

**International Archery Federation  
Lausanne**

**Report of the Auditors  
to the Congress and to the Council  
on the Financial Statements 2007**

26 September 2008/10/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 2007.

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



William M Wright  
Auditor in charge



Didier Bridy

Lausanne, 26 September 2008

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	
		2007	2006	2007 exchange rate 1.1321	2006 exchange rate 1.2207
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		309'321	189'478	273'228	155'221
Marketable securities		1'122'696	4'884'027	991'694	4'001'005
Accounts receivable	2	341'461	224'707	301'617	184'080
Other receivables		100'544	290'912	88'812	238'316
Transitory assets		252'054	165'392	222'643	135'489
<b>Total current assets</b>		<u>2'126'076</u>	<u>5'754'516</u>	<u>1'877'993</u>	<u>4'714'112</u>
<b>Fixed assets</b>					
<u>Tangible fixed assets, net:</u>					
Administrative building		1'716'945	1'770'047	1'516'602	1'450'026
Office furniture and equipment		66'531	87'954	58'768	72'051
Vehicle		16'172	1	14'285	1
Computer equipment		51'641	72'444	45'615	59'346
Event equipment		181'405	214'776	160'238	175'945
		<u>2'032'694</u>	<u>2'145'222</u>	<u>1'795'508</u>	<u>1'757'370</u>
<u>Financial fixed assets:</u>					
Guarantee deposit		45'524	7'812	40'212	6'400
<b>Total fixed assets</b>		<u>2'078'218</u>	<u>2'153'034</u>	<u>1'835'719</u>	<u>1'763'769</u>
<b>TOTAL ASSETS</b>		<u>4'204'294</u>	<u>7'907'550</u>	<u>3'713'713</u>	<u>6'477'881</u>
<b>Liabilities and funds</b>					
<b>Current liabilities</b>					
Accounts payable		388'641	415'752	343'292	340'585
Deferred revenue received in advance		17'918	28'229	15'827	23'125
Membership fees 2008 and 2007		65'489	64'420	57'847	52'773
<b>Total current liabilities</b>		<u>472'047</u>	<u>508'401</u>	<u>416'966</u>	<u>416'483</u>
<b>Non-current liabilities</b>					
Mortgage loan		<u>1'261'000</u>	<u>1'287'000</u>	<u>1'113'859</u>	<u>1'054'313</u>
<b>Total non-current liabilities</b>		<u>1'261'000</u>	<u>1'287'000</u>	<u>1'113'859</u>	<u>1'054'313</u>
<b>Funds</b>					
Unrestricted funds, as per statement attached		<u>2'471'247</u>	<u>6'112'149</u>	<u>2'182'887</u>	<u>5'007'084</u>
<b>TOTAL LIABILITES AND FUNDS</b>		<u>4'204'294</u>	<u>7'907'550</u>	<u>3'713'713</u>	<u>6'477'881</u>

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

	Notes	CHF		USD	
		2007	2006	2007 exchange rate 1.1321	2006 exchange rate 1.2207
<b>Income</b>					
<u>Operating Income:</u>					
Various Income & Fees	3	211'827	223'534	187'110	183'120
		<u>211'827</u>	<u>223'534</u>	<u>187'110</u>	<u>183'120</u>
Olympics Revenue	4	111'653	154'180	98'625	126'305
Commercial Revenue	5	1'846'613	1'313'432	1'631'139	1'075'966
Financial Income		86'998	379'847	76'846	311'171
<b>Total Income</b>		<u>2'257'090</u>	<u>2'070'993</u>	<u>1'993'720</u>	<u>1'696'562</u>
<b>Expenses</b>					
<u>Administration Expenses:</u>					
Salaries & Social Charges		-1'087'044	-1'017'179	-960'202	-833'275
Staff Expenses		-48'577	-69'314	-42'909	-56'782
Office Administration	6	-433'600	-412'384	-383'005	-337'826
Office Projects & Activities	7	-32'608	-50'214	-28'803	-41'135
Management Fees	8	-25'607	-54'573	-22'619	-44'706
Depreciation	9	-213'059	-233'767	-188'198	-191'502
		<u>-1'840'495</u>	<u>-1'837'431</u>	<u>-1'625'735</u>	<u>-1'505'227</u>
<u>Operating Expenses:</u>					
Communications/Marketing/Sponsorship	10	-219'954	-419'240	-194'288	-343'442
Consulting (Fees, Think-Tank/Event Bidding)		-99'047	-149'769	-87'490	-122'691
Audiovisual Production	11	-173'290	-312'601	-153'070	-256'083
Congress Expenses		-219'671	0	-194'039	0
Council & Executive Expenses	12	-121'774	-207'326	-107'565	-169'842
Committee Expenses	13	-91'536	-172'229	-80'855	-141'090
Continental Confederations	14	-248'417	-346'820	-219'430	-284'116
Development Programs	15	-312'433	-839'249	-275'977	-687'515
Olympic Solidarity	16	-10'303	-10'786	-9'100	-8'836
Olympic Games		-44'019	-380	-38'883	-311
World Championships Costs	17	-348'286	-248'468	-307'646	-203'546
Other Games, Bids & Future Events		-49'190	-98'746	-43'450	-80'893
World Cups	18	-1'946'994	-1'669'907	-1'719'807	-1'367'991
Ski Archery World Cup		-11'450	-22'218	-10'114	-18'201
Extraordinary Expenses		-1'068	-3'258	-943	-2'669
Loss on Debtors		-559	0	-494	0
		<u>-3'897'992</u>	<u>-4'500'997</u>	<u>-3'443'152</u>	<u>-3'687'226</u>
<u>Financial Expenses:</u>					
Bank/Credit Card Charges		-5'181	-6'172	-4'575	-5'056
Mortgage Interest		-38'415	-19'500	-33'933	-15'974
Financial Investment Charges		-68'229	-204'179	-60'268	-167'264
Exchange Rate Differences		-47'680	-328'140	-42'117	-268'813
		<u>-159'506</u>	<u>-557'991</u>	<u>-140'892</u>	<u>-457'107</u>
<b>Total Expenses</b>		<u>-5'897'993</u>	<u>-6'896'419</u>	<u>-5'209'779</u>	<u>-5'649'561</u>
Excess of expenses over income for the year		-3'640'902	-4'825'426	-3'216'059	-3'952'999
Unrestricted funds at beginning of the year		6'112'149	10'937'575	5'007'084	8'299'245
Exchange translation		0	0	391'863	660'838
Unrestricted funds at end of the year		<u>2'471'247</u>	<u>6'112'149</u>	<u>2'182'888</u>	<u>5'007'084</u>

## **Notes to the financial statements 2007**

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### **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 2007

	CHF		USD	
	Dec. 31 2007	Dec. 31 2006	Dec. 31 2007 exchange rate 1.1321	Dec. 31 2006 exchange rate 1.2207
<b>2. Accounts receivable</b>				
Associate Members (net of provision USD -; 2006: USD -)	20'378	17'639	18'000	14'450
Members Associations (net of provision EUR 94; 2006: USD1,350)	53'026	84'131	46'839	68'920
Other Debtors (net of provision USD30+EUR25; 2006: USD -)	260'681	121'608	230'263	99'622
Other Debtors MasterCard	-2'645	-3'381	-2'336	-2'770
Bad Debts	-231	0	-204	0
Olympic Solidarity	10'252	4'710	9'056	3'858
	<u>341'461</u>	<u>224'707</u>	<u>301'617</u>	<u>184'080</u>
<b>3. Various Income &amp; Fees</b>				
FITA Performance award	24'536	31'340	21'673	25'674
FITA Registered Tournaments	20'772	21'172	18'348	17'344
C + R Books	1'344	7'254	1'187	5'942
Badges, Flags, Pin's & Others	22'503	8'519	19'877	6'979
Publications, Target, Arrow	6'090	8'487	5'379	6'953
Association Members Fees	66'054	55'687	58'347	45'619
Associate Members Fees	15'055	15'426	13'298	12'637
VAT	0	-25'708	0	-21'060
Rebilling Travel/Accommodation	5'003	15'105	4'419	12'374
Rebilling Travel/Accommodation USD	1'059	24'564	935	20'123
Rebilling Antidoping tests	1'169	22'034	1'033	18'050
Income Video/DVD	7'552	10'098	6'671	8'272
Sundry, Income, Postage, etc	258	227	228	186
Sundry, Income, Postage EUR	705	358	623	293
Development Partner fees	0	16'992	0	13'920
Office renting	7'120	1'960	6'289	1'606
Extraordinary income	32'605	10'019	28'801	8'208
	<u>211'827</u>	<u>223'534</u>	<u>187'110</u>	<u>183'120</u>
<b>4. Olympics revenue</b>				
Various Incomes (ONOC, etc)	35'576	40'214	31'425	32'943
Other Olympic Income	5'018	5'285	4'433	4'329
Olympic Solidarity	10'303	11'025	9'101	9'032
Olympic Solidarity IF	60'755	97'656	53'666	80'000
	<u>111'653</u>	<u>154'180</u>	<u>98'625</u>	<u>126'305</u>

**Notes to the financial statements 2007**

	CHF		USD	
	Dec. 31 2007	Dec. 31 2006	Dec. 31 2007	Dec. 31 2006
			exchange rate 1.1321	exchange rate 1.2207
<b>5. Commercial Revenues</b>				
Licences - Royalties	25'613	17'574	22'624	14'397
Sponsors	1'579'550	1'247'120	1'395'239	1'021'643
Donations	241'450	32'691	213'276	26'781
TV Revenues	0	16'047	0	13'146
	<u>1'846'613</u>	<u>1'313'432</u>	<u>1'631'139</u>	<u>1'075'966</u>
<b>6. Office Administration</b>				
Rent & Heating - Office - Building Service	-35'107	-52'364	-31'011	-42'897
Office Supply, Maintenance & Cleaning	-25'402	-32'650	-22'438	-26'747
Move expenses	0	-16'908	0	-13'851
Phone & Fax	-29'556	-35'099	-26'107	-28'753
Electricity	-5'900	-2'327	-5'212	-1'906
Books, Newspapers & Magazines	0	-448	0	-367
Postage	-15'062	-21'371	-13'304	-17'507
Lease Payments	-24'804	-39'410	-21'910	-32'285
Computing Costs & Internet costs	-59'453	-146'646	-52'516	-120'133
Insurances	-56'299	-59'061	-49'730	-48'383
Meeting Expenses	-1'387	-1'471	-1'225	-1'205
Freight & Customs	-5'090	-4'629	-4'496	-3'792
President Office	-175'539	0	-155'056	0
	<u>-433'600</u>	<u>-412'384</u>	<u>-383'005</u>	<u>-337'826</u>
<b>7. Office Projects &amp; Activities</b>				
Anti-Doping Management	-32'608	-46'817	-28'803	-38'353
Development projects - FITA History, etc	0	-3'397	0	-2'783
	<u>-32'608</u>	<u>-50'214</u>	<u>-28'803</u>	<u>-41'135</u>
<b>8. Management Fees</b>				
Accounting & Audit Fees	-24'134	-31'386	-21'318	-25'711
Various	-1'452	-2'889	-1'283	-2'367
Legal Fees	-21	-20'298	-19	-16'628
	<u>-25'607</u>	<u>-54'573</u>	<u>-22'619</u>	<u>-44'706</u>

**Notes to the financial statements 2007**

	CHF		USD	
	Dec. 31 2007	Dec. 31 2006	Dec. 31 2007 exchange rate 1.1321	Dec. 31 2006 exchange rate 1.2207
<b>9. Depreciation</b>				
Office Furniture & Equipment depreciation	-30'313	-37'695	-26'776	-30'880
Computer Equipment depreciation	-38'441	-49'275	-33'955	-40'366
Event Equipment depreciation	-80'422	-92'047	-71'038	-75'405
Administrative building depreciation	-53'102	-54'750	-46'906	-44'851
Vehicle depreciation	-10'781	0	-9'523	0
	<u>-213'059</u>	<u>-233'767</u>	<u>-188'198</u>	<u>-191'502</u>
<b>10. Communications/Marketing/Sponsorship</b>				
Subscription to associations	-5'935	-5'767	-5'243	-4'724
Performance Awards & Medals	-20'470	0	-18'081	0
Publications, Target, Arrow, Advertising	-62'860	-55'041	-55'525	-45'090
Flags, Pin's, Ties & Others	-23'989	-44'308	-21'190	-36'297
C & R Books	0	-32'826	0	-26'891
Sponsorship costs	-64'658	-44'127	-57'113	-36'149
Public Relations	-36'756	-237'171	-32'467	-194'291
TV News/Broadcasting	-5'286	0	-4'669	0
	<u>-219'954</u>	<u>-419'240</u>	<u>-194'288</u>	<u>-343'442</u>
<b>11. Audiovisual Production</b>				
TV Production	-11'633	-197'850	-10'276	-162'079
Expenses Video/DVD	-9'856	-9'861	-8'706	-8'078
Expenses Internet - Development	-122'223	-74'866	-107'961	-61'330
TV Consulting	-29'579	-30'024	-26'127	-24'596
	<u>-173'290</u>	<u>-312'601</u>	<u>-153'070</u>	<u>-256'083</u>
<b>12. Council &amp; Executive Expenses</b>				
Council & Executive Expenses	-87'804	-137'600	-77'559	-112'722
Executive	-33'970	-69'726	-30'006	-57'120
	<u>-121'774</u>	<u>-207'326</u>	<u>-107'565</u>	<u>-169'842</u>



**Notes to the financial statements 2007**

	CHF		USD	
	Dec. 31 2007	Dec. 31 2006	Dec. 31 2007 exchange rate 1.1321	Dec. 31 2006 exchange rate 1.2207
<b>13. Committee Expenses</b>				
Audit Committee	-9'103	-10'920	-8'041	-8'946
Const. & Rules Committee	-2'121	-251	-1'873	-206
Target Committee	-2'860	-5'656	-2'527	-4'633
Field Committee	-5'445	-245	-4'809	-201
Judges Committee & Conference & Unifor	-33'390	-118'131	-29'494	-96'773
Medical Committee	-10'567	-11'568	-9'334	-9'477
Ski Arc Committee	0	1'812	0	1'484
Coaches Committee & Coaching Manual/Video	-7'347	-489	-6'490	-401
Athletes' Committee	-4'949	-125	-4'372	-102
Ad Hoc Committee		-1'181	0	-967
Athletes Elections Committee	-2'343	0	-2'069	
IPC Committee	-852	-4'081	-752	-3'343
Junior Dev. Committee	0	-8'212	0	-6'727
Environmental Committee	0	-1'090	0	-893
Communication & Marketing committee	-10'341	-12'092	-9'135	-9'906
Women in FITA	-2'218	0	-1'959	
	<u>-91'536</u>	<u>-172'229</u>	<u>-80'855</u>	<u>-141'090</u>
<b>14. Continental Confederations</b>				
DP OAC incl. MA's fees	-75'026	-101'135	-66'271	-82'850
DP FAA incl. MA's fees	-44'177	-86'295	-39'022	-70'693
DP COPARCO incl. MA's fees	-45'097	-57'024	-39'835	-46'714
DP AAF incl. MA's fees	-18'686	-40'442	-16'505	-33'130
DP EMAU incl. MA's fees	-65'432	-61'924	-57'797	-50'728
	<u>-248'417</u>	<u>-346'820</u>	<u>-219'430</u>	<u>-284'116</u>

## Notes to the financial statements 2007

	CHF		USD	
	Dec. 31 2007	Dec. 31 2006	Dec. 31 2007 exchange rate 1.1321	Dec. 31 2006 exchange rate 1.2207
<b>15. Development Programs</b>				
DTAC - Supply of equipment	-1'482	-78'578	-1'309	-64'371
DTAC - Development Middle East Center	-95'952	-87'150	-84'756	-71'393
DTAC - Development Programs	-215'000	0	-189'912	0
FITA Development Fund	0	-673'521	0	-551'750
	<u>-312'433</u>	<u>-839'249</u>	<u>-275'977</u>	<u>-687'515</u>
<b>International Foundation for the Development of Archery (FIDTA)</b>				
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.				
<b>16. Olympic Solidarity</b>				
Olympic Solidarity	-10'303	-10'786	-9'100	-8'836
	<u>-10'303</u>	<u>-10'786</u>	<u>-9'100</u>	<u>-8'836</u>
<b>17. World Championships Costs</b>				
WIC - Izmir 2007, TUR	-103'020		-90'999	
WOC - Leipzig 2007, GER	-240'622		-212'545	
3D WC - Sopron 2007, HUN	-4'644		-4'102	
WFC - Gothenburg 2006, SWE		-107'905	0	-88'396
WJOC - Merida 2006, MEX		-140'563	0	-115'150
	<u>-348'286</u>	<u>-248'468</u>	<u>-307'646</u>	<u>-203'546</u>
<b>18. World Cups</b>				
World Cup Travel & Accommodation	-597'375	-347'717	-527'670	-284'850
World Cup Marketing & Media	-137'265	-66'765	-121'248	-54'694
World Cup Anti-Doping	-6'125	-6'536	-5'410	-5'354
World Cup Various	-257'884	-216'775	-227'793	-177'583
World Cup Prize Money	-225'024	-284'894	-198'767	-233'386
World Cup Results/Timing	-190'137	-227'535	-167'950	-186'397
World Cup TD Costs	-7'842	0	-6'927	0
World Cup TV Production	-525'342	-519'685	-464'042	-425'727
	<u>-1'946'994</u>	<u>-1'669'907</u>	<u>-1'719'807</u>	<u>-1'367'991</u>