



**International Weightlifting Federation,  
Lausanne**

Report of the Independent Auditor  
to the Executive Board  
on the Financial Statements  
Financial Statements 2014



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

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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 2014.

*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 2014 comply with Swiss law.

KPMG SA

Pierre-Henri Pingeon  
*Licensed Audit Expert*  
*Auditor in Charge*

Cédric Rigoli  
*Licensed Audit Expert*

Lausanne, 31 March 2015

*Enclosure:*

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

## Enclosure 1

## Balance Sheet as at 31 December

		2014	2013
	Note	USD	USD
<b>ASSETS</b>			
<b>Current assets</b>			
Petty Cash		43,522	104,152
Cash at bank		328,971	820,820
Accounts receivables from:			
- Membership fees		9,000	1,500
- Anti-doping fines		116,500	932,104
- World Championship		-	74,675
Total current assets		497,993	1,933,251
<b>Non-Current assets</b>			
Marketable securities	3	26,088,818	26,211,155
Deposits		44,569	44,569
Total non-current assets		26,133,387	26,255,724
<b>Total assets</b>		<b>26,631,380</b>	<b>28,188,975</b>
<b>LIABILITIES AND UNRESTRICTED FUNDS</b>			
<b>Current liabilities</b>			
Account payables		315,458	304,350
Accrued expenses		68,699	68,700
Deferred revenue		545,000	6,000
Provisions		50,000	-
Total current liabilities		979,157	379,050
<b>Designated funds</b>			
Funds for IWF development programmes	2.8	-	230,000
Total Designated funds		-	230,000
<b>Unrestricted funds</b>			
Net excess of expenditure for the reporting year		(1,927,702)	(559,918)
Unrestricted funds brought forward	2.7	27,579,925	28,139,843
Total unrestricted funds		25,652,223	27,579,925
<b>Total liabilities and unrestricted funds</b>		<b>26,631,380</b>	<b>28,188,975</b>

## Enclosure 2

Statement of income and expenditures  
for the year ended 31 December

		2014	2013
	Notes	USD	USD
Membership fees		73,500	73,500
Marketing, sponsorship and TV revenues	5	1,109,830	724,936
Bidding fees for IWF Championships		137,965	185,276
Olympic Revenues		261,133	1,362,375
Reimbursements of advanced costs		2,383	82,534
Anti-Doping Fund & Fines	6	1,468,214	1,542,248
IWF Technologies		31,135	17,218
Referee cards and licenses fees		15,535	76,849
IWF Shop sales		302	3,600
Subscription to World Weightlifting		1,703	2,727
<b>Total Income</b>		<b>3,101,700</b>	<b>4,071,263</b>
IWF Development program expenses		1,315,426	1,232,709
Meetings		185,021	445,965
Participation in meetings		20,549	33,384
Costs related to competition		391,575	204,860
Doping controls costs		860,474	924,094
Publications expenses		215,019	266,464
IWF Logo items		30,094	61,563
IWF Technologies		38,168	58,583
IWF Executive Board Honorarium		576,000	575,000
Administrative expenses		379,537	307,128
Personnel expenses		732,980	479,578
Expenditures of Legal affairs and court cases & audit		171,137	209,949
Membership and subscription fees paid		7,247	33,003
IWF Marketing		56,729	-
Other expenditures		145,737	156,823
<b>Total Expenditure</b>		<b>5,125,693</b>	<b>4,989,103</b>
<b>Excess of (expenditure)/revenue before financial items</b>		<b>(2,023,993)</b>	<b>(917,840)</b>
Financial (expense)/income, net	4	(133,709)	587,922
<b>Result before allocation to designated funds</b>		<b>(2,157,702)</b>	<b>(329,918)</b>
Use of/(Allocation to) designated funds for development programmes		230,000	(230,000)
<b>Net excess of (expenditure)/revenue for the reporting year</b>		<b>(1,927,702)</b>	<b>(559,918)</b>

## Enclosure 3

Statement of cash flows  
31 December

	2014	2013
	USD	USD
<b>Cash flows from operating activities</b>		
Olympic contributions	261,133	1,362,375
Membership fees	64,669	89,042
Referee card and licenses fees	15,535	76,849
Anti-doping fund & fines	2,283,818	1,126,426
Marketing, sponsorship and TV revenues	1,749,830	624,936
Championships organization fees	137,965	185,276
IWF technologies	31,135	17,218
Reimbursements of advanced costs	12,123	72,794
Subscriptions to World Weightlifting magazine	1,703	2,727
IWF shop	302	3,600
Bank interests for operating activities	9,462	10,640
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<b><i>Cash received from operating activities</i></b>	<b>4,567,675</b>	<b>3,571,883</b>
IWF Development program expenses	(1,277,426)	(1,305,107)
Doping control costs	(895,708)	(896,454)
Competition organization expenses	(426,640)	(169,795)
IWF meetings (Congress, EB and council, commissions)	(143,091)	(419,821)
Participation in meetings	(20,549)	(31,405)
Publication expenses	(215,019)	(267,242)
Contributions to IWF officials	(576,000)	(575,000)
IWF Budapest office	(662,759)	(691,228)
IWF Beijing office, net of remaining cash	(146,707)	(129,455)
IWF Lausanne office	(287,297)	-
Professional and legal assistance	(164,918)	(248,999)
Membership and subscription fees	(5,165)	(33,003)
IWF technologies	(38,168)	(58,583)
Merchandising with IWF logo	(30,094)	(61,563)
IWF Marketing	(56,729)	-
Other expenses	(153,330)	(76,366)
Deposit to Leaseplan	-	(44,569)
Bank charges for operating activities	(20,554)	(29,345)
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<b><i>Cash paid for operating activities</i></b>	<b>(5,120,154)</b>	<b>(5,037,935)</b>
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<b>Net cash used in operating activities</b>	<b>(552,479)</b>	<b>(1,466,052)</b>
<b>Cash flows from investing activities</b>		
Decrease in investing funds	400	2,218,750
Bank charges for investing activities	(400)	(901)
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<b>Net cash from investing activities</b>	<b>-</b>	<b>2,217,849</b>
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<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(552,479)</b>	<b>751,797</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>924,972</b>	<b>173,175</b>
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<b>Cash and cash equivalents at end of period</b>	<b>372,493</b>	<b>924,972</b>
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## **Enclosure 4.1**

### **Notes to Financial Statements 31 December 2014**

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#### **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**

The significant accounting policies adopted by the IWF in the preparation of the financial statements are set out 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 2014**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.

	<b>USD</b> 2014	<b>USD</b> 2013
<b>3 Marketable securities</b>		
Investment portfolio at UBS	4,795,332	4,749,853
Investment portfolio at UBP	21,293,486	21,461,302
	<u><b>26,088,818</b></u>	<u><b>26,211,155</b></u>
<b>4 Financial (expense)/revenue, net</b>		
Net revenue from investment portfolio at UBP	-	698,832
Net revenue from investment portfolio at UBS	45,879	-
Interest from bank account and short term deposit	9,462	10,640
	<u><b>55,341</b></u>	<u><b>709,472</b></u>
Net expense from investment portfolio at UBP	(167,816)	-
Net expense from investment portfolio at UBS	-	(91,304)
Bank charges	(21,234)	(30,246)
	<u><b>(189,050)</b></u>	<u><b>(121,550)</b></u>
<b>Financial (expense)/revenue, net</b>	<u><b>(133,709)</b></u>	<u><b>587,922</b></u>

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

Enclosure 4.3

Notes to Financial Statements  
31 December 2014

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	USD 2014	USD 2013
<b>5 Marketing, sponsorship and TV revenues</b>		
Marketing and barbell licenses	409,830	419,936
TV revenues	700,000	305,000
	<u><b>1,109,830</b></u>	<u><b>724,936</b></u>
<b>6 Anti-Doping Fund &amp; Fines</b>		
Anti-Doping Fines	1,306,959	1,507,285
Anti-Doping Fund – World Championships	107,610	34,963
Anti-Doping Fund – Qualification Events	53,615	-
	<u><b>1,468,214</b></u>	<u><b>1,542,248</b></u>