

# Fédération Internationale des Sociétés d'Aviron (FISA)

Lausanne

Report of the auditor  
to the Congress

on the financial statements 2020



# 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 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 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 2020 comply with Swiss law.

PricewaterhouseCoopers SA

Philippe Tzaud

Audit expert

Nicolas Daehler

Audit expert

Lausanne, 18 June 2021

Enclosure:

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

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

**BALANCE SHEET AS OF DECEMBER 31, 2020 AND 2019**

	<b>2020</b>	<b>2019</b>
	CHF	CHF
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents and short-term investments	7'304'729	8'665'946
Cash and cash equivalents	4'243'867	1'059'252
Marketable securities	3'235'472	7'703'351
Provision for unrealised loss on marketable securities	-174'610	-96'657
Trade receivables	132'004	876'178
Accrued income and prepaid expenses	759'271	613'209
<b>Total current assets</b>	<b>8'196'004</b>	<b>10'155'333</b>
<b>Non-current assets</b>		
Fixed assets	181'453	58'397
Rent deposit	2'512	2'512
Loan to Rowing Federations	42'848	-
<b>Total non-current assets</b>	<b>226'813</b>	<b>60'909</b>
<b>TOTAL ASSETS</b>	<b>8'422'817</b>	<b>10'216'242</b>
<b>LIABILITIES AND FUNDS</b>		
<b>Short-term liabilities</b>		
Accrued expenses and deferred income	1'252'754	948'135
Account payables	112'772	331'520
Loan from International Olympic Committee	991'043	-
COVID 19 Loan	786'098	-
<b>Total short-term liabilities</b>	<b>3'142'667</b>	<b>1'279'655</b>
<b>Total liabilities</b>	<b>3'142'667</b>	<b>1'279'655</b>
<b>Funds</b>		
Permanent Reserves	3'625'485	5'000'000
Reserves for future expenses	-	3'278'086
General surplus	1'654'665	658'501
General surplus brought forward	658'501	303'077
Surplus / loss for the year	996'164	355'424
<b>Total funds</b>	<b>5'280'150</b>	<b>8'936'587</b>
<b>TOTAL LIABILITIES AND FUNDS</b>	<b>8'422'817</b>	<b>10'216'242</b>

**Fédération Internationale des Sociétés d'Aviron, Lausanne  
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**STATEMENT OF INCOME AND EXPENSES FOR 2020 AND 2019**

<b>INCOME</b>	<b>2020</b>		<b>2019</b>
	CHF		CHF
<b>Income</b>			
Events Management	344'349		1'610'649
Events Marketing and TV Rights	280'358		1'170'675
Development Programme	235'658		307'121
Marketing	125'657		247'977
Administration and governance	479'535		394'502
Contribution from reserves	4'652'601		4'131'626
<b>Total Income</b>	<b>6'118'158</b>		<b>7'862'550</b>
<b>Expenditures</b>			
Events Management	245'239		939'378
Events Logistics	115'112		648'043
Events Marketing and TV Rights	429'497		1'051'709
Events Communications	17'187		82'507
Development Programme	427'400		1'203'950
Communications	148'706		210'595
Marketing	26'363		112'732
Governance	382'210		1'101'493
Administration	2'642'307		2'857'414
<b>Total Expenditures</b>	<b>4'434'021</b>		<b>8'207'820</b>
<b>Operational result before financial income/expenses</b>	<b>1'684'137</b>	-	<b>345'270</b>
Financial income	128'576		370'572
Financial expenses	-	509'704	-
Exchange result	-	228'891	-
Change in provision for unrealized loss on securities	-	77'953	919'954
<b>Surplus / loss for the year</b>	<b>996'164</b>		<b>355'424</b>

**Fédération Internationale des Sociétés d'Aviron, Lausanne  
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**STATEMENT OF CHANGES IN GENERAL SURPLUS FOR THE YEARS ENDED  
DECEMBER 31, 2020 AND 2019**

	<u>2020</u> CHF	<u>2019</u> CHF
General surplus at the beginning of the year	658'501	303'077
<b>to add/less :</b>		
Surplus / loss for the year	996'164	355'424
<b>General surplus at the end of the year</b>	<b>1'654'665</b>	<b>658'501</b>

**STATEMENT OF CHANGES IN THE "RESERVES FOR FUTURE EXPENSES" AND  
"PERMANENT RESERVES" FOR THE YEAR ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u> CHF	<u>2019</u> CHF
Total Reserves at the beginning of the year	8'278'086	12'409'712
<b>to add :</b>		
Income allocated to General surplus - IOC contribution	-	-
<b>less :</b>		
Use of reserves for futures expenses	- 4'652'601	- 4'131'626
<b>Total Reserves at the end of the year</b>	<b>3'625'485</b>	<b>8'278'086</b>
<b>General surplus at the end of the year</b>	<b>1'654'665</b>	<b>658'501</b>
<b>Total funds at the end of the year</b>	<b>5'280'150</b>	<b>8'936'587</b>

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**NOTES TO THE FINANCIAL STATEMENT 2020**

**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 and website	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 staff related expenses (included under administration)</b>	<b>2020</b>	<b>2019</b>
Salaries and staff related expenses	1'581'440	1'718'528

**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". Due to the postponement of the Olympic Games to 2021, no television rights allocation was received in 2020 but a loan of CHF 991'403 from the IOC.

## Foreign currencies

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

Foreign currency	2020	2019
EUR	1.0816	1.0870
USD	0.8839	0.9709
GBP	1.2083	1.2735

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.

## 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

	2020	2019
Bank rent deposit	2'512	2'512

### 2.3 Lease liabilities

	2020	2019
Vehicles	5'189	11'931

### 2.4 Fixed assets

	2020	2019
Furniture and equipment	30'514	38'729
Computer hardware and website	150'939	19'669
	<b>181'453</b>	<b>58'397</b>

Depreciation expense (included under administration)	89'892	20'619
Depreciation expense on the inflatable advertising structure (included under Marketing and TV)	9'538	9'538

### 2.5 Extraordinary prior-period income

The extraordinary income are the result of prior period income.

## 3. Impact of the pandemic situation

Following the spread of the new Coronavirus COVID-19 and the restrictions imposed by the Swiss Federal Council, the Fédération Internationale des Sociétés d'Aviron (FISA) has implemented several measures to ensure its continuity of operations.

In view of the Fédération Internationale des Sociétés d'Aviron (FISA) 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 short time compensation (RHT) from the Swiss Confederation for CHF 179'246 as well as the following loans which will be reimbursed according to the agreements in place:

- IOC Loan: CHF 991'043
- Swiss Confederation support, credit COVID-19: CHF 786'098