
World Baseball Softball Confederation

Lausanne

Report of the statutory auditors to the Congress on the financial statements 2017





Report of the statutory auditors

on the limited statutory examination to the Congress of World Baseball Softball Confederation

Lausanne

As statutory auditors, we have examined the financial statements of World Baseball Softball Confederation, which comprise the balance sheet, statement of income and expenditure and notes, for the year ended 31 December 2017. The limited statutory examination of the prior year financial statements was performed by another auditor.

These financial statements are the responsibility of the Executive Board. 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 confederation 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 attention to the fact that the financial statements disclose an excess of liabilities over assets of CHF 43'994 as of 31 December 2017.

PricewaterhouseCoopers SA

Philippe Tzaud
Audit expert
Auditor in charge

Patrick Wagner
Audit expert

Lausanne, 14 June 2018

Enclosure:

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

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World Baseball Softball Confederation, Lausanne

Balance sheet at December 31

(in CHF)

	Notes	2017	2016 (not audited by PwC)
Assets			
Current assets			
Cash at bank and in hand		95'061	42'570
Accounts receivable (net of a reserve of CHF 13'872 for 2017)	3	25'678	22'362
Prepaid expenses and other current assets		2'721	2'721
		<u>123'460</u>	<u>67'653</u>
Total assets		<u><u>123'460</u></u>	<u><u>67'653</u></u>
Liabilities and funds			
Current liabilities			
Accounts payable		124'142	55'077
Accruals and other liabilities		43'312	25'922
		<u>167'454</u>	<u>80'999</u>
Funds			
Profit (Loss) carried forward	4	- 43'994	- 13'347
Total liabilities and funds		<u><u>123'460</u></u>	<u><u>67'653</u></u>

World Baseball Softball Confederation, Lausanne

**Statement of income and expenditure for the year ended
December 31
(in CHF)**

	Notes	2017	2016 (not audited by PwC)
Income			
WBSC membership fees		12'490	22'184
Partners	5	1'495'840	421'903
IOC contributions		190'285	24'588
Other incomes		12'778	9'529
- Loss on debtors	-	19'501	0
		<u>1'691'892</u>	<u>478'203</u>
Expenditure			
Administration	6	503'780	170'242
Development programm		306'428	31'940
Olympic reinstatement campaign		367'364	208'546
Commissions		390	10'642
Executive Committee	7	212'108	120'825
Congress and other conferences		235'673	0
Other expenditure	8	66'016	0
		<u>1'691'761</u>	<u>542'196</u>
Excess of (expenditure) / income for the year, before translation gain / (loss)		<u>131</u>	<u>-63'993</u>
Exchange (loss) / gain		-30'778	713
Excess of (expenditure) / income for the year		<u>-30'647</u>	<u>-63'280</u>
Profit (Loss) carried at beginning of year	-	13'347	49'933
Profit (Loss) carried forward at end of year	-	<u>43'994</u>	<u>- 13'347</u>

Notes to the financial statements 2017
(in CHF)

1. Activity

The World Baseball Softball Confederation (WBSC) is the world-wide Baseball & Softball sports organization, the headquarters of which are located in Lausanne, Switzerland.

The main objectives of WBSC are to promote and encourage the development of Baseball & Softball in all possible manifestations throughout the world, to promote and encourage the development of international relations, to organise World Championships and WBSC events and to adopt rules for the various competitions.

2. Summary of significant accounting policies

2.1 Basis of accounting

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

These financial statements have been prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b CO, effective since 1 January 2013). For comparison purposes, the previous year's figures as at December 31, 2016, were correspondingly adjusted.

2.2 Accounting for foreign currencies

Assets and liabilities denominated in currencies other than Swiss franc are recorded based on exchange rates ruling at the year-end. Transactions denominated in other than Swiss franc are recorded at monthly rates. All exchange losses and realised exchange gains are recognised in the statement of income and expenditure.

Closing rate	2017	2016
CHF / USD	0.97448	1.01635
CHF / EUR	1.17015	1.07200

	December 31, 2017	December 31, 2016
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3. Accounts receivable

Trade receivables and other short-term receivables are carried at their nominal value. Impairment charges are calculated for these assets on an individual basis.

4. Profit (Loss) forward

At beginning of year	-	13'347	-	49'933
Result of the year	-	30'647	-	63'280
At end of year	-	43'994	-	13'347

World Baseball Softball Confederation, Lausanne**Notes to the financial statements 2017
(in CHF)**

	December 31, 2017	December 31, 2016
5. Partners		
WBSC - Baseball Division	747'920	202'838
ISF - International Softball Federation	747'920	219'065
	<u>1'495'840</u>	<u>421'903</u>
6. Administration expenditure		
Payroll	107'732	35'056
Consultants and staff mandate	16'718	27'408
Communications	112'834	64'242
Rent and maintenance	130'025	10'016
Office supplies and other	89'793	19'872
Outsides services	10'325	13'648
Personnel travel expenses	36'354	0
	<u>503'780</u>	<u>170'242</u>
7. Executive Committee		
Travel and miscellaneous costs	212'108	120'825
	<u>212'108</u>	<u>120'825</u>
8. Other expenditure		
Olympic Games Tokyo 2020	2'567	0
New Project - Baseball 5	63'449	0
	<u>66'016</u>	<u>0</u>

9. Workforce

The number of full-time equivalents did not exceed 10 on an annual average basis.

10. Comments

The new Premier12 elite competition contract for the next editions after 2019 -- as the major part of the WBSC growth strategy -- will significantly help the WBSC over the next years, especially in the short- and mid-term, resulting in sustained financial security, which will allow the WBSC to improve its overall operations and potential for increasing revenue generation and asset performance.