



The WORLD BRIDGE FEDERATION
A BUSINESS CASE

SEMINAR SINGAPORE
June 2019



BUILDING A BUSINESS CASE

TAKING INTO ACCOUNT:

The NATURE of the WBF: we are a **non profit sports organization**, officially recognized by the IOC, registered in Lausanne, Switzerland.

The statutory AIMS of the Federation:

- * to promote and develop the sport of Bridge throughout the world
- * to federate National Bridge Associations (NBOs) in all countries
- * to organize international competitions and award world championships titles
- * to establish standard laws for the sport of bridge
- * to support and encourage the promotion of sport ethics
- * to fight against doping and cheating in sport



IMPORTANT PRINCIPLES UNDERLYING THE BUSINESS CASE

- 1. NON PROFIT does not mean non economical behavior allowed
- 2. Organize the Federation on sound economic basis = optimize the use of the available means.
- 3. Sound financials are the best guarantee for the CONTINUITY of the organization.
- 4. TRANSPARANCY is needed. Complexity is not a good reason for being non transparant. The governing bodies need to understand.
- 5. MAKE THE RULES CLEAR. The Governing bodies must set out the financial management principles & the goals to achieve.
- 6. MAKE IT HAPPEN: follow up on all items and on a timely basis.
- 7. Create a REPORTING FORMAT which is easy to understand and constant.



FINANCIAL MANAGEMENT – POLICY GUIDELINES

TARGET 1: **BREAK EVEN ON THE FIXED SIDE OF THE BUDGET**

* Main source of funding = yearly dues paid by the NBO to the WBF

* Dues: 1\$/ member above the age of 25 years

Zone 1 NBO pay their dues in € (conversion rate = average exchange rate US\$/€ for Q4 of preceding year)

TARGET 2: **CONSOLIDATE & INCREASE FINANCIAL RESERVES OF THE WBF**

* Financial reserves covering the expenses of, at least, 3 championships

* Equity needed to fund working capital needs

* Policy of 0 debt

TARGET 3: **CREATE SPECIFIC FUNDS for: Youth, Development & Promotion and a General Risks Fund.**

TARGET 4: **DIVERSIFY THE SOURCES OF INCOME**

FINANCIAL RESULTS 2016 – 2018/BUDGET 19 (x 1000€)

FIXED	2016 accounts	2017 Accounts	2018 accounts	2019 budget
INCOME				
Dues	575	580	515	520
Other income	5	4	3	20
Total Income	580	584	518	540
EXPENSES				
Exec.Council	134	136	162	148
Travel & Representation	20	20	14	15
Office & Secretarial	139	137	143	158
External Services	59	52	50	52
Communication	45	46	44	45
Public Relations	3	1	5	6
International Relations	18	17	32	29
WBF Committees	26	29	19	19
Legal, Accounting, Audit	62	46	51	53
Various Charges	24	31	45	29
Total Expenses	530	515	565	554
BALANCE FIXED	+ 50	+69	- 47	- 14

FINANCIAL RESULTS 2016 – 2018/BUDGET 19 (x 1000€)

VARIABLE	2016 accounts	2017 accounts	2018 accounts	2019 budget
Teams / Transnational		Lyon		Wuhan
		+ 269		+ 204
Open / World Bridge Games	Wroclaw		Orlando	
	+ 461		+ 157	
IMSA World Master				Hengshui
				+ 49
IMSA Elite Games	Huai'An	Huai'An		Huai'An
	+49	+ 39	0	0
World Youth Champ.	Salsomaggiore	Lyon	Wujiang	Opatija
	0	+ 3	+ 4	0
FISU University / Univ online	Lodz		Xuzhou	
	- 4	- 2	0	- 3
WWBC	+ 91	+ 96	- 9	+ 25
Youth Pairs Simultaneous	+ 3	+ 2	+ 2	+ 2
Other & various		- 47	0	0
TOTAL CHAMP & COMP	+ 600	+ 360	+ 154	+ 277
Other activities	- 8	- 76	+ 4	- 21
BALANCE VARIABLE	+ 592	+ 284	+ 158	+ 256

FINANCIAL RESULTS 2016-2018 / BUDGET 19 (x 1000 €)

GLOBAL	2016 accounts	2017 accounts	2018 accounts	2019 budget
FIXED	+ 50	+ 69	- 47	- 14
VARIABLE	+ 592	+ 284	+ 158	+ 256
TOTAL	+ 642	+ 353	+ 111	+ 242
EQUITY (pm: 2010 = 690)	1939	2145	2206	2333
Youth Fund	130	156	122	93
Development & Promotion Fund	74	97	99	93
General Provision	100	150	75	125
TOTAL FINANCIAL MEANS	2243	2548	2502	2644

WBF BALANCE SHEET EVOLUTION 2017-2018 (x 1000 €)

	2017	2018
Fixed assets	12	14
Inventories	4	4
Guarantees	30	0
Receivables	255	70
Portfolio investments	687	654
Cash & banks	1968	1918
Prepaid expenses	30	32
TOTAL ASSETS	2986	2692
Capital & Reserves	2145	2206
Provisions (incl Funds)	419	319
Accounts payable	254	76
Accrued expenses/prepaid	168	91
TOTAL LIABILITIES & EQUITY	2986	2692



HAVE THE TARGETS BEEN MET ?

- TARGET 1: break even on the “fixed side” of the budget
not realized in 2018 (mainly because of falling dues income)
start of action plan in 2019 in order to re-equilibrate
- TARGET 2: consolidation of the financial reserves of the WBF in order to
guarantee the continuity of the organization: total financial means
of the WBF from 690 k€ (2010) to 2.6 Mio € (2019)
WBF has no debts
- TARGET 3: several provisions have been created: Youth / Promotion &
Development / General
- TARGET 4: diversify the sources of income



NEW SOURCES OF INCOME

- **WWBC**

4 year contract with Ourgame, China (2016-2019) – ended in 2018

2 sections of pairs competition: offline – online / final in physical venue (China)

alternative found but not yet operational

- **WBF Robot Games**

A new format of competition – started in 2018 by Funbridge. Other contracts to put into operation.

Revenue sharing model : net profit to be shared between WBF – Zones and NBOs taking into account the nationality of the participating players.



IMSA

INTERNATIONAL MIND SPORT ASSOCIATION



Several new formats:

- **Elite Mind Games:** 4 year contract (2016-19) with Beijing Board & Card Games Administration and the City of Huai'An. No event in 2018, 2019 to be confirmed.
- **World Masters:** 5 year contract (2019-23) with Five Forces and the City of Hengshui. 1st edition May 2019.
- **Youth Mind Sport Games:** bi-annual event for U16. Contract under negotiation with the City of Tianjin. First edition in August '20.
- **World Mind Sport Games:** following Beijing 2008 and Lille 2012. Contract under negotiation with the City of Qingdao. August 2020 to be confirmed.



THANKS FOR YOUR ATTENTION

QUESTIONS ?

