
***Fédération Internationale des
Sociétés d'Avion (FISA)***

Lausanne

***Report of the auditor
to the Congress
on the financial statements
2018***





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, income statement and notes, for the year ended 31 December 2018.

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 2018 comply with Swiss law.

PricewaterhouseCoopers SA

Philippe Tzaud

Audit expert

Nicolas Daehler

Audit expert

Lausanne, 4 June 2019

Enclosure:

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

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

BALANCE SHEET AS OF DECEMBER 31, 2018 AND 2017

	2018	2017
ASSETS	CHF	CHF
Current assets		
Cash and cash equivalents and short-term investments	12'389'965	16'865'444
Cash and cash equivalents	1'589'883	419'855
Marketable securities	11'816'693	16'739'281
Provision for unrealised loss on marketable securities	-1'016'611	-293'692
Trade receivables	497'828	721'740
Accrued income and prepaid expenses	217'193	152'319
Total current assets	13'104'986	17'739'503
Non-current assets		
Fixed assets	56'906	56'834
Rent deposit	2'512	2'512
Total non-current assets	59'418	59'346
TOTAL ASSETS	13'164'404	17'798'848
LIABILITIES AND FUNDS		
Short-term liabilities		
Accrued expenses	451'615	569'704
Total short-term liabilities	451'615	569'704
Total liabilities	451'615	569'704
Funds		
Permanent Reserves	5'000'000	5'000'000
Reserves for future expenses	7'409'712	11'189'828
General surplus	303'077	1'039'316
General surplus brought forward	1'039'316	836'325
Surplus / loss for the year	-736'239	202'991
Total funds	12'712'789	17'229'144
TOTAL LIABILITIES AND FUNDS	13'164'404	17'798'848

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

STATEMENT OF INCOME AND EXPENSES FOR 2018 AND 2017

	2018		2017
INCOME	CHF		CHF
Income			
Events Management	1'130'899		1'236'419
Events Marketing and TV Rights	1'199'234		1'403'547
Development Programme	291'844		407'659
Marketing	196'021		185'476
Administration and governance	239'277		317'437
Contribution from reserves	3'780'116		3'952'326
Total Income	6'837'392		7'502'864
Expenditures			
Events Management	618'610		422'388
Events Logistics	734'772		794'544
Events Marketing and TV Rights	1'185'306		730'082
Events Communications	83'092		98'766
Development Programme	860'491		991'729
Communications	152'996		155'577
Marketing	139'600		167'875
Governance	758'690		983'448
Adminstration	2'545'575		2'623'898
Total Expenditures	7'079'131		6'968'306
Operational result before financial income/expenses	- 241'739		534'558
Financial income	633'925		532'373
Financial expenses	-	356'856	-
Exchange result	-	48'650	-
Change in provision for unrealized loss on securities	-	722'919	-
Surplus / loss for the year	- 736'239		202'991

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

**STATEMENT OF CHANGES IN GENERAL SURPLUS FOR THE YEARS ENDED
DECEMBER 31, 2018 AND 2017**

	<u>2018</u> CHF	<u>2017</u> CHF
General surplus at the beginning of the year	1'039'316	836'325
to add/less :		
Surplus / loss for the year	- 736'239	202'991
General surplus at the end of the year	303'077	1'039'316

**STATEMENT OF CHANGES IN THE "RESERVES FOR FUTURE EXPENSES" AND
"PERMANENT RESERVES" FOR THE YEAR ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u> CHF	<u>2017</u> CHF
Total Reserves at the beginning of the year	16'189'828	18'207'456
to add :		
Income allocated to General surplus - IOC contribution	-	1'934'698
less :		
Use of reserves for futures expenses	- 3'780'116	- 3'952'326
Total Reserves at the end of the year	12'409'712	16'189'828
General surplus at the end of the year	303'077	1'039'316
Total funds at the end of the year	12'712'789	17'229'144

**Fédération Internationale des Sociétés d'Aviron, Lausanne
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NOTES TO THE FINANCIAL STATEMENT 2018

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:

Fixed assets	Useful life	Method
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.

Salaries and related expenses (included under administration)	2018	2017
Salaries and related expenses	1'452'183	1'472'071

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.

Foreign currencies

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

Foreign currency	2018	2017
EUR	1.1269	1.1744
USD	0.9858	1.0039
GBP	1.2555	1.3238

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

	2018	2017
Bank rent deposit	2'512	2'512

2.3 Lease liabilities

	2018	2017
Vehicles	18'672	25'414

2.4 Fixed assets

	2018	2017
Furniture and equipment	37'286	33'018
Computer hardware	19'620	23'816
	56'906	56'834

Depreciation expense (included under administration)	59'178	68'134
Depreciation expense on the inflatable advertising structure (included under Marketing and TV)	9'538	-