



***Association of Summer Olympic International Federations
Lausanne***

***Report of the statutory auditor
to the General Meeting
on the financial statements 2014***



Report of the statutory auditor
to the General Meeting of
Association of Summer Olympic International Federations
Lausanne

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of Association of Summer Olympic International Federations, which comprise the balance sheet, income statement and notes, for the year ended 31 December 2014.

Executive Director's Responsibility

The Executive Director is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the association's articles of incorporation. 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 Board 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 law and 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 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 2014 comply with Swiss law and the association's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 69b paragraph 3 CC in connection with article 728 CO) and that there are no circumstances incompatible with our independence.



We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers SA

Guillaume Nayet

Audit expert
Auditor in charge

Guillaume Rémy

Geneva, 29 January 2015

Enclosure:

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

**Association of Summer Olympic International Federations,
Lausanne**

**Report of the auditors
to the General Assembly**

Financial statements 2014

Association of Summer Olympic International Federations, Lausanne

Balance Sheet at December 31
(in Swiss Francs)

		CHF	
	Notes	2014	2013
Assets			
Current assets			
Cash and cash equivalents		957'855	762'875
Marketable securities		7'090'270	7'644'871
Other assets		48'307	75'649
Prepaid expenses		74'586	23'998
		<u>8'171'018</u>	<u>8'507'393</u>
Non-current assets			
Administrative building	2.3	<u>2'012'144</u>	<u>2'012'144</u>
Total assets		<u><u>10'183'162</u></u>	<u><u>10'519'537</u></u>
 Liabilities and funds			
Current liabilities			
Accrued expenses		82'268	247'116
Deferred revenue in relation to the central projects		<u>2'815'024</u>	<u>3'370'877</u>
		<u>2'897'292</u>	<u>3'617'993</u>
Funds			
Unrestricted operating funds as per statement attached		7'285'870	6'901'544
Total liabilities and funds		<u><u>10'183'162</u></u>	<u><u>10'519'537</u></u>

Association of Summer Olympic International Federations, Lausanne

**Statement of income and expenditure
for the year ended December 31, 2014
(in Swiss Francs)**

		CHF	
	Notes	2014	2013
Income			
IOC		706 490	719 510
Extraordinary income from IF		-	441 373
Annual subscription from IF		2 897	2 756
Convention SportAccord	3	252 000	256 702
Central projects		555 854	914 123
Other income		85 763	82 794
Financial income	4	339 741	132 957
		<u>1 942 745</u>	<u>2 550 215</u>
Expenditure			
Member relations and services	5	96 570	41 901
Central projects		555 854	914 123
Communications	6	14 692	62 660
Meetings and seminars	7	95 843	105 604
Administration and operations	8	684 113	699 023
Other miscellaneous expenses	9	70 675	127 671
Financial expenses	10	40 672	206 734
		<u>1 558 419</u>	<u>2 157 716</u>
Excess of (expenditure) / income for the year		384 326	392 499
Unrestricted operating funds at beginning of year		6 901 544	6 509 045
Unrestricted operating funds at end of year		<u><u>7 285 870</u></u>	<u><u>6 901 544</u></u>

Notes to the financial statements 2014

1. Foundation and activity

The Association of Summer Olympic International Federations (ASOIF) is a not for profit association governed by the provisions of the Swiss Civil Code, that was founded by the International Federations (IF) governing the sports included in the programme of the Summer Olympic Games.

Its objectives are to coordinate and defend the common interests of its members, to ensure close cooperation between its members and the members of the Olympic Movement, to maintain the authority, independence and autonomy of the member IFs and to decide on all financial matters concerning the IF in general, in particular the sharing among its members of the rights revenue share of the summer Olympic Games reverting to the IFs.

2. Summary of significant accounting policies

2.1 Basis of accounting

ASOIF uses the accruals basis of accounting in preparing the financial statements.

2.2 Accounting for foreign currencies

The accounting records of ASOIF are kept in Swiss Francs and, accordingly, the financial statements have been presented in Swiss Francs.

Assets and liabilities denominated in currencies other than Swiss Francs are recorded in the balance sheet based on exchange rates ruling at the year-end. Transactions denominated in other than Swiss Francs are recorded in the statement of income and expenditure at monthly average rates; all exchange losses and realised exchange gains are recognised as financial income or expense.

2.3 Administrative building

As of 26 September 2011, ASOIF bought the second floor of the A building of Maison du Sport International for a gross amount of CHF 2.0mio.

An annual assessment is made as to whether the current estimated value of the administrative building is less than the net book value; should this estimated value be lower than the net book value, an impairment charge against the carrying value will be recorded.

ASOIF took out a mortgage of CHF 1.3mio to finance this purchase. An extraordinary contribution from the IFs paid via the IOC was made in 2012 for an amount of CHF 1.3mio to repay this loan. This cash balance was presented separately within current assets in the balance sheet. The mortgage was reimbursed in 2013.

3. SportAccord Convention

ASOIF is one of the founding members, together with partners AGFIS (now Sportaccord) and AIOWF, of the Association created under Swiss Law called SportAccord Convention which is responsible for organizing the annual international convention of the same name. ASOIF's yearly contribution to this Association is CHF 5 000, which is recorded as an expense.

The statement of income and expenditure includes a revenue of CHF 252'000 for 2014 (2013: CHF 256'702) representing a contribution by the SportAccord Convention Association to ASOIF's logistical and resources expenses from the SportAccord Convention events in Belek, Turkey, and St. Petersburg, Russia, respectively.

Notes to the financial statements 2014

	CHF	
	31 December 2014	31 December 2013
4. Financial income		
Loss / (Gain) on disposal of securities	154'067	-
Interest	173 691	118 181
Exchange gain	11 983	14 776
	<u>339 741</u>	<u>132 957</u>
5. Member relations and services		
Olympic Games Coordination - London 2012	-	4 711
Olympic Games Coordination - Rio 2016	40 405	9 415
Olympic Games Coordination - Tokyo 2020	13 668	-
Members projects / Research	30 599	19 930
Liaison at IF events / meetings	11 898	7 846
	<u>96 570</u>	<u>41 901</u>
6. Communications		
Communications consultants	-	33 641
ASOIF Web development	11 492	16 960
Printing and graphic design	3 200	12 059
	<u>14 692</u>	<u>62 660</u>
7. Meetings and seminars		
General assembly	19 127	27 354
SportAccord - IF convention	6 525	11 838
Working meeting	41 485	9 924
Council meetings	10 532	30 030
Other (seminar, commissions)	18 174	26 457
	<u>95 843</u>	<u>105 604</u>

Notes to the financial statements 2014

	CHF	
	31 December 2014	31 December 2013
8. Administration and operations		
Building charges	41 655	56 295
Technology (maintenance & updates)	26 957	30 048
Office expenses grant	10 423	20 546
Administration management	29 111	19 308
Salaries and social charges	565 244	547 771
Staff travel	3 543	17 830
Audit	7 180	7 225
	<u>684 113</u>	<u>699 023</u>
9. Other miscellaneous expenses		
Miscellaneous (Phones, Office Cleaning, Supplies, Postal Services and various)	55 758	110 072
Representation and protocol	3 847	4 109
Gifts and gadgets	11 070	13 490
	<u>70 675</u>	<u>127 671</u>
10. Financial expenses		
Loss / (Gain) on disposal of securities	-	108 761
Interest expense	937	65 182
Financial management	39 735	32 791
	<u>40 672</u>	<u>206 734</u>