



07.2 AUDITOR'S REPORT



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BDO Ltd
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To the Council of

**Global Association of International Sports Federations
(GAISF)**

Lausanne

**Report on the voluntary Audit of the 2017
Financial Statements**

(for the period ended 31.12.2017)

7 March 2018
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NLE/HK/pvr

BDO Ltd, a limited company under Swiss law, incorporated in Zurich, forms part of the International BDO Network of Independent member firms.



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Auditor's Report to the Council on the financial statements of Global Association of International Sports Federations (GAISF) in Lausanne

In accordance with your instructions, we have audited the accompanying financial statements of Global Association of International Sports Federations (GAISF), which comprise the balance sheet as at 31 December 2017, the income statement and the notes for the year then ended.

Council's Responsibility

The Council is responsible for the preparation of these financial statements in accordance with the requirements of Swiss law and the Statutes of the Association. 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 Council 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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 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 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 2017 comply with Swiss law and the Statutes of the Association.

Lausanne, 7 March 2018

BDO Ltd

Nigel Le Masurier
Licensed Audit Expert

Helena Kara
Licensed Audit Expert
Auditor in charge

Attachments
Financial Statements

Global Association of International Sports Federations (GAISF)
(ex-Sportaccord), Lausanne

BALANCE SHEET AT 31 DECEMBER 2017

	31.12.2017	31.12.2016
	<i>CHF</i>	<i>CHF</i>
ASSETS		
<i>Current assets</i>	3 920 118.06	3 264 546.08
Cash	3 350 102.93	2 640 041.48
Securities	0.00	100 000.00
Debtors	624 110.22	518 253.09
Provision for doubtful debts	-70 000.00	0.00
Prepaid tax	3 784.91	2 034.91
Prepaid expenses & accrued income	12 120.00	4 216.60
<i>Long term assets</i>	152 013.15	145 871.15
Securities	152 013.15	145 871.15
TOTAL ASSETS	4 072 131.21	3 410 417.23
LIABILITY AND EQUITY		
	31.12.2017	31.12.2016
	<i>CHF</i>	<i>CHF</i>
<i>Liabilities</i>	534 521.88	176 554.54
Accounts payable	342 644.07	62 920.39
Federal Tax administration, VAT	70 293.58	55 727.14
Accrued income & expenses	121 584.23	57 907.01
<i>Equity</i>	3 537 609.33	3 233 862.69
Restricted fund for MSGU event risk	283 020.00	283 020.00
Capital	2 950 842.69	2 602 246.96
Profit of the year	303 746.64	348 595.73
TOTAL LIABILITIES	4 072 131.21	3 410 417.23

**Global Association of International Sports Federations (GAISF)
(ex-Sportaccord), Lausanne**

INCOME STATEMENT 2017

	2017	2016
	<i>CHF</i>	<i>CHF</i>
<i>Income</i>	3 113 066.65	2 480 403.92
Sportaccord Convention	360 000.00	180 000.00
Membership fees	421 967.15	400 003.46
Miscellaneous - Observers - Applicant fees	51 879.54	12 000.00
Revenu anti-doping Doping Free Sports Unit	1 937 256.84	1 548 292.15
WADA Contribution	160 000.00	160 000.00
Subsidy IOC	160 000.00	160 000.00
Digital Media Projets Unit	10 485.02	19 812.66
Marketing & Communication	0.00	295.65
Miscellaneous - insurance participation	11 478.10	0.00
<i>Variation of the provision on bad debtors</i>	-70 000.00	0.00
<i>Total income</i>	3 043 066.65	2 480 403.92

Global Association of International Sports Federations (GAISF)
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INCOME STATEMENT 2017

	2017	2016
	CHF	CHF
Expenses		
Digital Media Projects Unit	74 004.87	66 873.66
DSFU - Doping Free Sports Unit	1 141 490.24	972 215.46
Multi-Sport Games Unit	58 325.72	0.00
MSGU Development	58 325.72	0.00
Marketing and Communication	125 708.80	62 385.13
Payroll expenses and Fees	1 021 730.76	866 929.38
Salaries and social security contributions	935 547.75	833 176.45
Human resources and training expenses	3 287.46	4 609.88
External consultants - Accounting & legal expenses	82 895.55	29 143.05
Travel & General Assembly expenses	64 068.82	52 345.47
Council expenses - Membership days	82 024.22	27 164.56
Administration expenses	142 510.55	131 480.60
Office rent and expenses	70 417.47	71 195.53
Telephone and postage expenses	9 314.53	12 907.37
Office equipment	39 912.33	27 111.24
Insurance	9 434.15	13 332.90
Miscellaneous	13 432.07	6 933.56
Total expenses	2 709 863.98	2 179 394.26
Financial income (expenses)	-29 456.03	40 495.17
Financial income	2 000.00	5 000.00
Exchange realized profit	20 221.69	32 930.43
Unrealized gain on securities	6 142.00	22 726.00
Financial expenses	-9 783.85	-8 799.90
Exchange realized loss	-48 035.87	-11 361.36
Exceptional expenses(-)/income or out of period	0.00	7 090.90
Exceptional income or out of period	0.00	7 090.90
Profit of the year	303 746.64	348 595.73

**Global Association of International Sports Federations (GAISF)
(ex-Sportaccord), Lausanne**

Appendix to the 2017 financial statements

GAISF is an association under Swiss law, governed by the provisions of Article 60 et following of the Civil Code.

These financial statements have been prepared in accordance with the principles of Swiss law, particularly the articles on commercial accounting and on presentation of the accounts (art. 957-962 CO).

		31.12.2017	31.12.2016
		CHF	CHF
1. Exchange rate			
At the closing of the accounts, the following exchange rates were	USD/CHF	0.977100	1.016350
	EUR/CHF	1.167948	1.072126
2. Securities			
At the balance sheet date, the securities are valued at market price.			
3 Number of employees			
The number of full-time employment on an annual average is less than 50 in 2017 as well as in 2016.			
4 Rental lease			
The lease agreement for business premises end on September 30th 2020. The outstanding amount to date is:		171 996	234 540
5 Pension liabilities		27 426	0
6 Explanation regarding exceptional items			
None in 2017.			
In 2016, there were non significant prior year revenues			
7 Future activities			
The total activity of DFSU will be transferred to ITA in 2018.			
The association is currently developing other activities: i.e. Launch of dot sport project; Development of services to the Sports Federations in collaboration with the IOC; Feasibility study on the various the Multi-Sport-Games.			