

**FINANCIAL REPORT 2006-7**  
**15 February, 2008**

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, 2007, as well as the proposed budget for the financial year October 1, 2008 to September 30, 2009.

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 **CHF73,970**, of which CHF58,950 relates to modifications to the FIE website.
- b) Office furniture – no change to the gross value.
- c) Transportation equipment – sale of the FIE car, fully written down.
- d) General equipment – no change, fully written down.
- e) Sporting equipment – increase in gross value of **CHF100,936**; Scoring equipment for World Championships and Grand Prix.
- f) Other fixed assets - no change to the gross value.

**Deposits and guarantees** – no change.

**Circulating assets**

- a) Debtor federations. At **CHF 38,634**, a minor increase over 2005-6 (CHF37,649). A provision of CHF19,000 has been made.
- b) Accrued income (*Produits à recevoir*) **CHF61,325**, which represents repayments, 56% of which had been received by 12 February, 2008.
- c) Other clients - suppliers' payments on account , **CHF18,855** – for advertisements in the Revue, CHF9,205 of which had been received by 12 February, 2008.
- d) Advances to personnel – permanent advance on travelling expenses of **CHF5,000**.
- e) Prepayments (*Charges payées d'avance*) (**CHF125,975**): Main categories were:-
- |   |           |
|---|-----------|
| Preparation and hotel down payments, Beijing Olympics | CHF52,335 |
| Payments for the St. Petersburg World Championships   | CHF27,500 |
| Insurance   | CHF14,100 |
| Rent and servicing, web/software etc                  | CHF6,010  |
| Masters' schools advances                             | CHF5,210  |
- f) 'Sundry debtors' (**CHF22,235**) relates to tax paid in advance (CHF21,815) and other VAT (CHF420).
- g) Banks and cash; **CHF3,908,542**.

**LIABILITIES**

- a) Equity (*Fonds propres*)  
The 'capital and reserves' shown represents the FIE's financial position as of end-September 2006.  
The excess of expenditure over income (**CHF2,104,368**) is the outcome of the profit and loss account and the 'TOTAL' the resultant position at end-September 2007.

- b) The provision against potential loss of gains resulting from changes in the exchange rates of our bank accounts is increased to **CHF380,000**.
- c) Creditors and accruals (*Charges à payer, fournisseurs*) totalled **CHF258,894**, of which the bulk was:
- |  |           |
|--|-----------|
| Training camp, St.Petersburg                   | CHF60,002 |
| St.Petersburg World Championships, other costs | CHF37,921 |
| The Revue                                      | CHF36,817 |
| Other training camps                           | CHF33,074 |
| Equipment aid                                  | CHF27,671 |
| Commissions, COMEX                             | CHF16,486 |
| Provision                                      | CHF14,500 |
| Grand Prix                                     | CHF13,586 |
| External services, various                     | CHF8,926  |
- d) Social creditors, at **CHF42,422:-**
- |          |           |
|----------|-----------|
| Paris    | CHF44,385 |
| Lausanne | CHF-1,963 |
- e) Deferred income (*Produits encaissés d'avance*) – **CHF280,092:-**  
 Payments for the 2007-8 season made before the end of September, of which the bulk were:
- |  |            |
|--|------------|
| 2007-8 FIE licences and exam fees                          | CHF91,135  |
| Sponsoring/TV rights for St.Petersburg World Championships | CHF147,941 |
| Last quarter 2007 Olympic Solidarity receipt               | CHF18,750  |
| 2007/8 FIE subscriptions/organising rights                 | CHF22,168  |
- f) Other creditors – **CHF25,985** - VAT payments.

## **2. PROFIT AND LOSS ACCOUNT**

### **EXPENDITURE**

- a) Purchases –at **CHF14,112**, below budget.
- b) Depreciation, **CHF61,975**; below budget.
- c) Innovation and development support. Markedly over budget, **at CHF260,195**, as the video replay was not planned when the budget was established. Main categories are:-
- |   |            |
|---|------------|
| Video replay, development and supervision | CHF179,360 |
| Wireless apparatus at foil, development   | CHF62,371  |
| Internet broadcasting, development        | CHF17,053  |
- d) External services – **CHF284,080**. 2% under budget. The main categories were:
- |   |           |
|---|-----------|
| Property rental   | CHF75,503 |
| Fees  | CHF39,380 |
| Insurance   | CHF35,477 |
| Other rental  | CHF33,837 |
| Postal and telecommunications                                     | CHF30,967 |
| Maintenance, cleaning and repairs of premises and other equipment | CHF21,272 |
| Bank charges  | CHF20,179 |
| Subcontracted services  | CHF8,046  |
| Computer installations  | CHF7,854  |

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

- e) Taxes, **CHF10,924**.
- f) Staff expenses. Over budget, at **CHF750,248**, due to the full time hiring of an extra person (the press attaché).
- |                |            |
|----------------|------------|
| Wages          | CHF575,167 |
| Social charges | CHF158,761 |
| Other costs    | CHF16,320  |
- g) Travel – **CHF53,062**, 16% under budget.
- h) Revue - At **CHF239,955**, over budget due to an increase in the number of pages.

- i) International organisation annual fees. AGFIS, ASOIF, etc., **CHF4,130**.
- j) Support for confederations – **CHF104,478**. Under budget, due to lower than anticipated travel costs.
- k) Junior/Cadet World Championships – at **CHF100,675**, on budget.
- l) Senior and Veteran World Championships; **CHF 214,719**, 53% over budget - two world championships (Turin and St Petersburg) fell in the same financial year.
- m) Proficiency courses and courses at Fontainebleau – **CHF415,500**, 22% over budget. This item includes two types of course :  
 - Those for fencers selected to train before and participate at Belek (CHF53,595) and St Petersburg (CHF72,545), in total 10% below budget.  
 - those at Fontainebleau, Mexico City and Beijing, in total CHF289,360 against a budget of CHF200,000.
- n) Training of fencing masters – **CHF180,204**. Schools involved are shown in the Annual Report of the Executive Committee ('Rapport moral').
- o) Equipment aid to federations – **CHF108,399**. Under budget
- p) Belek General Assembly – **CHF1,913**. We thank the Turkish Federation for their help in organising this meeting.
- q) President, Central Office ('Bureau') and Executive **CHF300,872**. Budget overrun, due to additional Executive meetings and increased Bureau representation at official competitions. Travel accounted for 76% of these costs.
- r) Commissions:-
- Refereeing, meetings (CHF63,558) and exam expenses (CHF67,874). 64% over budget due to number of and extended duration of meetings and exams. **CHF131,432**
  - Discipline; no activity -
  - Legal. One meeting, 28% below budget **CHF17,954**
  - SEMI. One meeting and sundry expenses, 21% over budget **CHF36,257**
  - Medical. One meeting, under budget. **CHF27,942**
  - PP. One meeting, under budget. **CHF25,680**
  - Rules One meeting, 22% under budget. **CHF23,493**
  - Special and Athletes Commissions. No activities -
- s) Sundry. **CHF397**
- t) Provisions – an increase for that against bad debts on annual fees **CHF3,000**

## **INCOME**

- a) Annual membership fees. **CHF62,700**
- b) Organisation fees (World Cup competitions). **CHF191,697**
- c) International licences. 1% deterioration from 2005-6. **CHF271,730**
- d) Referee exam entry fees. Below budget. **CHF14,580**
- e) Revue sales and advertising; similar to last year. **CHF50,755**
- f) World Championships sponsorship; over budget but less than in 2005-6. **CHF165,293**  
 Includes sponsorship for two thirds of Turin plus one third of St Petersburg.
- g) World Championship TV rights; over budget. Includes sponsorship for **CHF104,576**  
 Two thirds of Turin plus one third of St Petersburg.
- h) Partners : Revenue from the official photographer of the FIE. **CHF3,995**
- i) Olympic Solidarity; represents a contribution of US\$57,380. **CHF71,725**

- j) Interest, significantly above budget due to our specific investments, plus increased world interest rates. **CHF160,986**
- k) Sundry: mainly fees for late entry of fencers for competitions and fines for failing to attend after entering. **CHF115,056**
- l) Exchange rate gain, net : gains realised on our debits and credits. **CHF 54,135**
- m) Surplus/deficit. The excess of expenditure over routine income for the year was: **CHF 2,104,368**  
This is 2% over budget.

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.