

To the Executive Committee

World Bridge Federation (WBF), Lausanne

Lausanne, 28 March 2022

Report of the statutory auditor on the limited statutory examination

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of World Bridge Federation (WBF) for the financial year ended 31 December 2021.

These financial statements are the responsibility of the Executive Committee. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the limited statutory examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the company's articles of incorporation.

Ernst & Young Ltd

Licensed audit expert
(Auditor in charge)

Enclosure

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

World Bridge Federation, Lausanne

Balance sheet as of 31 December 2021

		2021		2020	
		EUR	CHF	EUR	CHF
CURRENT ASSETS					
		1'709'686.76	1'771'491.94	1'342'320.13	1'455'878.67
		1'039'128.87	1'076'693.38	1'011'064.20	1'096'598.92
	1	22'270.23	23'075.30	173'665.64	188'357.53
		3'851.20	3'990.42	3'851.20	4'177.01
	2	37'082.07	38'422.59	28'456.07	30'863.42
		2'812'019.13	2'913'673.62	2'559'357.24	2'775'875.53
NON-CURRENT ASSETS					
	3	0.00	0.00	0.00	0.00
	4	29'510.27	30'577.07	19'920.63	21'605.89
		29'510.27	30'577.07	19'920.63	21'605.89
		2'841'529.40	2'944'250.69	2'579'277.87	2'797'481.42
CURRENT LIABILITIES					
		0.00	0.00	0.00	0.00
	5	-31'729.11	-32'876.12	-55'729.88	-60'444.56
		0.00	0.00	0.00	0.00
	6	-119'599.85	-123'923.38	0.00	0.00
	6	-24'550.02	-25'437.50	-19'294.60	-20'926.90
	6	-38'242.46	-39'624.92	-39'008.33	-42'308.38
		-214'121.44	-221'861.93	-114'032.81	-123'679.84
PROVISIONS AND FUNDS					
		-20'000.00	-20'723.00	-20'000.00	-21'691.97
		-150'000.00	-155'422.50	-125'000.00	-135'574.84
		-100'000.00	-103'615.00	0.00	0.00
		-127'669.63	-132'284.89	-115'907.02	-125'712.60
		-107'115.99	-110'988.23	-97'320.22	-105'553.38
		-504'785.62	-523'033.62	-358'227.24	-388'532.79
EQUITY					
		-1'939'133.53	-2'082'435.50	-1'939'133.53	-2'082'435.50
		-167'884.29	-200'520.85	-440'474.15	-492'315.66
		-15'604.52	-16'868.65	272'589.86	291'794.81
		0.00	100'469.87	0.00	-2'312.42
		-2'122'622.34	-2'199'355.13	-2'107'017.82	-2'285'268.77
TOTAL LIABILITIES					
		-2'841'529.40	-2'944'250.69	-2'579'277.87	-2'797'481.40

World Bridge Federation, Lausanne

Income statement as of 31 December 2021

		2021		2020	
		EUR	CHF	EUR	CHF
INCOME					
Income from Championships	7	29'636.93	32'037.84	38'972.93	41'718.72
Membership dues		464'299.30	501'912.57	361'596.79	387'072.61
Miscellaneous income		21'958.17	23'737.02	14'848.26	15'894.37
Total operating income		515'894.40	557'687.43	415'417.98	444'685.70
EXPENSES					
Competition costs	7	-1'777.60	-1'921.60	-3'120.32	-3'340.16
Salaries	8	-91'344.07	-98'743.93	-102'982.26	-110'237.74
Other committees	9	-2'958.43	-3'198.09	-7'028.09	-7'523.24
Publication and promotion	10	-42'337.08	-45'766.84	-53'475.61	-57'243.16
Depreciation of fixed assets	4	-2'375.11	-2'567.52	-3'261.93	-3'491.74
Other expenses	11	-288'611.47	-311'992.12	-377'423.19	-404'014.04
Other provisions	12	-100'000.00	-108'101.08	10'000.00	10'704.54
Total operating expenses		-529'403.76	-572'291.19	-537'291.40	-575'145.54
Operating result		-13'509.36	-14'603.76	-121'873.42	-130'459.84
Financial income		92'041.53	99'497.89	6'523.18	6'982.76
Financial expenses		-11'329.69	-12'247.52	-119'365.54	-127'775.28
Financial result		80'711.84	87'250.37	-112'842.36	-120'792.52
Income relating to other periods	13	2'480.32	2'681.25	3'343.60	3'579.17
Expenses relating to other periods	13	-3'024.74	-3'269.78	-12'646.25	-13'537.22
Other periods result		-544.42	-588.52	-9'302.65	-9'958.05
Funds variation	14	-51'053.54	-55'189.43	-28'571.43	-30'584.39
PROFIT/LOSS OF THE YEAR		15'604.52	16'868.65	-272'589.86	-291'794.80

World Bridge Federation, Lausanne

Notes to the financial statement as of 31 December 2021

Applicable accounting law:

These financial statements have been prepared in accordance with the provisions on commercial accounting laid down in articles 957 – 963b Swiss Code of Obligations (CO) (effective 1 January 2013).

Exchange rates :

World Bridge Federation's books are kept and presented in euros. Transactions in currencies other than the euro are recorded at the daily rate of exchange prevailing on the dates of the transactions.

For the statutory financial statement presentation, assets and liabilities recorded in euros are translated into Swiss francs using the closing rate, while revenue and expenses items are translated at the daily average exchange rate for the period. Undesignated reserves are translated at historical rate.

Currency translation adjustment resulting from the application of this method is classified as reserves and disclosed under translation differences.

Exchange rates used for the balance sheet or resulting from the income statement are as follows:

	2021	2020
Closing rate	1.0362	1.0846
Average rate	1.0810	1.0705

Information, breakdowns and explanations relating to balance sheet and income statement items:

	2021		2020	
	EUR	CHF	EUR	CHF
CURRENT ASSETS				
<u>1. Receivables</u>	22'270.23	23'075.30	65'324.32	71'035.63
<u>2. Prepaid expenses</u>	37'082.07	38'422.59	28'456.07	30'863.42
NON-CURRENT ASSETS				
<u>3 Financial assets</u>				
Cash guarantees	0.00	0.00	0.00	0.00
<u>4 Tangible fixed assets</u>				
- General equipment	67'123.19	69'549.69	80'047.08	86818.96
- Depreciation General equipment	-49'446.37	-51'233.86	-62'144.10	-67401.41
- Hard ware - Others than Internet	49'642.77	51'437.36	55'577.16	60278.92
- Depreciation Hard ware - Others than Internet	-48'724.07	-50'485.45	-54'169.51	-58752.18
- Small equipment	50'591.99	52'420.89	39'915.85	43292.68
- Depreciation Small equipment	-39'677.24	-41'111.57	-39'915.85	-43292.68
- Software - Junior	5'038.67	5'220.82	5'038.67	5464.93
- Depreciation Software - Junior	-5'038.67	-5'220.82	-5'038.67	-5464.93
- Software - Other	17'911.31	18'558.80	18'697.87	20279.69
- Depreciation Software - Other	-17'911.31	-18'558.80	-18'087.87	-19618.08
	29'510.27	30'577.07	19'920.63	21605.90
CURRENT LIABILITIES				
<u>5 Current liabilities comprise</u>				
Various other	-31'729.11	-32'876.12	-55'729.88	-60'444.56
Accounts payable	-31'729.11	-32'876.12	-55'729.88	-60'444.56
<u>6 Accrued expenses and deferred income</u>				
Accrued expenses	24'550.02	25'437.50	19'294.60	20'926.90
Rate differences investments	38'242.46	39'624.92	39'008.33	42'308.38
Prepaid 2022 Bermuda Bowl Salsomaggiore	119'599.85	123'923.38	0.00	0.00
	182'392.33	188'985.81	58'302.93	63'235.28

7 Income from championships

This comprises the results of the following championships:

	Income	Expenses	Result 2021	Result 2021
	EUR	EUR	EUR	CHF
IOC grant	26'053.54	0.00	26'053.54	28'164.16
Zonal organisations	0.00	0	0.00	0.00
Robot games-Ebridge	3'583.39	-1'777.6	1'805.79	1'952.08
Online Bridge Champ Ourgame/WWBC	0.00	0.00	0.00	0.00
	<u>29'636.93</u>	<u>-1'777.60</u>	<u>27'859.33</u>	<u>30'116.24</u>

This comprises the results of the following championships in prior year:

	Income	Expenses	Result 2020	Result 2020
	EUR	EUR	EUR	CHF
World Wide Bridge Contest	0.00	0.00	0.00	-
WBF simultaneous pairs supporting youth	0.00	0.00	0.00	-
IMSA World Masters Hengshui 2019	0.00	0.00	0.00	-
IOC grant	28'571.43	0.00	28'571.43	30'584.39
Zonal organisations	0.00	-2'961.59	-2'961.59	-3'170.24
Robot games-Ebridge	6'908.50	-158.73	6'749.77	7'225.32
Online Bridge Champ Ourgame	3'493.00	0.00	3'493.00	3'739.09
WBF First Youth Online Champ	0.00	0.00	0.00	-
	<u>38'972.93</u>	<u>-3'120.32</u>	<u>35'852.61</u>	<u>38'378.56</u>

8 Salaries

	2021		2020	
	EUR	CHF	EUR	CHF
Milano office personel	-46'732.04	-50'517.84	-46'876.59	-50'179.22
Lausanne office personel	-44612.03	-48'226.09	-56'105.67	-60'105.67
	<u>-91'344.07</u>	<u>-98'743.93</u>	<u>-102'982.26</u>	<u>-110'284.89</u>

9 Other committees

These expenses can be summarised as follows:

WBF Women Committee	-1'202.00	-1'299.38	0.00	-
Youth Committee	0.00	0.00	0.00	-
Economical & Financial Committee	0.00	0.00	-1'678.61	-1'796.87
Law Committee	-78.78	-85.16	0.00	-
Credential committee	0.00	0.00	0.00	0.00
Disiplinary Committee	0.00	0.00	0.00	0.00
Bridge & Science committee	0.00	0.00	0.00	-
Other Committees	-1'057.65	-1'143.33	-4'603.42	-4'927.75
TD committee	-620.00	-670.23	-494.10	-528.91
Medical & anti-doping Committee	0.00	0.00	-251.96	-269.71
Technical Committee	0.00	0.00	0.00	-
	<u>-2'958.43</u>	<u>-3'198.09</u>	<u>-7'028.09</u>	<u>-7'523.24</u>

10 Publication and promotion expenses

This comprises the following:

Communication & Web management	-34794.36	-37'613.08	-45'080.12	-48'256.18
Internet & WFB website	-7'542.72	-8'153.76	-8'395.49	-8'986.98
	<u>-42'337.08</u>	<u>-45'766.84</u>	<u>-53'475.61</u>	<u>-57'243.16</u>

11 Other expenses

This comprises the following:

President per diem, travel, meals and other expenses	-35072.06	-37'913.28	-35'504.56	-38'005.99
Treasurer per diem, travel, meals and other expenses	-22000.00	-23'782.24	-22'000.00	-23'549.98
Secretary per diem, travel, meals and other expenses	0.00	0.00	0.00	-
External consultants	-42034.24	-45'439.47	-44'960.61	-48'128.25
Audit, accounting & legal charges	-45888.20	-49'605.64	-66'201.04	-70'865.15
Insurance charges	-8465.62	-9'151.43	-13'912.51	-14'892.70
Hearing commission (German)	-3882.95	-4'197.51	-74'267.98	-79'500.43
World Bridge News	0.00	0.00	0.00	0.00
WBF directory communication	0.00	0.00	0.00	0.00
Travel and Public relations	-10929.81	-11'815.24	-16'629.83	-17'801.46
Relations IOC, IMSA, IBPA	-13867.03	-14'990.41	-8'150.53	-8'724.76
Meeting expenses	-41589.41	-44'958.60	-12'796.23	-13'697.77
Milano office expenses	-19615.21	-21'204.25	-40'592.96	-43'452.88
Lausanne office expenses	-33194.70	-35'883.83	-18'390.63	-19'686.32
Warehouse expenses	-6564.68	-7'096.49	-4'619.30	-4'944.75
Bad debts	-4974.67	-5'377.67	0.00	0.00
Miscellaneous expenses	0.00	0.00	-1'023.28	-1095.37
Litigations	0.00	0.00	-3'239.03	-3467.23
Swiss Case CAS	-532.89	-576.06	0.00	0
Prepaid expenses canceled championships	0.00	0.00	-15'134.70	-16201.00
	<u>-288'611.47</u>	<u>-311'992.12</u>	<u>-377'423.19</u>	<u>-404'014.04</u>

12 Other provisions

Allowance Covid related risks	-100000.00	-108'101.08		
German case reversal provision	0.00	0.00	10'000.00	10'704.54
	<u>-100'000.00</u>	<u>-108'101.08</u>	<u>10'000.00</u>	<u>10'704.54</u>

World Bridge Federation, Lausanne

Notes to the financial statements as of 31 December 2021

<u>13 Result relating to other periods</u>	2021		2020	
	EUR	CHF	EUR	CHF
Various costs relating to previous years unanticipated	-3'024.74	-3'269.78	-12'646.25	-13'537.22
Cancellation of prior year fees due by members	0.00	0.00	0.00	0.00
Recuperations of cost	2'480.32	2'681.25	3'343.60	3'579.17
Various incomes for member accounts regularisation	0.00	0.00	0.00	0.00
	-544.42	-588.52	-9'302.65	-9'958.05
<u>14 Funds variation</u>				
Bridge promotion and development fund	-13'026.77	-14'082.08	-14'285.72	-15'292.20
Youth development fund	-13'026.77	-14'082.08	-14'285.71	-15'292.19
general provision	-25'000.00	-27'025.27	0.00	0.00
	-51'053.54	-55'189.43	-28'571.43	-30'584.39

The average number of full-time equivalents for the year was:

The average number of full-time equivalents for the year was below 10.