

FINANCIAL REPORT 2004-5

9 February, 2006

Mr President,
Ladies and Gentlemen Members of Honour,
Ladies and Gentlemen Presidents of Federations,
Ladies and Gentlemen attendees of the General Assembly,

I am pleased to submit for your approval the balance sheet and the profit and loss account for the financial year ending on 30 September, 2005, as well as the proposed budget for the financial year October 1, 2006 to September 30, 2007.

I hope this document helps you understand the balance sheet and the profit and loss account.

1: BALANCE SHEET

ASSETS

Fixed assets

a) Office and computer equipment

The gross value of this equipment shows an increase of **CHF9,118**, as follows:

New server at Lausanne	CHF5,467
Camcorder and printer for the Refereeing Commission	CHF3,651

- b) Office furniture – no change, fully written down.
c) Transportation equipment – no change, fully written down.
d) General equipment – no change, fully written down.
e) Sporting equipment – no change to the gross value.
f) Other fixed assets - no change to the gross value.

Deposits and guarantees – no change.

Circulating assets

- a) Debtor federations. At **CHF 39,344**, more than in 2004-5 (CHF30,174). By 31 January, 2006, CHF17,410 of these debts had been paid. A provision of CHF8,000 has been made.
- b) Accrued income (*Produits a recevoir*) (**CHF83,874**), which represents repayments, 73% of which had been received by 31 January.
- c) Other clients - suppliers' payments on account, **CHF9,315** – for advertisements in the Revue, of which CHF6,625 had been received by 31 January.
- d) Advances to personnel – permanent advance on travelling expenses of **CHF5,000**.
- e) Prepayments (*Charges payées d'avance*) (**CHF111,772**): Main categories were:-
- | | |
|---|-----------|
| Scoring equipment for World Championships and Grand Prix, advance | CHF49,459 |
| Payments for the Leipzig World Championships and training camp | CHF42,059 |
| Insurance | CHF7,900 |
| Masters' schools advances | CHF3,648 |
- f) 'Sundry debtors' (**CHF45,329**) relates to tax paid in advance (CHF37,690) and VAT (CHF7,639).
- g) Banks and cash; **CHF8,022,908**.

LIABILITIES

- a) Equity (*Fonds propres*)
The 'capital and reserves' shown represents the FIE's financial position as of end-September 2004.
The excess of income over expenditure (**CHF6,632,916**) is the outcome of the profit and loss account and the 'TOTAL' the resultant position at end-September 2005.

- b) The provision of **CHF400,000** is made against potential loss of gains resulting from changes in the exchange rates of our bank accounts. The gain due to exchange rate changes in 2004-5 is to be found in the Profit and Loss Account.
- c) Creditors and accruals (*Charges à payer*) totalled **CHF91,075**, of which the bulk were:
- | | |
|---|-----------|
| The official magazine, La Revue | CHF24,258 |
| Travel for official visits, development and relating to new federations | CHF19,055 |
| Provision | CHF14,500 |
| Training courses and schools | CHF13,507 |
| Commissions | CHF8,624 |
| External services, various | CHF8,596 |
- d) Social creditors, at **CHF39,832**:-
- | | |
|----------|-----------|
| Paris | CHF33,296 |
| Lausanne | CHF6,537 |
- e) Deferred income (*Produits encaissés d'avance*) – **CHF176,199**:-
Payments before the end of September for 2004-5 season, of which the bulk were:
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|--|-----------|
| Sponsoring for Leipzig World Championships | CHF92,937 |
| 2005-6 FIE licences | CHF59,920 |
| Last quarter 2005 Olympic Solidarity receipt | CHF14,063 |
| 2005-6 FIE subscriptions/organising rights | CHF7,980 |
- f) Other creditors – **CHF673,468**:-
The VAT to be paid on the moneys received for the Athens Olympics.

2. PROFIT AND LOSS ACCOUNT

EXPENDITURE

- a) Purchases –at **CHF12,400**, below budget. The main categories were:
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|-------------------------|----------|
| Administrative supplies | CHF8,232 |
| Electricity | CHF2,661 |
- b) Depreciation, **CHF100,887**; below budget.
- c) Innovation and development support. Below budget, at **CHF26,745**, predominantly:-
- | | |
|---|----------|
| Competition support for the wire-less sabre | CHF9,211 |
| Development, new federations | CHF6,695 |
- d) External services – **CHF272,866**. 3% over budget, mainly because of bank charges (on our fiduciary investments). The main categories were:
- | | |
|---|-----------|
| Property rental | CHF50,675 |
| Postal and telecommunications | CHF39,585 |
| Insurance | CHF39,234 |
| Other rental | CHF30,561 |
| Fees | CHF18,250 |
| Bank charges | CHF16,279 |
| Computer equipment, development, servicing and repair | CHF14,673 |
| Gift, Sunami aid | CHF11,500 |
| Transport | CHF12,018 |
| Medals and gifts | CHF10,708 |
| Subcontracted services | CHF10,240 |
| Maintenance, cleaning and repairs of premises and other equipment | CHF6,653 |

Our thanks are once again due to Mr. ROCH for so generously placing at our disposal without charge our premises in Paris.

- e) Taxes. **CHF9,165**.
- f) Staff expenses. Over budget, at **CHF631,102**.
- | | |
|----------------|------------|
| Wages | CHF490,624 |
| Social charges | CHF129,530 |
| Other costs | CHF10,948 |
- g) Travel – **CHF66,954**. Over budget.

- h) Revue - At **CHF212,234**, over budget, because of an extra edition and the increase in print run in line with the number of holders of licences.
- i) International organisation annual fees. AGFIS, ASOIF, etc., **CHF3,861**.
- j) Support for confederations – **CHF59,008**. Under-run due to the reduced value of the US dollar.
- k) Junior/Cadet World Championships – at **CHF89,293**, 5% over budget.
- l) Senior World Championships; budgeted but took place after the end of the financial year.
- m) Proficiency courses – **CHF110,260**; support for fencers, selected to train before and participate at Linz (CHF79,447) and Leipzig (CHF30,813). Expenditure under-ran budget as some of the Leipzig costs were assigned to 2005-6.
- n) Training of fencing masters – **CHF155,813**. This heading includes expenditure both from the core FIE budget and from the Olympic Solidarity support (CHF68,625). Schools involved are shown in the Annual Report of the Executive Committee (**'Rapport moral'**). The main reason why expenditure on fencing schools this year was below that budgeted was the continuing delay in starting the South American school.
- o) Equipment aid to federations – **CHF117,741**. 18% over budget.
- p) Paris Elective Congress and Linz General Assembly – **CHF185,859**. Major budget overrun caused by the Paris Elective Congress expenditure.
- q) President, Central Office ('Bureau') and Executive **CHF240,423**. Major budget overrun. Travel accounted for 63% of these costs.
- r) Commissions; the Refereeing Commission held three meetings instead of the budgeted two, and with meetings of longer duration.
- Refereeing, 135% over budget. Three meetings and sundry expenses **CHF94,315**
 - Discipline; no activity -
 - Legal. One meeting **CHF23,999**
 - SEMI. One meeting and sundry expenses **CHF32,708**
 - Medical. One meeting **CHF24,710**
 - PP. One meeting **CHF34,243**
 - Rules One meeting and sundry expenses **CHF34,150**
 - Special (sabre/foil studies) and Athletes Commissions **CHF16,647**
- s) Provisions and losses. Provisions against exchange rate gains and debtor federations **CHF401,600**

INCOME

a) Annual membership fees.	CHF63,250
b) Organisation fees (World Cup competitions).	CHF193,300
c) International licences. A 4% improvement over 2003-4	CHF251,119
d) Referee exam entry fees	CHF13,765
e) Revue sales and advertising; 37% over budget	CHF41,100
f) World Championship TV rights and sponsorship; budgeted but took place after end of financial year	-
g) Olympic Solidarity; contribution increased from US\$40,000 to \$45,000	CHF68,625
h) Interest, 72% over budget due to our specific investments, partly offset by the increase in our bank costs.	CHF187,400
j) Sundry: mainly the cancelling of a 2001-2 provision against possible obligations from the bankruptcy of our official supplier. Also, fines for no-show at competitions of entered fencers	CHF74,212
k) Provisions/risks. No provisions made.	-
l) Exchange rate gains, due to the slight increase in the value of the US dollar since we received the moneys from Athens	CHF328,113
m) Surplus/deficit. The excess of expenditure over routine income for the year (excluding the money received after Athens) was: This is CHF74,906 over budget. Including the Athens credits, the surplus for the financial year is	CHF 1,735,506 CHF6,632,916

May I thank our administrative staff who, under the direction of Mme Nathalie Rodriguez M.-H., have handled the administration of our finances with great efficiency and patience.