

World Bridge Federation

3. Financial statements for the year ended on December 31, 2011

AUDITOR'S REPORT

To the Executive Council of the
World BRIDGE FEDERATION

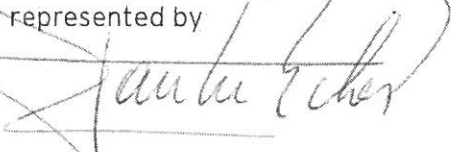
We have audited the financial statements of the World Bridge Federation, for the year ended December 31, 2011 showing a balance sheet total of \$ 1.165.210,83 and a profit for the year of \$ 231.665,09. These financial statements are the responsibility of the Executive Council of the World Bridge Federation. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with Generally Accepted Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Executive Committee, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements give a true and fair view of the financial position of the World Bridge Federation at 31 December 2011 and of the result for the year then ended in accordance with Generally Accepted Accounting Standards.

Antwerp, 26 June 2012

Ernst & Young Bedrijfsrevisoren BCVBA
represented by



Ronald Van den Ecker
Partner

Ref.: 12RVE0301

WORLD BRIDGE FEDERATION

3.1 Balance sheet as per December 31, 2011

		2011		2010	
		USD	USD	USD	USD
FIXED ASSETS					
Tangible fixed assets	3	74.240,05		108.396,43	
Total fixed assets			74.240,05		108.396,43
Investments	4	0,00		0,00	
Total investments			0,00		0,00
CURRENT ASSETS					
Inventory		36.166,32		46.774,00	
Receivables	5	50.390,10		103.139,31	
Prepaid expenses	6	26.840,28		20.271,90	
Cash and bank balances		756.924,96		456.864,24	
Bank Delen Suisse portfolio		554.675,82		0,00	
Merril Lynch account		0,00		569.539,86	
Total current assets		1.424.997,48		1.196.589,31	
CURRENT LIABILITIES					
Current liabilities	7	-303.083,70		-71.140,00	
Prepaid income	7	0,00		-300.300,00	
Accrued expenses	8	-20.943,00		0,00	
PROVISIONS					
Provision World Championships Book		-10.000,00		0,00	
Current assets less provisions and current liabilities			1.090.970,78		825.149,31
TOTAL ASSETS LESS PROVISIONS AND CURRENT LIABILITIES			1.165.210,83		933.545,74
EQUITY					
Balance January 1		933.545,74		874.456,78	
Surplus/Deficit		231.665,09		59.088,96	
Balance December 31	9		1.165.210,83		933.545,74
			1.165.210,83		933.545,74

WORLD BRIDGE FEDERATION

3.2 Statement of income and expenses

		2011	2010
		USD	USD
INCOME			
Income from Championships	10	249.497,88	-36.185,64
Subtotal variable income		249.497,88	-36.185,64
Membership dues		629.684,42	606.636,27
Investment income	11	135,46	2.895,52
Miscellaneous income		18.465,25	3.930,54
Total income		897.783,01	577.276,69
EXPENSES			
Executive committee	12	0,00	0,00
Other committees	13	19.078,22	25.390,85
Publication and promotion	14	68.396,30	33.158,58
Depreciation of fixed assets	3	32.232,83	402,45
Depreciation of stock		0,00	0,00
Other expenses	15	546.410,57	459.235,85
Other provisions	16	0,00	0,00
Total fixed expenses		666.117,92	518.187,73
INCOME/LOSS		231.665,09	59.088,96
PROFIT/LOSS OF THE YEAR		231.665,09	59.088,96

WORLD BRIDGE FEDERATION

FIXED ASSETS

<u>3.3 Tangible fixed assets</u>	<u>2011</u> USD	<u>2010</u> USD
- General equipment	87.274,19	82.368,21
- Depreciation General equipment	-54.526,91	-40.275,04
- Hard ware - Internet	45.096,57	45.096,57
- Depreciation Hard ware - Internet	-40.882,26	-34.592,55
- Hard ware - Junior	12.133,00	12.133,00
- Depreciation Hard ware - Junior	-12.133,00	-12.133,00
- Hard ware - Others than Internet	111.369,14	100.054,17
- Depreciation Hard ware - Others than Internet	-91.463,33	-76.245,42
- Small equipment	56.870,93	56.870,93
- Depreciation Small equipment	-49.026,57	-43.987,45
- Software - Internet	11.295,71	11.295,71
- Depreciation Software - Internet	-9.483,31	-8.054,56
- Software - Junior	20.335,01	20.335,01
- Depreciation Software - Junior	-16.907,80	-14.660,83
- Software - Other	42.913,30	41.850,39
- Depreciation Software - Other	-38.624,62	-31.658,71
	<u>74.240,05</u>	<u>108.396,43</u>

3.4 Investments

Balance 31.12.2011	<u>0,00</u>	<u>0,00</u>
--------------------	-------------	-------------

CURRENT ASSETS

3.5 Receivables

Receivables	<u>50.390,10</u>	<u>103.139,31</u>
	<u>50.390,10</u>	<u>103.139,31</u>

3.6 Prepaid expenses

	<u>26.840,28</u>	<u>20.271,90</u>
--	------------------	------------------

WORLD BRIDGE FEDERATION

CURRENT LIABILITIES

3.7 Current liabilities comprise

	<u>2011</u> USD	<u>2010</u> USD
Beijing cash prizes	250.000,00	0,00
Various other	53.083,70	71.140,00
Prepaid income	0,00	300.300,00
Accounts payable	<u>303.083,70</u>	<u>371.440,00</u>

3.8 Accrued expenses

Accrued expenses	<u>20.943,00</u>	<u>0,00</u>
	<u>20.943,00</u>	<u>0,00</u>

3.9 Equity

The movement in equity results only from the profit made in the year

	<u>1.165.210,83</u>	<u>933.545,74</u>
--	---------------------	-------------------

3.10 Income from championships

This comprises the results of the following championships:

	<u>Income</u> USD	<u>Expenses</u> USD	<u>Result</u> USD
Veldhoven 2011	745.649,94	500.211,35	245.438,59
Youth 2011	41.740,31	56.190,73	-14.450,42
World Wide Bridge Contest 2011	43.299,23	24.651,24	18.647,99
Sportaccord World Mind Games 2011 Beijing	300.000,00	293.245,17	6.754,83
Zonal organisations arifs grant	5.000,00	11.893,11	-6.893,11
Special projects	0,00	0,00	0,00
	<u>1.130.689,48</u>	<u>886.191,60</u>	<u>249.497,88</u>

3.11 Investment income

	<u>2011</u> USD	<u>2010</u> USD
Investment income	<u>135,46</u>	<u>2.895,52</u>

3.12 Executive Committee

This comprises indemnities granted to the Executive Committee and expenses incurred by the Executive Committee.

	<u>2011</u> USD	<u>2010</u> USD
Executive Committee meetings	<u>0,00</u>	<u>0,00</u>

3.13 Other committees

These expenses can be summarised as follows:

	<u>2011</u>	<u>2010</u>
	USD	USD
WBF Women Committee	4.056,97	0,00
Youth Committee	11.226,26	0,00
Women Committee	3.421,92	4.425,09
Other Committees (law)	373,07	16.071,16
Finance	0,00	4.894,60
	<u>19.078,22</u>	<u>25.390,85</u>

3.14 Publication and promotion expenses

This comprises the following:

	<u>2011</u>	<u>2010</u>
	USD	USD
Communication & Web management	46.835,29	0,00
World Championship book	13.000,00	10.000,00
World Bridge news (webversion)	8.561,01	23.158,58
	<u>68.396,30</u>	<u>33.158,58</u>

3.15 Other expenses

This comprises the following:

	<u>2011</u>	<u>2010</u>
	USD	USD
Audit, accounting & legal charges	47.701,01	29.468,65
Bank charges & rate differences	27.533,36	3.574,29
Insurance charges	12.980,98	24.408,50
Secretarial services	0,00	38.383,91
Internet	0,00	47.946,35
Travel and Public relations	59.480,99	63.099,57
Relations IOC, IMSA, IBPA	27.103,30	15.910,03
Meeting expenses	73.791,92	31.840,79
President expenses	38.522,18	14.157,88
Treasurer expenses	25.000,00	0,00
Secretary expenses	10.000,00	9.387,57
Milano office expenses	100.142,85	0,00
Athens office expenses	0,00	10.000,00
Lausanne office expenses	36.162,37	470,87
Paris office expenses	6.757,00	90.177,98
London office expenses	32.361,60	36.698,49
Masterpoints (M. Newton)	12.000,00	12.716,00
Operations director (Di Sacco)	16.264,77	0,00
Warehouse expenses	3.977,42	2.831,28
Rent for Storage	0,00	10.588,44
Other expenses previous years	8.107,42	0,00
Miscellaneous expenses	3.694,88	1.860,53
Gifts and Grants	0,00	15.066,72
Allowance for bad debts	4.828,52	648,00
	<u>546.410,57</u>	<u>459.235,85</u>

3.16 Other provisions

Youth development fund	<u>0,00</u>	<u>0,00</u>
------------------------	-------------	-------------