

FINANCE REPORT



Congress – Nov. 15
Houston USA

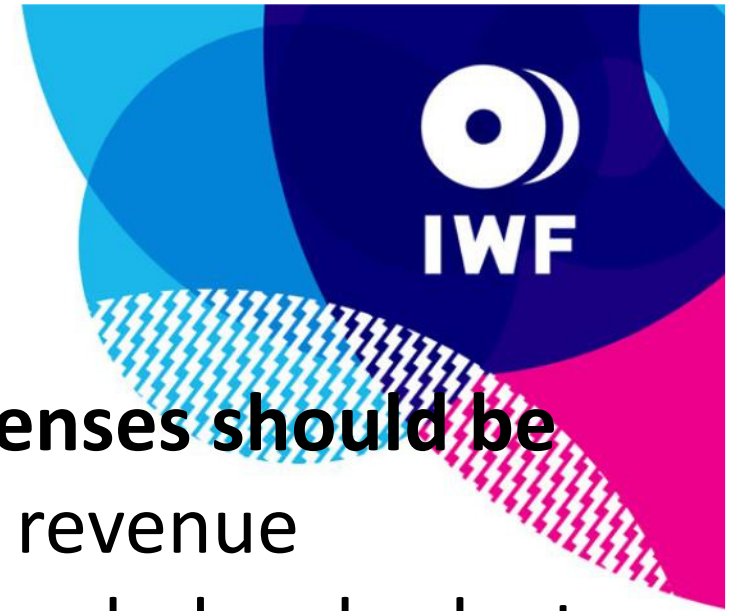
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Financial Advisor

AGENDA

- IWF financial position – outlook
- 2015 : updated budget
- Wealth management – position at 31.05.2015
- 2016 : budget
- Financial planning 2020 (update)

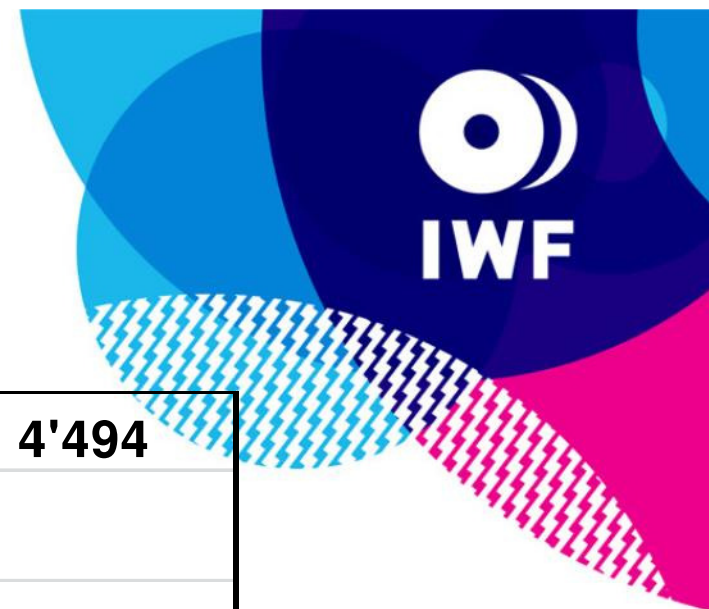


OUTLOOK



- **2015 update : surplus of expenses should be lower than budgeted**, higher revenue (marketing, AD fines), expenses below budget (development projects, meetings, secretariat)
- **Financial situation remains strong**
- **2016 budget very positive** (Olympic year)
- **Long term plan balanced**, confirming the capacity of the IWF to fulfil its missions and reinforce its organisation

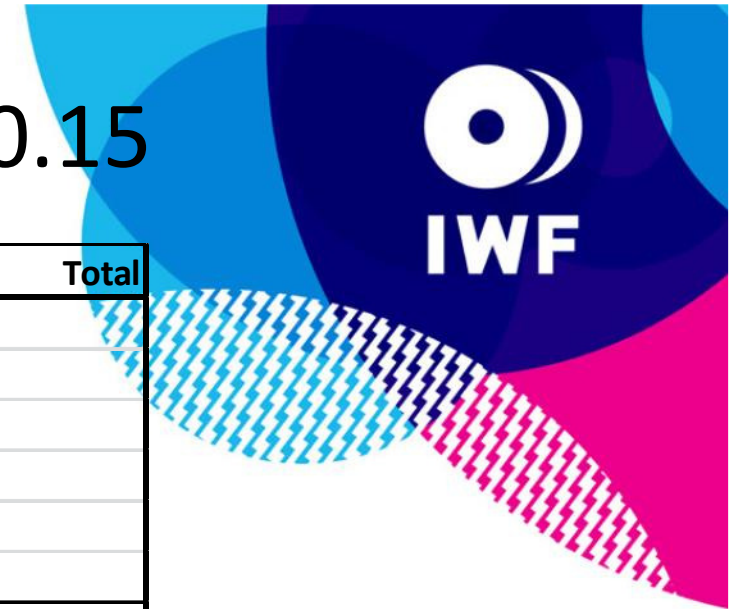
2015 Budget - update



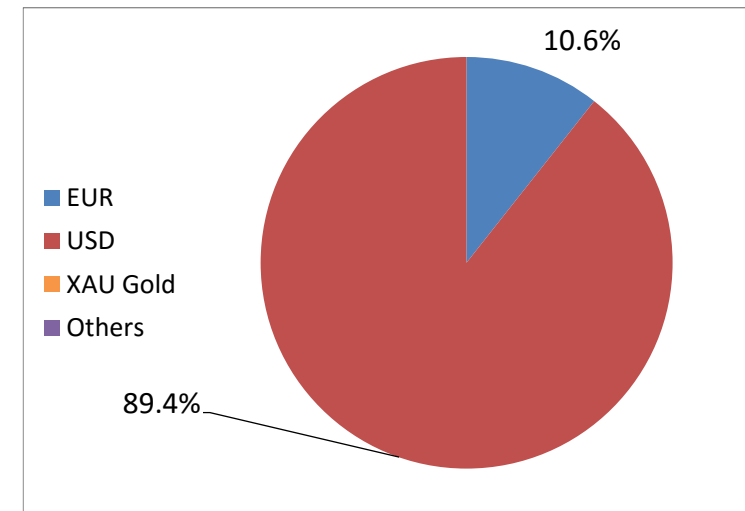
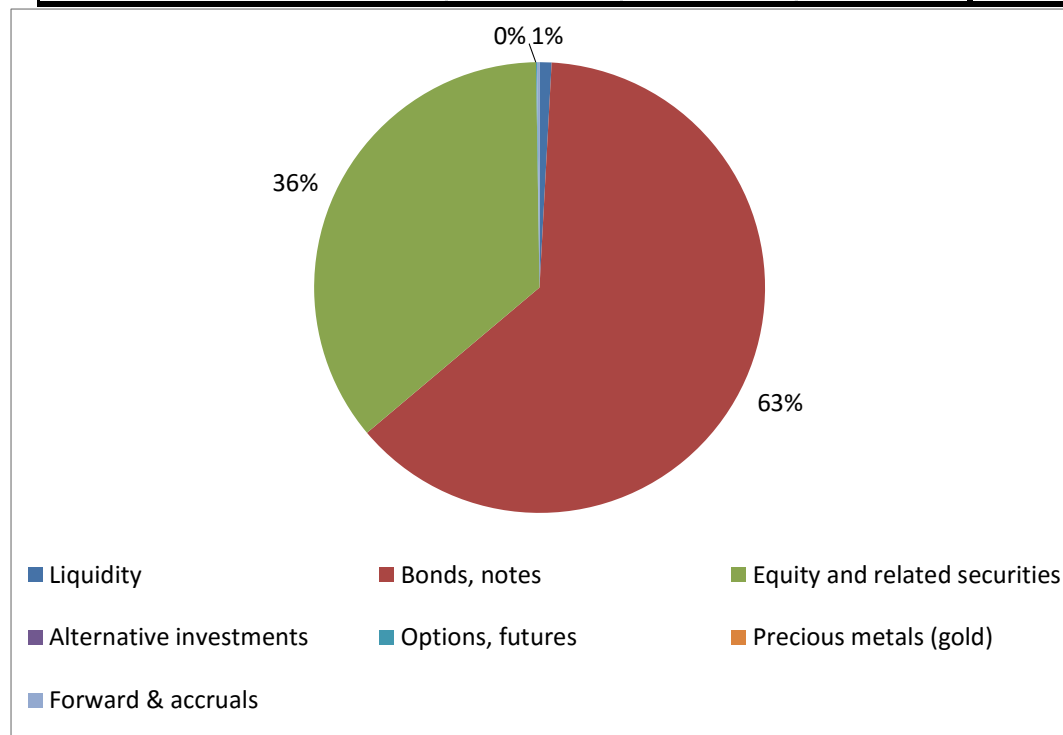
Budgeted surplus of expenses		-	4'494
<u>Additional revenue</u>			
	Marketing rights (KMG Int'l)	400	
	AD fines (budget = 0)	650	
	Financial incomes	140	
	Miscellaneous	- 41	1'149
<u>Changes in expenses</u>			
	Development funds not used	350	
	Meetings (paid by organisers)	50	
	Secretariat (hiring postponed)	85	
	Miscellaneous	-	485
Forecasted surplus of expenses		-	2'860

Surplus of
expenses
clearly lower
than
budgeted,
very good
news !

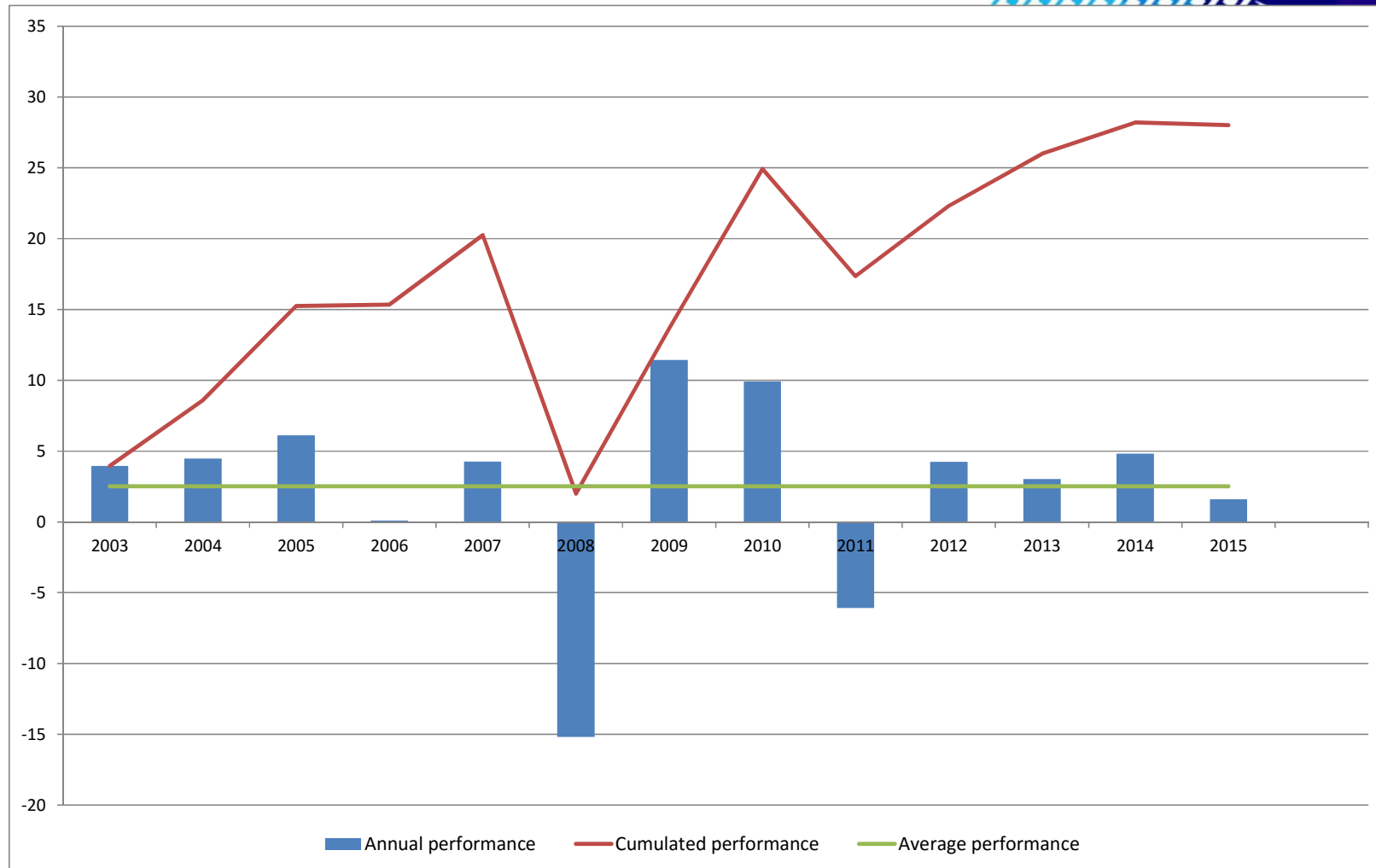
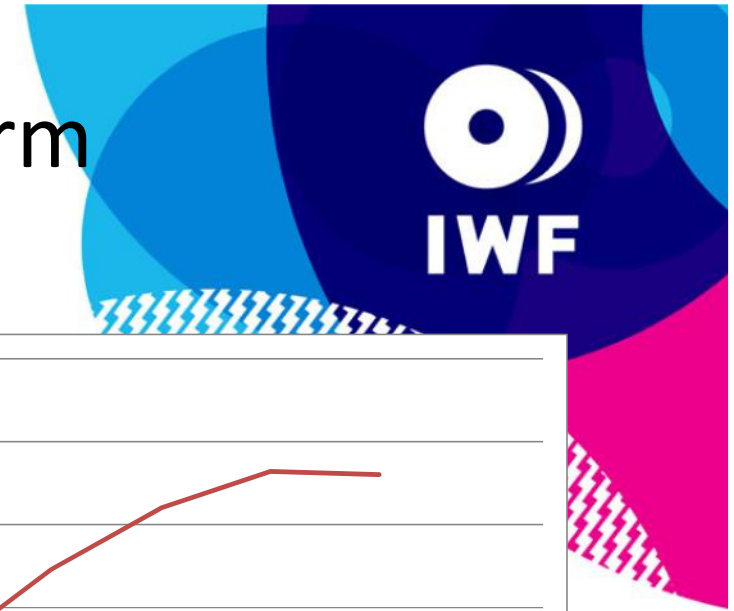
Wealth management – 31.10.15



Performance 31.10.2015	UBP	UBS	Total PF	OTP/NSB	Total
Balance 31.12.2014	21'324	4'795	26'119		
inflow	-	-	-		
outflow		-1'600	-1'600		
subtotal	21'324	3'195	24'519		
+/- value	342	5	347		
Balance 31.10.2015	21'666	3'200	24'866	866	25'732
performance	1.60%	0.16%	1.42%		



UBP Performance – long term



2016 Budget



- **Context :**

- Rio 2016 OG revenue estimated at the same level than 2012, costs should be higher
- Additional revenue : barbell sponsor for Rio 2016
- Development program and contribution : total budget unchanged, incl. CF : 5*50 K\$ for administration + 5*125 K\$ for projects + a IWF program of continental AD seminars
- AD activities : still very difficult to evaluate the impact of the new WADA rules, budget maintained at a high level
- Number and complexity of missions still increasing, staff to be reinforced, mainly in Lausanne office. Expenses increasing.

2016 Budget - Revenue



REVENUE	Budget 2016	Variance		Forecast
	v1 - Nov. 2015	vs Forecast 2015		2015 (Oct. 2015)
MEMBERSHIP FEES	73'000	+ 0	+0%	73'000
TV AND MARKETING RIGHTS	1'885'000	- 165'000	-8%	2'050'000
FEES FOR ORGANISATION OF WCH.	30'000	- 10'000	-25%	40'000
IOC REVENUES	14'070'000	+ 14'020'000	+28040%	50'000
REIMBURSEMENTS OF ADVANCED COSTS	245'000	+ 165'000	+206%	80'000
ANTI-DOPING REVENUES	125'000	- 655'000	-84%	780'000
IWF TECHNOLOGIES (TIS, NCMS, TL)	25'000	+ 15'000	+150%	10'000
REFEREE CARDS AND LICENSES	15'000	+ 0	+0%	15'000
IWF SHOP SALES	1'000	+ 0	+0%	1'000
SUBSCRIPTIONS TO WWM	0	- 1'000	-100%	1'000
OTHERS	30'000	+ 0	+0%	30'000
TOTAL	16'499'000	+ 13'369'000	+427%	3'130'000

Increase of revenue



- Rio 2016 TV rights estimated at 14 mUSD
- Barbel sponsor Rio 2016 : 1 mUSD
- Marketing (KMG) : 0.4 mUSD (3 years contract)
- No AD fines budgeted
- No financial income budgeted

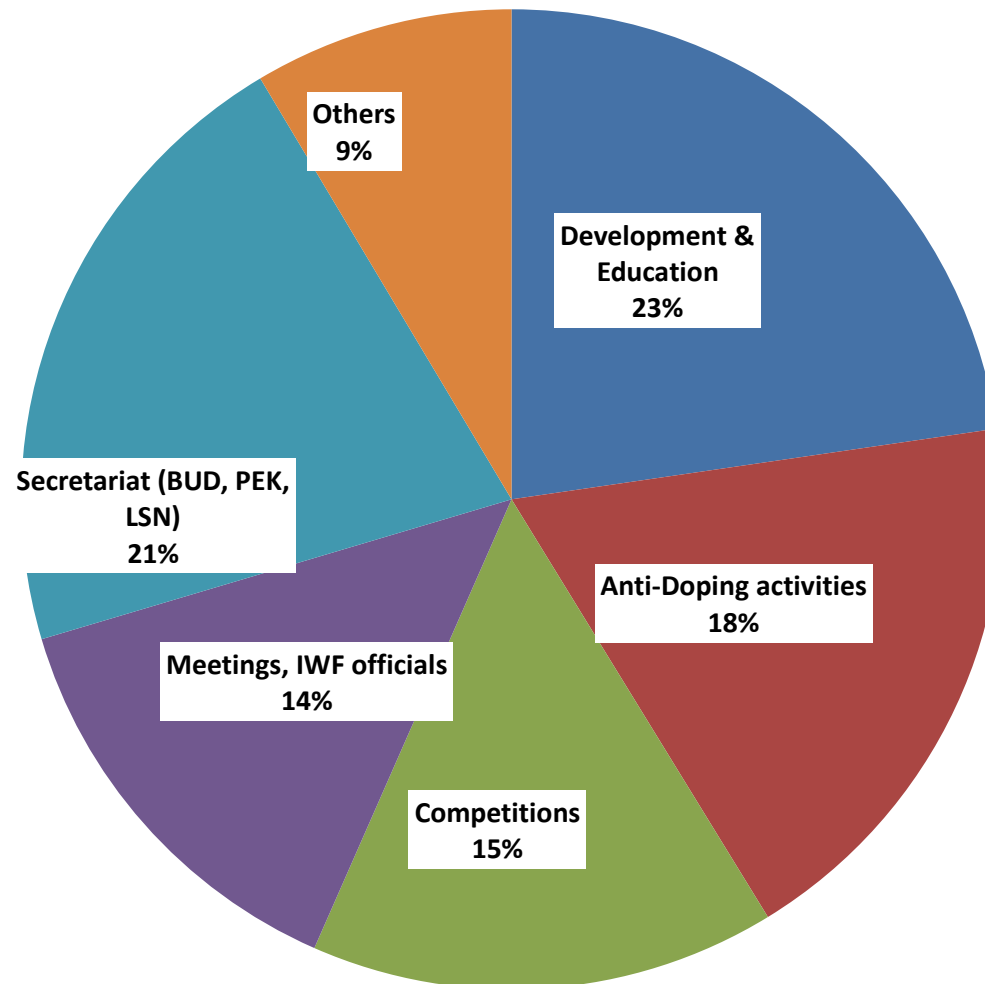
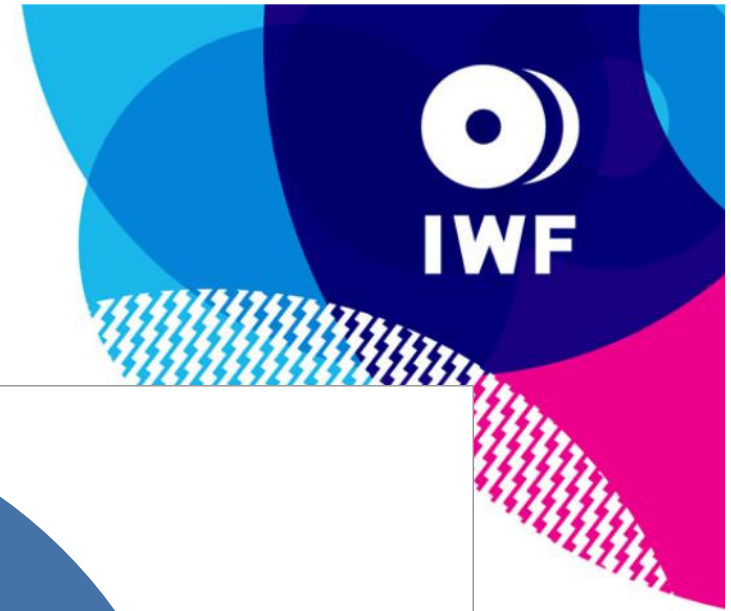
➤ **Conservative budget of revenue**

2016 Budget - expenses



EXPENSES	Budget 2016	Variance		Forecast
	v1 - Nov. 2015	vs Forecast 2015		2015 (Oct. 2015)
DEVELOPMENT & EDUCATION	1'775'000	+ 350'000	+25%	1'425'000
MEETINGS	430'000	+ 0	+0%	430'000
PARTICIPATION IN MEETINGS	50'000	- 30'000	-38%	80'000
COSTS RELATED TO COMPETITIONS	1'200'000	+ 850'000	+243%	350'000
ANTI-DOPING ACTIVITY	1'450'000	+ 0	+0%	1'450'000
PUBLICATIONS / PR	330'000	- 20'000	-6%	350'000
IWF LOGO ITEMS (Diplomas, etc.)	30'000	+ 0	+0%	30'000
IWF TECHNOLOGIES (TIS, NCMS, TL)	40'000	+ 0	+0%	40'000
CONTRIBUTION TO IWF OFFICIALS	600'000	+ 0	+0%	600'000
OPERATION COSTS OF SECRETARIAT - BUD	1'025'000	+ 120'000	+13%	905'000
OPERATION COSTS OF SECRETARIAT - LSN	470'000	+ 215'000	+84%	255'000
OPERATION COSTS OF GS OFFICE	150'000	+ 0	+0%	150'000
LEGAL AND ADMINISTRATIVE ASSISTANCE	180'000	+ 30'000	+20%	150'000
MEMBERSHIP AND SUBSCRIPTION FEES	10'000	+ 0	+0%	10'000
IWF MARKETING	50'000	+ 0	+0%	50'000
OTHERS, MISCELLANEOUS	30'000	+ 0	+0%	30'000
TOTAL	7'820'000	+ 1'515'000	+24%	6'305'000

Allocation of resources



Evolution of expenses

- Contribution to CF/NF maintained at the 2016 budget level – room for applications
 - Budget for Rio 2016 : 1 mUSD costs
 - AD costs : same as 2015 budget
 - Increase of budget for secretariat in Budapest and in Lausanne (hiring of additional specialists, transfer to Lausanne continued, adaptation of salaries)
- **Necessary increase of the resources**



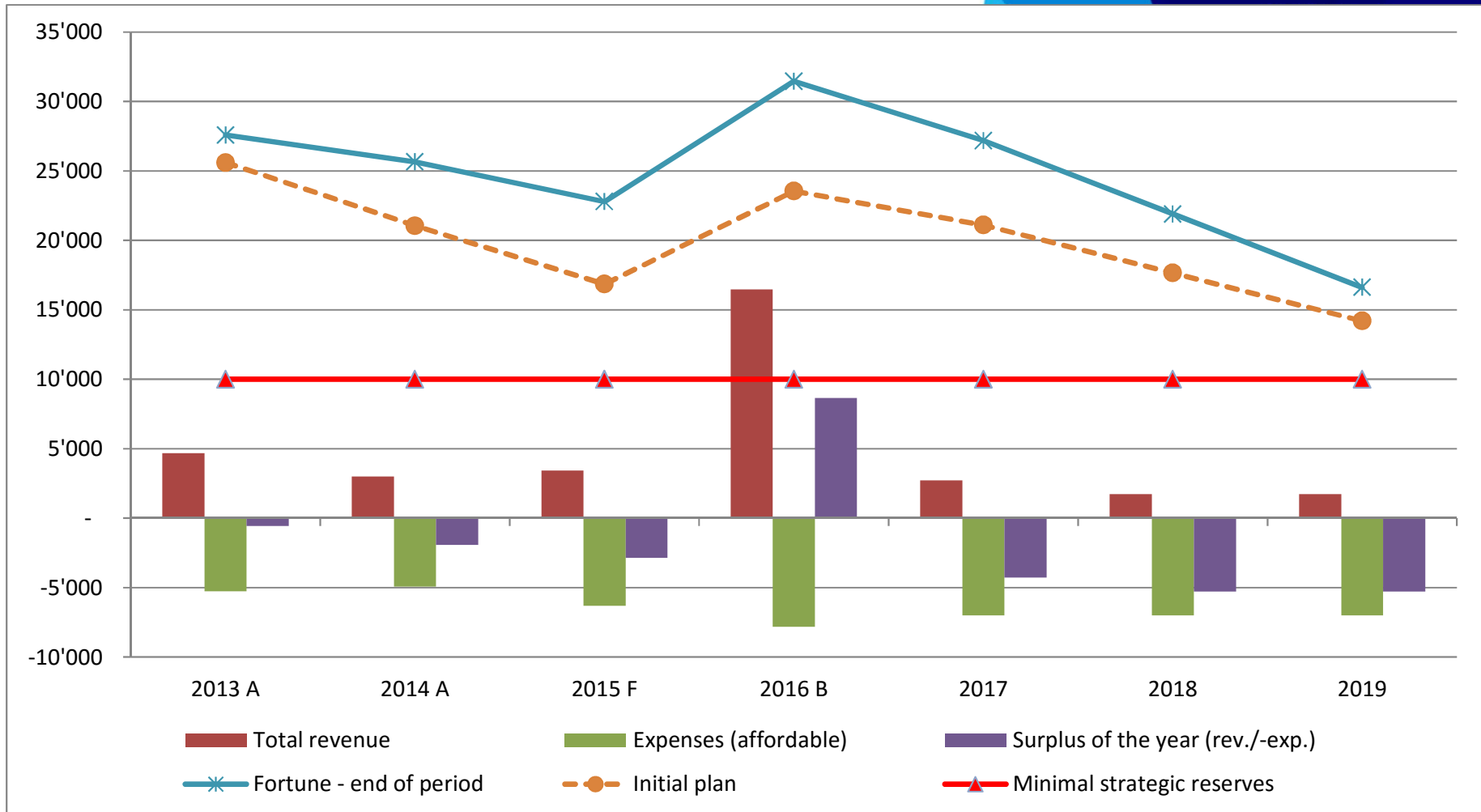
2016 Budget - summary



Even considering a conservative approach for budgeting revenue, 2016 will show a very good result and will contribute to reinforce IWF financial reserves

SUMMARY	Budget 2016	Variance		Forecast
	v1 - Nov. 2015	vs Forecast 2015		2015 (Oct. 2015)
TOTAL REVENUES	16'499'000	+ 13'369'000	+427%	3'130'000
TOTAL EXPENSES	-7'820'000	- 1'515'000	+24%	-6'305'000
OPERATING RESULT	8'679'000	+ 11'854'000	+373%	-3'175'000
BUDGET FOR DEVEL. PROGR. CARRIED FORWARD	0	+ 0		0
OPERATING RESULT	8'679'000	+ 11'854'000	+373%	-3'175'000
FINANCIAL REVENUE (NET)	0	- 340'000	-100%	340'000
BANK CHARGES	-25'000	+ 0	+0%	-25'000
FINANCIAL PROFIT / - LOSS (NET)	-25'000	- 340'000	-108%	315'000
NET SURPLUS OF REVENUES (- EXPENSES)	8'654'000	+ 11'514'000	+403%	-2'860'000

Financial planning 2020 - update



- Proposition : increase the level of the strategic financial reserves to 14 M\$ at end of 2016 (adjustment to the current structure/yearly costs)

Conclusion

- Very good financial situation
- Tight control on expenses
- Nice development of revenues
- 2016 (Olympic year) = new reinforcement of our financial reserves
- Internal resources (staff) must be strengthened
- Transfer to Lausanne to be continued (cost)
- Encouraging progresses in the marketing activities



Thank you for your kind
attention and for your trust !

