

**Report of the statutory auditor
on the limited statutory examination**

with financial statements as of 31 December 2022 of

World Bridge Federation (WBF), Lausanne

To the Executive Committee

World Bridge Federation (WBF), Lausanne

Lausanne, 23 March 2023

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 2022.

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 2022

	2022		2021	
	EUR	CHF	EUR	CHF
CURRENT ASSETS				
Cash and bank balances	1'635'821,57	1'628'951,12	1'709'686,76	1'771'491,94
Financial assets	3 978'081,31	973'973,37	1'039'128,87	1'076'693,38
Receivables	1 211'340,44	210'452,81	22'270,23	23'075,30
Inventory	3'851,20	3'835,02	3'851,20	3'990,42
Prepaid expenses	2 48'740,92	48'536,21	37'082,07	38'422,59
Total current assets	2'877'835,44	2'865'748,53	2'812'019,13	2'913'673,63
NON-CURRENT ASSETS				
Tangible fixed assets	4 14'970,06	14'907,19	29'510,27	30'577,07
Total non-current assets	14'970,06	14'907,19	29'510,27	30'577,07
TOTAL ASSETS	2'892'805,50	2'880'655,72	2'841'529,40	2'944'250,69
CURRENT LIABILITIES				
Bank overdraft	0,00	0,00	0,00	0,00
Trade payables	5 -18'652,51	-18'574,17	-31'729,11	-32'876,12
Trade payables with related party	0,00	0,00	0,00	0,00
Deferred income	6 0,00	0,00	-119'599,85	-123'923,38
Accrued expenses	6 -28'873,92	-28'752,65	-24'550,02	-25'437,50
Rate differences investments	6 23'065,83	22'968,95	-38'242,46	-39'624,92
Exchange rate difference cash & banks	6 -60'642,24	-60'387,54	0,00	0,00
Total current liabilities	-85'102,84	-84'745,41	-214'121,44	-221'861,93
PROVISIONS AND FUNDS				
Provision	-18'280,00	-18'203,22	-20'000,00	-20'723,00
Competitions Fund (general provision)	-200'000,00	-199'160,00	-150'000,00	-155'422,50
Provision Covid related risks	-50'000,00	-49'790,00	-100'000,00	-103'615,00
Youth Fund	-140'597,4	-140'006,89	-127'669,63	-132'284,89
Bridge Promotion and Development Fund	-100'077,17	-99'656,85	-107'115,99	-110'988,23
Provision reimbursement entry fee Wroclaw 16Th WBS	-2'300,	-2'290,34	0,00	0,00
Total provisions and funds	-511'254,57	-509'107,30	-504'785,62	-523'033,62
EQUITY				
Capital	-1'939'133,53	-2'082'435,50	-1'939'133,53	-2'082'435,50
Retained earnings	-183'488,81	-217'389,50	-167'884,29	-200'520,85
Surplus/Deficit	-173'825,75	-177'467,40	-15'604,52	-16'868,65
Translation differences	0,00	190'489,39	0,00	100'469,87
Total Equity	-2'296'448,09	-2'286'803,01	-2'122'622,34	-2'199'355,13
TOTAL LIABILITIES	-2'892'805,50	-2'880'655,72	-2'841'529,40	-2'944'250,69

World Bridge Federation, Lausanne

Income statement as of 31 December 2022

		2022		2021	
		EUR	CHF	EUR	CHF
INCOME					
Income from Championships	7	1'135'882,96	1'159'679,71	29'636,93	32'037,84
Membership dues		421'095,69	429'917,64	464'299,30	501'912,57
Miscellaneous income		82'964,60	84'702,71	21'958,17	23'737,02
Total operating income		1'639'943,25	1'674'300,06	515'894,40	557'687,43
EXPENSES					
Competition costs	7	-815'480,78	-832'565,10	-1'777,60	-1'921,60
Salaries	8	-112'021,00	-114'367,84	-91'344,07	-98'743,93
Other committees	9	-10'565,23	-10'786,57	-2'958,43	-3'198,09
Publication and promotion	10	-54'335,71	-55'474,04	-42'337,08	-45'766,84
Depreciation of fixed assets	4	-1'587,57	-1'620,83	-2'375,11	-2'567,52
Other expenses	11	-390'038,03	-398'209,33	-288'611,47	-311'992,12
Other provisions	12	0,00	0,00	-100'000,00	-108'101,08
Total operating expenses		-1'384'028,32	-1'413'023,71	-529'403,76	-572'291,19
Operating result		255'914,93	261'276,35	-13'509,36	-14'603,76
Financial income		14'277,59	14'576,71	92'041,53	99'497,89
Financial expenses		-14'482,56	-14'785,97	-11'329,69	-12'247,52
Financial result		-204,97	-209,26	80'711,84	87'250,37
Income relating to other periods	13	6'875,17	7'019,20	2'480,32	2'681,25
Expenses relating to other periods	13	-6'292,95	-6'424,79	-3'024,74	-3'269,78
Other periods result		582,22	594,42	-544,42	-588,52
Funds variation	14	-82'466,43	-84'194,10	-51'053,54	-55'189,43
PROFIT/LOSS OF THE YEAR		173'825,75	177'467,40	15'604,52	16'868,65

World Bridge Federation, Lausanne

Notes to the financial statement as of 31 December 2022

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:

	2022	2021
Closing rate	0,9958	1,0362
Average rate	1,0210	1,0800

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

	2022		2021	
	EUR	CHF	EUR	CHF
CURRENT ASSETS				
<u>1. Receivables</u>	211'340,44	210'452,81	22'270,23	23'075,30
Poland	76'900,00	76'577,02	0,00	0,00
Morocco	56'584,31	56'346,66	0,00	0,00
European Bridge League	51'070,07	50'855,58	2'345,05	2'429,94
Other receivables	26'786,06	26'673,56	19'925,18	20'646,47
<u>2. Prepaid expenses</u>	48'740,92	48'536,21	37'082,07	38'422,59
Various prepaid expenses	7'716,33	7'683,92	37'082,07	38'422,59
Prepaid expenses 2023 insurance Howden	13'496,54	13'439,85	0,00	0,00
Prepaid exp WBF Championship 2023 Morocco	15'080,16	15'016,82	0,00	0,00
Prepaid furniture Championship	12'447,89	12'395,61	0,00	0,00
<u>3 Financial assets</u>				
Delen Hermes Universal Very Defensive A Cap	978'081,31	973'973,37	1'039'128,87	1'076'693,38
NON-CURRENT ASSETS				
<u>4 Tangible fixed assets</u>				
- General equipment	68'775,06	68'486,20	67'123,19	69'549,69
- Depreciation General equipment	-67'673,79	-67'389,56	-49'446,37	-51'233,86
- Hard ware - Others than Internet	57'765,18	57'522,57	49'642,77	51'437,36
- Depreciation Hard ware - Others than Internet	-52'000,28	-51'781,88	-48'724,07	-50'485,45
- Small equipment	57'290,6	57'049,98	50'591,99	52'420,89
- Depreciation Small equipment	-49'186,71	-48'980,13	-39'677,24	-41'111,57
- Software - Junior	5'038,67	5'017,51	5'038,67	5'220,82
- Depreciation Software - Junior	-5'038,67	-5'017,51	-5'038,67	-5'220,82
- Software - Other	17'911,31	17'836,08	17'911,31	18'558,80
- Depreciation Software - Other	-17'911,31	-17'836,08	-17'911,31	-18'558,80
	14'970,06	14'907,19	29'510,27	30'577,06

World Bridge Federation, Lausanne

Notes to the financial statement as of 31 December 2022

CURRENT LIABILITIES	2022		2021	
	EUR	CHF	EUR	CHF
<u>5 Current liabilities comprise</u>				
Various other	-18'652,51	-18'574,17	-31'729,11	-32'876,12
Accounts payable	-18'652,51	-18'574,17	-31'729,11	-32'876,12
	63'037,99	62'773,23	182'392,33	188'985,81
<u>6 Accrued expenses and deferred income</u>				
Accrued expenses	28'873,92	28'752,65	24'550,02	25'437,50
Rate differences investments	-23'065,83	-22'968,95	38'242,46	39'624,92
Exchange rate difference cash & banks	57'229,90	56'989,53	0,00	0,00
Prepaid 2022 Bermuda Bowl Salsomaggiore	0,00	0,00	119'599,85	123'923,38
	63'037,99	62'773,23	182'392,33	188'985,81
<u>7 Income from championships</u>				
This comprises the results of the following championships:				
	Income	Expenses	Result 2022	Result 2022
	EUR	EUR	EUR	CHF
16th World Bridge Series Wroclaw-Poland	569'425,43	-417'974,12	151'451,31	154'624,21
45th Bridge Team Championships Bermuda Bowl Salsomaggiore	439'346,58	-304'786,87	134'559,71	137'378,74
The World Open Youth Championship Salsomaggiore	101'418,12	-83'055,82	18'362,30	18'746,99
IOC grant	14'104,13	0,00	14'104,13	14'399,61
Zonal organisations	0,00	-9'564,47	-9'564,47	-9'764,85
Robot games-Ebridge	11'588,70	-99,50	11'489,20	11'729,90
	1'135'882,96	-815'480,78	320'402,18	327'114,61
This comprises the results of the following championships in prior year:				
	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	0,00	0,00	0,00
Robot games-Ebridge	3'583,39	-1'777,60	1'805,79	1'952,08
	29'636,93	-1'777,60	27'859,33	30'116,24
<u>8 Salaries</u>				
	EUR	CHF	EUR	CHF
Milano office personel	-47'688,27	-48'687,34	-46'732,04	-50'517,84
Lausanne office personel	-64'332,73	-65'680,50	-44'612,03	-48'226,09
	-112'021,00	-114'367,84	-91'344,07	-98'743,93
<u>9 Other committees</u>				
	EUR	CHF	EUR	CHF
These expenses can be summarised as follows:				
WBF Women Committee	-920,21	-939,49	-1'202,00	-1'299,38
Youth Committee	-248,77	-253,98	0,00	0,00
Economical & Financial Committee	-7'046,26	-7'193,88	0,00	0,00
Law Committee	-678,00	-692,20	-78,78	-85,16
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	0,00
Other Committees	-1'059,85	-1'082,05	-1'057,65	-1'143,33
TD committee	0,00	0,00	-620,00	-670,23
Medical & anti-doping Committee	-612,14	-624,96	0,00	0,00
Technical Committee	0,00	0,00	0,00	0,00
	-10'565,23	-10'786,57	-2'958,43	-3'198,09

World Bridge Federation, Lausanne

Notes to the financial statement as of 31 December 2022

<u>10 Publication and promotion expenses</u>	<u>2022</u>		<u>2021</u>	
	EUR	CHF	EUR	CHF
This comprises the following:				
Communication & Web management	-47'131,61	-48'119,02	-34'794,36	-37'613,08
Internet & WBF website	-7'204,10	-7'355,03	-7'542,72	-8'153,76
	<u>-54'335,71</u>	<u>-55'474,04</u>	<u>-42'337,08</u>	<u>-45'766,84</u>
 <u>11 Other expenses</u>				
This comprises the following:				
President per diem, travel, meals and other expenses	-34'718,34	-35'445,69	-35'072,06	-37'913,28
Treasurer per diem, travel, meals and other expenses	-22'000,00	-22'460,90	-22'000,00	-23'782,24
Secretary per diem, travel, meals and other expenses	0,00	0,00	0,00	0,00
External consultants	-45'316,57	-46'265,95	-42'034,24	-45'439,47
Audit, accounting & legal charges	-47'226,45	-48'215,84	-45'888,20	-49'605,64
Insurance charges	-16'815,20	-17'167,48	-8'465,62	-9'151,43
Hearing commission (German)	0,00	0,00	-3'882,95	-4'197,51
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	-17'894,12	-18'269,00	-10'929,81	-11'815,24
Relations IOC, IMSA, IBPA	-8'905,82	-9'092,40	-13'867,03	-14'990,41
Meeting expenses	-123'052,60	-125'630,55	-41'589,41	-44'958,60
Milano office expenses	-18'087,37	-18'466,30	-19'615,21	-21'204,25
Lausanne office expenses	-46'601,34	-47'577,64	-33'194,70	-35'883,83
Warehouse expenses	-8'360,75	-8'535,91	-6'564,68	-7'096,49
Bad debts	-555,35	-566,98	-4'974,67	-5'377,67
Miscellaneous expenses	-504,12	-514,68	0,00	0,00
Litigations	0,00	0,00	0,00	0,00
Swiss Case CAS	0,00	0,00	-532,89	-576,06
Prepaid expenses canceled championships	0,00	0,00	0,00	0,00
	<u>-390'038,03</u>	<u>-398'209,33</u>	<u>-288'611,47</u>	<u>-311'992,12</u>
 <u>12 Other provisions</u>				
Allowance Covid related risks	0,00	0,00	-100'000,00	-108'101,08
German case reversal provision	0,00	0,00	0,00	0,00
	<u>0,00</u>	<u>0,00</u>	<u>-100'000,00</u>	<u>-108'101,08</u>

World Bridge Federation, Lausanne

Notes to the financial statements as of 31 December 2022

<u>13 Result relating to other periods</u>	<u>2022</u>		<u>2021</u>	
	EUR	CHF	EUR	CHF
Various costs relating to previous years unanticipated	-6'292,95	-6'424,79	-3'024,74	-3'269,78
Cancellation of prior year fees due by members	0,00	0,00	0,00	0,00
Recuperations of cost	6'875,17	7'019,20	2'480,32	2'681,25
Various incomes for member accounts regularisation	0,00	0,00	0,00	0,00
	<u>582,22</u>	<u>594,42</u>	<u>-544,42</u>	<u>-588,52</u>
 <u>14 Funds variation</u>				
Bridge promotion and development fund	-14'104,13	-14'399,61	-13'026,77	-14'082,08
Youth development fund	-18'362,30	-18'746,99	-13'026,77	-14'082,08
general provision	-50'000,00	-51'047,50	-25'000,00	-27'025,27
	<u>-82'466,43</u>	<u>-84'194,10</u>	<u>-51'053,54</u>	<u>-55'189,43</u>

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

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