World Bridge Federation

3. Financial statements for the year ended on December 31, 2016
Report of the auditor to the executive council of World Bridge Federation on the review of the financial statements as of 31 December 2017 and for the year then ended

Introduction

We have reviewed the accompanying balance sheet (referred to as the 'Financial Statements') of World Bridge Federation (the "Association"), as at 31 December 2017 and the related statements of income for the year then ended (referred to as 'Financial Statements') with an equity of €2,145,352,20 and a profit of the year of €206,218,67. The board of directors is responsible for the preparation and presentation of these Financial Statements. Our responsibility is to express a conclusion on these Financial Statements based on our review.

Scope of Review

We conducted our review in accordance the International Standard on Review Engagements 2400, "Engagements to Review Financial Information". A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Financial Statements are materially misstated.

Antwerp, 6 April 2018

Ernst & Young Réviseurs d'Entreprises SCCRL
Statutory auditor represented by

Ronald Van den Ecker
Partner*

* Acting on behalf of a BVBA/SPRL

Ref: 18RVE0134
### Balance sheet as per December 31, 2017

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>11,754,76</td>
<td>3,805,51</td>
</tr>
<tr>
<td>Total fixed assets</td>
<td>11,754,76</td>
<td>3,805,51</td>
</tr>
<tr>
<td><strong>Financial assets</strong></td>
<td>30,000,00</td>
<td>30,000,00</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>30,000,00</td>
<td>30,000,00</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td>3,851,20</td>
<td>3,851,20</td>
</tr>
<tr>
<td>Receivables</td>
<td>255,246,53</td>
<td>142,086,07</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>29,756,92</td>
<td>45,529,89</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>1,968,122,24</td>
<td>1,568,869,50</td>
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<tr>
<td>Bank Delen Suisse portfolio</td>
<td>686,877,00</td>
<td>714,114,44</td>
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<tr>
<td>Total current assets</td>
<td>2,943,853,89</td>
<td>2,474,451,10</td>
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<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>-253,608,79</td>
<td>-41,561,77</td>
</tr>
<tr>
<td>Prepaid income</td>
<td>-141,242,94</td>
<td>-91,692,65</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>-8,962,68</td>
<td>-7,143,43</td>
</tr>
<tr>
<td>Guyana dues 2014 suspended</td>
<td>-235,00</td>
<td>-235,00</td>
</tr>
<tr>
<td>Rate differences investments</td>
<td>-17,231,01</td>
<td>-111,620,53</td>
</tr>
<tr>
<td>Provision World Championships Book</td>
<td>-15,400,00</td>
<td>-13,000,00</td>
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<tr>
<td>Youth fund</td>
<td>-156,265,68</td>
<td>-129,917,30</td>
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<tr>
<td>Provision Bridge Promotion and Development Fund</td>
<td>-97,310,35</td>
<td>-73,952,40</td>
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<td>Provision withholding tax</td>
<td>0,00</td>
<td>0,00</td>
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<td>General Provision (2016)</td>
<td>-150,000,00</td>
<td>-100,000,00</td>
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<tr>
<td>Current assets less provisions and current liabilities</td>
<td>2,103,597,44</td>
<td>1,905,328,02</td>
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<tr>
<td><strong>TOTAL ASSETS LESS PROVISIONS AND CURRENT LIABILITIES</strong></td>
<td><strong>2,145,352,20</strong></td>
<td><strong>1,939,133,53</strong></td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance January 1</td>
<td>1,939,133,53</td>
<td>1,508,442,02</td>
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<tr>
<td>Surplus/Deficit</td>
<td>206,218,67</td>
<td>430,691,51</td>
</tr>
<tr>
<td>Balance December 31</td>
<td>2,145,352,20</td>
<td>1,939,133,53</td>
</tr>
</tbody>
</table>
## Statement of income and expenses

### INCOME

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from Championships</td>
<td>380,587.96</td>
<td>599,146.04</td>
</tr>
<tr>
<td><strong>Subtotal variable income</strong></td>
<td>380,587.96</td>
<td>599,146.04</td>
</tr>
<tr>
<td>Membership dues</td>
<td>580,075.26</td>
<td>574,604.57</td>
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<tr>
<td>Financial income</td>
<td>6,35</td>
<td>18,02</td>
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<tr>
<td>Miscellaneous income</td>
<td>3,251.90</td>
<td>5,339.14</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>963,921.47</td>
<td>1,179,107.77</td>
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</table>

### EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive committee</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Other committees</td>
<td>28,542.88</td>
<td>27,097.56</td>
</tr>
<tr>
<td>Publication and promotion</td>
<td>45,776.03</td>
<td>42,129.85</td>
</tr>
<tr>
<td>Depreciation of fixed assets</td>
<td>5,687.65</td>
<td>1,081.68</td>
</tr>
<tr>
<td>Depreciation of stock</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Other expenses</td>
<td>530,636.00</td>
<td>466,909.37</td>
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<tr>
<td>Other provisions</td>
<td>147,060.24</td>
<td>211,197.80</td>
</tr>
<tr>
<td><strong>Total fixed expenses</strong></td>
<td>757,702.80</td>
<td>748,416.26</td>
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</table>

### INCOME/LOSS

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017</strong></td>
<td>206,218.67</td>
<td>430,691.51</td>
</tr>
<tr>
<td><strong>Profit/loss of the year</strong></td>
<td>206,218.67</td>
<td>430,691.51</td>
</tr>
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</table>
### FIXED ASSETS

#### 3.3 Tangible fixed assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>General equipment</td>
<td>56,407.42</td>
<td>68,930.40</td>
</tr>
<tr>
<td>Depreciation General equipment</td>
<td>-54,305.15</td>
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<tr>
<td>Hardware - Internet</td>
<td>33,371.46</td>
<td>33,371.46</td>
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<tr>
<td>Depreciation Hardware - Internet</td>
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<td></td>
</tr>
<tr>
<td>Hardware - Junior</td>
<td>8,978.42</td>
<td></td>
</tr>
<tr>
<td>Depreciation Hardware - Junior</td>
<td>-8,978.42</td>
<td></td>
</tr>
<tr>
<td>Hardware - Others than Internet</td>
<td>47,043.31</td>
<td>106,621.22</td>
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<tr>
<td>Depreciation Hardware - Others than Internet</td>
<td>-45,990.82</td>
<td>-103,892.92</td>
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<tr>
<td>Small equipment</td>
<td>39,915.85</td>
<td>42,970.21</td>
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<tr>
<td>Depreciation Small equipment</td>
<td>-39,915.85</td>
<td>-42,970.21</td>
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<tr>
<td>Software - Internet</td>
<td>8,358.83</td>
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</tr>
<tr>
<td>Depreciation Software - Internet</td>
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</tr>
<tr>
<td>Software - Junior</td>
<td>5,038.67</td>
<td>15,047.91</td>
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<tr>
<td>Depreciation Software - Junior</td>
<td>-5,038.67</td>
<td>-15,047.91</td>
</tr>
<tr>
<td>Software - Other</td>
<td>16,867.87</td>
<td>35,837.15</td>
</tr>
<tr>
<td>Depreciation Software - Other</td>
<td>-8,867.87</td>
<td>-35,837.15</td>
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<tr>
<td></td>
<td>11,754.76</td>
<td>3,805.51</td>
</tr>
</tbody>
</table>

#### 3.4 Financial assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash guarantees</td>
<td>30,000.00</td>
<td>30,000.00</td>
</tr>
</tbody>
</table>

### CURRENT ASSETS

#### 3.5 Receivables

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables</td>
<td>255,246.53</td>
<td>142,086.07</td>
</tr>
<tr>
<td></td>
<td>255,246.53</td>
<td>142,086.07</td>
</tr>
</tbody>
</table>

#### 3.6 Prepaid expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepaid expenses</td>
<td>29,756.92</td>
<td>45,529.89</td>
</tr>
</tbody>
</table>
CURRENT LIABILITIES

3.7 Current liabilities comprise

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>Cash prizes SportAccord</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Various other</td>
<td>253,608.79</td>
<td>41,561.77</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>253,608.79</td>
<td>41,561.77</td>
</tr>
</tbody>
</table>

3.8 Accrued expenses

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>8,962.68</td>
<td>7,143.43</td>
</tr>
<tr>
<td>Prepaid 2017 Lyon 43 World Bridge Games</td>
<td>0.00</td>
<td>91,692.65</td>
</tr>
<tr>
<td>Guyana dues 2014 suspended</td>
<td>235.00</td>
<td>235.00</td>
</tr>
<tr>
<td>prepaid 2018 World Bridge Series Orlando</td>
<td>141,242.94</td>
<td>0.00</td>
</tr>
<tr>
<td>Rate differences investments</td>
<td>17,231.01</td>
<td>111,620.53</td>
</tr>
<tr>
<td></td>
<td>167,671.63</td>
<td>210,691.61</td>
</tr>
</tbody>
</table>

3.9 Equity

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

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td></td>
<td>2,145,352.20</td>
<td>1,939,133.53</td>
</tr>
</tbody>
</table>

3.10 Income from championships

This comprises the results of the following championships:

<table>
<thead>
<tr>
<th></th>
<th>Income</th>
<th>Expenses</th>
<th>Result 2017</th>
<th>Result 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>World Wide Bridge Contest 2017</td>
<td>26,496.99</td>
<td>76,487.15</td>
<td>-49,990.16</td>
<td>-30,308.90</td>
</tr>
<tr>
<td>WBF simultaneous pairs supporting youth</td>
<td>2,489.31</td>
<td>693.84</td>
<td>1,795.47</td>
<td>3,012.72</td>
</tr>
<tr>
<td>Online Bridge Champ Ourgame/WBC</td>
<td>146,139.36</td>
<td>2,109.00</td>
<td>144,030.36</td>
<td>119,292.47</td>
</tr>
<tr>
<td>IOC grant</td>
<td>11,770.24</td>
<td>0.00</td>
<td>11,770.24</td>
<td>11,461.58</td>
</tr>
<tr>
<td>Zonal organisations arifs grant</td>
<td>5,903.95</td>
<td>34,455.54</td>
<td>-28,551.59</td>
<td>-12,445.69</td>
</tr>
<tr>
<td>Wroclaw WBG 2016</td>
<td></td>
<td></td>
<td>461,444.90</td>
<td></td>
</tr>
<tr>
<td>Lyon 2017</td>
<td>766,595.85</td>
<td>494,476.33</td>
<td>272,119.52</td>
<td>0.00</td>
</tr>
<tr>
<td>World youth teams Saisomaggiore 2016</td>
<td></td>
<td></td>
<td>-376.50</td>
<td></td>
</tr>
<tr>
<td>World University Champ 2016 Lodz</td>
<td></td>
<td></td>
<td>-1,860.00</td>
<td></td>
</tr>
<tr>
<td>IMSA Elite M G 2017</td>
<td>317,415.00</td>
<td>278,841.15</td>
<td>38,573.85</td>
<td>48,925.46</td>
</tr>
<tr>
<td>Robot games 2017</td>
<td>9,159.73</td>
<td>9,159.73</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,276,810.70</td>
<td>896,222.74</td>
<td>380,587.96</td>
<td>599,146.04</td>
</tr>
</tbody>
</table>

3.11 Financial income

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>Bank interest</td>
<td>6.35</td>
<td>18.02</td>
</tr>
</tbody>
</table>

3.12 Executive Committee

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

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>Executive Committee meetings</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>
### 3.13 Other committees

These expenses can be summarised as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>WBF Women Committee</td>
<td>2,014.25</td>
<td>3,650.00</td>
</tr>
<tr>
<td>Youth Committee</td>
<td>0.00</td>
<td>1,364.78</td>
</tr>
<tr>
<td>Economical &amp; Financial Committee</td>
<td>320.20</td>
<td>1,764.15</td>
</tr>
<tr>
<td>Law Committee</td>
<td>2,536.47</td>
<td>0.00</td>
</tr>
<tr>
<td>Credential committee</td>
<td>420.69</td>
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</tr>
<tr>
<td>Communication committee</td>
<td>20.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Bridge &amp; Science committee</td>
<td>5,464.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Other Committees (law)</td>
<td>9,628.59</td>
<td>13,766.04</td>
</tr>
<tr>
<td>TD committee</td>
<td>0.00</td>
<td>93.78</td>
</tr>
<tr>
<td>Medical &amp; anti-doping Committee</td>
<td>8,138.68</td>
<td>5,830.81</td>
</tr>
<tr>
<td>Technical Committee</td>
<td>0.00</td>
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</tr>
<tr>
<td></td>
<td><strong>28,542.80</strong></td>
<td><strong>27,097.56</strong></td>
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### 3.14 Publication and promotion expenses

This comprises the following:

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<th>2016</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>Communication &amp; Web management</td>
<td>44,979.91</td>
<td>41,448.33</td>
</tr>
<tr>
<td>Internet &amp; WFB website</td>
<td>796.12</td>
<td>681.52</td>
</tr>
<tr>
<td></td>
<td><strong>45,776.03</strong></td>
<td><strong>42,129.85</strong></td>
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### 3.15 Other expenses

This comprises the following:

<table>
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<tr>
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<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR</td>
<td>EUR</td>
</tr>
<tr>
<td>Audit, accounting &amp; legal charges</td>
<td>46,288.04</td>
<td>61,795.32</td>
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<tr>
<td>Bank charges &amp; rate differences</td>
<td>19,863.47</td>
<td>5,913.15</td>
</tr>
<tr>
<td>Insurance charges</td>
<td>15,512.50</td>
<td>15,487.50</td>
</tr>
<tr>
<td>Hearing commission</td>
<td>45,150.02</td>
<td>8,281.50</td>
</tr>
<tr>
<td>High Level Players commission</td>
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<td>0.00</td>
</tr>
<tr>
<td>WBF Directory communication</td>
<td>0.00</td>
<td>3,152.51</td>
</tr>
<tr>
<td>Travel and Public relations</td>
<td>21,102.39</td>
<td>23,271.17</td>
</tr>
<tr>
<td>Relations IOC, IMSA, IBPA</td>
<td>16,500.97</td>
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<tr>
<td>Meeting expenses</td>
<td>75,454.30</td>
<td>72,492.58</td>
</tr>
<tr>
<td>President expenses</td>
<td>34,060.72</td>
<td>34,671.13</td>
</tr>
<tr>
<td>Treasurer expenses</td>
<td>22,000.00</td>
<td>22,000.00</td>
</tr>
<tr>
<td>Secretary expenses</td>
<td>4,708.10</td>
<td>4,604.61</td>
</tr>
<tr>
<td>Milano office expenses</td>
<td>85,365.22</td>
<td>85,219.18</td>
</tr>
<tr>
<td>Lausanne office expenses</td>
<td>51,982.07</td>
<td>53,347.59</td>
</tr>
<tr>
<td>London office expenses</td>
<td>23,471.44</td>
<td>27,122.32</td>
</tr>
<tr>
<td>Masterpoints (M. Newton)</td>
<td>11,299.44</td>
<td>14,702.02</td>
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<td>Operations director (Di Sacco)</td>
<td>10,641.26</td>
<td>9,598.44</td>
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<td>Warehouse expenses</td>
<td>6,382.00</td>
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<td>Other expenses previous years</td>
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<tr>
<td>Miscellaneous expenses</td>
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<td>Miscellaneous expenses previous year</td>
<td>39,519.18</td>
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<td><strong>530,636.00</strong></td>
<td><strong>466,909.37</strong></td>
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### 3.16 Other provisions

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<tr>
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<td>EUR</td>
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<tr>
<td>Bridge promotion and development fund</td>
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<td>Youth development fund</td>
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<td>general provision (2017)</td>
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