
World Archery Federation

Lausanne

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

***on the financial statements
2016***





Report of the auditor

to the Congress and to the Executive Board of the

World Archery Federation

Lausanne

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 2016.

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 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 existence and effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the 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 2016 comply with Swiss law.

PricewaterhouseCoopers SA

Guillaume Nayet

Audit expert

Patrick Wagner

Audit expert

Lausanne, 31 March 2017

Enclosure:

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

Balance sheet at December 31

	Notes	CHF 2016	CHF 2015
Assets			
Current assets			
Cash and cash equivalents	2	10'955'785	426'958
Marketable securities		0	556'100
Accounts receivable	3	216'533	412'835
Other receivables		2'252	142'660
Inventory		188'773	151'686
Prepayments		58'558	305'111
Total current assets		11'421'901	1'995'349
Fixed assets			
Tangible fixed assets, net:			
Administrative building		1'615'473	1'615'473
Office furniture and equipment		2'573	3'675
Vehicle		9'456	15'759
Computer equipment		7'490	8'842
Event Tool Box equipment		26'492	32'878
Total fixed assets		1'661'483	1'676'627
TOTAL ASSETS		13'083'384	3'671'977
Liabilities and funds			
Current liabilities			
Accounts payable		1'091'699	354'400
Accruals		131'920	79'049
Membership fees 2017 / 2016		80	64'351
Deferred income		0	70'595
Total current liabilities		1'223'699	568'395
Funds			
Unrestricted funds		11'859'684	3'103'581
TOTAL LIABILITES AND FUNDS		13'083'384	3'671'977

Statement of income and expenditure for the year ended December 31

	Notes	CHF 2016	CHF 2015
Income			
Operating Income:			
Various Income & Fees	4	546'424	466'534
		546'424	466'534
Olympics Revenue	5	15'688'903	159'113
Commercial Revenue	6	2'442'956	2'029'794
Total Income		18'678'283	2'655'441
Expenses			
Administration Expenses:			
Salaries & Social Charges		-1'609'630	-1'479'297
Staff Expenses		-46'387	-32'206
Office Administration	7	-202'719	-230'776
Office Projects & Activities	8	-105'421	-86'175
Accounting & Legal fees	9	-30'764	-37'146
		-1'994'921	-1'865'600
Operating Expenses:			
Communications/Marketing/Sponsorship	10	-248'840	-298'234
Consulting (Fees, Think-Tank/Event Bidding)		-48'000	-24'000
Audiovisual Production	11	-662'195	-666'087
Congress Expenses		0	-133'917
Executive Board & Executive Expenses	12	-119'870	-153'110
Committee Expenses	13	-349'078	-289'052
Continental Confederations	14	-178'648	-165'290
Development Programs	15	-92'563	-85'006
Global Sport Development		-72'134	-61'406
Olympic Solidarity	16	-120'320	-58'848
Olympic Games		-658'591	-43'481
Paralympic Games		-92'659	-83'521
World Championships Costs	17	-277'964	-401'925
Other Games, Bids & Future Events		-97'296	-100'114
Event Tool Box		-108'447	-81'092
Event Services		-112'770	-36'471
World Cups	18	-1'545'794	-1'722'015
Loss on Debtors		-11'342	-4'689
		-4'796'511	-4'408'256
Depreciation:			
Depreciation	19	-25'310	-35'493
		-25'310	-35'493
Financial Income and Expenses:			
Financial Income	20	46'036	59'227
Bank/Credit Card Charges		-3'638	-5'407
Financial Expenses	21	-8'371	-58'678
Exchange Rate Differences		-76'620	-16'135
		-42'593	-20'994
Extraordinary Expenses:			
Extraordinary Expenses		-5'553	-74
FIDTA/WAEC	22	-3'057'292	0
		-3'062'845	-74
Total Expenses		-9'922'180	-6'330'417
excess of income (+) / expenses (-) over income for the year		8'756'103	-3'674'977
Unrestricted funds at beginning of the year		3'103'582	6'778'558
Unrestricted funds at end of the year		11'859'685	3'103'582

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, effective since 1 January 2013). The financial figures of previous year in the balance sheet and income statement have been prepared according to the new structure. There were no significant changes in presentation and measurement.

World Archery Federation uses the accruals basis of accounting in preparing the financial statements.

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 2016, the liability to the pension scheme amounted to CHF 0.

1.10 Staff

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

1.11 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 2015 will be approved during our Congress 2017.

Notes to the financial statements

December 31, December 31,
2016 2015

2. Cash and cash equivalents

Cash	3'254	2'350
BCV Current accounts	181'509	326'693
UBS Current account	465	3'517
BCV Mandat accounts	10'585'451	7'180
YapiKredi Turkish account	164'010	73'319
BCV GSD/USD account	21'096	13'899
	10'955'785	426'958
	10'955'785	426'958

During 2016 the World Archery Federation entered in forward contracts. As of 31 December 2016, the forward purchase and sale contracts (CMD) cumulative contract value was CHF 1,969,000.- and the cumulative replacement value was CHF -43,000.- which has been booked as an expense within the statement of income and expenditure.

3. Accounts receivable

Associate Members	0	33'796
Members Associations	48'243	83'532
Other Debtors	156'448	249'779
Other Debtors MasterCard	-902	-1'500
Bad Debts	0	-4'364
Olympic Solidarity	5'887	51'592
Short-term assets	6'857	0
	216'533	412'835
	216'533	412'835

4. Various Income & Fees

WA Registered Tournaments	34'430	34'100
Merchandising	35'308	58'591
Association Members Fees	64'951	64'751
Associate Members Fees	171'500	38'658
Income Video/DVD	3'080	22'769
Sundry, Income, Postage, etc	46	168
Development Partner fees	9'909	9'817
Global Sport Development	74'753	73'035
Income Event Tool Box	25'833	74'979
Income Event Services	99'283	74'434
Extraordinary income	27'331	15'232
	546'424	466'534
	546'424	466'534

Notes to the financial statements

	CHF December 31, 2016	CHF December 31, 2015
5. Olympics revenue		
Various Incomes (IPC, etc)	98'510	32'375
IOC Income	15'289'323	0
Other Olympic Income	70'576	0
Ticket Income	46'772	0
Olympic Solidarity	113'953	59'748
Grant IOC/Olympic Solidarity IF	69'769	66'990
	<u>15'688'903</u>	<u>159'113</u>
6. Commercial Revenue		
Licences - Royalties	30'000	36'705
Sponsors (incl. VIK)	2'223'548	1'557'578
Internet Revenue	15'346	20'109
TV Revenue	69'975	169'230
Bid Cities	104'087	246'171
	<u>2'442'956</u>	<u>2'029'794</u>
7. Office Administration		
Building Service costs	-53'989	-56'017
Office Supply, Maintenance & Cleaning	-21'658	-18'987
Phone & Fax	-18'690	-25'561
Electricity	-2'283	-3'011
Postage	-2'270	-2'214
Lease Payments	-4'581	-4'308
Computing Costs & Internet costs	-64'811	-75'770
Insurances	-31'274	-42'377
Meeting Expenses	-695	-1'831
Freight & Customs	-2'468	-699
	<u>-202'719</u>	<u>-230'776</u>
8. Office Projects & Activities		
Clean Sport Management	-105'421	-86'175
	<u>-105'421</u>	<u>-86'175</u>

Notes to the financial statements

	CHF December 31, 2016	CHF December 31, 2015
9. Accounting & Legal Fees		
Accounting & Audit Fees	-22'293	-22'146
Legal Fees	-8'471	-15'000
	<u>-30'764</u>	<u>-37'146</u>
10. Communications/Marketing/Sponsorship		
Subscription to associations	-6'327	-6'004
Publications, Target, Arrow, Advertising	-15'946	-3'138
Merchandising/Flags, Pin's, Ties & Others	-17'101	-42'846
Sponsorship costs	-130'805	-97'816
Public Relations	-40'961	-93'255
Graphic Design	-754	0
Renewing event equipment	-35'971	-55'176
Rental storage event equipment	-975	0
	<u>-248'840</u>	<u>-298'234</u>
11. Audiovisual Production		
TV Production	-439'589	-402'975
Expenses Video/DVD	9'931	-23'944
Expenses Internet - Development	-132'708	-204'851
TV Consulting	-39'812	-34'317
Graphics Development	-60'017	0
	<u>-662'195</u>	<u>-666'087</u>
12. Executive Board & Executive Expenses		
Executive Board	-26'845	-24'606
Executive	-93'025	-128'504
	<u>-119'870</u>	<u>-153'110</u>

Notes to the financial statements

	CHF December 31, 2016	CHF December 31, 2015
13. Committee Expenses		
<i>Committee</i>		
Finance & Audit Board	-7'851	-8'273
Const. & Rules Committee	-1'755	0
Technical Committee	-6'453	0
Target Archery Committee	-6'202	-4'929
Field Committee	-4'303	0
Judges Committee & Conference & Uniforms	-219'072	-223'227
Medical Committee	-41'193	-8'225
Coaches Committee	-4'665	-5'958
Athletes' Committee	-5'989	-411
ParaArchery	-30'757	-36'768
	<u>-328'240</u>	<u>-287'791</u>
<i>Ad Hoc Committees & Coordinators</i>		
Continental Games Work Group	-4628	0
Good Governance	-4470	0
Gender Equity	-8'707	-363
WA Strategic Planning	-3'033	-898
	<u>-20'838</u>	<u>-1'261</u>
	<u>-349'078</u>	<u>-289'052</u>
14. Continental Confederations		
WA Oceania incl. MA's fees	-8'084	-11'681
WA Africa incl. MA's fees	-53'741	-37'262
WA Americas incl. MA's fees	-59'354	-59'267
WA Asia incl. MA's fees	-12'382	-12'048
WA Europe incl. MA's fees	-45'087	-45'032
	<u>-178'648</u>	<u>-165'290</u>
15. Development Programs		
Equipment	-9'655	6'607
Bangkok Center	-67'735	-84'851
Development Programs	-15'173	-6'762
	<u>-92'563</u>	<u>-85'006</u>

Notes to the financial statements

	CHF December 31, 2016	CHF December 31, 2015
16. Olympic Solidarity		
Olympic Solidarity	-120'320	-58'848
	<u>-120'320</u>	<u>-58'848</u>
17. World Championships Costs		
WAIC - Ankara 2016, TUR	-213'056	0
WAFC - Dublin 2016, IRL	-63'235	0
WAYC - Yankton 2015, USA	0	-130'995
WAC - Copenhagen 2015, DEN	-1'673	-261'062
WA3DC - Terni 2015, ITA	0	-9'868
	<u>-277'964</u>	<u>-401'925</u>
18. World Cups		
World Cup Travel & Accommodation	-197'554	-211'439
World Cup Marketing & Media	-10'715	-12'454
World Cup Anti-Doping	-7'637	0
World Cup Various	-292'706	-265'291
World Cup Prize Money	-195'348	-208'222
World Cup Results/Timing	-84'449	-106'621
World Cup TD & Judges Costs	-2'366	-4'391
World Cup TV Production	-462'965	-616'315
World Cup Transportation & Logistics	-288'158	-297'282
World Cup ET Box	-3'896	0
World Cup repayment Penalty Fees		
	<u>-1'545'794</u>	<u>-1'722'015</u>
19. Depreciation		
Office Furniture & Equipment depreciation	-1'103	-1'575
Computer Equipment depreciation	-6'550	-9'323
Event Tool Box Equipment depreciation	-11'354	-14'090
Vehicle depreciation	-6'303	-10'505
	<u>-25'310</u>	<u>-35'493</u>

Notes to the financial statements

	CHF December 31, 2016	CHF December 31, 2015
20. Financial Income		
Interests	46'036	59'227
	<u>46'036</u>	<u>59'227</u>
21. Financial Expenses		
Interest and Charges	-5'871	-14'121
Loss on investments	-2'500	-44'557
	<u>-8'371</u>	<u>-58'678</u>
22. FIDTA/WAEC		
WAEC - Sponsorship*	-2'600'000	0
WAEC - Contributions Operating expenses	-300'000	0
WAEC - Opening ceremony	-157'292	0
	<u>-3'057'292</u>	<u>0</u>

Sponsorship:

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 total contribution of World Archery Federation is CHF 10'600'000 which will be paid according to the following timeline:

2016	2'600'000
2020	3'500'000
2024	4'500'000
Total	<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.