



WBF CONGRESS 2018
ORLANDO, USA

FINANCIAL REPORT



FINANCIAL MANAGEMENT – POLICY GUIDELINES

ACCOUNTS/BUDGET split in 2 sections:

“**FIXED** income & expenses”

Reflect the funding & expenses relating to the current operations of the Federation.

“**VARIABLE** income & expenses”

Mainly reflect the income & expenses relating to the various types of Championships.

The **OVERALL RESULT** is the total of the Fixed + Variable side of the accounts/budgets.



FINANCIAL MANAGEMENT – POLICY GUIDELINES

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

- * 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 FUNDS WITH SPECIFIC OBJECTIVES**

- * Set aside funds to cover specific expenses for Youth and Development & Promotion
- * Create a specific reserve for rainy days

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

FINANCIAL RESULTS 2016 – 2017/BUDGETS 18 & 19 (x 1000€)

FIXED	2016 accounts	2017 accounts	2018 budget	2019 budget
INCOME				
Dues	575	580	517	513
Other income	5	3	6	6
Total Income	580	583	523	519
EXPENSES				
Exec.Council	134	136	151	137
Travel & Representation	20	20	20	20
Office & Secretarial	139	137	153	158
External Services	59	52	53	53
Communication	42	46	48	58
Public Relations	3	1	3	4
International Relations	18	17	34	23
WBF Committees	27	29	15	15
Legal, Accounting, Audit	62	46	49	49
Various Charges	25	31	36	36
Total Expenses	530	514	562	554
BALANCE FIXED	+ 50	+69	- 39	-35

FINANCIAL RESULTS 2016 – 2017/BUDGETS 18 & 19 (x 1000€)

VARIABLE	2016 accounts	2017 accounts	2018 budget	2019 budget
Teams / Transnational		Lyon		
		+ 269		
Open / World Bridge Games	Wroclaw	Wroclaw	Orlando
	+ 461	- 38	+ 109	+ 150
World Youth Championships	Salsomaggiore	Lyon	Suzhou	Opatija
	0	+ 3	0	0
FISU/University online	Lodz		Xuzhou	
	- 4	- 2	-3	-3
WWBC	+ 91	+ 96	+ 10	+25
Youth Pairs Simultaneous	+ 3	+ 2	+ 2	+2
Robot Games	0	- 9	+ 5	0
Asian Games			- 8	
<u>IMSA</u>				
Elite Mind Games (Huai'An)	+49	+39	+ 25	+25
World Cup/GAIFS				+50
TOTAL CHAMP & COMP	+ 600	+ 360	+ 139	+248
Other activities	- 8	- 76	- 52	-22
BALANCE VARIABLE	+ 592	+ 284	+ 87	+226

FINANCIAL RESULTS 2016-2017 / BUDGETS 18 & 19 (x 1000 €)

GLOBAL	2016 accounts	2017 accounts	2018 budget	2019 budget
FIXED	+ 50	+ 69	- 39	-35
VARIABLE	+ 592	+ 284	+ 87	+226
TOTAL	+ 642	+ 353	+ 48	+191
EQUITY (end year)	1939	2145	2148	2220
Youth Fund	130	156	133	158
Development & Promotion Fund	74	97	75	78
General Provision	100	150	75	100
TOTAL (pm: end 2010 =690)	2243	2548	2431	2556



COMMENTS

FIXED INCOME & EXPENSES

- * Target 1 “Break even” has been realized in ‘16 & ‘17 – challenging “work in progress” for 2018 & 19
- * Increase in dues income linked to weakening of € against \$ during 2016 & 17 (basis rate of 1\$/member has been maintained) – drop in 2018

VARIABLE INCOME & EXPENSES

- * All major Championships have produced a positive financial result
- * Total independence of major sponsoring at the WBF level
- * Growing importance of IMSA activities

GLOBAL RESULT

- * Target 2, “increase of the financial reserves”, has been realized

FUNDS

- * Youth, Development & Promotion Fund, General Reserve operational and funded

YOUTH FUND		(x 1000€)			
	RESOURCES		USE OF FUNDS		BALANCE
2014					76,67
2015	Youth Sims Pairs	4,26	India Youth Istanbul '14	-2,34	
	Youth Open Opatija	2,69			
	Total	6,95	Total	-2,34	81,28
2016	Youth Sims Pairs	3,01	FISU Youth	-4,00	
	Allocation 2016	50,00	Salsomaggiore Youth	-0,38	
	Total	53,01	Total	-4,38	129,92
2017	Youth Sims Pairs	1,80	Youth coordinator (50%)	-6,00	
	Youth Teams Lyon	3,49	Youth mini website	-0,94	
	Extra contribution	30,00	Nordic Junior Camp	-2,00	
	Total	35,29	Total	-8,94	156,27
2018	Youth Sims Pairs	1,50	Youth coordinator (50%)	-6,00	
	Extra contribution	30,00	FISU Xuzhou	-25,00	
	Youth Teams Wujiang	2,00	Youth Teams Orlando	-11,22	
			Youth mini site	-5,00	
			Teaching programme	-10,00	
	Total	33,50	Total	-57,22	132,55
2019	Youth Sims Pairs	1,50	Youth coordinator (50%)	-6,00	
	Extra contribution	30,00			
	Youth Open Opatija	0,00	Youth Open Opatija	0,00	
	Total	31,50	Total	-6,00	158,05

PROMOTION & DEVELOPMENT FUND					(x 1000€)
	RESOURCES		USE OF FUNDS		BALANCE
2015	IOC grant (50%)	10,42			
	Yearly donation WBF	40,00			
	Total	50,42	Total	0,00	50,42
2016	IOC grant (50%)	11,46	Seminar Colombia	-25,58	
	Yearly donation WBF	47,10	Yeh Cup	-9,50	
	Total	58,56	Total	-35,08	73,95
2017	IOC grant (50%)	11,77	Youth coordinator (50%)	-6,00	
	Yearly donation WBF	50,00	Seminar South Africa	-23,95	
			TD Seminar Zone 6	-8,46	
	Total	61,77	Total	-38,41	97,31
2018	IOC grant (50%)	13,33	Youth coordinator (50%)	-6,00	
	Yearly donation WBF	0,00	Teaching programme	-10,00	
			Women Fest Orlando	-2,49	
			Youth mini site	-5,00	
			Stirling SP research	-12,40	
	Total	13,33	Total	-35,89	74,75
2019	IOC grant (50%)	13,33	Youth coordinator (50%)	-6,00	
	Yearly donation WBF	50,00	Seminar	-30,00	
			"Museum of bridge"	-12,00	
			Stirling SP research	-12,40	
	Total	63,33	Total	-60,40	77,68

GENERAL PROVISION					(x 1000€)
	RESOURCES		USE OF FUNDS		BALANCE
2016	Allocation 2016	100,00			
	Total	100,00			100,00
2017	Allocation 2017	50,00			
	Total	50,00			150,00
2018	Allocation 2018	0,00	Contribution to EBL		-75,00
	Total	0,00			75,00
2019	Allocation 2019	25,00			100,00
	Total	25,00			

WBF BALANCE SHEET EVOLUTION 2016-2017 (x 1000 €)

	2016	2017
Fixed assets	4	12
Inventories	4	4
Guarantees	30	30
Receivables	142	255
Portfolio investments	714	687
Cash & banks	1569	1968
Prepaid expenses	46	30
TOTAL ASSETS	2509	2986
Capital	1939	2145
Provisions (incl Funds)	317	419
Accounts payable	42	254
Accrued expenses/prepaid	211	168
TOTAL LIABILITIES & EQUITY	2509	2986



COMMENTS

- Sound balance sheet structure
- No debts police achieved
- Substantial increase of equity
- Creation of Youth Bridge Development Fund/Promotion & Development Fund/General Provision
- Taking care of Receivables

- Audit control by Ernst & Young : audit opinions 2016 - 2017, without reserves, available for inspection.
- New Auditors starting from 2018.



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AUDITOR'S REPORT

To the Executive Council of the
 World Bridge Federation

We have performed a review on the financial statements of the World Bridge Federation, expressed in EUR as of 31 December 2016 and for the year then ended. These financial statements show an equity of € 1,939,033.07 and a profit of the year of € 430,691.51. The financial statements are the responsibility of the Executive Council of the World Bridge Federation. Our responsibility is to express a conclusion on the financial statements based on our review procedures.

We conducted our procedures in accordance with the International Standards for Review Engagements on financial statements. These procedures consist primarily of inquiries of company personnel and analytical procedures applied to financial data and are less than those procedures usually performed in case of the expression of a full scope audit opinion. As such we do not discuss a full scope audit opinion.

We conclude that, based on our procedures, nothing has come to our attention that causes us to believe that the financial statements taken as a whole are materially misstated.

Antwerp, 27 April 2017

Ernst & Young Statutory Auditor BVBA
 represented by

Robert Van den Esker
 Partner
 * Acting on behalf of a BVBA

Ref: 18RVE0192

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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 of 31 December 2017 and the related statements of income for the year then ended (referred to as "Financial Statements") with an equity of € 2,114,525.00 and a profit of the year of € 205,216.57. 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 with the International Standard on Review Engagements 2400 "Changes to the Review Engagements Standard". 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 a review 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 Statutory Auditor BVBA
 represented by

Robert Van den Esker
 Partner

* Acting on behalf of a BVBA/SPR

Ref: 18RVE0134

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THANKS FOR YOUR ATTENTION

QUESTIONS ?

