



**International Weightlifting Federation,
Lausanne**

Report of the Independent Auditor
to the Executive Board
on the Financial Statements
Financial Statements 2015



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Report of the Independent Auditor to the Executive Board on the Financial Statement of the
International Weightlifting Federation, Lausanne

As independent auditor, we have been engaged to audit the accompanying financial statements of the International Weightlifting Federation which comprise the balance sheet, statement of income and expenditures, statement of cash-flow and notes for the year ended 31 December 2015.

Federation's Responsibility

The President and the Secretary General are responsible for the preparation of the financial statements in accordance with the requirements of Swiss law. 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 treasurer 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.

In our opinion, the financial statements for the year ended 31 December 2015 comply with Swiss law.

KPMG SA

Pierre-Henri Pingeon
Licensed Audit Expert
Auditor in Charge

Cédric Rigoli
Licensed Audit Expert

Lausanne, 7 June 2016

Enclosure:

- Financial statements (balance sheet, statement of income and expenditures, statement of cash-flow and notes)

Enclosure 1

Balance Sheet as at 31 December		2015	2014
	Note	USD	USD
ASSETS			
Current assets			
Petty Cash		16,267	43,522
Cash at bank		227,658	328,971
Accounts receivables from:			
- Membership fees		13,500	9,000
- Anti-doping fines		143,203	116,500
- Barbell companies		80,000	-
- World Championships organisers		99,318	-
Prepaid expenses		168,778	-
Total current assets		748,724	497,993
Non-Current assets			
Marketable securities	3	24,481,647	26,088,818
Deposits		44,569	44,569
Total non-current assets		24,526,216	26,133,387
Total assets		25,274,940	26,631,380
LIABILITIES AND UNRESTRICTED FUNDS			
Current liabilities			
Trade account payables for:			
- General operations		322,088	315,458
- Development programs		188,685	-
Accrued expenses		48,700	68,699
Advances received		34,754	-
Deferred revenue		504,000	545,000
Provisions		100,000	50,000
Total current liabilities		1,198,227	979,157
Unrestricted funds			
Special reserve		-	-
Net excess of expenditure for the reporting year		(1,575,510)	(1,927,702)
Unrestricted funds brought forward	2.7	25,652,223	27,579,925
Total unrestricted funds		24,076,713	25,652,223
Total liabilities and unrestricted funds		25,274,940	26,631,380

Enclosure 2

Statement of income and expenditures
for the year ended 31 December

		2015	2014
	Notes	USD	USD
Membership fees		100,000	73,500
Marketing, sponsorship and TV revenues	5	2,300,362	1,109,830
Bidding fees for IWF Championships		181,739	137,965
Olympic Revenues		79,269	261,133
Reimbursements of advanced costs		23,269	2,383
Anti-Doping Fund & Fines	6	415,402	1,468,214
IWF Technologies		8,975	31,135
Referee cards and licenses fees		13,534	15,535
IWF Shop sales		4,721	302
Subscription to World Weightlifting		1,122	1,703
Total Income		3,128,393	3,101,700
IWF Development program expenses		1,260,569	1,315,426
Meetings		126,151	185,021
Participation in meetings		34,135	20,549
Costs related to competition		343,258	391,575
Doping controls costs		866,167	860,474
Publications expenses		92,277	215,019
IWF Logo items		100,656	30,094
IWF Technologies		16,584	38,168
IWF Executive Board Honorarium		575,000	576,000
Administrative expenses		263,166	379,537
Personnel expenses		782,619	732,980
Expenditures of Legal affairs and court cases + audit		96,021	171,137
Membership and subscription fees paid		16,707	7,247
IWF Marketing		70,119	56,729
Other expenditures		40,824	145,737
Total Expenditure		4,684,253	5,125,693
Excess of expenditure before financial items		(1,555,860)	(2,023,993)
Financial expense, net	4	(19,650)	(133,709)
Result before allocation to designated funds		(1,575,510)	(2,157,702)
Use of designated funds for development programmes		-	230,000
Net excess of expenditure for the reporting year		(1,575,510)	(1,927,702)

Enclosure 3

Statement of cash flows
31 December

	2015	2014
	USD	USD
Cash flows from operating activities		
Olympic contributions	79,269	261,133
Membership fees	95,049	64,669
Referee card and licenses fees	13,534	15,535
Anti-doping fund & fines	388,699	2,283,818
Marketing, sponsorship and TV revenues	1,954,712	1,749,830
Championships organization fees	181,739	137,965
IWF technologies	8,975	31,135
Reimbursements of advanced costs	27,939	12,123
Subscriptions to World Weightlifting magazine	1,122	1,703
IWF shop	4,721	302
Bank interests for operating activities	14,020	9,462
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<i>Cash received from operating activities</i>	<i>2,769,779</i>	<i>4,567,675</i>
IWF Development program expenses	(1,109,884)	(1,277,426)
Doping control costs	(822,231)	(895,708)
Competition organization expenses	(371,623)	(426,640)
IWF meetings (Congress, EB and council, commissions)	(69,443)	(143,091)
Participation in meetings	(34,135)	(20,549)
Publication expenses	(92,277)	(215,019)
Contributions to IWF officials	(575,000)	(576,000)
IWF Budapest office	(688,489)	(662,759)
IWF Beijing office, net of remaining cash	(149,754)	(146,707)
IWF Lausanne office	(216,167)	(287,297)
Professional and legal assistance	(116,387)	(164,918)
Membership and subscription fees	(15,867)	(5,165)
IWF technologies	(16,584)	(38,168)
Merchandising with IWF logo	(100,656)	(30,094)
IWF Marketing	(64,688)	(56,729)
Other expenses	(28,114)	(153,330)
Bank charges for operating activities	(27,048)	(20,554)
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<i>Cash paid for operating activities</i>	<i>(4,498,347)</i>	<i>(5,120,154)</i>
	<hr/>	<hr/>
Net cash used in operating activities	(1,728,568)	(552,479)
Cash flows from investing activities		
Decrease in investing funds	1,627,048	400
Bank charges for investing activities	(27,048)	(400)
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Net cash from investing activities	1,600,000	-
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Net decrease in cash and cash equivalents	(128,568)	(552,479)
Cash and cash equivalents at beginning of period	372,493	924,972
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Cash and cash equivalents at end of period	243,925	372,493
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Enclosure 4.1

Notes to Financial Statements 31 December 2015

1 General

The International Weightlifting Federation (hereafter called “IWF”) is a Swiss association registered in Lausanne, established as a non-profit legal entity controlled by art. 60 and further of the Swiss Civil Code. The IWF is domiciled in Lausanne, Switzerland.

The IWF is recognized by the International Olympic Committee as the sole controlling body for international weightlifting and is composed of 188 affiliated National Federations.

2 Summary of significant accounting policies

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial reporting (32nd title of the Swiss Code of Obligation). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Swiss Code of Obligations. They are presented in United States Dollars (USD), as this is the currency of the primary economic environment in which the IWF’s activities is conducted. They are prepared on the historical cost basis.

2.2 Foreign currencies

IWF books are kept in US dollars. Transactions in currencies other than USD are recorded at the approximating exchange rate on the date of the transaction. At the balance sheet date monetary assets and liabilities denominated in foreign currency are converted into USD at the prevailing exchange rate at that date. Realized and unrealized foreign currency exchange differences are reported in the statement of income and expenditures.

2.3 Recognition of revenues

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Sponsoring and TV revenues

Sponsoring and TV revenues are recorded as income when they are due, as the contractual commitment has been realized. Revenue related to future events are deferred to the period to which it relates.

Doping fines

Doping fines are recorded as revenue at the moment the case is closed, the fine is due and time and rights for appeal have been exhausted.

Affiliation fees

Affiliation fees income is recognized the year they are due.

Enclosure 4.2

Notes to Financial Statements
31 December 2015**2.4 Recognition of expenses**

Expenses are recognized in the financial statements on an accrual basis. Expenses are recognized over the period to which they relate.

2.5 Income taxes

As the IWF is a non-profit making association, it benefits from tax exemption applied to international sports organisations located in the canton of Vaud.

2.6 Tangible fixed assets

Tangible fixed assets are recognized as an expense during the period in which they were purchased.

2.7 Unrestricted funds

Unrestricted funds are funds that are or would be freely available to use for any of the IWF's purposes, once all of its enforceable obligations have been fulfilled.

2.8 Designated funds

Designated funds are funds that are disposable to the organization and that are designated by the organization for a specified purpose which limits their use.

	USD 2015	USD 2014
3 Marketable securities		
Investment portfolio at UBS	3,139,749	4,795,332
Investment portfolio at UBP	21,341,898	21,293,486
	<u>24,481,647</u>	<u>26,088,818</u>
4 Financial expense, net		
Net revenue from investment portfolio at UBP	48,412	-
Net revenue from investment portfolio at UBS	-	45,879
Interest from bank account and short term deposit	14,020	9,462
	<u>62,432</u>	<u>55,341</u>
Net expense from investment portfolio at UBP	-	(167,816)
Net expense from investment portfolio at UBS	(9,626)	-
Bank charges	(72,456)	(21,234)
	<u>(82,082)</u>	<u>(189,050)</u>
Financial expense, net	<u>(19,650)</u>	<u>(133,709)</u>

Investments portfolios are booked at market fair-value including any accrued interest.

Enclosure 4.3

Notes to Financial Statements
31 December 2015

	USD 2015	USD 2014
5 Marketing, sponsorship and TV revenues		
Marketing and barbell licenses	1,024,802	409,830
TV and World Championships revenues	1,275,560	700,000
	<u>2,300,362</u>	<u>1,109,830</u>
6 Anti-Doping Fund & Fines		
Anti-Doping Fines	322,132	1,306,989
Anti-Doping Fund – World Championships	88,900	107,610
Anti-Doping Fund – Qualification Events	4,370	53,615
	<u>415,402</u>	<u>1,468,214</u>
7 Full-time equivalents		
The annual average number of full-time equivalents for the reporting year, as well as the previous year, did not exceed 50.		