
***Fédération Internationale de
Sambo (FIAS)***

Lausanne

***Report of the
statutory auditors to the
General Meeting***

***on the financial statements
2016***





Report of the statutory auditors on the limited statutory examination to the General Meeting of Fédération Internationale de Sambo (FIAS)

Lausanne

As statutory auditors, we have examined the financial statements of Fédération Internationale de Sambo (FIAS), which comprise the balance sheet, income statement and notes, for the year ended 31 December 2016. The limited statutory examination of the prior year financial statements was performed by another auditor.

These financial statements are the responsibility of the Board. 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 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 association personnel and analytical procedures as well as detailed tests of association documents as considered appropriate in the circumstances. However, the testing of the 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 association's articles of incorporation.

Without qualifying our examination conclusion, we refer to note 3 in the notes to the financial statements describing a material uncertainty which may cast significant doubt about Fédération Internationale de Sambo (FIAS) ability to continue as a going concern. Should the company be unable to continue as a going concern, the financial statements would have to be prepared on the basis of liquidation values.

We draw your attention to the fact that the financial statements of Fédération Internationale de Sambo (FIAS) disclose an excess of liabilities over assets.



PricewaterhouseCoopers SA

A handwritten signature in blue ink that reads 'Ausoni'. To the right of the signature is a circular stamp containing a red cross, which is the logo of the Swiss Confederation.

Marc Ausoni
Audit expert
Auditor in charge

A handwritten signature in blue ink that reads 'Daehler'. To the right of the signature is a circular stamp containing a red cross, which is the logo of the Swiss Confederation.

Nicolas Daehler
Audit expert

Lausanne, 6 June 2017

Enclosure:

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

	per 31.12.16	per 31.12.15
ASSETS		
Current assets		
Liquid funds	6'546.67	1'733.85
Receivables	19'596.50	95'603.90
Accrued assets	9'668.65	142'081.98
Total Current assets	35'811.82	239'419.73
Fixed assets		
Movable assets	4'400.00	6'700.00
Total Fixed assets	4'400.00	6'700.00
Total ASSETS	40'211.82	246'119.73
LIABILITIES		
Liabilities		
Accounts payable	23'017.69	53'876.66
Accrued liabilities	35'866.21	30'542.27
Total Liabilities	58'883.90	84'418.93
Equity		
Capital of Association	14'011.45	14'011.45
Retained earnings	147'689.35	120'141.78
Result of the period	-180'372.88	27'547.57
Total Equity	-18'672.08	161'700.80
Total LIABILITIES	40'211.82	246'119.73

Fédération Internationale
de SAMBO (FIAS)

Profit and Loss-Accounts

Lausanne

1. January till 31. December 2016

CHF

	2016	2015
<u>INCOME</u>		
Membership fees	25'955.43	23'380.22
Donations	487'762.05	1'035'287.03
Sponsorship	5'522.00	29'298.00
Other income	644'828.50	49'603.85
Total INCOME	1'164'067.98	1'137'569.10
<u>EXPENSES</u>		
Sponsoring expenses	133'820.56	28'680.72
Losses on receivables	39'193.00	-
Event and Championship expenses	367'927.44	327'838.54
Anti-Doping expenses	84'116.73	154'183.81
Personnel expenses	267'668.28	212'851.20
Rental expenses	29'497.35	29'459.95
Office expenses	43'450.00	2'604.55
Mandate Agreement expenses	222'694.94	206'335.25
Administration expenses	74'092.36	68'980.05
Marketing expenses	27'899.00	28'404.20
Travel expenses	23'376.98	23'730.39
Donations	-	1'947.60
Total EXPENSES	1'313'736.64	1'085'016.26
Operating result	-149'668.66	52'552.84
Financial expenses	13'903.40	6'974.62
Exchange profit / loss	-15'982.02	-19'967.83
Depreciations	2'300.00	3'451.95
Extraordinary profit	1'804.10	5'889.13
Income before tax	-180'049.98	28'047.57
Taxes	-322.90	-500.00
<u>RESULT</u>	-180'372.88	27'547.57

1. **Information on the principles applied in the financial statement**

This financial statement was drawn up in accordance with Swiss Law, particularly the articles about commercial accounting and accounting regulations of the Swiss Code of Obligations (Art. 957 to 962).

2. **Employees fulltime**

Average number of fulltime employees during the year

	31.12.2016	31.12.2015
Average number of fulltime employees during the year	< 10	< 10

3. **Going Concern**

The Federation has very limited cash resources and overdue liabilities at the closing date. The financial statements have been prepared on a going concern basis. The Federation's ability to continue as a going concern is highly dependent on whether the Federation can obtain funding from the Interregional Social Fund for Development of SAMBO. As of 31.12.2016 FIAS is overindebted and as such there is a significant uncertainty regarding the Federation's ability to continue as a going concern.

The executive board is taking measures to allow the Federation to continue to perform its duties on a sustainable basis. In the first quarter of 2017 FIAS received over USD 190'000 of Donations and concluded an Event Services Agreement, for which the Federation received USD 500'000. Following this funding, the overindebtedness has been covered.