

**International Golf Federation (IGF)
Lausanne**

Report of the statutory auditor
On the limited statutory examination
For the year ended December 31, 2022

Report of the statutory auditor on the limited statutory examination to the Board of Directors of International Golf Federation (IGF), Lausanne

As statutory auditor, we have examined the financial statements (balance sheet, statement of income and expenditure and notes) of International Golf Federation (IGF) for the financial year ended December 31, 2022. The limited statutory examination of the prior year financial statements was performed by another auditor who expressed an unmodified examination conclusion on those financial statements on June 8, 2022.

These financial statements are the responsibility of the Steering 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 and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

MAZARS LTD



Michael Ackermann
Licensed audit expert
(Auditor in charge)



Fiona Giotto
Licensed audit expert

Lausanne, June 22, 2023

Enclosure

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

Balance sheet at December 31

In Swiss Francs with convenience translation into US dollar

	Notes	2022	2021	2022	2021
Assets		CHF	CHF	USD	USD
Current assets					
Cash at bank and in hand		4'352'114	8'622'302	4'712'078	9'420'037
Accounts receivable		1'992	72'511	2'156	79'220
Prepaid expenses & other assets	3	372'868	873'186	403'707	953'973
		<u>4'726'973</u>	<u>9'567'999</u>	<u>5'117'941</u>	<u>10'453'230</u>
Fixed assets					
Tangible fixed assets	4	9'396	767	10'173	838
Intangible fixed assets	5	3'442	7'139	3'727	7'800
Prepaid expenses	3	92'394	69'941	100'036	76'412
		<u>105'232</u>	<u>77'847</u>	<u>113'936</u>	<u>85'050</u>
Total assets		<u><u>4'832'206</u></u>	<u><u>9'645'846</u></u>	<u><u>5'231'877</u></u>	<u><u>10'538'280</u></u>
Liabilities and funds					
Current liabilities					
Accounts payable		20'965	42'147	22'699	46'046
Accrued and other payables	6	297'462	1'039'290	322'098	1'135'487
		<u>318'427</u>	<u>1'081'437</u>	<u>344'797</u>	<u>1'181'534</u>
Non-current liabilities					
Subordinated long term loans	7	0	2'242'522	0	2'450'000
		<u>0</u>	<u>2'242'522</u>	<u>0</u>	<u>2'450'000</u>
Funds					
Accumulated income/(losses)		<u>4'513'779</u>	<u>6'321'887</u>	<u>4'887'080</u>	<u>6'906'746</u>
Total liabilities and funds		<u><u>4'832'206</u></u>	<u><u>9'645'846</u></u>	<u><u>5'231'877</u></u>	<u><u>10'538'280</u></u>

Statement of income and expenditure for the years

2022 and 2021

In Swiss Francs with convenience translation into US dollar

	Notes	2022	2021	2022	2021
		CHF	CHF	USD	USD
Income					
IOC Contribution		64'361	11'630'634	70'000	12'939'022
Sponsorship		196'298	53'796	213'497	59'848
Financial income		29'638	0	32'234	0
Other income		130'721	757'891	142'174	843'150
		<u>421'018</u>	<u>12'442'321</u>	<u>457'905</u>	<u>13'842'019</u>
Expenditure					
Staff costs	8	1'214'795	1'436'760	1'321'229	1'598'389
Travel and representation		93'844	8'230	102'066	9'155
Olympic games related expenditures		247'685	1'324'064	269'386	1'473'015
Other golf evenTs expenditures		282'241	16'534	306'969	18'394
Marketing and communication		19'590	5'915	21'307	6'581
Office costs		91'126	80'323	99'110	89'358
Fees		132'465	126'335	144'071	140'547
Interest expenses		3'108	27'810	3'380	30'938
Exchange loss / (gain)		-20'652	50'425	-22'461	56'097
Translation adjustment		-48'859	-58'242	0	0
Other expenditure		209'205	17'504	227'534	19'474
Amortisation		4'580	4'526	4'981	5'035
		<u>2'229'126</u>	<u>3'040'183</u>	<u>2'477'571</u>	<u>3'446'982</u>
Excess of income over expenditure					
(expenditure over income) for the year		-1'808'108	9'402'138	-2'019'666	10'395'037
Accumulated income/(loss) at beginning		6'321'887	-3'080'251	6'906'746	-3'488'291
Accum. income/(loss) at end of the period		<u><u>4'513'779</u></u>	<u><u>6'321'887</u></u>	<u><u>4'887'080</u></u>	<u><u>6'906'746</u></u>

**Notes to the financial statements 2022 and 2021
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 conversion gain or loss of the period in the statement of income and expenditure.

Notes to the financial statements 2022 and 2021
In Swiss Francs with convenience translation into US dollar

	2022	2021	2022	2021
	CHF	CHF	USD	USD
3. Prepaid expenses and other current assets				
Accrued income	302'480	803'213	327'498	877'526
Taxes	11'809	45'666	12'786	49'891
Olympic game prepaid expenses	92'394	69'941	100'036	76'412
Other prepaid expenditures	58'579	24'307	63'424	26'556
	<u>465'262</u>	<u>943'127</u>	<u>503'743</u>	<u>1'030'385</u>
OF Which,				
Short term	372'868	873'186	403'707	953'973
Long term	92'394	69'941	100'036	76'412
	<u>465'262</u>	<u>943'127</u>	<u>503'743</u>	<u>1'030'385</u>
4. Tangible fixed assets, net of depreciation				
IT equipment	8'873	0	9'607	0
Furnitures and office equipment	523	767	566	838
	<u>9'396</u>	<u>767</u>	<u>10'173</u>	<u>838</u>
5. Intangible fixed assets, net of depreciation				
Software	3'442	7'139	3'727	7'800
	<u>3'442</u>	<u>7'139</u>	<u>3'727</u>	<u>7'800</u>
6. Accrued and other payables				
Social charges	25'186	54'707	27'269	59'768
Taxes	154	867'988	167	948'295
Interest accrual	0	98'971	0	108'128
Other accruals	261'666	5'500	283'308	6'009
Other payables	10'456	12'124	11'321	13'246
	<u>297'462</u>	<u>1'039'290</u>	<u>322'065</u>	<u>1'135'445</u>
7. Subordinated long-term loans				
Europa Tour	0	320'360	0	350'000
PGA Tour	0	640'721	0	700'000
USGA	0	640'721	0	700'000
Master Tournament Foundation Inc.	0	640'721	0	700'000
	<u>0</u>	<u>2'242'522</u>	<u>0</u>	<u>2'450'000</u>
8. Staff costs				
Gross salary	1'023'698	1'229'871	1'113'389	1'368'226
Social charges	190'821	206'889	207'540	230'163
Other staff costs	276	0	300	0
	<u>1'214'795</u>	<u>1'436'760</u>	<u>1'321'229</u>	<u>1'598'389</u>
9. Other information				

As of December 31, 2022, CHF 10'660 (USD 11'541) was due to the pension fund (none at December 31, 2021).