



FINANCIAL REPORT

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, 2002, as well as the proposed budget for the financial year October 1, 2003 to September 30, 2004.

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 CHF122,487, as follows:

Electronic licence system	CHF 115,800
Computer, press and publicity	CHF3,633
Computer, Lausanne	CHF3,054

b) Office furniture – no change.

c) Transportation equipment – no change, fully written down.

d) General equipment – no change, fully written down.

e) Sporting equipment – an increase in gross value of CHF7,042, representing stock of F.I.E. medals.

f) Other fixed assets - no change.

Deposits and guarantees – no significant change.

Circulating assets

a) Debtor federations.

CHF27,860

A considerable improvement on the situation at the end of the 2000-2001 financial year (CHF46,683 gross). By 25 February 2003, CHF6750 of these debts had been paid.

b) Accrued income (*'Produits a recevoir'*) (**CHF142,333**), virtually all of which has now been received. The majority of this account consists of outstanding sponsoring:-

Lisbon World Championships sponsoring	CHF100,000
Olympic Solidarity training costs repayments	CHF19,812

VAT credits	CHF17,241
Bank interest	CHF4,437

- c) Advances to personnel – permanent advance on travelling expenses of CHF5000.
- d) Prepayments (*'Charges payées d'avance'*) (**CHF10,773**): Main categories were:-
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|--------------------------------------|----------|
| Insurance | CHF5,718 |
| Paris equipment maintenance contract | CHF1,900 |
| Travel relating to Trapani | CHF1,580 |
- e) 'Sundry debtors' is a net figure concerning some of the VAT.
- f) Banks and cash: The credits at DEXIA (Luxemburg) are the bulk of the residue of the Sydney television rights.

LIABILITIES

- a) Equity (*'Fonds propres'*)
The 'capital and reserves' shown represents the FIE's financial position as of end-September 2001.
The excess of expenditure over income shown (CHF1,863,435) is the outcome of the profit and loss account that follows and the 'TOTAL' the resultant position at end-September 2002.
- b) Provision. No provision has been made for exchange rate gains.
- c) Creditors and accruals (*'Charges à payer'*) totalled **CHF411,134**, of which the bulk were:
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|--|------------|
| World Championships | CHF208,935 |
| Assistance to federations (equipment, schools) | CHF75,493 |
| Elite training | CHF22,574 |
| Publicity, press | CHF16,139 |
| External services | CHF15,613 |
| Provision | CHF14,500 |
| Bureau/Executive | CHF14,487 |
| Medals | CHF7,042 |
| Innovation | CHF6,462 |
- d) Social creditors, at **CHF38,060**:-
- | | |
|----------|-----------|
| Paris | CHF31,005 |
| Lausanne | CHF7,055 |
- e) Deferred income (*'Produits encaissés d'avance'*) – **CHF70,805**:-
Payments before the end of September for 2002-3 season FIE licences and the last quarter 2002 Olympic Solidarity receipt are the largest contributors to this category.

2. PROFIT AND LOSS ACCOUNT

EXPENDITURE

- a) Purchases – **CHF60,045**. The main categories were:
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|---------------------------------|-----------|
| Supplies for gifts and boutique | CHF38,318 |
| Administrative supplies | CHF15,820 |
| Electricity | CHF5,296 |
- b) Depreciation; over-budget as the licence ordering system was not in the original budget.
- c) Innovation support. The expenditure of **CHF93,065** was largely concerned with the spool-less scoring system at sabre and analysis of our web-site for its future development.
- d) External services – **CHF260,020**. The main categories were:
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|-------------------------------|-----------|
| Postal and telecommunications | CHF57,228 |
|-------------------------------|-----------|

Property rental	CHF49,699
Insurance	CHF31,726
Other rental	CHF26,068
Maintenance, cleaning and repairs of premises and equipment	CHF20,371
Fees	CHF20,409
Subcontracted services	CHF17,312
Bank charges	CHF11,248

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

- e) Taxes. **CHF5,631**. Below budget due to a VAT adjustment and repayment.
- f) Staff expenses. At **CHF595,341**, under-budget due to changes in staff.
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|----------------|------------|
| Wages | CHF484,769 |
| Social charges | CHF98,423 |
| Other costs | CHF12,149 |
- g) Travel – **CHF21,161**. The under-run is due to a re-attribution of many travel costs to the ‘Bureau and Executive’ account.
- h) The magazine (budget adjusted to offset CHF30,000 of income): At **CHF113,070**, under-run because only 3 editions were published in the financial year, instead of four. Adding the costs (CHF40,500) of the 4th edition (published in October 2002) would result in an over-run.
- i) International organisation annual fees. AGFIS, ASOIF, etc.
- j) Help to confederations – **CHF59,974**. No observations.
- k) Junior/Cadet World Championships – at **CHF241,141**, 72% over budget and CHF91,562 more than for Gdansk. There were major increases over Gdansk in most areas of expenditure, including notably travel, hotel costs and daily allowances.
- l) Senior/Veteran World Championships – at **CHF513,826;-**
Nîmes: 15% over budget at CHF160,751.
Lisbon: CHF352,934, of which CHF99,950 concerned television, These television costs, exceptionally, were paid by the FIE on this occasion. They were, however, offset by a reduced allocation of sponsoring and television rights moneys to the organisers. The net TV-related cost to the FIE was approximately CHF17,000.
The remaining Lisbon costs – at CHF252,984 - were 81% over budget. Compared to Nîmes, the most notable increases were in travel, hotel and pre-event preparation costs (the FIE also commissioned a TV audience measurement survey for CHF16,870).
Vétérans: CHF141.
- m) Proficiency courses – **CHF208,157**; support for fencers, selected in collaboration with the confederations, to train before Nîmes, Antalya and Lisbon, and to participate at the two latter.
- n) Training of fencing masters – **CHF212,143**. This heading includes expenditure both from the core FIE budget and from the Olympic Solidarity support (CHF68,500). Schools involved are shown in the Annual Report of the Executive Committee (*‘Rapport moral’*).
Plans for expenditure on fencing schools this year assumed continuing French governmental aid grant. In fact this was forthcoming only for October-December 2001 – thus a shortfall of CHF31,062. But we maintained our planned spending.
- o) Cost of operating schools. A separate line in the accounts matching the subsidy on the credit side. Our total expenditure on the training of fencing masters was therefore CHF226,242.
- p) Equipment aid to federations – **CHF236,970**. A major over-run, partly due to the confused situation leading up to the bankruptcy of France-Lames. Federations supported are shown in the Annual Report of the Executive Committee (*‘Rapport moral’*).

- q) Congress/General Assembly – **CHF92,880**. The two Extraordinary Congresses obviously incurred extra costs.
- r) Central Office (Bureau) and Executive Committee – **CHF167,448** (without the transfer from ‘travel’, CHF127, 448) . Major contributors to the over-run were the extra meetings required relating to the Athens Olympic programme. Travel accounted for 74% of these costs.
- s) Commissions
- Refereeing

Meetings and relevant travel	CHF24,498
Video/editing supplies	CHF2,536
	CHF27,034
 - Discipline. Tribunals. **CHF11,052**
 - Legal No meeting. Occasional costs **CHF1,112**
 - SEMI No meeting. Occasional costs **CHF1,066**
 - Medical No meeting. No costs.
 - PP and fairs. **CHF30,594**
No commission meeting. The Sportel fair accounts for the bulk of the costs.
 - Rules No meeting. Occasional costs. **CHF1,564**
 - Special and Athletes Commissions, predominantly travel. **CHF62,360**
Special Commission (foil/sabre) CHF46,636
Athletes Commission CHF15,724
- t) Exchange rate losses; this is a net gains/losses figure **CHF30,767**
- u) Other financial: mainly a correction to historical Swiss social charges **CHF5,798**
- v) Provision/losses. Write-off of certain federation debts **CHF6,714**

INCOME

- a) Annual membership fees. No comments. **CHF54,180**
- b) Organisation fees (World Cup competitions). No comments. **CHF150,500**
- c) International licences. Similar to the 2000-1 level. **CHF174,503**
- d) Referee examination fees. No comments. **CHF9,310**
- e) The magazine. Mainly advertising revenue **CHF31,466**
- f) Television rights (mainly UER) **CHF243,924**
Lisbon, offset by FIE payment of television costs – see expenditure CHF162,936
Nimes CHF80,988
- g) World Championships sponsorship. Not budgeted. **CHF117,141**
Tissot, Lisbon CHF92,937
Nimes organisers CHF24,204
- h) Junior World Championship entry fees. Budget surpassed due to outstanding entries for Antalya (8% higher than for Gdansk). **CHF116,706**

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|----|---|-------------------|
| i) | Senior World Championship entry fees. Budget exceeded - record entries | CHF159,529 |
| | Nimes | CHF76,360 |
| | Lisbon | CHF83,169 |
| j) | Olympic Solidarity; contribution to fencing master schools. | CHF68,500 |
| k) | French governmental aid in support of fencing master schools - see expenditure. | CHF14,099 |
| l) | Official supplier sponsoring, cancelled due to bankruptcy of France-Lames | NIL |
| m) | Official supplier rebate on equipment aid. | CHF33,888 |
| n) | Interest, below budget due to worldwide drop in interest rates. | CHF129,534 |
| o) | Sundry. Largely the FIE shop. | CHF4,564 |
| p) | Deficit. The excess of expenditure over routine income for the year was CHF1,863,435 .
This is CHF CHF161,435 more than budgeted (less than the over-run on the World Championships). | |

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.

Version 25/2/03