

**International Archery Federation
Lausanne**

**Report of the Auditors
to the Congress and to the Council
on the Financial Statements 2005**

March 27, 2006/00120162001/10/ WRW/MJL

Report of the auditors
to the Congress and to the Council of
International Archery Federation
Lausanne

As auditors, we have audited the accounting records and the financial statements (balance sheet, income statement and notes) of International Archery Federation for the year ended December 31, 2005.

These financial statements are the responsibility of the Executive Committee. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements comply with Swiss law and the federation's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers SA


WM Wright


J Malik

Lausanne, March 27, 2006

Enclosures:

- Balance sheet (Swiss Francs and US Dollar)
- Profit and Loss statement (Swiss Francs and US Dollar)
- Notes to the financial statements



Balance sheet at December 31
(in Swiss Francs with convenience
translation into US Dollars)

	Notes	CHF		USD	
		2005	2004	2005 exchange rate 1.3179	2004 exchange rate 1.1371
Assets					
Current assets					
Cash and cash equivalents		6 385 495	7 066 667	4 845 205	6 214 640
Marketable securities		4 581 314	4 260 922	3 476 223	3 747 183
Accounts receivable	2	20 960	75 797	15 904	66 658
Other receivables		68 065	12 964	51 646	11 401
Transitory Assets		96 063	774 139	72 891	680 801
Total current assets		11 151 897	12 190 489	8 461 869	10 720 683
Fixed assets					
Tangible fixed assets, net:					
Office furniture and equipment		9 000	13 000	6 829	11 433
Computer equipment		37 000	43 000	28 075	37 815
Event equipment		17 000	-	12 899	-
		<u>63 000</u>	<u>56 000</u>	<u>47 803</u>	<u>49 248</u>
Financial fixed assets:					
Guarantee deposit		16 744	16 695	12 705	14 683
Total fixed assets		79 744	72 695	60 508	63 931
TOTAL ASSETS		11 231 641	12 263 184	8 522 377	10 784 614
Liabilities and funds					
Current liabilities					
Accounts payable		173 675	113 893	131 782	100 161
Other payables		-	(1 903)	-	(1 673)
Deferred revenue		21 500	51 566	16 314	45 350
Membership fees 2006 and 2005		34 929	49 077	26 503	43 160
Accrued expenses		63 962	490 963	48 533	431 767
Total current liabilities		294 066	703 596	223 132	618 765
Funds					
Unrestricted funds, as per statement attached		10 937 575	11 559 588	8 299 245	10 165 849
TOTAL LIABILITES AND FUNDS		11 231 641	12 263 184	8 522 377	10 784 614



Statement of income and expenditure for the year ended December 31
(in Swiss Francs with convenience
translation into US Dollars)

	Notes	CHF		USD	
		2005	2004	2005 exchange rate 1.3179	2004 exchange rate 1.1371
Income					
Operating Income:					
Various Income & Fees	3	136 590	183 607	103 642	161 469
Financial Charges & Income		425 170	50 546	322 612	44 452
Exchange Rate Differences		952 634	537	722 842	473
		<u>1 514 394</u>	<u>234 690</u>	<u>1 149 096</u>	<u>206 394</u>
Olympics Revenue	4	526 711	7 718 043	399 659	6 787 479
Commercial Revenue	5	37 781	6 123	28 668	5 385
Total Income		<u>2 078 886</u>	<u>7 958 856</u>	<u>1 577 423</u>	<u>6 999 258</u>
Expenses					
Administration Expenses:					
Salaries & Social Charges		(793 180)	(564 976)	(601 851)	(496 857)
Staff Expenses		(19 583)	(44 277)	(14 859)	(38 938)
Office Administration	6	(319 683)	(282 327)	(242 570)	(248 287)
Office Projects & Activities	7	(116 871)	(54 464)	(88 680)	(47 897)
Management Fees	8	(273 716)	(48 792)	(207 691)	(42 910)
Depreciation	9	(45 047)	(34 247)	(34 181)	(30 118)
		<u>(1 568 080)</u>	<u>(1 029 083)</u>	<u>(1 189 832)</u>	<u>(905 007)</u>
Operating Expenses:					
Communications/Marketing/Sponsorship	10	(161 881)	(62 742)	(122 831)	(55 177)
Audiovisual Production	11	(23 856)	(15 193)	(18 102)	(13 361)
Congress Expenses		(76 670)	-	(58 176)	-
Council & Executive Expenses	12	(89 320)	(67 094)	(67 775)	(59 005)
Committee Expenses	13	(139 926)	(104 845)	(106 173)	(92 204)
Continental Confederations	14	(214 623)	(210 002)	(162 852)	(184 682)
Olympic Solidarity	15	(120)	(72 352)	(91)	(63 629)
Olympic Games		(45 538)	(628 462)	(34 553)	(552 688)
World Championships costs	16	(286 712)	(62 414)	(217 552)	(54 889)
Other Games, Bids & Future Events		(86 716)	(10 731)	(65 799)	(9 437)
Extraordinary Expenses		(2 933)	(7 236)	(2 226)	(6 364)
Loss on Debtors		(2 658)	(53 706)	(2 017)	(47 230)
Debit Interests		(1 866)	-	(1 416)	-
		<u>(1 132 819)</u>	<u>(1 294 777)</u>	<u>(859 563)</u>	<u>(1 138 666)</u>
Total Expenses		<u>(2 700 899)</u>	<u>(2 323 860)</u>	<u>(2 049 395)</u>	<u>(2 043 673)</u>
Excess of income over expenses for the year		(622 013)	5 634 996	(471 972)	4 955 585
Unrestricted funds at beginning of the year		11 559 588	5 924 592	10 165 849	4 790 646
Exchange translation		-	-	(1 394 632)	419 618
Unrestricted funds at end of the year		<u>10 937 575</u>	<u>11 559 588</u>	<u>8 299 245</u>	<u>10 165 849</u>



Notes to the financial statements 2005

1. Summary of significant accounting policies

1.1 Basis of accounting

FITA uses the accruals basis of accounting in preparing the financial statements.

1.2 Accounting for foreign currencies

The accounting records of FITA are kept in Swiss Francs and, accordingly, the financial statements have been presented in Swiss Francs. US Dollars amounts presented in these financial statements are included solely for convenience.

Assets and liabilities denominated in currencies other than Swiss Francs are recorded in the Swiss Francs balance sheet based on exchange rates ruling at the year-end. Transactions denominated in other than Swiss Francs are recorded in the Swiss Francs statement of income and expenditure either at monthly average rates or at the date of transaction; all exchange losses and realised exchange gains are recognised as financial income or expense.

For the presentation of the financial statements in US Dollars, a year-end exchange rate has been used for both the balance sheet and the statement of income.

1.3 Inventory

Inventory is written down to nil for accounting purposes at time of purchase. Proceeds from the sale of these items are included in the income and expenditure account of the year they are sold.

1.4 Marketable securities

FITA values its marketable securities at year-end market value. Gains or losses arising from the revaluation of marketable securities are taken to the statement of income.



Notes to the financial statements 2005

	CHF		USD	
	December 31, 2005	December 31, 2004	December 31, 2005 exchange rate 1.3179	December 31, 2004 exchange rate 1.1371
2. Accounts receivable				
Associate Members (net of provision US\$ -; 2004: US\$12,113)	15 815	1 134	12 000	997
Members Associations (net of provision US\$1,350; 2004:US\$7,365)	9 839	56 334	7 466	49 542
Other Debtors (net of provision US\$429.53; 2004: US\$2,846.51)	234	15 144	178	13 319
Other Debtors MasterCard	(4 928)	(1 167)	(3 740)	(1 027)
Olympic Solidarity	-	4 352	-	3 827
	<u>20 960</u>	<u>75 797</u>	<u>15 904</u>	<u>66 658</u>
3. Various Income & Fees				
FITA Performance award	15 616	22 212	11 849	19 534
FITA Registered Tournaments	19 190	16 723	14 561	14 706
C + R Books	593	5 567	450	4 896
Badges, Flags, Pin's & Others	5 945	6 811	4 511	5 990
Publications, Target, Arrow	24 009	6 601	18 218	5 805
Association Members Fees	49 077	83 702	37 239	73 610
Associate Members Fees	19 286	26 271	14 634	23 104
VAT	(2 401)	-	(1 822)	-
Income Video/DVD	3 967	12 481	3 010	10 976
Sundry, Income, Postage, etc	760	2 878	577	2 531
Sundry, Income, Postage EUR	548	361	415	317
	<u>136 590</u>	<u>183 607</u>	<u>103 642</u>	<u>161 469</u>
4. Olympics				
Various Incomes (ONOC, etc)	44 889	2 524	34 061	2 219
IOC Income	472 622	7 367 101	358 617	6 478 850
Other Olympic Income	9 200	295 878	6 981	260 204
Olympic Solidarity	-	12 240	-	10 765
Olympic Solidarity IF	-	40 300	-	35 441
	<u>526 711</u>	<u>7 718 043</u>	<u>399 659</u>	<u>6 787 479</u>



Notes to the financial statements 2005

	CHF		USD	
	December 31, 2005	December 31, 2004	December 31, 2005 exchange rate 1.3179	December 31, 2004 exchange rate 1.1371
5. Commercial Revenues				
Licences - Royalties	26 558	6 123	20 152	5 385
Sponsors	11 223	-	8 516	-
	<u>37 781</u>	<u>6 123</u>	<u>28 668</u>	<u>5 385</u>
6. Office Administration				
Rent & Heating - Office	(61 651)	(61 037)	(46 780)	(53 678)
Office Supply, Maintenance & Cleaning	(23 081)	(18 128)	(17 513)	(15 943)
Phone & Fax	(23 993)	(16 179)	(18 206)	(14 228)
Electricity	(3 237)	(3 512)	(2 456)	(3 088)
Books, Newspapers & Magazines	(72)	(600)	(55)	(528)
Postage	(29 280)	(23 845)	(22 217)	(20 970)
Lease Payments	(21 163)	(19 040)	(16 058)	(16 744)
Computing Costs & Internet costs	(94 013)	(94 931)	(71 336)	(83 485)
Insurances	(59 601)	(40 193)	(45 225)	(35 347)
Meeting Expenses	(1 352)	(1 204)	(1 025)	(1 059)
Freight & Customs	(2 240)	(3 658)	(1 699)	(3 217)
	<u>(319 683)</u>	<u>(282 327)</u>	<u>(242 570)</u>	<u>(248 287)</u>
7. Office Projects & Activities				
FITA Management Seminar	(1 973)	(4 000)	(1 497)	(3 518)
Anti-Doping Management	(32 451)	(15 444)	(24 623)	(13 582)
Development projects - FITA History, etc	(82 447)	(35 020)	(62 560)	(30 797)
	<u>(116 871)</u>	<u>(54 464)</u>	<u>(88 680)</u>	<u>(47 897)</u>
8. Management Fees				
Accounting & Audit Fees	(28 217)	(27 846)	(21 411)	(24 489)
Various	(393)	(16 328)	(298)	(14 360)
Consulting (Fees, Think-Tank, etc)	(242 906)	-	(184 313)	-
Legal Fees	(2 200)	(4 618)	(1 669)	(4 061)
	<u>(273 716)</u>	<u>(48 792)</u>	<u>(207 691)</u>	<u>(42 910)</u>



Notes to the financial statements 2005

	CHF		USD	
	December 31, 2005	December 31, 2004	December 31, 2005 exchange rate 1.3179	December 31, 2004 exchange rate 1.1371
9. Depreciations				
Office Furniture & Equipement Depreciat.	(4 000)	(5 946)	(3 036)	(5 229)
Computer Equipement depreciation	(34 424)	(28 301)	(26 120)	(24 889)
Event Equipement depreciation	(6 623)	-	(5 025)	-
	<u>(45 047)</u>	<u>(34 247)</u>	<u>(34 181)</u>	<u>(30 118)</u>
10. Communications/Marketing/Sponsorship				
Subscription to associations	(5 934)	(4 605)	(4 503)	(4 050)
Performance Awards & Medals	(53 011)	(5 576)	(40 224)	(4 904)
Publications, Target, Arrow, Advertising	(65 223)	(26 214)	(49 488)	(23 052)
Flags, Pin's, Ties & Others	(32 141)	(37)	(24 388)	(33)
C & R Books	-	(14 590)	-	(12 831)
Sponsorship costs	(5 500)	-	(4 173)	-
Public Relations	(72)	-	(55)	-
AIPS - Ass. Intl Presse Sportive	-	(11 720)	-	(10 307)
	<u>(161 881)</u>	<u>(62 742)</u>	<u>(122 831)</u>	<u>(55 177)</u>
11. Audiovisual Production				
TV Production	(8 000)	-	(6 070)	-
Expenses Video/DVD	(856)	(193)	(650)	(170)
TV Consulting	(15 000)	(15 000)	(11 382)	(13 191)
	<u>(23 856)</u>	<u>(15 193)</u>	<u>(18 102)</u>	<u>(13 361)</u>
12. Council & Executive Expenses				
Council & Executive Expenses	(40 011)	(50 520)	(30 360)	(44 429)
Executive	(49 309)	(16 463)	(37 415)	(14 478)
Tax Deductions at source - PerDiem	-	(111)	-	(98)
	<u>(89 320)</u>	<u>(67 094)</u>	<u>(67 775)</u>	<u>(59 005)</u>



Notes to the financial statements 2005

	CHF		USD	
	December 31, 2005	December 31, 2004	December 31, 2005 exchange rate 1.3179	December 31, 2004 exchange rate 1.1371
13. Committee Expenses				
Audit Committee	-	(4 610)	-	(4 055)
Const. & Rules Committee	(5 582)	(3 775)	(4 235)	(3 320)
Technical Committee	-	(247)	-	(218)
Target Committee	-	(3 332)	-	(2 930)
Field Committee	(2 895)	(1 005)	(2 197)	(884)
Judges Committee & Conference	(18 931)	(16 520)	(14 365)	(14 528)
Medical Committee	(12 043)	(23 538)	(9 138)	(20 700)
DTAC Committee	(27 834)	(275)	(21 120)	(242)
SkiArc Committee	(34 932)	(4 998)	(26 506)	(4 394)
Coaches Committee	(28 715)	(10 135)	(21 789)	(8 913)
& Coaching Manual/Video				
Athletes' Committee	-	(25 679)	-	(22 583)
Flight Committee	(256)	-	(194)	-
WRL Committee	(780)	-	(591)	-
Run Archery	(3 746)	-	(2 843)	-
Junior Dev. Committee	(2 197)	(7 031)	(1 667)	(6 183)
Technical Delegate Ad Hoc	-	(3 700)	-	(3 254)
3D Committee	(2 015)	-	(1 529)	-
	<u>(139 926)</u>	<u>(104 845)</u>	<u>(106 173)</u>	<u>(92 204)</u>
14. Continental Confederations				
DP OAC incl MA's fees	(87 797)	(100 039)	(66 619)	(87 977)
DP FAA incl MA's fees	(11 547)	(22 351)	(8 762)	(19 656)
DP COPANARCO incl MA's fees	(44 945)	(33 766)	(34 103)	(29 695)
DP AAF incl MA's fees	(33 169)	(28 152)	(25 168)	(24 758)
DP EMAU incl MA's fees	(37 165)	(25 694)	(28 200)	(22 596)
	<u>(214 623)</u>	<u>(210 002)</u>	<u>(162 852)</u>	<u>(184 682)</u>
15. Olympic Solidarity				
Olympic Solidarity	(120)	(12 374)	(91)	(10 882)
Olympic Solidarity - IF	-	(59 978)	-	(52 747)
	<u>(120)</u>	<u>(72 352)</u>	<u>(91)</u>	<u>(63 629)</u>



Notes to the financial statements 2005

	CHF		USD	
	December 31, 2005	December 31, 2004	December 31, 2005 exchange rate 1.3179	December 31, 2004 exchange rate 1.1371
16. World Championships Costs				
WIC - Aalborg, DEN	(108 298)	-	(82 175)	-
3D WC - Genova ITA	(6 994)	-	(5 307)	-
WTC - Madrid ESP	(171 420)	-	(130 070)	-
WFC Plitvica Laces, CRO	-	(27 684)	-	(24 346)
WJOC - Lilleshall, GBR	-	(31 783)	-	(27 951)
WTC - Madrid 2005	-	(2 947)	-	(2 592)
	<u>(286 712)</u>	<u>(62 414)</u>	<u>(217 552)</u>	<u>(54 889)</u>