

INTERNATIONAL CANOE FEDERATION

LAUSANNE

Report of the statutory auditors

at 31st December 2018 (in CHF)

International Canoe Federation
Av. de Rhodanie 54
1007 Lausanne

Assens, 18th February 2020

***REPORT OF THE STATUTORY AUDITORS
ON THE LIMITED STATUTORY EXAMINATION OF
INTERNATIONAL CANOE FEDERATION, LAUSANNE***

As statutory auditors, we have examined the financial statements (balance sheet, income statement and notes) of International Canoe Federation for the year ended December 31, 2018.

These financial statements are the responsibility of the board of directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

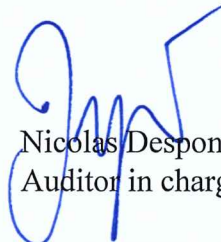
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We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

International Canoe Federation uses the cash basis of accounting in preparing the financial statements.

The financial statements are for a period of 2 years, from 1st January 2017 to 31st December 2018.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.


Nicolas Despont
Auditor in charge

Fidurev S.A.


Jean-Luc Dondénaz

Enclosures:

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

INTERNATIONAL CANOE FEDERATION

Financial Statements (in CHF)

<u>ASSETS</u>	Notes	<u>31.12.2018</u> CHF	Notes	<u>31.12.2017</u> CHF
Current assets				
Cash and cash equivalents				
Cash CHF		1.40		323.15
Cash EUR		7'611.08		9'319.45
Cash USD		2'812.44		3'254.75
Cash GBP		92.93		97.58
B.C.V. account CHF		132'922.95		251'584.60
B.C.V. account EUR		75'151.16		499'863.39
Vontobel Zurich CHF		46'374.88		1'620.69
Vontobel Zurich USD		934'739.32		1'663'625.33
Vontobel Zurich GBP		1'131.18		1'187.70
Vontobel Zurich EUR		1'299'333.14		21'846.03
		<u>2'500'170.49</u>		<u>2'452'722.66</u>
Other receivables		146'107.95		72'291.65
Committee's accounts		47'528.95		20'322.92
Total current assets		2'693'807.38		2'545'337.23
Non-current assets				
Investments EUR	2.4	6'898'457.52	2.4	8'216'352.74
Investments USD	2.4	7'403'179.69	2.4	9'354'960.00
Investments GBP	2.4	49'030.88	2.4	51'480.53
Total non-current assets		14'350'668.09		17'622'793.27
Total assets		<u><u>17'044'475.49</u></u>		<u><u>20'168'130.51</u></u>

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Financial Statements (in CHF)

<u>LIABILITIES</u>	Notes	<u>31.12.2018</u> CHF	Notes	<u>31.12.2017</u> CHF
Short-term liabilities				
Accruals and other liabilities		41'051.13		155'556.04
Total short-term liabilities		41'051.13		155'556.04
Equity				
Accumulated profits and loss		20'012'574.46		20'392'801.28
Accounting period results		-3'009'150.10		-380'226.81
Total equity		17'003'424.36		20'012'574.46
Total liabilities		<u>17'044'475.49</u>		<u>20'168'130.51</u>

INTERNATIONAL CANOE FEDERATION

Financial Statements (in CHF)

<u>REVENUES</u>	Notes	<u>2018</u> CHF	<u>2017</u> CHF
<u>Revenues</u>			
Memberfees		112'598.56	104'547.64
TV Rights-sponsoring		189'059.41	199'747.63
International Olympic Committee & BOCOG	2.1	184'593.12	1'784'104.76
Magazine		0.00	0.00
Licensing programme		18'020.48	72'302.90
Various		368'307.57	147'666.18
Total Revenues		<u>872'579.14</u>	<u>2'308'369.12</u>
<u>EXPENSES</u>			
<u>Direct Expenses</u>			
Grants paid		46'488.75	46'685.92
Direct expenses		436'490.34	297'780.01
Extra-budget (anti-doping)		90'486.57	171'011.58
		<u>573'465.66</u>	<u>515'477.51</u>
<u>Salaries and Employee Expenses</u>			
Salaries and social contribution		1'144'832.82	897'757.62
Other employee expenses		104'310.97	125'682.02
		<u>1'249'143.79</u>	<u>1'023'439.64</u>
<u>Infrastructure Expenses</u>			
Rent and heating		86'411.69	91'345.44
Electricity		2'433.60	2'867.97
Cleaning supplies		2'994.03	3'170.71
		<u>91'839.32</u>	<u>97'384.12</u>
<u>Administrative Expenses</u>			
Insurances		15'027.37	33'210.13
Office supplies and printing		422.60	6'883.24
Telephone and fax		4'513.17	3'805.60
Postage and courier		7'634.71	15'901.67
Other administrative fees		203'110.42	175'212.68
		<u>230'708.28</u>	<u>235'013.32</u>

INTERNATIONAL CANOE FEDERATION

Financial Statement (in CHF)

	Notes	<u>2018</u>	<u>2017</u> CHF
<u>IT Fees</u>			
Internet website		11'302.00	84'252.95
IT Expenses		<u>24'583.21</u>	<u>19'866.05</u>
		35'885.21	104'119.00
<u>Advertisement and Travel Expenses</u>			
Advertisement		34'161.10	33'088.01
TV production		1'148'985.72	812'370.83
Travel and meeting expenses		<u>408'974.72</u>	<u>235'360.26</u>
		1'592'121.54	1'080'819.10
<u>Financial Expenses</u>			
Bank fees, interest and commissions	2.4	<u>72'140.27</u>	<u>170'370.11</u>
		72'140.27	170'370.11
Total Expenses		<u><u>3'845'304.06</u></u>	<u><u>3'226'622.80</u></u>
Operating Result		<u><u>-2'972'724.92</u></u>	<u><u>-918'253.68</u></u>
<u>Bank Incomes</u>			
Bank and investments incomes	2.4	<u>334'643.32</u>	<u>386'097.64</u>
		334'643.32	386'097.64
Operating Result after Interest		<u><u>-2'638'081.60</u></u>	<u><u>-532'156.04</u></u>
<u>Financial Adjustment</u>			
Exchange profit / loss	2.2	<u>-371'068.50</u>	<u>151'929.23</u>
		-371'068.50	151'929.23
Global Accounting Period Result		<u><u>-3'009'150.10</u></u>	<u><u>-380'226.81</u></u>

INTERNATIONAL CANOE FEDERATION

Financial Statements (in CHF)

Notes to the financial statements 2018

1. Activity

The International Canoe Federation (ICF) is the world-wide Canoe sports organisation, the headquarters of which are located in Lausanne, Switzerland.

The main objectives of ICF are to promote and encourage the development of Canoe in all possible manifestations throughout the world, to promote and encourage the development of international relations, to organise World Championships and ICF events and to adopt rules for the various competitions.

2. Summary of significant accounting policies

2.1 Basis of accounting

ICF uses the cash basis of accounting in preparing the financial statements.

Amounts received from the IOC are for the ICF activities from 2016 to 2020 inclusive. As they were received during the 2016 financial year, they are reported in income for 2016.

2.2 Accounting for foreign currencies

Assets and liabilities in currencies other than CHF are converted in CHF based on the exchange rates as of 31st December 2018. Transactions completed other than in CHF are recorded at average exchange rates for the fiscal year. All exchange losses and realised exchange gains are recognised in the statement of income and expenditure.

Exchange rates :

1 EURO => 1.17015 CHF at 31st December 2017 - for the opening balance value of assets and liabilities

1 USD => 0.974475 CHF at 31st December 2017 - for the opening balance value of assets and liabilities

1 EURO => 1.1269 CHF at 31st December 2018 - for closing value of assets and liabilities

1 USD => 0.985784 CHF at 31st December 2018 - for closing value of assets and liabilities

1 EURO => 1.1548663 CHF average rate - used for the P & L

The assets are mainly in EUROS and USD. As the financial statements are published in CHF, there is a financial exchange loss for this exercise.

2.3 Presentation

The presentation of these financial statements is based on the ICF budget and not exactly in accordance with the new presentation based on the Swiss law.

2.4 Investments and financial results

Following the principle of prudence, the investments are valued at the lowest value between the nominal value and the market value.