

**International Archery Federation
Lausanne**

**Report of the Auditors
to the Congress and to the Council
on the Financial Statements 2006**

29 March 2007/10/WRW/BDY0.0120162.001

Report of the auditors
to the Congress and to the Council of
International Archery Federation
Lausanne

As auditors, we have audited the accounting records and the financial statements (balance sheet, statement of income and expenditure and notes) of International Archery Federation for the year ended 31 December 2006.

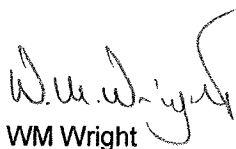
These financial statements are the responsibility of the Executive Committee. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements comply with Swiss law and the federation's articles of incorporation.

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

PricewaterhouseCoopers SA



WM Wright
Auditor in charge



D Bridy

Lausanne, 29 March 2007

Enclosures:

- Balance sheet (Swiss Francs and US Dollar)
- Statement of income and expenditure (Swiss Francs and US Dollar)
- Notes to the financial statements



**Balance sheet at December 31
(in Swiss Francs with convenience
translation into US Dollars)**

	Notes	CHF		USD	
		2006	2005	2006 exchange rate 1.2207	2005 exchange rate 1.3179
Assets					
Current assets					
Cash and cash equivalents		189 478	6 385 495	155 221	4 845 204
Marketable securities		4 884 027	4 581 314	4 001 005	3 476 223
Accounts receivable	2	224 707	20 960	184 080	15 904
Other receivables		290 912	68 065	238 316	51 647
Transitory assets		165 392	96 063	135 489	72 891
Total current assets		5 754 516	11 151 897	4 714 112	8 461 869
Fixed assets					
Tangible fixed assets, net:					
Administrative building		1 770 047	-	1 450 026	-
Office furniture and equipment		87 954	9 000	72 051	6 829
Vehicle		1	-	1	-
Computer equipment		72 444	37 000	59 346	28 075
Event equipment		214 776	17 000	175 945	12 899
		2 145 222	63 000	1 757 370	47 803
Financial fixed assets:					
Guarantee deposit		7 812	16 744	6 400	12 705
Total fixed assets		2 153 034	79 744	1 763 769	60 508
TOTAL ASSETS		7 907 550	11 231 641	6 477 881	8 522 377
Liabilities and funds					
Current liabilities					
Accounts payable		415 752	173 675	340 585	131 782
Deferred revenue received in advance		28 229	21 500	23 125	16 314
Membership fees 2007 and 2006		64 420	34 929	52 773	26 503
Accrued expenses		-	63 962	-	48 533
Total current liabilities		508 401	294 066	416 483	223 132
Non-current liabilities					
Mortgage loan		1 287 000	-	1 054 313	-
Total non-current liabilities		1 287 000	-	1 054 313	-
Funds					
Unrestricted funds, as per statement attached		6 112 149	10 937 575	5 007 084	8 299 245
TOTAL LIABILITES AND FUNDS		7 907 550	11 231 641	6 477 881	8 522 377



Statement of income and expenditure for the year ended December 31
(in Swiss Francs with convenience
translation into US Dollars)

	Notes	CHF		USD	
		2006	2005	2006 exchange rate 1.2207	2005 exchange rate 1.3179
Income					
Operating Income:					
Various Income & Fees	3	223 534	136 590	183 120	103 642
Financial Charges & Income		-	425 170	-	322 612
Exchange Rate Differences		-	952 634	-	722 842
		223 534	1 514 394	183 120	1 149 096
Olympics Revenue	4	154 180	526 711	126 305	399 659
Commercial Revenue	5	1 313 432	37 781	1 075 966	28 668
Financial Income		379 847	-	311 171	-
Total Income		2 070 993	2 078 886	1 696 562	1 577 423
Expenses					
Administration Expenses:					
Salaries & Social Charges		(1 017 179)	(793 180)	(833 275)	(601 851)
Staff Expenses		(69 314)	(19 583)	(56 782)	(14 859)
Office Administration	6	(412 384)	(319 683)	(337 826)	(242 570)
Office Projects & Activities	7	(50 214)	(116 871)	(41 135)	(88 680)
Management Fees	8	(54 573)	(273 716)	(44 706)	(207 691)
Depreciation	9	(233 767)	(45 047)	(191 502)	(34 181)
		(1 837 431)	(1 568 080)	(1 505 227)	(1 189 832)
Operating Expenses:					
Communications/Marketing/Sponsorship	10	(419 240)	(161 881)	(343 442)	(122 833)
Consulting (Fees, Think-Tank) under Management Fees in 2005		(149 769)	-	(122 691)	-
Audiovisual Production	11	(312 601)	(23 856)	(256 083)	(18 102)
Congress Expenses		-	(76 670)	-	(58 176)
Council & Executive Expenses	12	(207 326)	(89 320)	(169 842)	(67 774)
Committee Expenses	13	(172 229)	(139 926)	(141 090)	(106 173)
Continental Confederations	14	(346 820)	(214 623)	(284 116)	(162 852)
Development Programs	15	(839 249)	-	(687 515)	-
Olympic Solidarity	16	(10 786)	(120)	(8 836)	(91)
Olympic Games		(380)	(45 538)	(311)	(34 553)
World Championships Costs	17	(248 468)	(286 712)	(203 546)	(217 552)
Other Games, Bids & Future Events		(98 746)	(86 716)	(80 893)	(65 799)
World Cups	18	(1 669 907)	-	(1 367 991)	-
Ski Archery World Cup		(22 218)	-	(18 201)	-
Extraordinary Expenses		(3 258)	(2 933)	(2 669)	(2 226)
Loss on Debtors		-	(2 658)	-	(2 017)
		(4 500 997)	(1 130 953)	(3 687 226)	(858 148)
Financial Expenses:					
Bank/Credit Card Charges		(6 172)	(1 866)	(5 056)	(1 416)
Mortgage Interest		(19 500)	-	(15 974)	-
Financial Investment Charges		(204 179)	-	(167 264)	-
Exchange Rate Differences		(328 140)	-	(268 813)	-
		(557 991)	(1 866)	(457 107)	(1 416)
Total Expenses		(6 896 419)	(2 700 899)	(5 649 561)	(2 049 396)
Excess of income over expenses for the year		(4 825 426)	(622 013)	(3 952 999)	(471 972)
Unrestricted funds at beginning of the year		10 937 575	11 559 588	8 299 245	10 165 849
Exchange translation		-	-	660 838	(1 394 632)
Unrestricted funds at end of the year		6 112 149	10 937 575	5 007 084	8 299 245



Notes to the financial statements 2006

1. Summary of significant accounting policies

1.1 Basis of accounting

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

1.2 Accounting for foreign currencies

The accounting records of FITA are kept in Swiss Francs and, accordingly, the financial statements have been presented in Swiss Francs. US Dollars amounts presented in these financial statements are included solely for convenience.

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

For the presentation of the financial statements in US Dollars, a year-end exchange rate has been used for both the balance sheet and the statement of income and expenditure.

1.3 Administrative building

FITA bought its administrative offices building in 2006 for a gross amount of CHF 1.8 mio. Depreciation is calculated at the rate of 3% per annum on the net book value. FITA took out a mortgage of CHF 1.3 mio to finance this purchase.

1.4 Marketable securities

FITA values its marketable securities at year-end market value. Gains or losses arising from the revaluation of marketable securities are taken to the statement of income and expenditure.



Notes to the financial statements 2006

	CHF		USD	
	December 31, 2006	December 31, 2005	December 31, 2006 exchange rate 1.2207	December 31, 2005 exchange rate 1.3179
2. Accounts receivable				
Associate Members (net of provision USD -; 2005: USD -)	17 639	15 815	14 450	12 000
Members Associations (net of provision USD -:USD1,350)	84 131	9 839	68 920	7 466
Other Debtors (net of provision USD -; 2005: USD429.53)	121 608	234	99 622	178
Other Debtors MasterCard	(3 381)	(4 928)	(2 770)	(3 739)
Olympic Solidarity	4 710	-	3 858	-
	<u>224 707</u>	<u>20 960</u>	<u>184 080</u>	<u>15 904</u>
3. Various Income & Fees				
FITA Performance award	31 340	15 616	25 674	11 849
FITA Registered Tournaments	21 172	19 190	17 344	14 561
C + R Books	7 254	593	5 942	450
Badges, Flags, Pin's & Others	8 519	5 945	6 979	4 511
Publications, Target, Arrow	8 487	24 009	6 953	18 218
Association Members Fees	55 687	49 077	45 619	37 239
Associate Members Fees	15 426	19 286	12 637	14 634
VAT	(25 708)	(2 401)	(21 060)	(1 822)
Rebilling Travel/Accommodation	15 105	-	12 374	-
Rebilling Travel/Accommodation USD	24 564	-	20 123	-
Rebilling Antidoping tests	22 034	-	18 050	-
Income Video/DVD	10 098	3 967	8 272	3 010
Sundry, Income, Postage, etc	227	760	186	577
Sundry, Income, Postage EUR	358	548	293	416
Development Partner fees	16 992	-	13 920	-
Office renting	1 960	-	1 606	-
Extraordinary income	10 019	-	8 208	-
	<u>223 534</u>	<u>136 590</u>	<u>183 120</u>	<u>103 642</u>
4. Olympics				
Various Incomes (ONOC, etc)	40 214	44 889	32 943	34 061
IOC Income	-	472 622	-	358 618
Other Olympic Income	5 285	9 200	4 329	6 981
Olympic Solidarity	11 025	-	9 032	-
Olympic Solidarity IF	97 656	-	80 000	-
	<u>154 180</u>	<u>526 711</u>	<u>126 305</u>	<u>399 659</u>



Notes to the financial statements 2006

	CHF		USD	
	December 31, 2006	December 31, 2005	December 31, 2006	December 31, 2005
			exchange rate 1.2207	exchange rate 1.3179
5. Commercial Revenues				
Licences - Royalties	17 574	26 558	14 397	20 152
Sponsors	1 247 120	11 223	1 021 643	8 516
Donations	32 691	-	26 781	-
TV Revenues	16 047	-	13 146	-
	<u>1 313 432</u>	<u>37 781</u>	<u>1 075 966</u>	<u>28 668</u>
6. Office Administration				
Rent & Heating - Office	(52 364)	(61 651)	(42 897)	(46 780)
Office Supply, Maintenance & Cleaning	(32 650)	(23 081)	(26 747)	(17 513)
Move expenses	(16 908)	-	(13 851)	-
Phone & Fax	(35 099)	(23 993)	(28 753)	(18 206)
Electricity	(2 327)	(3 237)	(1 906)	(2 456)
Books, Newspapers & Magazines	(448)	(72)	(367)	(55)
Postage	(21 371)	(29 280)	(17 507)	(22 217)
Lease Payments	(39 410)	(21 163)	(32 285)	(16 058)
Computing Costs & Internet costs	(146 646)	(94 013)	(120 133)	(71 336)
Insurances	(59 061)	(59 601)	(48 383)	(45 225)
Meeting Expenses	(1 471)	(1 352)	(1 205)	(1 026)
Freight & Customs	(4 629)	(2 240)	(3 792)	(1 699)
	<u>(412 384)</u>	<u>(319 683)</u>	<u>(337 826)</u>	<u>(242 570)</u>
7. Office Projects & Activities				
FITA Management Seminar	-	(1 973)	-	(1 497)
Anti-Doping Management	(46 817)	(32 451)	(38 353)	(24 623)
Development projects - FITA History, e	(3 397)	(82 447)	(2 783)	(62 559)
	<u>(50 214)</u>	<u>(116 871)</u>	<u>(41 135)</u>	<u>(88 680)</u>
8. Management Fees				
Accounting & Audit Fees	(31 386)	(28 217)	(25 711)	(21 411)
Various	(2 889)	(393)	(2 367)	(298)
Consulting (Fees, Think-Tank, etc)	-	(242 906)	-	(184 313)
Legal Fees	(20 298)	(2 200)	(16 628)	(1 669)
	<u>(54 573)</u>	<u>(273 716)</u>	<u>(44 706)</u>	<u>(207 691)</u>



Notes to the financial statements 2006

	CHF		USD	
	December 31, 2006	December 31, 2005	December 31, 2006	December 31, 2005
			exchange rate 1.2207	exchange rate 1.3179
9. Depreciations				
Office Furniture & Equipment depreciat	(37 695)	(4 000)	(30 880)	(3 035)
Computer Equipment depreciation	(49 275)	(34 424)	(40 366)	(26 120)
Event Equipment depreciation	(92 047)	(6 623)	(75 405)	(5 025)
Administrative building depreciation	(54 750)	-	(44 851)	-
	<u>(233 767)</u>	<u>(45 047)</u>	<u>(191 502)</u>	<u>(34 181)</u>
10. Communications/Marketing/Sponsorship				
Subscription to associations	(5 767)	(5 934)	(4 724)	(4 503)
Performance Awards & Medals	-	(53 011)	-	(40 224)
Publications, Target, Arrow, Advertising	(55 041)	(65 223)	(45 090)	(49 490)
Flags, Pin's, Ties & Others	(44 308)	(32 141)	(36 297)	(24 388)
C & R Books	(32 826)	-	(26 891)	-
Sponsorship costs	(44 127)	(5 500)	(36 149)	(4 173)
Public Relations	(237 171)	(72)	(194 291)	(55)
	<u>(419 240)</u>	<u>(161 881)</u>	<u>(343 442)</u>	<u>(122 833)</u>
11. Audiovisual Production				
TV Production	(197 850)	(8 000)	(162 079)	(6 070)
Expenses Video/DVD	(9 861)	(856)	(8 078)	(650)
Expenses Internet - Development	(74 866)	-	(61 330)	-
TV Consulting	(30 024)	(15 000)	(24 596)	(11 382)
	<u>(312 601)</u>	<u>(23 856)</u>	<u>(256 083)</u>	<u>(18 102)</u>
12. Council & Executive Expenses				
Council & Executive Expenses	(137 600)	(40 011)	(112 722)	(30 360)
Executive	(69 726)	(49 309)	(57 120)	(37 415)
	<u>(207 326)</u>	<u>(89 320)</u>	<u>(169 842)</u>	<u>(67 775)</u>



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International Archery Federation

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Notes to the financial statements 2006

	CHF		USD	
	December 31, 2006	December 31, 2005	December 31, 2006 exchange rate 1.2207	December 31, 2005 exchange rate 1.3179
13. Committee Expenses				
Audit Committee	(10 920)	-	(8 946)	-
Const. & Rules Committee	(251)	(5 582)	(206)	(4 236)
Target Committee	(5 656)	-	(4 633)	-
Field Committee	(245)	(2 895)	(201)	(2 197)
Judges Committee & Conference	(118 131)	(18 931)	(96 773)	(14 365)
Medical Committee	(11 568)	(12 043)	(9 477)	(9 138)
DTAC Committee	-	(27 834)	-	(21 120)
Ski Arc Committee	1 812	(34 932)	1 484	(26 506)
Coaches Committee & Coaching Manual/Video	(489)	(28 715)	(401)	(21 788)
Athletes' Committee	(125)	-	(102)	-
Ad Hoc Committee	(1 181)	-	(967)	-
Flight Committee	-	(256)	-	(194)
IPC Committee	(4 081)	-	(3 343)	-
WRL Committee	-	(780)	-	(592)
Run Archery	-	(3 746)	-	(2 842)
Junior Dev. Committee	(8 212)	(2 197)	(6 727)	(1 667)
Environmental Committee	(1 090)	-	(893)	-
3D Committee	-	(2 015)	-	(1 529)
Communication & Marketing committee	(12 092)	-	(9 906)	-
	<u>(172 229)</u>	<u>(139 926)</u>	<u>(141 090)</u>	<u>(106 173)</u>
14. Continental Confederations				
DP OAC incl. MA's fees	(101 135)	(87 797)	(82 850)	(66 619)
DP FAA incl. MA's fees	(86 295)	(11 547)	(70 693)	(8 762)
DP COPARCO incl. MA's fees	(57 024)	(44 945)	(46 714)	(34 103)
DP AAF incl. MA's fees	(40 442)	(33 169)	(33 130)	(25 168)
DP EMAU incl. MA's fees	(61 924)	(37 165)	(50 728)	(28 200)
	<u>(346 820)</u>	<u>(214 623)</u>	<u>(284 116)</u>	<u>(162 852)</u>



Notes to the financial statements 2006

	CHF		USD	
	December 31, 2006	December 31, 2005	December 31, 2006	December 31, 2005
			exchange rate 1.2207	exchange rate 1.3179

15. Development Programs

DTAC - Supply of equipment	(78 578)	-	(64 371)	-
DTAC - Development Middle East Cente	(87 150)	-	(71 393)	-
FITA Development Fund	(673 521)	-	(551 750)	-
	<u>(839 249)</u>	<u>-</u>	<u>(687 515)</u>	<u>-</u>

International Foundation for the Development of Archery (FIDTA)

As presented in the presidential program for the period 2005-2009 and approved as part of the goals for FITA at the 2005 Congress, a foundation was created for the development of archery on a worldwide scale. FITA has donated USD 500,000 (which constitutes the USD 250,000 foreseen for 2006 and 2007) as a starting capital for the foundation. As a result of this donation, the International Foundation for the Development of Archery received an additional donation for USD 1,000,000 from the former FITA President, James L. Easton. The Foundation has as a clear objective to develop on an international scale archery and the money of the Foundation can solely be used for that purpose. This money can therefore only go to projects of FITA Member Associations and their members. This foundation is a separate legal entity and the money donated by FITA cannot be returned to FITA under Swiss foundation law. Although this is a separate legal entity, the foundation board will give a report on a bi-annual basis to the FITA Congress. The Foundation Board is currently composed of the FITA President, the FITA Secretary General, the FITA 1st Vice-President, the Honorary FITA President and the Honorary FITA Secretary General.

16. Olympic Solidarity

Olympic Solidarity	(10 786)	(120)	(8 836)	(91)
	<u>(10 786)</u>	<u>(120)</u>	<u>(8 836)</u>	<u>(91)</u>

17. World Championships Costs

WFC - Gothenburg, SWE	(107 905)	-	(88 396)	-
WJOC - Merida, MEX	(140 563)	-	(115 150)	-
WIC - Aalborg, DEN	-	(108 298)	-	(82 175)
3D WC - Genova ITA	-	(6 994)	-	(5 307)
WTC - Madrid ESP	-	(171 420)	-	(130 071)
	<u>(248 468)</u>	<u>(286 712)</u>	<u>(203 546)</u>	<u>(217 552)</u>

18. World Cups

World Cup Travel & Accommodation	(347 717)	-	(284 850)	-
World Cup Marketing & Media	(66 765)	-	(54 694)	-
World Cup Anti-Doping	(6 536)	-	(5 354)	-
World Cup Various	(216 775)	-	(177 583)	-
World Cup Prize Money	(284 894)	-	(233 386)	-
World Cup Results/Timing	(227 535)	-	(186 397)	-
World Cup TV Production	(519 685)	-	(425 727)	-
	<u>(1 669 907)</u>	<u>-</u>	<u>(1 367 991)</u>	<u>-</u>