
International Golf Federation

Lausanne

Report of the independent auditors to the Board of Directors

***on the financial statements
2018***





Report of the independent auditors on the limited statutory examination to the Board of Directors of International Golf Federation

Lausanne

As independent auditors, we have examined the financial statements of International Golf Federation, which comprise the balance sheet, income statement and notes, for the year ended 31 December 2018. The financial statements for the year ended 31 December 2018 were subject to a limited statutory examination and the prior year's financial statements to an ordinary audit.

These financial statements are the responsibility of the Management. 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.

We draw your attention to the fact that the financial statements of International Golf Federation disclose negative equity amounting to CHF 13'433.

PricewaterhouseCoopers SA

Philippe Tzaud
Audit expert
Auditor in charge

Nicolas Daehler
Audit expert

Lausanne, 21 March 2019

Enclosure:

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

**International Golf Federation
Lausanne**

**Report of the auditors
to the Board for the year 2018**

International Golf Federation, Lausanne

Balance sheet at December 31

In Swiss Francs with convenience translation into US dollar

	Notes	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Assets		CHF	CHF	USD	USD
Current assets					
Cash at bank and in hand		340'552	2'174'032	345'871	2'121'964
Accounts receivable		0	9'230	0	9'009
Prepaid expenses & other assets	3	29'481	80'769	29'942	78'835
		<u>370'033</u>	<u>2'264'031</u>	<u>375'813</u>	<u>2'209'807</u>
Fixed assets					
Tangible fixed assets	4	1'040	2'360	1'056	2'303
Intangible fixed assets	5	17'979	29'033	18'260	28'338
		<u>19'019</u>	<u>31'393</u>	<u>19'316</u>	<u>30'641</u>
Total assets		<u><u>389'052</u></u>	<u><u>2'295'424</u></u>	<u><u>395'129</u></u>	<u><u>2'240'449</u></u>
Liabilities and funds					
Current liabilities					
Accounts payable		284'627	521'651	289'073	509'157
Accrued and other payables	6	117'858	110'251	119'699	107'610
		<u>402'485</u>	<u>631'902</u>	<u>408'772</u>	<u>616'768</u>
Funds					
Accumulated income/(losses)	-	13'433	1'663'523	- 13'643	1'623'681
Total liabilities and funds		<u><u>389'052</u></u>	<u><u>2'295'424</u></u>	<u><u>395'129</u></u>	<u><u>2'240'449</u></u>

International Golf Federation, Lausanne

**Statement of income and expenditure for the years
2018 and 2017**

In Swiss Francs with convenience translation into US dollar

	Notes	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
		CHF	CHF	USD	USD
Income					
IOC Contribution		68'456	71'107	70'000	70'000
Youth Olympic Games Contribution		137'038	0	140'130	0
Subscription for Championship		98'977	0	101'210	0
Other income		249'510	12'406	255'139	12'213
		<u>553'981</u>	<u>83'514</u>	<u>566'479</u>	<u>82'213</u>
Expenditure					
Staff costs	7	1'100'726	1'034'089	1'125'559	1'017'989
Travel and representation		222'193	209'279	227'206	206'020
Olympic games related expenditures		45'109	48'834	46'127	48'073
YOG relative expenses		145'520	0	148'803	0
Marketing and communication		167'681	23'032	171'463	22'673
Office costs		88'203	99'673	90'193	98'122
Fees		262'059	198'624	267'971	195'532
Interest expenses		0	1'362	0	1'340
Exchange loss / (gain)		32'240	37'581	32'967	36'996
Translation adjustment		75'755	-2'778	0	0
Other expenditure		80'206	257'238	82'016	253'233
Amortisation		11'245	3'734	11'498	3'676
		<u>2'230'937</u>	<u>1'910'669</u>	<u>2'203'803</u>	<u>1'883'655</u>
Excess of income over expenditure (expenditure over income) for the year					
		-1'676'956	-1'827'155	-1'637'324	-1'801'442
Accumulated income/(loss) at beginning		1'663'523	3'490'678	1'623'680	3'425'122
Accumulated income/(loss) at end of the period		<u>- 13'433</u>	<u>1'663'523</u>	<u>- 13'645</u>	<u>1'623'680</u>

International Golf Federation, Lausanne

Notes to the financial statements 2018 and 2017 In Swiss Francs with convenience translation into US dollar

1. Activity

The International Golf Federation (IGF) is the world-wide Golf sports organisation, the headquarters of which are located in Lausanne, Switzerland.

The objectives of International Golf Federation are:

- (a) to encourage the international development of the sport of golf;
- (b) to foster friendship and sportmanship among the peoples of the world by organising biennially amateur team championships for the Eisenhower Trophy (for men) and the Espirito Santo trophy (for women);
- (c) to promote golf as an Olympic sport; and
- (d) to act as the international federation for golf in the Olympic Games and thereby to establish and enforce, in accordance with the Olympic spirit, the rules concerning the playing of golf in the Olympic Games and to fulfil in respect of the sport of golf the mission and role of an international federation within the Olympic movement.

2. Summary of significant accounting policies

2.1 Basis of accounting

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

2.2 Fixed assets

Fixed assets are stated at acquisition cost. When assets are retired or otherwise disposed of, the cost of the asset and the related accumulated depreciation are removed from the accounts. Any profit or loss on retirement is reflected in the earnings for the period.

2.3 Depreciation

Depreciation is calculated on the basis of the cost of the assets and on their estimated useful lives using the reducing balance method.

2.4 Deferred income

Any funds received for events to be held in the future, where reimbursement of these funds would be necessary in the case of event cancellation, are deferred in the balance sheet and not recognised as income until the event for which the funds were received has taken place.

2.5 Accounting for foreign currencies

The functional currency of IGF is the US Dollar. Assets and liabilities denominated in currencies other than US Dollar are recorded based on exchange rates ruling at the year-end. Transactions denominated in currencies other than US Dollar are recorded at average rates for the year. All exchange losses and realised exchange gains are recognised in the statement of income and expenditure.

Financial statements are converted for presentation purpose into Swiss Francs as of the year end. Assets and liabilities are converted using the exchange rate at the year end whereas elements of the statement of income and expenditure are converted using the average exchange rate over the period. The difference arising from the conversion is recognised as translation gain or loss of the period in the statement of income and expenditure.

International Golf Federation, Lausanne**Notes to the financial statements 2018 and 2017**
In Swiss Francs with convenience translation into US dollar

	2018	2017	2018	2017
	CHF	CHF	USD	USD
3. Prepaid expenses and other current assets				
Taxes	5'074	44'968	5'153	43'891
Other prepaid expenditures	24'407	35'801	24'789	34'944
	<u>29'481</u>	<u>80'769</u>	<u>29'942</u>	<u>78'835</u>
4. Tangible fixed assets, net of depreciation				
IT equipment	0	241	0	236
Furnitures and office equipment	1'040	2'119	1'056	2'068
	<u>1'040</u>	<u>2'360</u>	<u>1'056</u>	<u>2'303</u>
5. Intangible fixed assets, net of depreciation				
Software	17'979	29'033	18'260	28'338
	<u>17'979</u>	<u>29'033</u>	<u>18'260</u>	<u>28'338</u>
6. Accrued and other payables				
Social charges	50'160	36'488	50'944	35'614
Other accruals	5'500	0	5'586	0
Other payables	62'198	73'763	63'169	71'997
	<u>117'858</u>	<u>110'251</u>	<u>119'699</u>	<u>107'610</u>
7. Staff costs				
Gross salary	884'013	792'685	903'956	780'343
Social charges	142'720	139'511	145'939	137'339
Other staff costs	73'994	101'893	75'663	100'307
	<u>1'100'726</u>	<u>1'034'089</u>	<u>1'125'559</u>	<u>1'017'989</u>