

2009 Budget and Four-year Financial Plan 2009-2012

Normally, at the Ordinary Congress in the year of the Olympic Games, FISA's financial plan for the following four-year period is presented for information. The reason for this is that approximately 60% of FISA's total revenue is received once every four years from the IOC in the form of Olympic television and marketing rights income, at the end of the year of the Olympic Games. These funds are then invested and gradually spent over the subsequent four years. It is therefore necessary for FISA to plan its finances over four-year periods.

The Executive Committee has decided to defer the presentation to you of the four-year plan for 2009-2012 until the end of this year, and present it instead at the Extraordinary Congress in February 2009. The reason for this is that there are still many uncertain financial items and we hope to be in a better position to present a more realistic plan at the end of this year. The main uncertainties are the US Dollar / Swiss franc exchange rate which has been fluctuating widely recently (our IOC revenue is paid in dollars) and a television contract for 2009 to 2012 which is currently being negotiated. In addition, no major sponsorships are signed at the moment. Thus all three of FISA's main sources of revenue are currently uncertain.

We would like to present you with our 2009 budget proposal. With uncertain income, it is necessary to be careful with our expenditure. In preparing the 2009 budget, we have cut back significantly from the levels of expenditure experienced in the last comparable year, 2007. Our budget for 2009 contemplates expenditure totalling 4,275,485 Swiss Francs compared with 5,621,679 Swiss Francs in 2007. These two figures are not strictly comparable as the 2007 figure includes recharges by FISA to Organising Committees, which inflate both income and expenditure, but our budget for 2009 is lower in many areas of expenditure, including the development programme, World Cup series, anti-doping and staff salaries.

The main assumptions used in the 2009 budget are as follows:

1. The USD/CHF exchange rate has been re-set at 1.05
2. A minimum level of sponsorship of CHF 500,000 from sale of signage, but no title sponsor.
3. Television income at similar levels to the last contract.
4. Estimated reserves remaining of CHF 640,000 from 2008-2012.
5. Consumption of this reserve and CHF 1,912,560 or 19.5% of the Beijing Olympic rights income, leaving 80.5% available for expenditure in future years.
6. Reduced levels of expenditure in most areas as identified above.

Until our income for 2009-2012 is secured, we will need to manage tightly to our budget and reduce expenditure wherever possible, but consistent with delivering our events and programmes to the usual standards. If we do not source further income for 2009-2012, our financial position will remain under pressure and further cutbacks in expenditure may become necessary. It is therefore essential that efforts continue to raise more income from FISA's rights and particularly this year when rowing's profile is at its highest during the Olympic Games.

Mike Williams

Financial Report for the 2008 FISA Ordinary Congress
(amounts in Swiss Francs)

Fédération Internationale des Sociétés d'Aviron
International Rowing Federation

Statement of Income and Expenses

INCOME	2006 Actual	2007 Actual	2008 Revised Budget	2009 Budget
Subscriptions	58,098	64,020	55,000	55,000
WChamps and WCup income	1,608,178	1,934,057	73,500	1,071,000
Merchandise	109,573	110,240	70,000	100,000
Advertising	148,594	162,370	120,000	136,925
Development Programme (O.S.)	200,622	299,502	100,000	84,000
Cont from Oly TV Rights	1,692,240	1,831,890	3,136,750	2,552,560
Additional contribution from Capital	340,000	100,000	0	0
Capital Gain (Loss)	154,472	166,623	0	0
Release of prov.unreal.loss mktbl.secs	26,260	87,885	0	0
Income from mktbl securities	242,508	147,360	60,000	276,000
Exchange Rate Gain	0	0	0	0
Other Income & Olympics	112,054	253,249	250,000	0
Exceptional Items	0	0	0	0
TOTAL INCOME	4,692,598	5,157,196	3,865,250	4,275,485
EXPENDITURE	2006 Actual	2007 Actual	2008 Revised Budget	2009 Budget
Olympics	0	0	300,000	0
Senior World Championships	666,096	651,329	0	287,900
Jr. World Championships	180,027	52,335	140,000	139,400
U23 World Championships	86,294	74,432	31,000	34,400
World Cup Series	501,426	577,522	326,200	265,385
Other events	125,831	301,544	20,000	84,000
Development Programme	738,486	889,760	350,000	350,000
Anti Doping Programme	107,045	157,303	50,000	50,000
Marketing & Communications	510,332	532,600	474,110	578,900
Purchase of Stock	37,979	36,644	0	0
Council & Commissions	439,184	304,525	295,000	320,000
Executive Committee	66,174	86,801	100,000	80,000
Congress & Extraordinary Congress	24,631	15,166	15,000	40,000
Exchange Rate Loss	135,032	151,344	0	0
Admin. Salaries, etc.	915,203	973,313	1,057,500	946,000
Office Expenses	299,087	323,570	315,050	344,500
Insur/Legal	50,996	44,763	50,000	50,000
External Consultants	227,551	376,878	235,000	297,000
Coaches Conference/Forum	45,624	11,397	20,000	100,000
Technical Delegates	0	0	10,000	0
Promotion & Subscriptions	16,952	8,091	7,000	8,000
Contingency	0	0	0	100,000
Bank Fees & taxes	186,525	81,657	160,000	200,000
Unrecoverable VAT	-15,620	-29,294	0	0
Exceptional Charges	-15	0	0	0
TOTAL EXPENDITURE	5,344,838	5,621,679	3,955,860	4,275,485
Surplus (Deficit)	-652,240	-464,483		
Prov. for unreal. loss on mktbl sec.	-87,885	-63,434		
CHANGE IN RESERVES	-740,125	-527,917	-90,610	0
Prov. future expenses	5,118,640	3,186,750	50,000	
Capital	1,209,408	681,491	590,881	
TOTAL RESERVES	6,328,048	3,868,241	640,881	