletes' Committee	0	-11'671
ParaArchery	0	-6'559
	<u>-12'576</u>	<u>-66'586</u>
<u>Ad Hoc Committees</u>		
Gender Equity	0	-282
Para Archery Classifiers	-30'560	-31'945
	<u>-30'560</u>	<u>-32'227</u>
	<u>-47'269</u>	<u>-105'116</u>



Notes to the financial statements

	CHF December 31, 2020	CHF December 31, 2019
16. Continental Confederations		
WA Oceania incl. MA's fees	-6'148	-10'821
WA Africa incl. MA's fees	-2'312	-11'770
WA Americas incl. MA's fees	-48'305	-60'678
WA Asia incl. MA's fees	-13'385	-13'225
WA Europe incl. MA's fees	-42'107	-49'430
	<u>-112'257</u>	<u>-145'924</u>
17. Development Programs		
Equipment	-7'015	-28'948
Development Programs	-32'411	-39'258
	<u>-39'425</u>	<u>-68'206</u>
18. World Championships Costs		
WAFC - Yankton 2020, USA (cancelled COVID-19)	-9'067	0
WAC - Hertogenbosch 2019, NED	0	-707'365
WAYC - Madrid 2019, ESP	0	-86'479
WA3D - Lac La Biche 2019, CAN	0	-34'882
	<u>-9'067</u>	<u>-828'726</u>



Notes to the financial statements

	CHF December 31, 2020	CHF December 31, 2019
19. World Cups - WC		
Outdoor World Cup - OWC		
OWC Travel & Accommodation	-6'556	-120'385
OWC Marketing & Media	283	-16'011
OWC Various	-46'719	-140'848
OWC Prize Money	-3'000	-211'453
OWC Results/Timing	-12'378	-90'194
OWC TD & Judges Costs	0	-1'916
OWC TV Production	-47'898	-512'602
OWC Transportation & Logistics	-3'250	-147'815
OWC TV Distribution	0	-103'815
	<hr style="border-top: 1px solid black;"/> -119'518	<hr style="border-top: 1px solid black;"/> -1'345'039
 <u>Indoor World Series - IWS</u>		
IWS Travel & Accommodation	-19'102	-16'835
IWS Marketing & Media	-2'351	-1'811
IWS Anti-Doping	-8'196	-10'819
IWS Various	-17'833	-25'814
IWS Prize Money	-66'956	-57'459
IWS Results/Timing	-10'167	-3'881
IWS TD & Judges Costs	-777	-809
IWS TV Production	-40'584	-13'569
IWS Transportation & Logistics	-1'645	-2'373
IWS TV Distribution	-1'771	-1'140
	<hr style="border-top: 1px solid black;"/> -169'382	<hr style="border-top: 1px solid black;"/> -134'510
	<hr style="border-top: 1px solid black;"/> -288'900	<hr style="border-top: 1px solid black;"/> -1'479'549



Notes to the financial statements

	CHF December 31, 2020	CHF December 31, 2019
20. FIDTA/WAEC		
WAEC - Contributions Operating expenses	-67'179	-570'343
	<u>-67'179</u>	<u>-570'343</u>

This amount is related to our contributions to WAEC operating expenses. Considering the nature of the expense, the amount has been reclassified to operating expenses.

Contributions:

World Archery Federation entered into a contract to finance the construction of the World Archery Excellence Centre owned by FIDTA (Fondation Internationale de Développement du Tir à l'Arc). The commitment as of 31 December 2020 is CHF 7,278,000.-. The total contribution of World Archery Federation is expected to be CHF 10,600,000.- which is to be paid according to the following timeline:

2016	2'600'000	2'600'000
2018	722'000	722'000
2021	2'500'000	2'500'000
2024	3'000'000	3'000'000
2028	1'778'000	1'778'000
Total	<u>10'600'000</u>	<u>10'600'000</u>

The payments are made by using the contributions received from the IOC in connection with the editions of the Summer Olympic Games. World Archery Federation subscribed an insurance policy to cover the contributions in case of a cancellation of the Olympic Games.

21. Depreciation		
Office Furniture & Equipment depreciation	-2'565	-2'349
Computer Equipment depreciation	-5'706	-5'252
Event Tool Box Equipment depreciation	-853	-2'264
	<u>-9'124</u>	<u>-9'865</u>
22. Financial Income		
Interests	288	1'659
Profits on Investments	0	16'065
Other interests	1'282	1'322
	<u>1'570</u>	<u>19'046</u>



Notes to the financial statements

	CHF December 31, 2020	CHF December 31, 2019
23. Financial Expenses		
Interest and Charges	-769	-807
	<u>-769</u>	<u>-807</u>
24. Extraordinary Income		
Extraordinary Income	1'122	1'273
	<u>1'122</u>	<u>1'273</u>

In 2020, the extraordinary income were related to the 2020 Redistribution tax CO2 from the Caisse AVS de la Federation Patronale Vaudoise and from a refund on profit & capital tax 2018 from Vaud Canton Finance Department.

25. Extraordinary Expenditures		
Extraordinary Expenditures	-1'123	-837
	<u>-1'123</u>	<u>-837</u>

In 2020, the extraordinary expenses was related to withholding tax December 2019.

26. Current pandemic situation

Following the spread of the new Coronavirus COVID-19 and the restrictions imposed by the Swiss Federal Council, the WAF has implemented several measures to ensure its continuity of operations. Indeed, the teleworking tools put in place for its employees have made it possible to guarantee continuity in the services provided. To date, there have been no problems with its stakeholders. In view of the World Archery Federation activity and the current situation, management believes that the repercussions related to COVID-19, while important are under control.

To limitate the impact on our cash flow, we were able to obtain the following loans which will be reimbursed according to the agreement put in place:

IOC Loan: USD 2.5M/CHF 2.35M

Swiss confederation support: credit COVID-19 CHF 366k