



***Association of Summer Olympic
International Federations
Lausanne***

***Report of the statutory auditor
to the Executive Director
on the financial statements 2012***



Report of the statutory auditor
to the Executive Director of
Association of Summer Olympic International Federations
Lausanne

Report of the auditor on the financial statements

As auditor, we have audited the accompanying financial statements of Association of Summer Olympic International Federations, which comprise the balance sheet, income statement and notes, for the year ended 31 December 2012.

Executive Directors' Responsibility

The Executive Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the association's statutes. 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 Executive Directors 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.

Opinion

In our opinion, the financial statements for the year ended 31 December 2012 comply with Swiss law and the association's statutes.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

We recommend that the financial statements submitted to you be approved.



PricewaterhouseCoopers SA

Guillaume Nayet
Audit expert
Auditor in charge

Francis Renaud
Audit expert

Genève, 15 April 2013

Enclosures:

- Financial statements (balance sheet, income statement and notes)

**Association of Summer Olympic International Federations,
Lausanne**

**Report of the auditors
to the Bureau**

Financial statements 2012

Balance Sheet at December 31
(in Swiss Francs)

	CHF	
	2012	2011
Assets		
Current assets		
Cash and cash equivalents	1,601,003	227,765
Cash held for loan repayment	1,300,000	
Marketable securities	7,642,404	1,146,193
Other assets	15,343	17,842
Prepaid expenses	44,304	28,351
	<u>10,603,054</u>	<u>1,420,151</u>
Non-current assets		
Administrative building	<u>2,005,000</u>	<u>2,005,000</u>
Total assets	<u><u>12,608,054</u></u>	<u><u>3,425,151</u></u>
Liabilities and funds		
Current liabilities		
Accrued expenses	517,259	33,518
Deferred revenue in relation to the ISIS project	4,285,000	0
	<u>4,802,259</u>	<u>33,518</u>
Non-current liabilities		
Mortgage loan	1,296,750	1,323,350
	<u>1,296,750</u>	<u>1,323,350</u>
Funds		
Unrestricted operating funds as per statement attached	6,509,045	2,068,283
Total liabilities and funds	<u><u>12,608,054</u></u>	<u><u>3,425,151</u></u>

Association of Summer Olympic International Federations, Lausanne

**Statement of income and expenditure
for the year ended December 31, 2012
(in Swiss Francs)**

		CHF	
	Notes	2012	2011
Income			
IOC		642 938	653 197
Extraordinary income from IF	3	9 088 287	-
Annual subscription from IF		2 649	2 578
Revenue SportAccord	4	252 000	252 000
Other income		67 764	17 179
Financial income	5	72 293	38 179
		<u>10 125 930</u>	<u>963 133</u>
Expenditure			
Member relations and services	6	56 744	105 016
Communications	7	75 136	85 857
Meetings and seminars	8	71 855	71 586
Administration and operations	9	652 252	590 290
Other miscellaneous expenses	10	48 691	57 103
Deferral of ISIS revenue to balance sheet		4 500 000	-
Financial expenses	11	280 492	137 432
		<u>5 685 169</u>	<u>1 047 284</u>
Excess of (expenditure) / income for the year		4 440 762	(84 151)
Unrestricted operating funds at beginning of year		2 068 283	2 152 434
Unrestricted operating funds at end of year		<u><u>6 509 045</u></u>	<u><u>2 068 283</u></u>

Notes to the financial statements 2012

1. Foundation and activity

The Association of Summer Olympic International Federations (ASOIF) is a not for profit association governed by the provisions of the Swiss Civil Code, that was founded by the International Federations (IF) governing the sports included in the programme of the Summer Olympic Games.

Its objectives are to coordinate and defend the common interests of its members, to ensure close cooperation between its members and the members of the Olympic Movement, to maintain the authority, independence and autonomy of the member IFs and to decide on all financial matters concerning the IF in general, in particular the sharing among its members of the television rights of the summer Olympic Games reverting to the IF.

2. Summary of significant accounting policies

2.1 Basis of accounting

ASOIF uses the accruals basis of accounting in preparing the financial statements.

2.2 Accounting for foreign currencies

The accounting records of ASOIF are kept in Swiss Francs and, accordingly, the financial statements have been presented in Swiss Francs.

Assets and liabilities denominated in currencies other than Swiss Francs are recorded in the balance sheet based on exchange rates ruling at the year-end. Transactions denominated in other than Swiss Francs are recorded in the statement of income and expenditure at monthly average rates; all exchange losses and realised exchange gains are recognised as financial income or expense.

2.3 Administrative building

As of 26 September 2011, ASOIF bought the second floor of the A building of Maison du Sport International for a gross amount of CHF 2.0mio.

An annual assessment is made as to whether the current estimated value of the administrative building is less than the net book value; should this estimated value be lower than the net book value, an impairment charge against the carrying value will be recorded.

ASOIF took out a mortgage of CHF 1.3mio to finance this purchase. An extraordinary contribution from IOC was made in 2012 for an amount of CHF 1.3mio to repay this loan. This cash balance is presented separately within current assets in the balance sheet.

3. Extraordinary income from the IF

In 2012, ASOIF received extraordinary contributions from the IFs through the IOC – the components were related to:

- CHF 1.3 mio to repay the existing mortgage loan. The cash received is separately identified within the current assets as at 31 December 2012
- CHF 4.5 mio of exceptional grant in relation to a Central Projects Fund – this balance has been deferred to the balance sheet under liabilities as at 31 December 2012. CHF 0.2 mio were released to the income statement in 2012 to match the actual project expenses.
- CHF 3.1 mio to increase the available operating funds (reserve) of ASOIF

Notes to the financial statements 2012

4. SportAccord Convention

ASOIF is one of the founding members, together with partners AGFIS and AIOWF, of the Association created under Swiss Law called SportAccord Convention which is responsible for organizing the annual international convention of the same name. ASOIF's yearly contribution to this Association is CHF 5 000, which is recorded as an expense.

The statement of income and expenditure includes a revenue of CHF 252'000 for 2012 (2011: CHF 252'000) representing a contribution by the SportAccord Convention Association to ASOIF's logistical and resources expenses from the SportAccord Convention events in London and Dubai respectively.

	CHF	
	31 December 2012	31 December 2011
5. Financial income		
Interest	66 366	38 179
Gain on disposal of securities	5 927	-
	<u>72 293</u>	<u>38 179</u>
6. Member relations and services		
Olympic Games Coordination - London 2012	16 940	8 679
Olympic Games Coordination - Rio 2016	7 254	11 513
Members projects / Research	24 992	79 878
Liaison at IF events / meetings	7 558	4 946
	<u>56 744</u>	<u>105 016</u>
7. Communications		
Communications consultants	44 301	40 106
ASOIF Web development	22 100	38 291
Printing and graphic design	8 735	7 460
	<u>75 136</u>	<u>85 857</u>
8. Meetings and seminars		
General assembly	12 870	23 650
SportAccord - IF convention	2 139	13 997
Working meeting	19 413	13 375
Council meetings	15 429	5 387
Other (seminar, commissions)	22 003	15 177
	<u>71 855</u>	<u>71 586</u>

Notes to the financial statements 2012

	CHF	
	31 December 2012	31 December 2011
9. Administration and operations		
Office Rent	50 020	32 727
Technology (maintenance & updates)	13 489	16 720
Office expenses grant	38 298	36 289
Administration management	20 438	21 308
Salaries and social charges	463 877	451 286
Staff travel	59 129	24 960
Audit	7 000	7 000
	<u>652 252</u>	<u>590 290</u>
10. Other miscellaneous expenses		
Miscellaneous (Phones, Office Cleaning, Supplies, Postal Services and various)	33 856	30 248
Representation and protocol	2 756	2 343
Gifts and gadgets	12 079	-
Office fitting	-	24 512
	<u>48 691</u>	<u>57 103</u>
11. Financial expenses		
Loss / (Gain) on disposal of securities	-	36 524
Exchange loss	234 307	75 749
Interest expense	34 386	10 593
Financial management	11 798	14 566
	<u>280 492</u>	<u>137 432</u>