

# Fédération Internationale des Sociétés d'Aviron (FISA)

Lausanne

Report of the auditor  
to the Congress

on the financial statements 2019



# Report of the auditor

## to the Congress of Fédération Internationale des Sociétés d'Aviron (FISA)

### Lausanne

On your instructions, we have audited the financial statements of Fédération Internationale des Sociétés d'Aviron (FISA), which comprise the balance sheet, statement of income and expenses and notes, for the year ended 31 December 2019.

#### 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 2019 comply with Swiss law.

PricewaterhouseCoopers SA

Philippe Tzaud  
Audit expert

Nicolas Daehler  
Audit expert

Lausanne, 16 June 2020

Enclosure:

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

---

*PricewaterhouseCoopers SA, avenue C.-F. Ramuz 45, case postale, CH-1001 Lausanne, Switzerland*  
*Téléphone: +41 58 792 81 00, Téléfax: +41 58 792 81 10, [www.pwc.ch](http://www.pwc.ch)*

**Fédération Internationale des Sociétés d'Aviron, Lausanne  
(International Rowing Federation)**

**BALANCE SHEET AS OF DECEMBER 31, 2019 AND 2018**

<b>ASSETS</b>	<b>2019</b>	<b>2018</b>
	CHF	CHF
<b>Current assets</b>		
Cash and cash equivalents and short-term investments	8'665'946	12'389'965
Cash and cash equivalents	1'059'252	1'589'883
Marketable securities	7'703'351	11'816'693
Provision for unrealised loss on marketable securities	-96'657	-1'016'611
Trade receivables	876'178	497'828
Accrued income and prepaid expenses	613'209	217'193
<b>Total current assets</b>	<b>10'155'333</b>	<b>13'104'986</b>
<b>Non-current assets</b>		
Fixed assets	58'397	56'906
Rent deposit	2'512	2'512
<b>Total non-current assets</b>	<b>60'909</b>	<b>59'418</b>
<b>TOTAL ASSETS</b>	<b>10'216'242</b>	<b>13'164'404</b>
<b>LIABILITIES AND FUNDS</b>		
<b>Short-term liabilities</b>		
Accrued expenses	948'135	244'811
Account payables	331'520	206'804
<b>Total short-term liabilities</b>	<b>1'279'655</b>	<b>451'615</b>
<b>Total liabilities</b>	<b>1'279'655</b>	<b>451'615</b>
<b>Funds</b>		
Permanent Reserves	5'000'000	5'000'000
Reserves for future expenses	3'278'086	7'409'712
General surplus	658'501	303'077
General surplus brought forward	303'077	1'039'316
Surplus / loss for the year	355'424	-736'239
<b>Total funds</b>	<b>8'936'587</b>	<b>12'712'789</b>
<b>TOTAL LIABILITIES AND FUNDS</b>	<b>10'216'242</b>	<b>13'164'404</b>

**Fédération Internationale des Sociétés d'Aviron, Lausanne  
(International Rowing Federation)**

**STATEMENT OF INCOME AND EXPENSES FOR 2019 AND 2018**

<b>INCOME</b>	<b>2019</b>	<b>2018</b>
	CHF	CHF
<b>Income</b>		
Events Management	1'610'649	1'130'899
Events Marketing and TV Rights	1'170'675	1'199'234
Development Programme	307'121	291'844
Marketing	247'977	196'021
Administration and governance	394'502	239'277
Contribution from reserves	4'131'626	3'780'116
<b>Total Income</b>	<b>7'862'550</b>	<b>6'837'392</b>
<b>Expenditures</b>		
Events Management	939'378	618'610
Events Logistics	648'043	734'772
Events Marketing and TV Rights	1'051'709	1'185'306
Events Communications	82'507	83'092
Development Programme	1'203'950	860'491
Communications	210'595	152'996
Marketing	112'732	139'600
Governance	1'101'493	758'690
Adminstration	2'857'414	2'545'575
<b>Total Expenditures</b>	<b>8'207'820</b>	<b>7'079'131</b>
<b>Operational result before financial income/expenses</b>	<b>- 345'270</b>	<b>- 241'739</b>
Financial income	370'572	633'925
Financial expenses	- 545'717	- 356'856
Exchange result	- 44'115	- 48'650
Change in provision for unrealized loss on securities	919'954	- 722'919
<b>Surplus / loss for the year</b>	<b>355'424</b>	<b>- 736'239</b>

**Fédération Internationale des Sociétés d'Aviron, Lausanne  
(International Rowing Federation)**

**STATEMENT OF CHANGES IN GENERAL SURPLUS FOR THE YEARS ENDED  
DECEMBER 31, 2019 AND 2018**

	<u>2019</u> CHF		<u>2018</u> CHF
General surplus at the beginning of the year	303'077		1'039'316
<b>to add/less :</b>			
Surplus / loss for the year	355'424	-	736'239
<b>General surplus at the end of the year</b>	<b>658'501</b>		<b>303'077</b>

**STATEMENT OF CHANGES IN THE "RESERVES FOR FUTURE EXPENSES" AND  
"PERMANENT RESERVES" FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018**

	<u>2019</u> CHF		<u>2018</u> CHF
Total Reserves at the beginning of the year	12'409'712		16'189'828
<b>to add :</b>			
Income allocated to General surplus - IOC contribution	-		-
<b>less :</b>			
Use of reserves for futures expenses	-	4'131'626	-
		3'780'116	
<b>Total Reserves at the end of the year</b>	<b>8'278'086</b>		<b>12'409'712</b>
<b>General surplus at the end of the year</b>	<b>658'501</b>		<b>303'077</b>
<b>Total funds at the end of the year</b>	<b>8'936'587</b>		<b>12'712'789</b>

**Fédération Internationale des Sociétés d'Aviron, Lausanne  
(International Rowing Federation)**

**NOTES TO THE FINANCIAL STATEMENT 2019**

**Preliminary note on the audit**

Although only a "limited statutory examination" would be sufficient under the Swiss Law, the Executive Committee has decided to have an ordinary audit carried out.

**1. Accounting principles applied in the preparation of the financial statements**

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). Significant accounting policies are stated as follows:

**Basis of Accounting**

FISA uses the accruals basis of accounting, with the exception of subscriptions, which are booked on a cash basis.

**Marketable Securities**

Marketable securities are stated at the lower of cost and market value, determined on a individual basis. Fluctuations are recognised in the statement of income and expenses for the year.

**Non-current assets**

Furniture and equipment is carried at cost less depreciation. Depreciation is calculated on the basis of the following useful lives and in accordance with the following methods:

<b>Fixed assets</b>	<b>Useful life</b>	<b>Method</b>
Furniture and equipment	5 years	20% linear
Inflatable advertising structure	5 years	20% linear
Computer Hardware	3 years	33% linear

**Olympic Solidarity**

Funds received from Olympic Solidarity (O.S.) in the form of grants for the purpose of the development of the sport are available for expenditure only on activities defined by O.S. Such funds are recognised as income only when expenditure in line with the defined purpose is incurred.

**Taxation**

FISA is exempt from Federal, Cantonal and Municipal taxation on its income and net assets.

<b>Salaries and related expenses (included under administration)</b>	<b>2019</b>	<b>2018</b>
Salaries and related expenses	1'718'528	1'452'183

**Olympic TV Rights Allocation**

FISA receives an allocation of television rights from the International Olympic Committee (IOC) following the Summer Olympic Games. These funds, which are received every four years, represent core financing of FISA. They are therefore allocated against operating expenditure in instalments over the subsequent four year period with the balance being credited to "Reserves for future expenses". The allocation from the 2016 Olympic Games was received in 2016 and in 2017, nothing in 2018 nor 2019.

## Foreign currencies

Monetary and non-monetary items in foreign currency are translated into Swiss francs at the following exchange rates:

Foreign currency	2019	2018
EUR	1.0870	1.1269
USD	0.9709	0.9858
GBP	1.2735	1.2555

The exchange rates used for balance sheet items are the rates prevailing on December 31; the exchange rates used for transactions conducted during the course of the year and for items in the profit and loss statement are effective rates at the date of transaction.

## Deviations from the principle of consistency in presentation

Certain prior year balances have been reclassified in order to conform with the presentation of the current year. In accordance with Swiss Code of Obligations, financial income and expenses have been presented separately from the operational result.

## 2. Analyses and explanations to the financial statements

### 2.1 Declaration on the number of full-time equivalents averaged over the year

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

### 2.2 Collateral for third-party liabilities

	2019	2018
Bank rent deposit	2'512	2'512

### 2.3 Lease liabilities

	2019	2018
Vehicles	11'931	18'672

### 2.4 Fixed assets

	2019	2018
Furniture and equipment	35'080	37'286
Computer hardware	23'317	19'620
	<b>58'397</b>	<b>56'906</b>

Depreciation expense (included under administration)	20'619	59'178
Depreciation expense on the inflatable advertising structure (included under Marketing and TV)	9'538	9'538

## 3. Subsequent events

In light of the ongoing coronavirus outbreak that occurred in China and has now been spread to Europe and other regions, and after consultations with the medical experts, Fédération Internationale des Sociétés d'Aviron (FISA) has taken the decision to postpone all international competitions planned to be held until the end of June 30, 2020. This is impacting the federation's business operation to a certain extent.

The actual financial impact, in particular linked to the postponement of the Olympic Games in Japan, will depend on the situation and duration of coronavirus outbreak, which is hard to estimate now. Nevertheless, the Executive Committee believes that there is no material uncertainty that may cast significant doubt upon the federation's ability to continue as a going concern.

Further to this decision the FISA Executive Committee will closely follow the situation and will review by end of June. FISA still focus to deliver the majority of the Rowing Events when possible.