

To the Congress of

International Hockey Federation

Lausanne

Review report on the financial statements for the year 2017

(for the year ended 31.12.2017)

15 June 2018
13076/15'360'830/2150'0884/2+1-2
NLE/JMJ/fdv

Review report by the Auditors
to the Congress of

International Hockey Federation, Lausanne

In accordance with your instructions, we have reviewed the accompanying financial statements of International Hockey Federation, Lausanne for the year ended 31 December 2017.

These financial statements are the responsibility of the Executive Board. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with Swiss Auditing Standard 910 applicable to review engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not comply with Swiss law and the International Hockey Federation statutes.

Lausanne, 15 June 2018

BDO SA



Nigel le Masurier
Licensed Audit Expert



Jean-Marc Jenny
Licensed Audit Expert
Auditor in charge



Enclosures

Financial statements for the year ended 31 December 2017

**International Hockey Federation
Lausanne, Switzerland**

BALANCE SHEET AS OF 31 DECEMBER 2017

	31.12.2017	31.12.2016
	CHF	CHF
ASSETS		
<u>Current Assets</u>	<u>13 139 294.50</u>	<u>16 505 711.56</u>
Cash on Hand and in Banks	6 859 697.32	11 774 988.78
Cash on Hand	14 112.14	13 453.90
Bank Current Accounts	6 845 585.18	11 761 534.88
Accounts Receivable	712 154.98	409 283.55
Accounts Receivable - Members	15 726.83	2 148.89
Accounts Receivable - TV Rights	734 518.47	86 772.86
Accounts Receivable - Sponsors & Others	255 109.68	820 361.80
Provision Loss on Receivable	-293 200.00	-500 000.00
Other short term debtors	29 978.93	64 473.69
Accrued Income	2 867 118.80	1 499 862.70
Prepaid Expenses	2 670 344.47	2 757 102.84
Other Prepaid Expenses & Advances	2 670 344.47	2 757 102.84
<u>Non Current Assets</u>	<u>34 495.64</u>	<u>22 680.00</u>
<i>Tangible fixed assets</i>	34 495.64	22 680.00
Cars	34 495.64	22 680.00
TOTAL ASSETS	<u>13 173 790.14</u>	<u>16 528 391.56</u>

**International Hockey Federation
Lausanne, Switzerland**

BALANCE SHEET AS OF 31 DECEMBER 2017

	31.12.2017	31.12.2016
	CHF	CHF
LIABILITIES AND EQUITY		
<i>Short Term Liabilities</i>	2 210 411.49	3 217 601.14
Accounts Payable	1 228 491.77	1 962 458.16
Accounts Payable - Members	31 605.71	55 965.72
Accounts Payable - TV Rights	463 558.72	45 244.03
Accounts Payable - Others	733 327.34	1 861 248.41
Deferred Income	442 366.67	312 257.50
OC Deferred Income	407 464.00	0.00
Other Deferred Income	34 902.67	312 257.50
Accrued Expenses	539 553.05	942 885.48
Accrued Expenses Development	13 350.00	233 890.50
Other Accrued Expenses	526 203.05	708 994.98
<i>Equity and Reserves</i>	10 963 378.65	13 310 790.42
Reserve for loss on exchange	20 000.00	300 000.00
Olympic Games Reserve	9 975 180.00	12 923 375.35
General Reserve	87 415.07	115 007.98
Profit / Loss (-) for the Year	880 783.58	-27 592.91
	<hr/>	<hr/>
TOTAL LIABILITIES AND EQUITY	13 173 790.14	16 528 391.56
	<hr/> <hr/>	<hr/> <hr/>

**International Hockey Federation
Lausanne, Switzerland**

STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	CHF	CHF
OPERATING INCOME		
Income	5 969 454.66	5 899 276.64
Members - Affiliation Fees	47 144.42	43 758.11
Manufacturers - Licensing Fees	775 500.42	742 319.12
Sponsors	1 162 440.06	1 341 694.78
TV Rights	2 893 787.94	2 406 641.85
Hosting fees	737 500.00	1 073 260.00
Other Income	353 081.82	291 602.78
Income from IOC	3 934 455.37	3 774 176.91
Olympic Games Annual Allocation	3 861 360.00	3 700 000.00
IOC - Other Contributions	73 095.37	74 176.91
Olympic Games Income	0.00	473 318.57
TOTAL OPERATING INCOME	9 903 910.03	10 146 772.12

**International Hockey Federation
Lausanne, Switzerland**

STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 CHF	2016 CHF
OPERATING EXPENSES		
Sport & Development	1 799 390.80	1 953 667.80
Competitions	116 502.02	114 280.89
Officials	110 228.26	225 104.00
HP, Coaching, Development	298 337.31	342 549.44
Technical	242 247.54	237 080.77
Continental Federations	1 032 075.67	1 034 652.70
Events, Marketing & Communication	2 604 364.50	2 086 994.80
Events	374 658.81	747 807.79
TV Costs	1 192 442.78	607 288.68
Marketing & Communication	694 609.68	510 023.29
Commercial	342 653.23	221 875.04
Olympic Games Expenses	0.00	490 535.85
TOTAL OPERATING EXPENSES	4 403 755.30	4 531 198.45
OPERATING RESULT	5 500 154.73	5 615 573.67
EXPENSES		
Corporate (EB, President, Committees)	253 529.79	584 494.94
Directorate (CEO, Admin Staff, Legal, Insurance)	269 530.07	396 745.81
Payroll and Fees	5 187 717.11	4 518 429.80
Office	458 305.64	399 423.60
Other expenses	273 935.38	82 975.71
TOTAL EXPENSES	6 443 017.99	5 982 069.86
PROFIT / LOSS (-) before Amortisation, Financial result, Provisions & Funds and Extraordinary Income & Expenses	-942 863.26	-366 496.19
carried to the next page		

**International Hockey Federation
Lausanne, Switzerland**

STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 CHF	2016 CHF
<i>PROFIT / LOSS (-) before Amortisation, Financial result, Provisions & Funds and Extraordinary Income & Expenses</i>	-942 863.26	-366 496.19
carried from the previous page		
Amortisation and Depreciation on receivable	0.00	-83 826.28
Loss on Receivables	0.00	-83 826.28
<i>PROFIT / LOSS (-) before Financial result, Provisions & Funds and Extraordinary Income & Expenses</i>	-942 863.26	-450 322.47
Financial Result	-149 122.40	157 757.08
Bank Interest & Exchange Income	171 269.01	327 710.65
Bank Charges & Exchange Loss	-320 391.41	-169 953.57
<i>PROFIT / LOSS (-) before Provisions & Funds and Extraordinary Income & Expenses</i>	-1 091 985.66	-292 565.39
EXTRAORDINARY INCOME & EXPENSES	2 452.99	404 972.48
Extraordinary incomes	15 300.74	484 262.53
Extraordinary expenses	-12 847.75	-79 290.05
PROVISION & LOSS	933 950.16	0.00
Release of accrued expenses previous years (Income)	896 150.16	0.00
Allocation to accrued expenses previous years (Expense)	-169 000.00	0.00
Reversal Provision Loss on Receivable (Income)	456 000.00	0.00
Allocation to Provision Loss on Receivable (Expense)	-249 200.00	0.00
ALLOCATION TO/FROM RESERVES	1 036 366.09	-140 000.00
Allocation from Olympic Games Reserve (Income)	756 366.09	0.00
Allocation from Loss on exchange (Income)	280 000.00	0.00
Allocation to Loss on exchange (Expense)	0.00	-140 000.00
<i>PROFIT / LOSS (-) FOR THE YEAR</i>	880 783.58	-27 592.91

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

GENERAL

The International Hockey Federation (herein called the "FIH"), founded in 1924, is the exclusive international sport federation (IF) recognized by the International Olympic Committee (IOC) administering field hockey and indoor hockey throughout the world. The FIH is an association according to the provisions of the articles 60ff of the Swiss Civil Code.

The FIH is composed of the individual national associations (herein called members) who administrate this Sport at the national level and who recognize that all international matters are under the sole jurisdiction and control of the FIH.

GENERAL ACCOUNTING PRINCIPLES

The financial statements were prepared according to the provisions of the Swiss Code of Obligations (CO 957-962). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

Some figures from 2016 have been reclassified for a better comparison with 2017.

Revenue recognition

IOC

The IOC pays a share of its TV income from the Olympic Games every four years to FIH. The amount is booked in full in the Olympic Year and constituted into the Olympic Game reserve from where it is allocated to income each year.

TV rights and Sponsoring income

TV rights and Sponsoring income are booked every year according to the existing agreements. There was one exception, the long term Star TV Income which have been allocated equally on the first term of the contract (2015-2018).

DETAILS REGARDING SOME BALANCE SHEET AND PROFIT AND LOSS ITEMS

Bank current account

Breakdown regarding currency:

	2017			2016		
	Currency	CHF	Rate	Currency	CHF	Rate
CHF		140,856.43			3,064,485.39	
USD	5,869,817.13	5,851,033.72	0.9968	7,938,328.46	8,155,838.66	1.0274
EUR	722,660.80	852,161.61	1.1792	461,179.68	501,071.72	1.0865
GBP	1,147.94	1,533.42	1.3358	31,185.70	40,139.11	1.2871
		<u>6,845,585.18</u>			<u>11,761,534.88</u>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

<u>Accrued income</u>	31.12.2017	31.12.2016
Accrued income StarTV agreement (next year)	2,573,917.70	1,499,862.70
Accrued income other TV Rights	233,718.00	0.00
Other accrued income	59,483.10	0.00
	<u>2,867,118.80</u>	<u>1,499,862.70</u>
 <u>Prepaid expenses</u>		
Advance to Foundation	2,500,000.00	2,500,000.00
Advance to NA	44,220.00	122,531.25
Other prepaid expenses (next year)	126,124.47	134,571.59
	<u>2,670,344.47</u>	<u>2,757,102.84</u>
 <u>Deferred Income</u>		
2018 World Cup	407,464.00	0.00
Income received in advance (next year)	34,902.67	312,257.50
	<u>442,366.67</u>	<u>312,257.50</u>
 <u>Accrued expenses</u>		
Projects budgeted postponed to next year	46,350.00	594,215.35
Accrued expenses for payroll (holidays, bonus)	467,064.29	298,670.13
Accruals for late invoices	26,138.76	50,000.00
	<u>539,553.05</u>	<u>942,885.48</u>

Provision for loss on exchange

Reserve amount CHF 20'000 (31.12.2016: CHF 300'000)

Other income

Is mainly composed of reimbursement of expenses.

Other expenses

This item is composed of expenses which have been reimbursed and an income of the same amount is included in Other income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

EXTRAORDINARY ITEMS

In 2016, the extraordinary items were composed by write-offs from 2015 and before.

PROVISION & LOSS

All accrued expenses and provision on loss on receivables that were accumulated up to 31.12.2016 that have not been spent in 2017 have been released.

Most of the provision on loss on receivables is relative to grants to be received by the Foundation.

OTHER INFORMATION

Engagement for more than one year

Leasing: CHF 107'130 (2016: CHF 6'596)

Office rent CHF 150'000 (2016: 210'000) remaining amount until the end of the office lease.
(annual lease CHF 60'000)

Contingency commitments

Committed transactions with UBS: CHF 118'562 (2016: 69'814).

In kind

These financial statements do not include in kind services that assist in achieving the FIH mission, and that cannot be valued.

FIH Office employees

In 2017 and 2016, the FIH average full-time equivalent employees does not exceed 50.

Tax exemption

The FIH has received a tax exemption on 29 August 2005.

Significant events after the balance sheet date

None.